

PUBLIC DISCLOSURE

April 28, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Five Star Bank
RSSD No. 601416

220 Liberty Street
Warsaw, NY 14569

Federal Reserve Bank of New York

33 Liberty Street
New York, NY 10045

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.

TABLE OF CONTENTS

INSTITUTION'S CRA RATING	1
SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS	1
INSTITUTION	3
DESCRIPTION OF INSTITUTION	3
DESCRIPTION OF ASSESSMENT AREAS	4
SCOPE OF EVALUATION	5
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	7
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	13
NON-METROPOLITAN AREA – FULL SCOPE REVIEW	14
DESCRIPTION OF INSTITUTION'S OPERATIONS	14
SCOPE OF EVALUATION	14
PERFORMANCE CONTEXT	14
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	20
MSA 40380 (ROCHESTER, NY) – FULL SCOPE REVIEW	29
DESCRIPTION OF INSTITUTION'S OPERATIONS	29
SCOPE OF EVALUATION	29
PERFORMANCE CONTEXT	29
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	33
MSA 15380 (BUFFALO-CHEEKTOWAGA) – FULL SCOPE REVIEW	42
DESCRIPTION OF INSTITUTION'S OPERATIONS	42
SCOPE OF EVALUATION	42
PERFORMANCE CONTEXT	42
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	46
MSA 21300 (ELMIRA) – LIMITED SCOPE REVIEW	55
DESCRIPTION OF INSTITUTION'S OPERATIONS	55
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	55
APPENDICES	56
APPENDIX A –ASSESSMENT AREA MAPS	56
APPENDIX B – LOAN DISTRIBUTION REPORTS	58
APPENDIX C – GLOSSARY	81
APPENDIX D – SCOPE OF EVALUATION	84

INSTITUTION'S CRA RATING

THIS INSTITUTION IS RATED: Satisfactory

The following table indicates the performance level of Five Star Bank (Five Star or the bank) with respect to the Lending, Investment, and Service Tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
* The Lending Test is weighted more heavily than the Investment Test and Service Test in determining the overall rating.			

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

- Lending levels reflected good responsiveness to the credit needs in the assessment areas.
- A substantial majority of loans were made in the bank's assessment areas.
- The geographic distribution of loans reflected good penetration throughout the assessment areas.
- The distribution of borrowers reflected, given the product lines offered by the bank, good penetration among retail customers of different income levels and among business customers of different sizes.
- The bank exhibited a good record of serving the credit needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank was a leader in making community development loans.
- The bank made extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs.

INVESTMENT TEST

- The bank had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.
- The bank exhibited good responsiveness to credit and community economic development needs.
- The bank made extensive use of innovative and/or complex investments to support community development initiatives.

SERVICE TEST

- Delivery systems were accessible to essentially all portions of the institution's assessment areas.
- To the extent changes have been made, the bank's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals.
- Services, including business hours, did not vary in a way that inconvenienced certain portions of the assessment area, particularly LMI geographies and/or individuals.
- The bank was a leader in providing community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Five Star is a full-service intrastate bank owned by Financial Institutions, Inc., a one-bank holding company located in Warsaw, New York (NY). Five Star operates 49 branches and 68 ATMs located in Western and Central NY. As of December 31, 2024, Five Star had total assets of \$6.1 billion, total loans of \$4.5 billion, and total deposits of \$5.2 billion.

The bank offers a variety of credit products to consumers and businesses. Consumer products include residential mortgages (fixed and adjustable rate), home equity loans and lines of credit, motor vehicle (direct and indirect), unsecured personal loans, consumer and business saving and checking deposit products, money market deposit accounts, health savings accounts, time deposit accounts, and individual retirement accounts. Commercial products include commercial mortgages, term loans, lines of credit, construction loans, equipment lines, Small Business Administration (SBA) 7(a) and 504 loans to small businesses.

Based on December 31, 2024, Federal Financial Institutions Examination Council's (FFIEC) Consolidated Report of Condition and Income (Call Report), Five Star's loan portfolio by dollar volume was diversified and consisted of a mix of non-farm nonresidential secured, consumer, 1-4 residential real estate, and construction loans as summarized in the following table.

Loan Portfolio		
Loan Type	\$(000's)	%
1-4 Family Residential Real Estate	716,790	16.0
Construction, Land Development, and Other Land Loans	643,534	14.4
Multifamily (5 or more units) Residential Real Estate	430,292	9.6
Home Equity Line of Credit	72,570	1.6
Consumer	887,698	19.8
Agricultural Production and Other Loans to Farmers	15,996	0.4
Commercial & Industrial	548,048	12.2
Nonfarm Nonresidential Secured	1,121,890	25.0
Other	44,666	1.0
Total Loans	4,481,484	100.0
<i>Source: Call Report as of December 31, 2024</i>		

Based on December 31, 2024, Uniform Bank Performance Report (UBPR), Five Star's deposit portfolio by dollar volume was comprised primarily of money market deposit accounts and time deposits as summarized in the following table.

Deposit Portfolio		
Deposit Type	\$(000's)	%
Demand Deposits	448,766	8.6
All NOW and ATS	194,451	3.7
Money Market Deposits	2,476,573	47.3
Other Savings Deposits	503,349	9.6
Time Deposits at or below Insurance Limit	1,130,403	21.6
Time Deposits Above Insurance Limit	401,699	7.7
Brokered Deposits	80,852	1.5
Total Deposits	5,236,093	100.0
<i>Source: UBPR as of December 31, 2024</i>		

There were no financial or legal factors that would prevent the bank from fulfilling its responsibilities under the CRA.

Previous Public Evaluation

The Federal Reserve Bank of New York assigned a rating of Satisfactory at the prior CRA Performance Evaluation dated April 18, 2022, using the FFIEC Large Institution CRA Examination Procedures. The Lending Test, Investment Test, and Service Test were each rated High Satisfactory.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas which examiners will evaluate its CRA performance. Five Star delineated four assessment areas. Please refer to the Description of Institution's Operations section within each individual assessment area for more detail regarding each assessment area.

1. Non-Metropolitan, NY – Full Scope

The Non-Metropolitan, NY Assessment Area consisted of the full counties of Allegany, Cayuga, Cattaraugus, Genesee, Schuyler, Seneca, Steuben, and Wyoming Counties, and a portion of Chautauqua County. Effective January 1, 2024, the entirety of Yates County was added to this assessment area pursuant to Office of Management and Budget (OMB) Bulletin 23-01.

2. MSA 40380 (Rochester, NY) – Full Scope

The MSA 40380 (Rochester, NY) Assessment Area consisted of the full counties of Livingston, Monroe, Ontario, Orleans, Wayne, and Yates (the entirety of MSA 40380). Effective January 1, 2024, pursuant to OMB Bulletin 23-01, Yates County was removed from MSA 40380 and then became part of the Non-Metropolitan, NY area.

3. MSA 15380 (Buffalo-Cheektowaga, NY) – Full Scope

In 2021 through 2023, the MSA 15380 (Buffalo-Cheektowaga, NY) Assessment Area consisted of Erie County. In January 2024, the bank added Niagara County to this assessment area due to increased residential and small business lending in this county. Erie and Niagara Counties comprise the entirety of MSA 15380.

4. MSA 21300 (Elmira, NY) – Limited Scope

The MSA 21300 (Elmira, NY) Assessment Area consisted of the full Chemung County, the entirety of

MSA 21300.

The bank's assessment areas were in compliance with the requirements of Section 228.41 of Regulation BB. A map illustrating the bank's assessment areas is in Appendix A.

SCOPE OF EVALUATION

Procedures

Examiners utilized the FFIEC's Large Institution CRA Examination Procedures to evaluate the bank's CRA performance. The evaluation considered the performance context, including the bank's asset size, financial condition, market competition, assessment area demographics, and credit and community development needs.

Products

Home purchase and refinance loans reportable under the Home Mortgage Disclosure Act (HMDA) and small business loans reportable under CRA were analyzed for overall lending activity. Examiners verified the integrity of the 2021, 2022, and 2023 HMDA and small business loan data reported by Five Star. Home improvement, multifamily, and small farm loans were not analyzed for geographic and borrower loan distribution as the volume was insufficient to provide a meaningful analysis. Multifamily loans were considered in the evaluation of community development lending. Similar to the prior evaluation, the bank elected not to have consumer loans evaluated in the current evaluation.

Evaluation Period

Examiners reviewed the bank's home purchase, refinance, and small business loans originated between January 1, 2021, through December 31, 2023. The evaluation of the bank's community development loans, qualified investments, philanthropic grants, and community development services included all qualified activities from January 1, 2022, through December 31, 2024. The Investment Test also included qualified investments and grants made during the current evaluation period and the current book value of any qualified investments outstanding from the prior evaluation.

Lending Analysis

Under the Lending Test, borrower and geographic loan distribution analyses were based on loan activity inside Five Star's assessment areas. The bank's HMDA home purchase and refinance lending was compared to the 2015 American Community Survey (2015 ACS) demographic data for 2021, and to the U.S. Department of Commerce Bureau of the Census 2020 (2020 U.S. Census) for 2022 and 2023. The bank's record of small business lending was compared to Dun & Bradstreet (D&B) demographic data. Aggregate HMDA and small business lending data for 2021, 2022, and 2023 was also used. Aggregate lenders included all lenders required to report HMDA-reportable and CRA small business lending data within the respective assessment areas. For retail services, the bank's branch distribution analysis was conducted using data as of December 31, 2023.

To evaluate the geographic distribution, the proportion of home purchase and home refinance loan originations located in LMI geographies was compared to the proportion of owner-occupied housing units located in LMI geographies. The small business loans analysis compared the proportion of loan originations located in LMI geographies with the proportion of businesses located in LMI geographies, based on D&B data. Examiners performed separate analyses of the bank's lending performance to low-income borrowers and to moderate-income borrowers, and lending penetration in low-income census tracts and in moderate-income census tracts. The lending analysis also considered lending opportunities in LMI census tracts as indicated by demographic data and aggregate

lending patterns.

To analyze the distribution of HMDA lending by borrower profile, the proportion of originations to LMI borrowers was compared to the proportion of LMI families residing in the assessment areas. Median family income (MFI) estimates from the FFIEC were used to categorize borrower income. For small business lending, Five Star's proportion of loans to businesses with gross annual revenues (GARs) of \$1.0 million or less, based on D&B data, were compared to the proportion of all such businesses located in the assessment areas. The CRA evaluation also considered the Small Business Administration's (SBA) Paycheck Protection Program (PPP) loans originated and reported on the small business loan register in 2021.

Community Development Activity Analysis

Community development activities were reviewed to determine whether the activities had community development as a primary purpose and whether the community development activities were within the assessment areas or the broader statewide or regional area (BSRA) that included the assessment areas. In addition, in accordance with CA Letter: 21-5 CRA Consideration for Activities in Response to the Coronavirus, qualified community development activities supporting community needs related to the COVID-19 pandemic located outside of the assessment areas or BSRA were also given consideration. The eligibility of a loan, investment, or service as a community development activity was based on demographic information at the time the community development activity was undertaken. Qualified community development activities were analyzed from both quantitative and qualitative perspectives to understand the volume of activity impacting the assessment areas, the innovativeness of those activities, and the responsiveness to local community development and credit needs. When appropriate, peer comparisons were conducted using annualized metrics to gauge the relative performance of the institution in a particular assessment area.

Deriving Overall Conclusions

In determining the overall rating, examiners weighed the assessment areas based on the bank's concentration of deposits, branches and ATMs, and overall lending activity. Thus, Five Star's performance in the Non-Metropolitan, NY and MSA 40380 (Rochester, NY) assessment areas received the most weight in determining the overall rating. The MSA 15380 (Buffalo-Cheektowaga, NY) assessment area received slightly less weight due to the smaller concentration of deposits and branches. A limited scope analysis was conducted on the MSA 21300 (Elmira, NY) assessment area based on its low concentration of deposits, branches, and lending. Demographic and economic information was used to evaluate the bank's performance context and is discussed in detail within each full scope assessment area evaluation. In reaching a conclusion about Five Star's performance within an individual assessment area, products were weighted based on their volume in that area.

Community Contacts

To understand community development and credit needs, recent community contact interviews were conducted with representatives within the assessment areas. The contacts had expertise in their respective fields and were familiar with the economic, social, and demographic characteristics and community development opportunities in their respective areas. Information obtained from these interviews provided additional information on the performance context for the communities in which Five Star operated. Please refer to the Community Contacts section within each individual assessment area for descriptions and details.

Comment Letters

In 2025, Five Star received one CRA comment letter from the Greater Rochester Community Reinvestment Coalition (GRCRC), which commented on the bank's activities during the review period. The coalition consists of

local non-profits that analyze bank CRA performance including retail lending and community development activities. The GRCRC review included Five Star's 2022, 2023, and 2024 community development loans, investment and grants to identify and discuss strengths and weaknesses with the bank. The letter outlined Five Stars's competitive lending market, the decline of the bank's community development activities compared to prior CRA evaluation periods, and outlined opportunities for investment.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The conclusions within this section present the bank's performance at the institution level. Please refer to the individual assessment area sections for their respective performance details.

LENDING TEST

Five Star's overall performance under the Lending Test was rated High Satisfactory.

Lending Activity

Lending levels reflected good responsiveness to its assessment areas credit needs. This conclusion was based on the bank's volume of home mortgage, refinance, and small business loans originated during the evaluation period, the overall market conditions, including the housing market and other economic conditions. Overall, during the evaluation period, the bank originated 5,461 home improvement, home purchase, multifamily, home refinance, small business, and small farm loans totaling approximately \$1.5 billion. This lending activity represented an overall annualized performance over 36 months of 1,107 HMDA loans totaling \$394.3 million and 703 small business loans totaling \$93.8 million. The bank's prior evaluation's annualized performance over 39 months was 1,294 HMDA loans totaling \$258.2 million and 859 small business loans totaling \$113.4 million. For HMDA loans, annualized performance decreased by 14.5% by number; however, increased by 52.7% by dollar volume. Annualized small business loans decreased 18.2% by number and decreased 17.3% by dollar volume. The decrease in small business lending was attributed to the decrease in PPP lending. In 2021, the bank originated 1,192 PPP loans or 21.8% of total loan originations which represented a 31.3% decrease from the prior evaluation. The evaluation considered the bank's responsiveness to the acute credit needs of small businesses during that timeframe and gave consideration for the decline in small business lending related to PPP lending as part of performance context.

The bank's lending activity is summarized in the table below.

Summary of Institution Lending Activity				
Loan Type	#	%	\$ (000's)	%
Home Improvement	504	9.2	33,024	2.3
Home Purchase	1,829	33.5	346,612	23.7
Multifamily	139	2.5	668,728	45.6
Home Refinance	851	15.6	134,509	9.2
Total HMDA Loans	3,323	60.8	1,182,873	80.7
Total Small Business	2,110	38.6	281,449	19.2
Total Small Farm	28	0.5	1,024	0.1
TOTAL LOANS	5,461	100.0	1,465,346	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2023

Assessment Area Concentration

A substantial majority of loans were made in the bank's assessment areas. As shown in the subsequent table, 91.7%

of the bank's total loans by number and 82.5% by dollar volume were made in the assessment areas. Of the total HMDA loans, 92.0% by number and 82.8% by dollar volume were made in the assessment areas.

The bank displayed a similar performance in small business lending with 91.2% by number and 81.3% by dollar volume of small business loans extended within its assessment areas.

The bank's lending inside and outside the assessment areas is summarized in the table below.

Lending Inside and Outside the Assessment Areas								
	Inside				Outside			
Loan Type	#	%	\$(000's)	%	#	%	\$(000's)	%
Home Improvement	488	96.8	31,923	96.7	16	3.2	1,101	3.3
Home Purchase	1,643	89.8	310,815	89.7	186	10.2	35,797	10.3
Multifamily	111	79.9	523,074	78.2	28	20.1	145,654	21.8
Home Refinance	814	95.7	113,888	84.7	37	4.3	20,621	15.3
Total HMDA Loans	3,056	92.0	979,700	82.8	267	8.0	203,173	17.2
Small Bus. - Secured by Real Estate	27	81.8	16,019	87.4	6	18.2	2,306	12.6
Small Business	1,898	91.4	212,709	80.8	179	8.6	50,415	19.2
Total Small Business	1,925	91.2	228,728	81.3	185	8.8	52,721	18.7
Total Small Farm	28	100.0	1,024	100.0	0	0	0	0
TOTAL LOANS	5,009	91.7	1,209,452	82.5	452	8.3	255,894	17.5
<i>Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2023</i>								

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout the assessment areas. This conclusion was based on adequate performance in the Non-Metropolitan, NY assessment area, and good performance in the MSA 40380 (Rochester, NY) and MSA 15380 (Buffalo-Cheektowaga, NY) assessment areas.

Borrower Profile

The borrower distribution of loans, given the product lines offered, reflected good penetration throughout the assessment areas. This conclusion was based on excellent performance in the Non-Metropolitan, NY, and good performance in MSA 40380 (Rochester, NY), and MSA 15380 (Buffalo-Cheektowaga, NY) assessment areas.

Responsiveness to Credit Needs of Low and Moderate-Income Individuals and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. This conclusion was based on good performance in the Non-Metropolitan, NY, MSA 40380 (Rochester, NY), and MSA 15380 (Buffalo-Cheektowaga, NY) assessment areas. The bank's loan products, such as the Progress Checking Account and Non-profit Checking, help to support LMI borrower needs within the assessment areas. The bank also helped to meet the needs of small businesses during the COVID-19 pandemic by originating a large number of PPP loans in 2021, which provided critical funding to sustain operations and retain employees. Five Star's extensive use of innovative and flexible products, primarily targeted at improving access to affordable housing, also supported the bank's overall good record of responding to its communities' credit needs.

Community Development Lending Activities

Five Star was a leader in originating community development loans. Community development lending totaled 20 loans for \$122.4 million. This was comprised of 18 loans for \$109.8 million made within the assessment areas and 2 community development loans for \$12.6 million that benefited the BRSA. This lending level represented an annualized performance over 36 months of approximately 7 loans totaling \$40.8 million. When compared to the last evaluation, when the bank had an annualized performance of 10.5 loans totaling \$35.0 million, the bank's performance decreased by 36.2% by number; however, community development lending increased 16.4% by dollar amount.

Examiners also considered Five Star's annualized community development loans to deposits and to average assets and compared its performance to peer banks. Five Star's performance ranked third out of five banks in the deposit and average asset comparisons.

As detailed in the subsequent chart, Five Star's community development lending primarily supported affordable housing and revitalization or stabilization, which represented 95.0% of all community development loans by number and 85.7% by dollar amount. Community development lending that promoted economic development represented 14.3% by dollar volume.

The table below illustrates the bank's community development loan activity by assessment area and purpose.

Community Development Lending by Assessment Area								
Assessment Area	Affordable Housing		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Non-Metropolitan, NY	2	15,730	0	0	2	9,600	4	25,330
MSA 40380 (Rochester, NY)	2	8,200	1	17,500	3	10,720	6	36,420
MSA 15380 (Buffalo-Cheektowaga, NY)	2	22,800	0	0	5	12,771	7	35,571
MSA 21300 (Elmira, NY)	1	12,470	0	0	0	0	1	12,470
BSRA	1	2,000	0	0	1	10,581	2	12,581
Total	8	61,200	1	17,500	11	43,672	20	122,372
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>								

Innovative and/or Flexible Lending Practices

The bank made extensive use of innovative and/or flexible lending practices in order to serve its assessment area's credit needs. Below are examples of responsive products targeting specific LMI community needs. All of the following products apply to all of the bank's assessment areas.

- **PPP Loans:** This loan program provided funds for small businesses adversely affected by the COVID-19 pandemic to keep their workers on their payroll. The bank originated a total of 1,192 PPP loans during 2021.
- **Home for You Mortgage:** A loan program designed to provide easier access to home ownership for borrowers whose income is less than 80.0% of the area median income (AMI) and features flexible credit requirements. This program features a low-down payment of 3.0% and no private mortgage insurance. Non-traditional credit histories are accepted. Five Star originated 396 loans during the evaluation period.
- **Home Possible Loan Program:** Offered through Freddie Mac, this program was designed for first-time

homebuyers with qualifying incomes not to exceed 80.0% of AMI. A lower down payment of 3% allows flexible sources of funding such as employer-assistance programs, sweat equity, and secondary financing. Five Star originated 140 loans during the evaluation period.

- **Homebuyer Dream Program:** Five Star participates in this Federal Home Loan Bank of New York Grant program. First-time homebuyers receive up to \$14,500 to fund down payment and/or closing costs and may receive up to \$500 towards a homeownership counseling program. Total household income of borrower must be at or below 80.0% of the AMI for the county where the purchase takes place. Five Star originated 219 loans during the evaluation period.
- **Neighborhood Mortgage Loan:** For borrowers purchasing a residential, owner-occupied home in LMI geographies. The loan program featured a low-down payment of 3.0%, no private mortgage insurance, and no income restrictions. Five Star originated 41 loans during the evaluation period.

INVESTMENT TEST

Five Star's overall performance under the Investment Test was rated High Satisfactory.

Investment and Grant Activity

Five Star had a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position.

During the evaluation period, the bank reported 259 qualified investments and grants totaling \$101.5 million, including 45 new investments totaling \$72.4 million, 44 prior period investments with a current balance of \$27.6 million, and 170 grants totaling \$1.3 million. Five Star's community development investment and grants performance in the current evaluation was similar to that of the bank's previous evaluation when also rated as High Satisfactory. While the current evaluation's number of qualified investment and grants declined by 9.8%, the bank's dollar volume of investments and grants increased by 8.0%, thereby supporting the bank's continuing rating of High Satisfactory. Examiners also considered Five Star's annualized qualified investments and grants to deposits and to average assets and compared to four of Five Star's peer banks, as well as prior performance ratings. While Five Star's performance ranked first among peers, the bank's performance was comparable to the last examination and only slightly outperformed the 2nd ranked peer, also rated as a High Satisfactory.

Qualified investments included \$70.1 million, or 70.0% by dollar amount, of new qualified investments in Low-Income Housing Tax Credits (LIHTC) that financed affordable housing. Additionally, the bank purchased a total of \$2.4 million or 0.2% by dollar amount of mortgage-backed securities that financed affordable housing to LMI individuals and families.

Qualified grants were made primarily to organizations providing community services to LMI recipients in the assessment areas. Grants were also made for affordable housing and economic development programs. Because Five Star fulfilled its CRA obligations within its assessment areas, qualified community development grants that benefitted the BSRA were also considered. The bank made 6 grants totaling \$63 thousand that benefitted the BSRA. On an annualized basis, grants made in the current evaluation period decreased 7.9% by dollar amount over the previous evaluation period.

The table below illustrates the bank's community development investment and grant activity by year and purpose.

Qualified Investments and Grants by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Non-Metropolitan, NY	11	39,419	37	1,415	3	23	14	889	65	41,746
MSA 40380 (Rochester, NY)	36	35,237	37	253	6	47	4	196	83	35,733
MSA 15380 (Buffalo-Cheektowaga, NY)	26	9,976	64	493	8	75	0	0	98	10,544
MSA 21300 (Elmira, NY)	6	13,356	1	8	0	0	0	0	7	13,364
BSRA	3	40	3	23	0	0	0	0	6	63
Total	82	98,028	142	2,192	17	145	18	1,085	259	101,450

Source: Bank data, January 1, 2022 to December 31, 2024

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs. The bank's qualified investments included multiple investment projects and dollars that promoted community services, revitalization and stabilization, as well as affordable housing efforts, which demonstrated responsiveness needs within the assessment areas.

Community Development Initiatives

The bank made extensive use of innovative and or complex investments to support community development initiatives. New investments consisted of LIHTC that financed affordable housing and prior period investments included mortgage-backed securities.

SERVICE TEST

Five Star's overall performance under the Service Test was rated High Satisfactory.

Retail Services

Accessibility of Delivery Systems

Delivery systems were accessible to essentially all portions of the bank's assessment areas. As of December 31, 2023, the bank operated a network of 49 full-service branch locations, including its main office. Of the 49 branches, 10 branch offices (20.4%) were in LMI census tracts. The bank maintained a total of 68 ATMs; 57 were full-service ATMs, and 11 were cash-only ATMs. Of the 57 full-service ATMs, 13 (22.8%) were in LMI census tracts. Of the 11 cash-only ATMs, 4 (36.4%) were located in LMI census tracts.

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	86	11.2	47,805	7.3	4	8.2	6	8.8
Moderate	133	17.4	97,597	15.0	6	12.2	11	16.2
Middle	355	46.4	327,755	50.3	30	61.2	41	60.3
Upper	160	20.9	176,560	27.1	9	18.4	10	14.7
Unknown	31	4.1	2,080	0.3	0	0	0	0
Total	765	100.0	651,797	100.0	49	100.0	68	100.0
<i>Source: 2020 US Census data; Bank data as of December 31, 2023</i>								

In addition to physical access to branches and ATMs, the bank offered other alternative delivery systems in its assessment areas that improved accessibility to its products and services for all geographies, including LMI areas. These delivery systems included 24-hour online banking, mobile banking, and telephone banking. Customers were able to initiate residential home loan and home equity finance applications online. Five Star also utilizes the Allpoint Network to provide customers with access to more than 43,000 surcharge-free ATMs nationwide and more than 55,000 worldwide.

Changes in Branch Locations

To the extent changes have been made, the bank's record of opening and closing branches improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Five Star closed one branch in a middle-income census tract and opened two branches, one in a moderate-income census tract and one in a middle-income census tract. Two branches, located one half mile apart and in low-income census tracts, were consolidated. Additional details are provided in the respective assessment area sections.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced certain portions of the assessment areas, particularly LMI geographies and/or individuals. Five Star had 46 branches (93.9%) with extended weekday evening hours, 10 (21.7%) of which were in LMI census tracts. The bank offered Saturday hours at 26 (53.1%) branches, of which 8 (30.8%) were in LMI census tracts.

Five Star offered Interest on Lawyer Accounts (IOLA), from which interest earned was used for grants to civil legal aid organizations across NY State. These organizations helped low-income residents obtain assistance with basic needs, such as food, shelter, jobs, and access to health care. During the evaluation, Five Star opened 16 new accounts, and as of December 31, 2024, the bank had a total of 157 accounts. Five Star also offered Home Savings Club accounts, a dedicated saving account for first-time homebuyers for which every \$1.00 contributed by the account holder, Five Star deposits \$3.00, up to maximum contribution of \$3,000.00 per account. The account funds can be used toward a down payment and/or closing costs. In order to qualify for the program, the borrower's income must be 80.0% or below the AMI and be a resident of NY State. During the evaluation period, Five Star opened 12 Home Savings Club accounts.

Community Development Services

Five Star was a leader in providing community development services in its assessment areas. As presented in the table below, Five Star conducted 764 community development services including financial education and technical assistance. This represented an annualized performance of 254.7 services, a 478.9% increase since the previous evaluation. In response to the COVID-19 pandemic, pursuant to CA Letter: 21-5 CRA Consideration for Activities

in Response to the Coronavirus, additional community development consideration was given for services conducted between March 13, 2020 and November 11, 2023, that did not offer financial or technical expertise and thus would not typically qualify for community development credit. The special consideration was applied to Five Star's services performed from January 1, 2022 through November 11, 2023. Services performed after this date and through the end of the evaluation period were reviewed under traditional CRA community development qualification guidelines. Of the total services qualified during the evaluation period, the COVID-19 special consideration applied to 610 (79.8%) of services submitted for community development consideration. Additionally, because Five Star fulfilled its CRA obligations within its assessment areas, qualified community development services that benefited the BRSA were also considered.

The table below illustrates the bank's community development services by assessment area and purpose.

Community Development Services by Assessment Area				
Assessment Area	Affordable Housing	Community Services	Economic Development	Totals
	#	#	#	#
Non-Metropolitan, NY	4	114	0	118
MSA 40380 (Rochester, NY)	66	211	0	277
MSA 15380 (Buffalo-Cheektowaga, NY)	51	252	41	344
MSA 21300 (Elmira, NY)	10	14	0	24
BSRA	0	1	0	1
Total	131	592	41	764
<i>Source: Bank Data January 1, 2022 to December 31, 2024</i>				

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Five Star was in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet the community credit needs of the assessment areas were identified.

NON-METROPOLITAN AREA – FULL SCOPE REVIEW

DESCRIPTION OF INSTITUTION’S OPERATIONS

Five Star operated 20 (40.8%) of its 49 branch locations and 27 (39.7%) of its 68 ATMs in this assessment area. This assessment area generated approximately 30.2% by number and 21.5% by dollar volume of the bank’s combined total lending activity from January 1, 2021 to December 31, 2023.

According to the June 30, 2024 FDIC Summary of Deposit Report, 24 institutions operated 147 branches within this assessment area. Five Star ranked 1st out of 24 institutions, with approximately \$3.1 billion in deposits, which represented 26.3% of the deposit market share and accounted for 60.7% of the bank’s total branch deposits. Competitors included Community Bank, N.A., M&T Bank, KeyBank, N.A., Tompkins Community Bank, and Chemung Canal Trust Company, which collectively captured 53.9% of the total deposit market share. Because the bank had a high concentration of operations in this assessment area, the bank’s performance for this geography was given greater weight in the overall rating.

SCOPE OF EVALUATION

Examiners used full scope review examination procedures to evaluate the bank’s performance in this assessment area.

PERFORMANCE CONTEXT

The following demographic and economic information was used to describe this assessment area and to evaluate the context in which the bank operated. The information was obtained from publicly available sources, including the 2015 ACS, 2020 U.S. Census, Bureau of Labor Statistics (BLS), D&B, FFIEC, and U.S. Department of Housing and Urban Development (HUD).

Demographic Characteristics

According to the 2020 U.S. Census, the population of this assessment area was 513,818. This assessment area consisted of 162 census tracts, of which 3 or 1.9% were low-income, 21 or 13.0% were moderate-income, 114 or 70.4% were middle-income, 19 or 11.7% were upper-income, and 5 or 3.1% were of unknown-income.

Income Characteristics

Based on the 2020 U.S. Census, this assessment area had 133,155 families, of which 20.1% were low-income (9.2% of which were below the poverty level), 18.4% were moderate-income, 22.0% were middle-income, and 39.5% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$63,896	\$67,652	5.9
Allegany County, NY	\$57,843	\$65,372	13.1
Cattaraugus County, NY	\$58,913	\$62,587	6.2
Cayuga County, NY	\$69,891	\$73,590	5.2
Chautauqua County, NY	\$59,142	\$62,366	5.5
Genesee County, NY	\$70,453	\$76,818	9.0
Schuyler County, NY	\$66,817	\$69,650	4.2
Seneca County, NY	\$69,898	\$70,915	1.5
Steuben County, NY	\$62,832	\$68,744	9.4
Wyoming County, NY	\$70,034	\$71,579	2.2
Non-MSA NY	\$65,085	\$69,021	6.1
State of NY	\$78,570	\$87,270	11.1
<i>Source: 2015 ACS; 2020 U.S. Census; MFIs have been inflation-adjusted and are expressed in 2020 dollars.</i>			

Housing Characteristics

Based on the 2020 U.S. Census data, this assessment area had 264,748 housing units, of which 58.1% were owner-occupied, 22.2% were rental, and 19.7% were vacant. Of the total housing units, 2.2% were located in low-income census tracts, 11.8% in moderate-income census tracts, 74.2% in middle-income census tracts, and 11.9% in upper-income census tracts. In low-income census tracts, 15.8% of housing units were owner-occupied, 70.9% were rental units, and 13.3% were vacant. In moderate-income census tracts, 48.3% of housing units were owner-occupied, 34.1% were rental units, and 17.6% were vacant.

The median age of housing stock in this assessment area was 61 years old, with 42.1% of the stock built before 1950. Similarly, the median age of housing stock was 61 years in LMI census tracts. According to the 2020 U.S. Census, the median housing value in this assessment area was \$105,578 with an affordability ratio of 51.2. The median gross rent in the assessment area was \$710 per month.

The table below depicts the housing characteristics in this assessment area.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$105,578	51.2	\$710
Allegany County, NY	\$78,400	65.3	\$659
Cattaraugus County, NY	\$90,200	56.2	\$654
Cayuga County, NY	\$131,700	44.0	\$769
Chautauqua County, NY	\$92,900	52.0	\$675
Genesee County, NY	\$125,200	48.4	\$786
Schuyler County, NY	\$127,000	42.0	\$765
Seneca County, NY	\$107,500	51.0	\$786
Steuben County, NY	\$104,200	53.1	\$714
Wyoming County, NY	\$118,800	49.5	\$681
Non-MSA NY	\$122,281	44.0	\$755
State of NY	\$325,000	21.9	\$1,315
<i>Source: 2020 U.S. Census</i>			

Housing Cost Burden

According to HUD's data, within this assessment area, 40.3% of all rental households had rental costs that exceeded 30.0% of their incomes, 70.6% of low-income rental households had rental costs that exceeded 30.0% of their income, and 22.4% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

According to HUD's data, within this assessment area, 16.5% of homeowners had housing costs that exceeded 30.0% of their incomes, 60.3% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 22.2% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

Additional housing cost data is provided in the following table.

Housing Cost Burden*						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	70.6%	22.4%	40.3%	60.3%	22.2%	16.5%
Allegany County, NY	65.0%	19.5%	36.1%	59.6%	18.9%	16.9%
Cattaraugus County, NY	70.5%	17.9%	41.0%	57.2%	18.0%	15.9%
Cayuga County, NY	67.4%	26.5%	40.4%	67.0%	28.3%	18.5%
Chautauqua County, NY	76.6%	22.3%	46.9%	58.4%	16.7%	16.0%
Genesee County, NY	74.7%	18.9%	38.3%	67.1%	28.2%	16.4%
Schuyler County, NY	64.1%	41.4%	38.2%	55.3%	24.9%	16.6%
Seneca County, NY	70.3%	34.4%	38.4%	65.8%	24.0%	17.6%
Steuben County, NY	65.2%	24.3%	36.1%	57.0%	21.1%	15.1%
Wyoming County, NY	64.3%	5.8%	30.0%	61.2%	31.4%	17.3%
Non-MSA NY	71.6%	27.3%	40.4%	61.0%	26.6%	17.6%
State of NY	76.4%	42.8%	46.8%	70.8%	40.8%	25.5%
<i>*Cost Burden is housing cost that equals 30.0% or more of household income</i> <i>Source: HUD, 2017-2021 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to D&B data, there were 16,529 businesses operating in this assessment area in 2023, of which 4.2% were located in low-income census tracts and 11.8% were located in moderate-income tracts. Of the total businesses operating in this assessment area, 88.5% were small businesses with GARs of \$1.0 million or less, of which 4.0% were located in low-income census tracts and 11.6% were located in moderate-income census tracts.

According to the BLS, unemployment in this assessment area and NY State improved from 2021 to 2022. Assessment area unemployment rates were below that of NY State unemployment rates. The COVID-19 pandemic contributed to the high unemployment rates in 2021, both within this assessment area and in NY State.

The unemployment rates are provided in the subsequent table.

Unemployment Rates			
Area	2021	2022	2023
Assessment Area	5.0%	3.7%	3.9%
Allegany County, NY	5.1%	4.1%	4.3%
Cattaraugus County, NY	5.4%	4.1%	4.3%
Cayuga County, NY	4.8%	3.5%	3.6%
Chautauqua County, NY	5.6%	4.0%	4.3%
Genesee County, NY	4.3%	3.2%	3.3%
Schuyler County, NY	5.0%	3.8%	3.9%
Seneca County, NY	4.8%	3.3%	3.5%
Steuben County, NY	5.0%	3.7%	4.0%
Wyoming County, NY	4.6%	3.6%	3.9%
Non-MSA NY	4.9%	3.7%	3.9%
State of NY	7.1%	4.3%	4.2%
<i>Source: BLS, Local Area Unemployment Statistics</i>			

Additional performance context data for this assessment area is provided in the following table.

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	3	1.9	1,663	1.2	575	34.6	26,812	20.1
Moderate	21	13.0	15,146	11.4	2,785	18.4	24,438	18.4
Middle	114	70.4	97,191	73.0	8,069	8.3	29,283	22.0
Upper	19	11.7	19,154	14.4	764	4.0	52,622	39.5
Unknown	5	3.1	1	0	0	0	0	0
Assessment Area	162	100.0	133,155	100.0	12,193	9.2	133,155	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	5,750	906	0.6	15.8	4,077	70.9	767	13.3
Moderate	31,264	15,093	9.8	48.3	10,665	34.1	5,506	17.6
Middle	196,312	115,118	74.8	58.6	38,516	19.6	42,678	21.7
Upper	31,418	22,784	14.8	72.5	5,429	17.3	3,205	10.2
Unknown	4	1	0	25.0	0	0	3	75.0
Assessment Area	264,748	153,902	100.0	58.1	58,687	22.2	52,159	19.7
	Total Businesses by		Businesses by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	686	4.2	580	4.0	97	7.0	9	1.7
Moderate	1,953	11.8	1,701	11.6	225	16.3	27	5.1
Middle	11,656	70.5	10,353	70.8	877	63.5	426	81.1
Upper	2,234	13.5	1,988	13.6	183	13.2	63	12.0
Unknown	0	0	0	0	0	0	0	0
Assessment Area	16,529	100.0	14,622	100.0	1,382	100.0	525	100.0
	Percentage of Total Businesses:			88.5		8.4		3.2
	Total Farms by		Farms by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1	0.1	1	0.1	0	0	0	0
Moderate	41	3.0	41	3.1	0	0	0	0
Middle	1,121	81.6	1,071	81.9	47	74.6	3	100.0
Upper	210	15.3	194	14.8	16	25.4	0	0
Unknown	0	0	0	0	0	0	0	0
Assessment Area	1,373	100.0	1,307	100.0	63	100.0	3	100.0
	Percentage of Total Farms:			95.2		4.6		0.2
Source: 2023 FFIEC Census; 2023 D&B.								

Source: 2023 FFIEC Census; 2023 D&B.

Community Contact

One interview was conducted with a representative from a regional planning and development organization located in Corning, NY. This non-profit organization provided various economic development services to three rural counties of the Southern Tier Region including land use planning, telecommunications infrastructure, and flood mitigation. The representative noted that there was a population decline in the area with many municipalities dissolving. Additionally, the representative noted an ageing housing stock with homeowners unable to afford repairs. The contact further noted that unemployment is expected to rise in the region as a large employer recently announced a workforce reduction. Community needs identified by the representative included increased access to funding for entrepreneurs and higher wages for those living in the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Five Star's performance under the Lending Test was good in this assessment area.

Lending Activity

Lending levels reflected good responsiveness to its assessment areas' credit needs. This conclusion was based on the bank's volume of HMDA and small business loans originated during the evaluation period.

As shown in the subsequent table, the bank made 607 HMDA loans totaling nearly \$83.2 million and 707 small business loans totaling approximately \$53.9 million. This lending activity represented an overall annualized performance over 36 months of 202 HMDA loans totaling \$27.7 million and 236 small business loans totaling \$18.0 million. Annualized performance decreased 24.7% by number of HMDA loans, and 20.8% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 269 HMDA loans and 298 small business loans over 39 months. While the annualized performance decreased from the prior evaluation, Five Star's performance in this assessment area was similar to aggregate lending on an annualized basis.

In 2023, Five Star ranked 11th out of 215 home purchase lending reporters with a market share of 2.3%. The bank ranked 8th out of 215 refinance lending reporters with a market share of 3.5%. Of the 215 competitors, most of the institutions that ranked higher than Five Star were significantly larger regional and national lenders including Community Bank N.A., M&T Bank, Premium Mortgage Corporation, PennyMac Loan Services LLC, and Rocket Mortgage, LLC. These five institutions captured 31.2% of the total market share for home purchase lending and 30.0% of total market share for refinance lending.

In 2023, the bank ranked 15th out of 90 small business lending reporters with a market share of 1.4%. Of the 90 competitors, most of the institutions that ranked higher than Five Star were significantly larger regional and national lenders including American Express N.B., JPMorgan Chase, N.A., Capital One, N.A., Citibank, and Synchrony Bank. These five institutions captured 56.9% of the total market share.

Based on the 2023 U.S. Census data, only 0.6% of the available owner-occupied housing units were located within the 3 low-income census tracts in this assessment area. In 2021, aggregate lending in low income census tracts was 0.6% by number and 0.3% by dollar amount. This aggregate lending performance further reflected the limited opportunity for HMDA lending.

The bank's lending activity is summarized in the table below.

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$(000's)	%
Home Purchase	316	52.1	50,533	60.8
Home Refinance	291	47.9	32,618	39.2
Total HMDA	607	46.2	83,151	60.7
Total Small Business	707	53.8	53,853	39.3
TOTAL LOANS	1,314	100.0	137,004	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2023

Geographic Distribution of Loans

The geographic distribution of loans reflected adequate penetration through this assessment area. Lending

penetration in LMI census tracts was good for home purchase, and adequate for refinance and small business loans.

Gap Analysis

Five Star demonstrated an adequate level of dispersion in LMI census tracts in this assessment area. The bank's performance in LMI census tracts showed a decline between 2021 and 2022 but increased in 2023, especially in low-income census tracts. Weaker penetration was noted in 2022 moderate-income census tracts primarily due to low owner-occupancy rates and a high percentage of vacancies.

The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %
2023			
Low	3	0	100.0
Moderate	21	10	52.0
Middle	114	48	58.0
Upper	19	7	63.0
Unknown	5	5	0
2022			
Low	3	1	67.0
Moderate	21	13	38.0
Middle	114	41	64.0
Upper	19	6	68.0
Unknown	5	5	0
2021			
Low	4	1	75.0
Moderate	12	3	75.0
Middle	113	13	88.0
Upper	12	0	100.0
Unknown	3	3	0

Source: Bank data, January 1, 2021 to December 31, 2023.

Home Purchase Loans

The geographic distribution of home purchase loans reflected good penetration throughout this assessment area.

In 2023, the bank made 1.9% by number and 0.7% by dollar of home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was above the 0.6% of owner-occupied housing units located in low-income census tracts and above the aggregate, which made 1.2% by number and 0.6% by dollar in low-income census tracts. The bank's performance in 2022 was comparable to its performance in 2023. In 2021, the bank did not make any home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was below the 0.7% of owner-occupied housing units located in low-income census tracts. Aggregate lending was 0.6% by number and 0.3% by dollar, which suggests that there are limited opportunities to lend in low-income census tracts. As a result, the bank's performance within low-income census tracts was good due to the good performance in 2023 and 2022, and adequate performance in 2021.

Also in 2023, the bank made 12.6% of home purchase loans by number and 11.6% by dollar in moderate-income

census tracts. The bank's home purchase lending performance was above the 9.8% of owner-occupied housing units located in moderate-income census tracts and was similar to the aggregate, which made 12.6% by number and 9.3% by dollar of home purchase loans in moderate-income census tracts. In 2022, the bank performed similarly to 2023. In 2021, the bank made 5.8% of home purchase loans by number and 2.7% by dollar in moderate-income census tracts. The bank's home purchase lending performance was slightly below the 6.5% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate, which made 6.6% by number and 4.2% by dollar of home purchase loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was good due to the good performance in 2023, 2022, and 2021.

Home Refinance Loans

The geographic distribution of refinance loans reflected adequate penetration throughout the assessment area.

In 2023, the bank made 2.1% by number and 0.5% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was significantly above 0.6% of owner-occupied housing units located in low-income census tracts and significantly above the aggregate, which made 0.9% by number and 0.6% by dollar of refinance loans in low-income census tracts. In 2022 and 2021, the bank did not make any refinance loans in low-income census tracts. As a result, performance within low-income census tracts was good due to the excellent performance in 2023, and adequate performance in 2022 and 2021.

Additionally in 2023, the bank made 6.4% by number and 13.7% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was below the 9.8% of owner-occupied housing units located in moderate-income census tracts and below the aggregate, which made 9.8% by number and 9.0% by dollar of refinance loans in moderate-income census tracts. In 2022, the bank made 7.7% by number and 8.5% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was slightly below the 9.8% of owner-occupied housing units located in moderate-income census tracts and similar to the aggregate, which made 8.4% by number and 6.7% by dollar of refinance loans in moderate-income census tracts. In 2021, the bank made 2.8% by number and 1.5% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was significantly below the 6.5% of owner-occupied housing units located in moderate-income census tracts and slightly below the aggregate, which made 3.7% by number and 2.6% by dollar of refinance loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was adequate due to the adequate performance in 2023 and 2021, and good performance in 2022.

Small Business Loans

The geographic distribution of small business loans reflected adequate penetration throughout the assessment area.

In 2023, the bank made 3.3% by number and 9.5% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was slightly below the 4.2% of businesses located in low-income census tracts and slightly above the aggregate, which made 2.5% by number and 2.6% by dollar of small business loans in low-income census tracts. Performance in 2022 was comparable to 2023. In 2021, the bank made 2.4% by number and 5.8% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below 3.9% of businesses located in low-income census tracts and below the aggregate, which made 3.3% by number and 5.1% by dollar of small business loans in low-income census tracts. As a result, performance within low-income census tracts was good due to the good performance in 2023 and 2022 and adequate performance in 2021.

In 2023, the bank made 5.6% by number and 1.7% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was significantly below

the 11.8% of businesses located in moderate-income census tracts and significantly below the aggregate, which made 10.3% by number and 9.7% by dollar of small business loans in moderate-income census tracts. In 2022, the bank made 1.3% by number and 0.02% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was significantly below the 11.9% of businesses located in moderate-income census tracts and significantly below the aggregate, which made 10.0% by number and 10.7% by dollar of small business loans in moderate-income census tracts. In 2021, the bank made 7.1% by number and 17.1% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was slightly below the 8.9% of businesses located in moderate-income census tracts and slightly below the aggregate, which made 8.0% by number and 11.1% by dollar of small business loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was adequate due to the poor performance in 2023 and 2022, and good performance in 2021.

Borrower Profile

The borrower distribution of loans reflected excellent penetration throughout this assessment area. Overall, home purchase lending to LMI borrowers and lending to businesses with GARs of \$1.0 million or less was excellent and refinance lending to LMI borrowers was good.

Home Purchase Loans

The borrower distribution of home purchase loans reflected excellent penetration throughout the assessment area.

In 2023, the bank made 6.8% by number and 3.3% by dollar to low-income borrowers and was significantly below the 20.1% of low-income families in the assessment area. Performance was similar to aggregate lending, which made 7.3% by number and 3.6% by dollar to low-income families. In 2022, the bank made 17.3% by number and 9.6% by dollar to low-income borrowers and was slightly below the 20.1% low-income families in the assessment area. Performance was significantly above aggregate lending, which made 8.4% by number and 4.4% by dollar to low-income families. In 2021, the bank made 13.6% by number and 6.6% by dollar to low-income borrowers and was below the 20.5% low-income families in the assessment area. Performance was significantly above aggregate lending, which made 7.8% by number and 4.1% by dollar to low-income families. The distribution of borrowers reflected, given the product lines offered, excellent penetration among low-income borrowers for home purchase lending based on adequate penetration in 2023, excellent penetration in 2022 and in 2021.

In 2023, the bank's lending to moderate-income borrowers was 35.0% by number and 21.6% by dollar, which was significantly above the aggregate performance of 24.4% by number, slightly above 17.6% by dollar, and significantly above the 18.4% moderate-income families in the assessment area. In 2022, the bank's lending to moderate-income borrowers was 39.1% by number and 31.7% by dollar, which was significantly above the aggregate performance of 25.1% by number, significantly above 18.0% by dollar, and significantly above the 18.4% moderate-income families in the assessment area. In 2021, the bank's lending to moderate-income borrowers was 38.8% by number and 27.7% by dollar, which was significantly above the aggregate performance of 23.2% by number, significantly above 16.2% by dollar, and significantly above the 18.4% moderate-income families in the assessment area. The distribution of borrowers reflected, given the product lines offered, excellent penetration among moderate-income borrowers for home purchase lending based on excellent penetration in 2023, 2022, and 2021.

Home Refinance Loans

The borrower distribution of refinance loans reflected good penetration throughout the assessment area.

In 2023, the bank's lending to low-income borrowers was 10.6% by number and 4.2% by dollar and was similar to the aggregate lending data, at 10.6% by number and 6.4% by dollar. The bank's performance was below the 20.1% low-income families in the assessment area. In 2022, the bank made 13.8% by number and 6.5% by dollar to low-income borrowers and was below the 20.1% low-income families in the assessment area. Performance was above aggregate lending, which made 9.9% by number and 5.3% by dollar to low-income families. In 2021, the bank made 5.6% by number and 2.7% by dollar to low-income borrowers and was below the 20.5% low-income families in the assessment area. Performance was slightly below aggregate lending, which made 6.1% by number and 3.2% by dollar to low-income families. The distribution of borrowers reflected, given the product lines offered, good penetration among low-income borrowers for refinance lending based on good penetration in 2023, 2022, and 2021.

In 2023, the bank's lending to moderate-income borrowers, at 19.1% by number and 12.7% by dollar, was slightly below the aggregate lending data at 25.0% by number, below 19.7% by dollar, and similar to the 18.4% moderate-income families in the assessment area. In 2022, the bank's lending to moderate-income borrowers was 26.2% by number and 24.1% by dollar, which was slightly above the aggregate performance of 22.6% by number, significantly above 16.5% by dollar, and significantly above the 18.4% moderate-income families in the assessment area. Performance in 2021 was comparable to 2022. The distribution of borrowers reflected, given the product lines offered, good penetration among moderate-income borrowers for refinance lending based on adequate penetration in 2023, and excellent penetration in 2022 and 2021.

Small Business Loans

The borrower distribution of small business loans reflected excellent penetration throughout the assessment area based on good penetration in 2021, and excellent penetration in 2023 and 2022. The overall level of lending to small businesses consistently exceeded the aggregate lending and similar to the assessment area demographic for most of the review period.

In 2023, the bank originated 74.4% of loans by number and 32.6% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was significantly above the aggregate lending data, at 55.4% by number and 37.8% by dollar, in addition to being slightly below the 88.5% of businesses in the assessment area with GARs of \$1 million or less. The bank also originated 85.6% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

The bank's performance in 2022 was above that in 2023. In 2022, the bank originated 79.7% of loans by number and 65.6% by dollar to businesses with GARs of \$1 million or less. The bank's lending to small businesses was significantly above the aggregate lending data, at 53.0% by number and 42.3% by dollar, in addition to being similar to the 88.3% of businesses with GAR of \$1 million or less. The bank also originated 74.7% of loans to assessment area businesses in amounts of \$100,000 or less.

In 2021, the bank originated 44.8% of loans by number and 28.7% by dollar to businesses with GARs of \$1 million or less. The bank's lending to small businesses was similar to the aggregate lending data, at 43.5% by number and 27.8% by dollar, in addition to being below the 88.2% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also originated 84.4% of loans to assessment area businesses in amounts of \$100,000 or less.

Responsiveness to Credit Needs of Highly Economically Disadvantaged Geographies and to Low-Income Persons and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's loan products, such as the Progress Checking Account and Non-profit Checking, helped support LMI borrower needs within this assessment area. Five Star's extensive use of innovative and flexible products, primarily targeted at improving access to affordable housing, also supported the bank's good record of responding to community credit needs. The bank helped to meet the needs of small businesses during the COVID-19 pandemic by originating PPP loans in 2021, which provided critical funding to sustain operations and retain employees. Five Star further supported small business by providing small business loans in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses. In 2023, the bank originated 85.6% of loans to assessment area businesses in amounts of \$100,000 or less, reinforcing its good record of responding to this assessment area's credit needs.

Community Development Lending Activities

Five Star made was a leader in making qualified community development loans. Community development lending totaled 4 loans for \$25.3 million or 20.7% of the bank's total community development. This lending level represented an annualized performance over 36 months of \$8.4 million. Compared to the previous evaluation, when the bank had an annualized performance of \$5.4 million, this represented an increase by dollar volume of 40.0%.

The table below illustrates the bank's community development loan activity by year and purpose.

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2022	2	15,730	0	0	0	0	0	0	2	15,730
2023	0	0	0	0	0	0	2	9,600	2	9,600
2024	0	0	0	0	0	0	0	0	0	0
Total	2	15,730	0	0	0	0	2	9,600	4	25,330
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>										

Below are examples of the bank's community development loans within this assessment area.

- In 2022, the bank made a \$8.6 million loan to a nonprofit organization to finance the redevelopment of a former elementary school into a 39-unit affordable apartment project.
- In 2023, the bank made 2 loans totaling \$9.6 million to a community development organization for the construction of their facilities located in a moderate-income census tract. With this loan, the bank helped to revitalize the area.

Innovative and/or Flexible Lending Practices

The bank made extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs. For detailed information on the bank's innovative and/or flexible lending practices, please refer to the discussion at the institutional level.

INVESTMENT TEST

Five Star's performance under the Investment Test was excellent in this assessment area.

Investment and Grant Activity

Five Star had a significant level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 65 qualified investments and grants totaling \$41.7 million, which included 38 new investments totaling \$40.0 million, 3 prior period investments with a current balance of \$1.7 million, and 24 grants totaling \$168,210. This represented annualized performance over 36 months of \$13.9 million. Compared to the previous evaluation, when the bank had an annualized performance of \$6.1 million, performance by dollar amount increased by 127.9%. The increase in performance was primarily driven by the large number (92.7%) and dollar volume (95.9%) of new investments.

The table below illustrates the bank's community development investment and grant activity by year and purpose.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	3	1,688	0	0	0	0	0	0	3	1,688
2022	2	17,100	8	502	0	0	6	294	16	17,896
2023	0	0	7	325	0	0	4	302	11	627
2024	1	20,600	6	472	0	0	4	293	11	21,365
Total Investments	6	39,388	21	1,299	0	0	14	889	41	41,576
Total Grants	5	31	16	115	3	23	0	0	24	169
Grand Total	11	39,419	37	1,414	3	23	14	889	65	41,745
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>										

Below are examples of the bank's qualified investments and grants within this assessment area.

- An investment of \$20.6 million in LIHTC that provided financing for 8 units of affordable housing for people with mental illness and those with a substance abuse disorders.
- A \$155,000 investment in municipal bonds for the purchase of school buses for a central school district where the majority of students were from LMI families.
- Grants totaling \$17,500 to a nonprofit economic development organization that provided workforce development needs-based scholarships for individuals pursuing a nursing career. Healthcare workers were identified as a need in the rural communities of this assessment area.

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs. Five Star's qualified investments included multiple investment projects and dollars that promoted community services, revitalization and stabilization, as well as affordable housing efforts, which demonstrated responsiveness to the

needs within this assessment area.

Community Development Initiatives

The bank made extensive use of innovative and/or complex investments to support community development initiatives. New investments consisted of LIHTC investments totaling \$37.7 million. For detailed information on the bank's innovative and/or flexible lending practices, please refer to the discussion at the institutional level.

SERVICE TEST

Five Star's performance under the Services Test was good in this assessment area.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment area. Five Star operated 20 full-service branches in this assessment area, of which 4 branch offices (20.0%) were in LMI census tracts. The bank maintained 20 full-service ATMs and 7 cash-only ATMs. Of the total ATMs, 6 (22.2%) were located in LMI census tracts. This significantly exceeded the 12.6% of this assessment area's families that resided in LMI census tracts.

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	3	1.9	1,663	1.2	2	10.0	2	7.4
Moderate	21	13.0	15,146	11.4	2	10.0	4	14.8
Middle	114	70.4	97,191	73.0	15	75.0	20	74.1
Upper	19	11.7	19,154	14.4	1	5.0	1	3.7
Unknown	5	3.1	1	0	0	0	0	0
Total	162	100.0	133,155	100.0	20	100.0	27	100.0
<i>Source: 2023 US Census data; Bank data as of December 31, 2023</i>								

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the evaluation period, the bank closed one branch located in a middle-income census tract. The bank also closed two off-site cash-only ATMs, both of which were located in middle-income census tracts.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced portions of this assessment area, particularly LMI geographies and/or individuals. The bank's loan and deposit products were the same throughout its assessment areas. Of the bank's 20 branches in this assessment area:

- Extended weekday hours were offered at 19 (95.0%) branches, of which 4 (21.1%) were located in LMI census tracts.
- Saturday lobby hours were available at 12 (60.0%) branches, of which 3 (25.0%) were located in LMI census tracts.

- Three of the four (75.0%) branches located in LMI census tracts had Saturday lobby hours.

Community Development Services

Five Star was a leader in providing community development services. The bank provided 118 services, primarily addressing community service needs. This represented an annualized performance over 36 months of 39 community development services. This represented a significant increase compared to the previous evaluation's annualized performance of 5 community development services. The bank logged 319 community development service hours. Of Five Star's total qualified services in this assessment area, the COVID-19 special consideration applied to 92 (78.0%) of services.

The table below illustrates the bank's community development services by year and purpose.

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	0	49	0	0	49
2023	2	45	0	0	47
2024	2	20	0	0	22
Total	4	114	0	0	118
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>					

Below are examples of the bank's community development services within this assessment area.

- In 2023, a branch manager served on the board of an affordable housing organization that provided education, services, and programs for affordable home ownership and rental assistance.
- In 2024, the Chief Banking Officer served on the board of a nonprofit organization whose mission is to provide affordable housing to LMI individuals and communities. The organization offered new construction, rehabilitation, and critical home repairs throughout Genesee County to provide LMI individuals and families with affordable housing options.

MSA 40380 (ROCHESTER, NY) – FULL SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

Five Star operated 21 (42.9%) of its 49 branch locations and 28 (41.2%) of its 68 ATMs in this assessment area. This assessment area generated approximately 37.0% by number and 33.6% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2023.

According to the June 30, 2024 FDIC Summary of Deposit Report, 18 institutions operated 204 branches within this assessment area. Five Star ranked 8th with approximately \$1.5 billion in deposits, which represented 6.0% of the deposit market share and accounted for 28.2% of the bank's total branch deposits. Competitors included JPMorgan Chase Bank, N.A., KeyBank, N.A, M&T Bank, and The Canandaigua National Bank and Trust Company, which collectively captured 59.8% of the total deposit market share. Because the bank had a high concentration of operations in this assessment area, the bank's performance here was given greater weight in the overall rating.

SCOPE OF EVALUATION

Examiners used full scope review examination procedures to evaluate the bank's performance in this assessment area.

PERFORMANCE CONTEXT

The following demographic and economic information was used to describe this assessment area and to evaluate the context in which Five Star operated. The information was obtained from publicly available sources, including the 2015 ACS, 2020 U.S. Census, BLS, D&B, FFIEC, and HUD.

Demographic Characteristics

According to the 2020 U.S. Census, the population of this assessment area was 1,090,135. This assessment area consisted of 317 census tracts, of which 39 or 12.3% were low-income, 62 or 19.6% were moderate-income, 127 or 40.1% were middle-income, 74 or 23.3% were upper-income, and 15 or 4.7% were of unknown-income.

Income Characteristics

Based on the 2020 U.S. Census, this assessment area had 269,249 families, of which 21.4% were low-income (8.9% of which were below the poverty level), 17.7% were moderate-income, 20.6% were middle-income, and 40.4% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income Change			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$74,030	\$80,423	8.6
Livingston County, NY	\$73,784	\$75,384	2.2
Monroe County, NY	\$75,784	\$82,439	8.8
Ontario County, NY	\$78,101	\$83,153	6.5
Orleans County, NY	\$60,671	\$64,898	7.0
Wayne County, NY	\$67,667	\$76,002	12.3
Yates County, NY	\$67,290	\$70,455	4.7
State of NY	\$78,570	\$87,270	11.1
<i>Source: 2015 ACS; 2020 U.S. Census; MFIs have been inflation-adjusted and are expressed in 2020 dollars.</i>			

Housing Characteristics

Based on the 2020 U.S. Census data, this assessment area had 482,206 housing units, of which 60.9% were owner-occupied, 30.0% were rental, and 9.1% were vacant. Of the total housing units, 9.1% were located in low-income census tracts, 20.2% in moderate-income census tracts, 44.8% in middle-income census tracts, 25.3% in upper-income census tracts, and 0.6% in unknown-income census tracts. In low-income census tracts, 26.1% of housing units were owner-occupied, 58.9% were rental units, and 14.9% were vacant. In moderate-income census tracts, 50.1% of housing units were owner-occupied, 38.8% were rental units, and 11.0% were vacant.

The median age of housing stock in this assessment area was 61 years old, with 32.8% of the stock built before 1950. The median age of housing stock was 61 years in LMI census tracts. According to the 2020 U.S. Census, the median housing value in this assessment area was \$147,970 with an affordability ratio of 41.7. The median gross rent in this assessment area was \$920 per month.

The table below depicts the housing characteristics in this assessment area.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$147,970	41.7	\$920
Livingston County, NY	\$134,000	45.0	\$793
Monroe County, NY	\$152,000	40.9	\$947
Ontario County, NY	\$163,100	39.7	\$898
Orleans County, NY	\$101,400	52.2	\$782
Wayne County, NY	\$130,000	47.7	\$772
Yates County, NY	\$142,300	38.9	\$712
State of NY	\$325,000	21.9	\$1,315
<i>Source: 2020 U.S. Census</i>			

Housing Cost Burden

According to HUD's data, within this assessment area, 46.5% of all rental households had rental costs that exceeded 30.0% of their incomes, 78.8% of low-income rental households had rental costs that exceeded 30.0% of their income, and 36.8% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

According to HUD's data, within this assessment area, 17.6% of homeowners had housing costs that exceeded 30.0% of their incomes, 64.0% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 32.0% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

Additional housing cost data is provided in the following table.

Housing Cost Burden*						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	78.8%	36.8%	46.5%	64.0%	32.0%	17.6%
Livingston County, NY	82.1%	25.8%	48.4%	64.4%	21.5%	16.7%
Monroe County, NY	79.7%	40.1%	47.5%	65.2%	34.3%	17.4%
Ontario County, NY	81.3%	40.1%	44.3%	59.4%	31.0%	16.0%
Orleans County, NY	74.9%	12.8%	40.9%	62.4%	25.1%	21.4%
Wayne County, NY	66.5%	18.8%	39.9%	62.0%	31.3%	18.8%
Yates County, NY	69.9%	16.2%	37.4%	65.7%	26.4%	20.5%
State of NY	76.4%	42.8%	46.8%	70.8%	40.8%	25.5%
<i>*Cost Burden is housing cost that equals 30.0% or more of household income</i> <i>Source: HUD, 2017-2021 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to D&B data, there were 41,456 businesses operating in this assessment area in 2023, of which 5.9% were located in low-income census tracts and 17.5% were located in moderate-income census tracts. Of the total businesses operating in this assessment area, 90.1% were small businesses with GARs of \$1.0 million or less, of which 5.8% were located in low-income census tracts and 17.5% were located in moderate-income census tracts.

According to the BLS, unemployment in this assessment area and NY State improved over the evaluation period. Assessment area unemployment rates were below that of NY State unemployment figures. The COVID-19 pandemic contributed to the high unemployment rates in 2021, both within this assessment area and in NY State.

The unemployment rates are provided in the subsequent table.

Unemployment Rates			
Area	2021	2022	2023
Assessment Area	5.0%	3.4%	3.6%
Livingston County, NY	4.4%	3.4%	3.5%
Monroe County, NY	5.2%	3.5%	3.7%
Ontario County, NY	4.3%	3.1%	3.3%
Orleans County, NY	5.2%	3.8%	4.0%
Wayne County, NY	4.5%	3.3%	3.4%
Yates County, NY	3.9%	3.0%	3.2%
State of NY	7.1%	4.3%	4.2%
<i>Source: BLS, Local Area Unemployment Statistics</i>			

Additional performance context data for this assessment area is provided in the following table.

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	39	12.3	20,885	7.8	7,540	36.1	57,538	21.4
Moderate	62	19.6	47,357	17.6	5,998	12.7	47,623	17.7
Middle	127	40.1	121,126	45.0	8,292	6.8	55,422	20.6
Upper	74	23.3	78,984	29.3	1,878	2.4	108,666	40.4
Unknown	15	4.7	897	0.3	265	29.5	0	0
Assessment Area	317	100.0	269,249	100.0	23,973	8.9	269,249	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	43,696	11,418	3.9	26.1	25,747	58.9	6,531	14.9
Moderate	97,363	48,815	16.6	50.1	37,823	38.8	10,725	11.0
Middle	216,152	140,463	47.8	65.0	55,961	25.9	19,728	9.1
Upper	121,904	92,509	31.5	75.9	22,862	18.8	6,533	5.4
Unknown	3,091	444	0.2	14.4	2,191	70.9	456	14.8
Assessment Area	482,206	293,649	100.0	60.9	144,584	30.0	43,973	9.1
	Total Businesses by		Businesses by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2,426	5.9	2,153	5.8	263	7.3	10	2.1
Moderate	7,275	17.5	6,525	17.5	661	18.2	89	18.9
Middle	18,323	44.2	16,426	44.0	1,646	45.4	251	53.3
Upper	12,362	29.8	11,394	30.5	861	23.7	107	22.7
Unknown	1,070	2.6	860	2.3	196	5.4	14	3.0
Assessment Area	41,456	100.0	37,358	100.0	3,627	100.0	471	100.0
	Percentage of Total Businesses:			90.1		8.7		1.1
	Total Farms by		Farms by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	0.4	4	0.4	0	0	0	0
Moderate	202	18.3	188	17.9	14	24.6	0	0
Middle	727	65.7	686	65.5	40	70.2	1	100.0
Upper	172	15.6	169	16.1	3	5.3	0	0
Unknown	1	0.1	1	0.1	0	0.0	0	0
Assessment Area	1,106	100.0	1,048	100.0	57	100.0	1	100.0
	Percentage of Total Farms:			94.8		5.2		0.1
Source: 2023 FFIEC Census; 2023 D&B.								

Source: 2023 FFIEC Census; 2023 D&B.

Community Contact

An interview was conducted with a representative from a Community Development Financial Institution (CDFI) whose primary focus is LMI first-time homebuyers. The organization is a HUD certified counselor providing homebuying education, first-time homebuyer and foreclosure assistance, down payment and closing costs assistance loans, and a home ownership program for LMI individuals and families. The home ownership program provides loans with a low downpayment and mortgage payments that will not raise a borrower's debt-to-income ratios above 45.0%. The representative noted that as federal funding is being reduced, additional grants are needed to support human services in the area such as homeless supportive services. Other needs identified included large dollar investments particularly in urban communities, additional funding for CDFIs, and access to interest-only financing.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Five Star's performance under the Lending Test was good in this assessment area.

Lending Activity

Lending levels reflected good responsiveness to this assessment area credit needs. This conclusion was based on the bank's volume of HMDA and small business loans originated during the evaluation period.

As shown in the subsequent table, the bank made 849 HMDA home purchase and refinance loans totaling nearly \$125.3 million and 762 small business loans totaling approximately \$88.9 million. This lending activity represented an overall annualized performance over 36 months of 283 HMDA loans totaling \$41.8 million and 254 small business loans totaling \$29.6 million. Annualized performance decreased 24.1% by number of HMDA loans, and 29.6% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 373 HMDA loans and 361 small business loans over 39 months.

In 2023, Five Star ranked 20th out of 252 home purchase lending reporters with a market share of 1.1%. The bank ranked 17th out of 252 refinance lending reporters with a market share of 1.1%. Of the 252 competitors, most of the institutions that ranked higher than Five Star were regional and national lenders including The Canandaigua National Bank, Citizens Bank N.A., ESL Federal Credit Union, Home Town Funding Inc., LLC, and The Lyons National Bank. These 5 institutions captured 23.0% of the total market share for home purchase lending and 49.2% of total market share for refinance lending.

In 2023, the bank ranked 19th out of 105 small business lending reporters with a market share of 0.5%. Of the 105 competitors, most of the institutions that ranked higher than Five Star were regional and national lenders including American Express N.B., JPMorgan Chase, N.A., Capital One, N.A., The Canandaigua National Bank, and Citibank. These 5 institutions captured 64.5% of the total market share for small business lending.

The bank's lending activity is summarized in the table below.

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$(000's)	%
Home Purchase	538	63.4	86,489	69.0
Home Refinance	311	36.6	38,837	31.0
Total HMDA	849	52.7	125,326	58.5
Total Small Business	762	47.3	88,886	41.5
TOTAL LOANS	1,611	100.0	214,212	100.0
<i>Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2023</i>				

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout this assessment area. Lending penetration in LMI tracts was excellent for HMDA home purchase loans, good for refinance loans, and good for small business loans.

Gap Analysis

Five Star demonstrated an adequate level of dispersion in LMI census tracts in this assessment area. The bank's

performance in LMI census tracts showed a steady decline year over year. According to the 2020 U.S. Census data, 58.9% of occupied rental units are in low-income census tracts, and 38.8% are in moderate-income census tracts. This data suggests that there was a greater opportunity for families to rent than to own housing units in low- and moderate-income geographies, which limited opportunities for lenders to originate 1-4 family residential loans in these geographies.

The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %
2023			
Low	39	20	49.0
Moderate	62	27	56.0
Middle	127	51	60.0
Upper	74	37	50.0
Unknown	15	14	7.0
2022			
Low	39	19	51.0
Moderate	62	19	69.0
Middle	127	56	56.0
Upper	74	44	41.0
Unknown	15	14	7.0
2021			
Low	44	14	68.0
Moderate	44	8	82.0
Middle	114	17	85.0
Upper	61	11	82.0
Unknown	9	9	0

Source: Bank data, January 1, 2021 to December 31, 2023.

Home Purchase Loans

The geographic distribution of home purchase loans reflected excellent penetration throughout this assessment area.

In 2023, the bank made 24.7% by number and 11.7% by dollar of home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was significantly above the 3.9% of owner-occupied housing units located in low-income census tracts and significantly above the aggregate, which made 7.0% by number and 3.5% by dollar in low-income census tracts. Performance in 2022 and 2021 was similar to performance in 2023, where the bank significantly outperformed the owner-occupied housing units and aggregate. As a result, performance within low-income census tracts was excellent due to the excellent performance in 2023, 2022 and 2021.

In 2023, the bank made 22.7% of home purchase loans by number and 14.7% by dollar in moderate-income census tracts. The bank's home purchase lending performance was above the 16.6% of owner-occupied housing units located in moderate-income census tracts and above the aggregate, which made 18.5% by number and 13.7% by dollar of home purchase loans in moderate-income census tracts. The bank's 2022 and 2021 performance was similar to 2023, where it performed above owner-occupied housing units and aggregates. As a result, performance within moderate-income census tracts was excellent due to the excellent performance in 2023, 2022 and 2021.

Home Refinance Loans

The geographic distribution of home refinance loans reflected good penetration throughout this assessment area.

In 2023, the bank made 4.5% by number and 1.1% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was slightly above the 3.9% of owner-occupied housing units located in low-income census tracts and slightly below the aggregate, which made 5.2% by number and 4.0% by dollar of refinance loans in low-income census tracts. In 2022, the bank made 4.1% by number and 2.4% by dollar amount of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was similar to the 3.9% of owner-occupied housing units located in low-income census tracts and similar to the aggregate, which made 4.6% by number and 3.3% by dollar of refinance loans in low-income census tracts. In 2021, the bank made 0.5% by number and 0.8% by dollar of refinance loans in low-income census tracts based on the bank's one originated loan. The bank's refinance lending performance in low-income census tracts was below the 3.4% of owner-occupied housing units located in low-income census tracts and below the aggregate, which made 1.5% by number and 0.9% by dollar of refinance loans in low-income census tracts. However, the performance to low-income borrowers in 2021 is not unusual given the limited lending opportunities. As a result, performance within low-income census tracts was adequate due to the adequate performance in 2023 and 2021, and good performance in 2022.

In 2023, the bank made 15.9% by number and 10.4% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was similar to the 16.6% of owner-occupied housing units located in moderate-income census tracts and similar to the aggregate, which made 15.0% by number and 11.9% by dollar of refinance loans in moderate-income census tracts. In 2022, the bank made 17.8% by number and 10.9% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was similar to the 16.6% of owner-occupied housing units located in moderate-income census tracts and slightly above the aggregate, which made 15.0% by number and 12.0% by dollar of refinance loans in moderate-income census tracts. In 2021, the bank made 6.7% by number and 7.2% by dollar of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was below the 11.3% of owner-occupied housing units located in moderate-income census tracts and slightly below the aggregate, which made 7.6% by number and 5.2% by dollar of refinance loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was good due to the good performance in 2023 and 2022, and adequate performance in 2021.

Small Business Loans

The geographic distribution of small business loans reflected good penetration throughout the assessment area.

In 2023, the bank made 1.9% by number and 2.4% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below the 5.9% of businesses located in low-income census tracts and below the aggregate, which made 4.9% by number and 4.6% by dollar of small business loans in low-income census tracts. In 2022, the bank made 6.4% by number and 8.3% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was slightly above the 5.8% of businesses located in low-income census tracts and above the aggregate, which made 4.8% by number and 5.7% by dollar of small business loans in low-income census tracts. In 2021, the bank made 3.9% by number and 6.8% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly below the 9.0% of businesses located in low-income census tracts and significantly below the aggregate, which made 8.2% by number and 10.0% by dollar of small business loans in low-income census tracts. As a result, performance within low-income census tracts was adequate due to the poor performance in 2023 and 2021, and excellent performance in 2022.

In 2023, the bank made 20.4% by number and 21.7% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was slightly above the 17.5% of businesses located in moderate-income census tracts and above the aggregate, which made 16.1% by number and 16.1% by dollar of small business loans in moderate-income census tracts. In 2022, the bank made 22.3% by number and 28.9% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was above the 17.6% of businesses located in moderate-income census tracts and above the aggregate, which made 16.2% by number and 17.3% by dollar of small business loans in moderate-income census tracts. In 2021, the bank made 12.7% by number and 16.9% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was similar to the 13.3% of businesses located in moderate-income census tracts and slightly above the aggregate, which made 11.0% by number and 11.8% by dollar of small business loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was excellent due to the excellent performance in 2023 2022, and good performance in 2021.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout this assessment area. Overall, HMDA lending to LMI borrowers was good and lending to businesses with GARs of \$1.0 million or less also reflected good penetration.

Home Purchase Loans

The borrower distribution of home purchase loans reflected excellent penetration throughout the assessment area.

In 2023, the bank made 25.3% by number and 11.6% by dollar to low-income borrowers and was above the 21.4% low-income families in the assessment area. Performance was significantly above aggregate lending, which made 8.6% by number and 4.3% by dollar to low-income families. Performance in 2022 and 2021 was comparable to 2023 with lending significantly above aggregate lending and to demographics. The distribution of borrowers reflected, given the product lines offered, excellent penetration among low-income borrowers for home purchase lending based on excellent penetration in 2023, 2022, and 2021.

In 2023, the bank's lending to moderate-income borrowers was 30.0% by number and 20.5% by dollar, which was significantly above the aggregate performance of 20.3% by number, above 15.0% by dollar, and significantly above the 17.7% moderate-income families in the assessment area. Performance in 2022 and 2021 was comparable to 2023 with lending significantly above aggregate lending and to demographics. The distribution of borrowers reflected, given the product lines offered, excellent penetration among moderate-income borrowers for home purchase lending based on excellent penetration in 2023, 2022, and 2021.

Home Refinance Loans

The borrower distribution of refinance loans reflected good penetration throughout the assessment area.

In 2023, the bank's lending to low-income borrowers was 22.7% by number and 10.2% by dollar and was significantly above the aggregate lending data, at 13.3% by number and 7.6% by dollar. The bank's performance was similar to the 21.4% low-income families in the assessment area. In 2022, the bank's lending to low-income borrowers was 16.4% by number and 10.2% by dollar and was above the aggregate lending data, at 12.0% by number and 7.3% by dollar. The bank's performance was slightly below the demographic of 21.4% in this assessment area. In 2021, the bank's lending to low-income borrowers was significantly below the 21.9% of low-income families in the assessment area; however, lending was above the aggregate lending data. Lending was 10.3% by number and 5.9% by dollar, which was above the aggregate lending data at 7.9% by number and 4.2% by dollar.

The distribution of borrowers reflected, given the product lines offered, good penetration among low-income borrowers based on excellent penetration in 2023, good penetration in 2022 and in 2021.

In 2023, the bank's lending to moderate-income borrowers, at 34.1% by number and 31.4% by dollar, was significantly above the aggregate lending data at 24.4% by number, significantly above 18.2% by dollar, and significantly above the 17.7% moderate-income families in the assessment area. Performance in 2022 were comparable to 2023 with lending significantly above aggregate lending and to demographics. In 2021, the bank's performance was similar to aggregate lending and above demographics. The distribution of borrowers reflected, given the product lines offered, excellent penetration among moderate-income borrowers for refinance lending based on excellent penetration in 2023 and 2022, and good penetration in 2021.

Small Business Loans

The borrower distribution of small business loans reflected good penetration throughout this assessment area based on good penetration in 2023, 2022, and 2021. The overall level of lending to small businesses was above aggregate lending although below the assessment area demographics.

In 2023, the bank originated 56.3% of loans by number and 35.1% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was slightly above the aggregate lending data, at 54.3% by number and 36.6% by dollar, in addition to being significantly below the 90.1% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also made 49.5% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2022, the bank originated 55.3% of loans by number and 20.7% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was above the aggregate lending data, at 50.3% by number and 34.1% by dollar, in addition to being significantly below the 89.9% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also originated 58.5% of loans to assessment area businesses in amounts of \$100,000 or less.

In 2021, the bank originated 42.8% of loans by number and 22.4% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was similar to the aggregate lending data, at 40.4% by number and 23.8% by dollar, in addition to being significantly below the 89.9% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also made 79.8% of loans to assessment area businesses in amounts of \$100,000 or less.

Responsiveness to Credit Needs of Highly Economically Disadvantaged Geographies and to Low-Income Persons and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's loan products, such as the Progress Checking Account and Non-profit Checking, helped support LMI borrower needs within this assessment area. Five Star's extensive use of innovative and flexible products, primarily targeted at improving access to affordable housing, also supported the bank's good record of responding to community credit needs. The bank helped to meet the needs of small businesses during the COVID-19 pandemic by originating PPP loans in 2021, which provided critical funding to sustain operations and retain employees. Five Star further supported small business by providing small business loans in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses. In 2023, the bank originated 49.5% of loans to assessment area businesses in amounts of \$100,000 or less. In 2024, Five Star provided \$1.0 million in construction financing and \$1.5 million in tax credit equity for the historic restoration and

adaptive reuse project serving the chronically homeless in Rochester. The project featured rental apartments with income restrictions set at 60.0% AMI and supported the need for affordable housing in the area.

Community Development Lending Activities

Five Star made a relatively high level of community development loans in this assessment area. Community development lending totaled 6 loans for \$36.4 million or 29.7% of the bank's total community development. This lending level represented an annualized performance over 36 months of \$12.1 million. Compared to the previous evaluation, when the bank had an annualized performance of \$15.4 million, this represented a 21.4% decrease by dollar volume.

The table below illustrates the bank's community development loan activity by year and purpose.

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2022	0	0	0	0	0	0	1	2,120	1	2,120
2023	2	8,200	0	0	1	17,500	1	1,400	4	27,100
2024	0	0	0	0	0	0	1	7,200	1	7,200
Total	2	8,200	0	0	1	17,500	3	10,720	6	36,420
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>										

Below are examples of the bank's community development loans within this assessment area.

- In 2023, the bank made a \$5.0 million loan to an organization to finance the rehabilitation of a 508-unit affordable housing community. All units were income-restricted with rents not to exceed 30.0% of tenant's income.
- In 2023, the bank made a \$17.5 million loan to a business to retain LMI jobs. The business is a major employer in the area and adjacent to three low-income census tracts and one moderate-income census tract. With this loan, the bank helped to promote the economic development of the area.

Innovative and/or Flexible Lending Practices

The bank made extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs. For detailed information on the bank's innovative and/or flexible lending practices, please refer to the discussion at the institutional level.

INVESTMENT TEST

Five Star's performance under the Investment Test was good in this assessment area.

Investment and Grant Activity

Five Star had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 83 qualified investments and grants totaling \$35.7 million, including 6 new investments totaling \$19.3 million, 23 prior period investments with a current balance of \$16.0 million, and 54 grants totaling

\$397,100. This represented an annualized performance over 36 months of \$11.9 million. Compared to the previous evaluation, when the bank had an annualized performance of \$17.8 million, performance by dollar volume decreased by 33.1%. The table below illustrates the bank's community development investment and grant activity by year and purpose.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	23	16,030	0	0	0	0	0	0	23	16,030
2022	0	0	0	0	0	0	1	100	1	100
2023	1	5,000	0	0	0	0	2	75	3	5,075
2024	1	14,110	0	0	0	0	1	21	2	14,131
Total Investments	25	35,140	0	0	0	0	4	196	29	35,336
Total Grants	11	97	37	253	6	47	0	0	54	397
Grand Total	36	35,237	37	253	6	47	4	196	83	35,733
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>										

Below are examples of the bank's qualified investments and grants within this assessment area.

- An investment of \$14.1 million in LIHTC that provided financing for 24 units of affordable housing for survivors of domestic abuse, persons with substance use disorder, and persons who suffer from mental illness.
- A \$25,379 investment in a municipal bond that supported a water district construction project in a LMI area.
- Grants totaling \$10,000 to a community service nonprofit organization that provided substance abuse services for LMI individuals.

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs. Five Star's qualified investments included multiple investment projects and dollars that focused on affordable housing, community services, which demonstrated responsiveness needs within this assessment area.

Community Development Initiatives

The bank made significant use of innovative and/or complex investments to support community development initiatives. New investments consisted of 2 LIHTC investments totaling \$19.1 million that supported affordable housing.

SERVICE TEST

Five Star's performance under the Services Test was good in this assessment area.

Retail Services

Accessibility of Delivery Systems

Delivery systems were accessible to essentially all portions of the bank's assessment area. Five Star operated 21 full-service branches in this assessment area, of which 3 branch offices (14.3%) were in LMI census tracts. The bank maintained 24 full-service ATMs and 4 cash-only ATMs. Of the total ATMs, 7 (25.0%) were located in LMI census tracts. This compared similarly to the 25.4% of this assessment area's families that resided in LMI census tracts.

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	39	12.3	20,885	7.8	1	4.8	2	7.1
Moderate	62	19.6	47,357	17.6	2	9.5	5	17.9
Middle	127	40.1	121,126	45.0	13	61.9	16	57.1
Upper	74	23.3	78,984	29.3	5	23.8	5	17.9
Unknown	15	4.7	897	0.3	0	0	0	0
Total	317	100.0	269,249	100.0	21	100.0	28	100.0
<i>Source: 2023 US Census data; Bank data as of December 31, 2023</i>								

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the evaluation period, the bank did not have any changes to branches in this assessment area.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced portions of this assessment area, particularly LMI geographies and/or individuals. The bank's loan and deposit products were the same throughout its assessment areas. Of the bank's total branches:

- Extended weekday hours were offered at 20 (95.2%) branches, of which 3 (15.0%) were located in LMI census tracts.
- Saturday lobby hours were available at 10 (47.7%) branches, of which 3 (30.0%) were located in LMI census tracts.
- All three branches located in LMI census tracts within this assessment area had both extended weekday hours and Saturday lobby hours.

Community Development Services

Five Star was a leader in providing community development services. The bank provided 277 services over 710 hours, primarily addressing community service needs. This represented an annualized performance over 36 months of 92 community development services. This represented a 299.6% increase above the previous evaluation's annualized performance of 23 community development services. Of Five Star's total qualified services in this assessment area, the COVID-19 special consideration applied to 240 (86.6%) of services.

The table below illustrates the bank's community development services by year and purpose.

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	14	93	0	0	107
2023	46	88	0	0	134
2024	6	30	0	0	36
Total	66	211	0	0	277
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>					

Below are examples of the bank's community development services within this assessment area.

- In 2022, the bank's Director of Marketing served on the board of a community service nonprofit organization that works with LMI teens. The organization provided critical support and programs to improve the lives of the at-risk youths.
- In 2024, a community development loan officer served on the board of a community service nonprofit organization that provided crisis nurseries, permanent and transitional housing, emergency shelter, and food services for at-risk LMI youth.

MSA 15380 (BUFFALO-CHEEKTOWAGA) – FULL SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

Five Star operated 6 (12.2%) of its 49 branch locations and 10 (14.7%) of its 68 ATMs in this assessment area during the evaluation period. This assessment area generated approximately 29.8% by number and 43.3% by dollar volume of the bank's combined total lending activity from January 1, 2021, to December 31, 2023.

According to the June 30, 2024 FDIC Summary of Deposit Report, 18 institutions operated 196 branches within this assessment area. Five Star ranked 9th with approximately \$380.8 million in deposits, which represented 0.7% of the deposit market share and accounted for 7.4% of the bank's total branch deposits. Competitors included HSBC Bank USA, N.A., Key Bank N.A., Bank of America, N.A., M&T Bank, and Citizens Bank, N.A., which collectively captured 89.8% of the total deposit market share.

SCOPE OF EVALUATION

Examiners used full scope review examination procedures to evaluate the bank's performance in this assessment area.

PERFORMANCE CONTEXT

The following demographic and economic information was used to describe this assessment area and to evaluate the context in which Five Star operated. The information was obtained from publicly available sources, including the 2015 ACS, 2020 U.S. Census, BLS, D&B, FFIEC, and HUD.

Demographic Characteristics

According to the 2020 U.S. Census, the population of this assessment area was 954,236. This assessment area consisted of 261 census tracts, of which 40 or 15.3% were low-income, 46 or 17.6% were moderate-income, 102 or 39.1% were middle-income, 63 or 24.1% were upper-income, and 10 or 3.8% were of unknown-income.

Income Characteristics

Based on the 2020 U.S. Census, this assessment area had 228,440 families, of which 22.3% were low-income (9.6% of which were below the poverty level), 16.3% were moderate-income, 20.6% were middle-income, and 40.9% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income Change			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$73,866	\$80,437	8.9
Erie County, NY	\$73,866	\$80,437	8.9
MSA 15380 (Buffalo-Cheektowaga, NY)	\$73,321	\$79,486	8.4
State of NY	\$78,570	\$87,270	11.1
Source: 2015 ACS; 2020 U.S. Census; MFIs have been inflation-adjusted and are expressed in 2020 dollars.			

Housing Characteristics

Based on the 2020 U.S. Census data, this assessment area had 429,708 housing units, of which 59.3% were owner-occupied, 32.2% were rental, and 8.6% were vacant. Of the total housing units, 12.3% were located in low-income census tracts, 16.3% in moderate-income census tracts, 42.4% in middle-income census tracts, 28.4% in upper-income census tracts, and 0.7% in unknown-income census tracts. In low-income census tracts, 28.2% of housing units were owner-occupied, 53.5% were rental units, and 18.3% were vacant. In moderate-income census tracts, 44.0% of housing units were owner-occupied, 44.3% were rental units, and 11.7% were vacant.

The median age of housing stock in this assessment area was 61 years old, with 39.3% of the stock built before 1950. Similarly, the median age of housing stock was 61 years in LMI census tracts. According to the 2020 U.S. Census, the median housing value in this assessment area was \$160,665 with an affordability ratio of 37.0. The median gross rent in the assessment area was \$852 per month.

The table below depicts the housing characteristics in this assessment.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$160,665	37.0	\$852
Erie County, NY	\$160,665	37.0	\$852
MSA 15380 (Buffalo-Cheektowaga, NY)	\$155,760	37.9	\$831
State of NY	\$325,000	21.9	\$1,315
Source: 2020 U.S. Census			

Housing Cost Burden

According to HUD's data, within this assessment area, 44.4% of all rental households had rental costs that exceeded 30.0% of their incomes, 77.0% of low-income rental households had rental costs that exceeded 30.0% of their income, and 32.4% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

According to HUD's data, within this assessment area, 15.9% of homeowners had housing costs that exceeded 30.0% of their incomes, 59.4% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 25.6% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

Additional housing cost data is provided in the following table.

Housing Cost Burden*						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	77.0%	32.4%	44.4%	59.4%	25.6%	15.9%
Erie County, NY	77.0%	32.4%	44.4%	59.4%	25.6%	15.9%
MSA 15380 (Buffalo-Cheektowaga, NY)	75.7%	29.5%	43.9%	59.5%	25.4%	16.0%
State of NY	76.4%	42.8%	46.8%	70.8%	40.8%	25.5%
<i>*Cost Burden is housing cost that equals 30.0% or more of household income Source: HUD, 2017-2021 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to D&B data, there were 35,746 businesses operating in this assessment area in 2023, of which 7.7% were located in low-income census tracts and 12.7% were located in moderate-income census tracts. Of the total businesses operating in this assessment area, 89.3% were small businesses with a GAR of \$1.0 million or less, of which 7.5% were located in low-income census tracts and 12.4% were located in moderate-income census tracts.

According to the BLS, unemployment in this assessment area and NY State improved from 2021 to 2022. Throughout the evaluation period, assessment area unemployment rates were below that of NY State unemployment rates. The COVID-19 pandemic contributed to the high unemployment rates in 2021, both within this assessment area and in NY State.

The unemployment rates are provided in the subsequent table.

Unemployment Rates			
Area	2021	2022	2023
Assessment Area	5.5%	3.7%	3.8%
Erie County, NY	5.5%	3.7%	3.8%
MSA 15380 (Buffalo-Cheektowaga, NY)	5.5%	3.7%	3.8%
State of NY	7.1%	4.3%	4.2%
<i>Source: BLS, Local Area Unemployment Statistics</i>			

Additional performance context data for this assessment area is provided in the following table.

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	40	15.3	23,120	10.1	8,437	36.5	50,834	22.3
Moderate	46	17.6	32,141	14.1	5,479	17.0	37,193	16.3
Middle	102	39.1	97,808	42.8	5,160	5.3	47,088	20.6
Upper	63	24.1	74,189	32.5	2,493	3.4	93,325	40.9
Unknown	10	3.8	1,182	0.5	261	22.1	0	0
Assessment Area	261	100.0	228,440	100.0	21,830	9.6	228,440	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	52,640	14,863	5.8	28.2	28,167	53.5	9,610	18.3
Moderate	70,152	30,881	12.1	44.0	31,087	44.3	8,184	11.7
Middle	181,983	118,248	46.4	65.0	51,198	28.1	12,537	6.9
Upper	121,908	89,566	35.2	73.5	26,281	21.6	6,061	5.0
Unknown	3,025	1,139	0.4	37.7	1,480	48.9	406	13.4
Assessment Area	429,708	254,697	100.0	59.3	138,213	32.2	36,798	8.6
	Total Businesses by		Businesses by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2,768	7.7	2,404	7.5	351	10.1	13	3.7
Moderate	4,555	12.7	3,949	12.4	556	15.9	50	14.2
Middle	15,096	42.2	13,416	42.0	1,515	43.4	165	47.0
Upper	12,512	35.0	11,492	36.0	902	25.9	118	33.6
Unknown	815	2.3	646	2.0	164	4.7	5	1.4
Assessment Area	35,746	100.0	31,907	100.0	3,488	100.0	351	100.0
	Percentage of Total Businesses:			89.3		9.8		1.0
	Total Farms by		Farms by Tract & Revenue Size					
	Tract		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	13	3.4	13	3.6	0	0	0	0
Moderate	31	8.1	30	8.2	1	6.3	0	0
Middle	208	54.5	201	55.1	7	43.8	0	0
Upper	128	33.5	119	32.6	8	50.0	1	100.0
Unknown	2	0.5	2	0.5	0	0	0	0
Assessment Area	382	100.0	365	100.0	16	100.0	1	100.0
	Percentage of Total Farms:			95.5		4.2		0.3
Source: 2023 FFIEC Census; 2023 D&B.								

Source: 2023 FFIEC Census; 2023 D&B.

Community Contact

One interview was conducted with a representative from an organization located in this assessment area and dedicated to creating and implementing affordable housing programs for the City of Buffalo. The organization offered income-restricted affordable rental units, first-time homebuyer grants and home repair services for LMI individuals and families. The representative identified a need for banks to waive fees for commercial loan applications, increase bank branch presence in the community, and to offer foreclosure mitigation programs and assistance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Five Star's performance under the Lending Test was good in this assessment area.

Lending Activity

Lending levels reflected good responsiveness to the assessment area credit needs. This conclusion was based on the bank's volume of HMDA and small business loans originated during the evaluation period.

As shown in the subsequent table, the bank made 944 HMDA loans totaling nearly \$ 210.2 million and 355 small business loans totaling approximately \$65.7 million. This lending activity represented an overall annualized performance over 36 months of 315 HMDA loans totaling \$70.1 million and 118 small business loans totaling \$21.9 million. Annualized performance decreased 30.2% by number of HMDA loans, and increased 0.4% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 451 HMDA loans and 118 small business loans over 39 months. The decrease in lending activity was attributed to an increase in interest rates and the competitive market.

In 2023, Five Star ranked 11th out of 239 home purchase lending reporters with a market share of 2.6%. The bank ranked 18th out of 239 refinance lending reporters with a market share of 1.0%. Of the 239 competitors in this market, most of the institutions that ranked higher than Five Star were significantly larger regional and national lenders including M&T Bank, Citizens Bank N.A., Premium Mortgage Corporation, United Wholesale Mortgage LLC, and Rocket Mortgage. These five institutions captured 38.8% of the total market share for home purchase lending and 46.9% total market share for refinance lending.

In 2023, the bank ranked 20th out of 106 small business lending reporters with a market share of 0.4%. Of the 106 competitors in this market, most of the institutions that ranked higher than Five Star were significantly larger regional and national lenders including American Express N.B., JPMorgan Chase, N.A., Capital One, N.A., Bank of America, and Citibank. These five institutions captured 64.5% of the total market share.

The bank's lending activity is summarized in the table below.

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$(000's)	%
Home Purchase	747	79.1	169,105	80.5
Home Refinance	197	20.9	41,077	19.5
Total HMDA	944	72.7	210,182	76.2
Total Small Business	355	27.3	65,688	23.8
TOTAL LOANS	1,299	100.0	275,870	100.0
<i>Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2023</i>				

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration through this assessment area. Lending penetration in LMI tracts was good for HMDA loans and adequate for small business loans.

Gap Analysis

Five Star demonstrated an adequate level of dispersion in LMI census tracts in this assessment area. The bank's

performance in LMI census tracts showed a decline from 2021 to 2022. However, the bank's 2023 performance remained comparable to 2022. Weaker penetrations in LMI census tracts were attributed to low owner-occupancy rates.

The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %
2023			
Low	40	20	50.0
Moderate	46	26	43.0
Middle	102	31	70.0
Upper	63	13	79.0
Unknown	10	7	30.0
2022			
Low	40	21	48.0
Moderate	46	21	54.0
Middle	102	31	70.0
Upper	63	12	81.0
Unknown	10	7	30.0
2021			
Low	38	9	76.0
Moderate	41	7	83.0
Middle	90	12	87.0
Upper	60	5	92.0
Unknown	8	7	13.0

Source: Bank data, January 1, 2021 to December 31, 2023.

Home Purchase Loans

The geographic distribution of home purchase loans reflected excellent penetration throughout this assessment area.

In 2023, the bank made 11.3% by number and 6.7% by dollar of home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was significantly above the 5.8% of owner-occupied housing units located in low-income census tracts and significantly above the aggregate, which made 6.4% by number and 3.8% by dollar in low-income census tracts. 2022 and 2021 performance were comparable to 2023 where the bank performed significantly above the demographics and aggregates. As a result, performance within low-income census tracts was excellent due to the excellent performance in 2023, 2022, and 2021.

In 2023, the bank made 17.4% of home purchase loans by number and 15.9% by dollar in moderate-income census tracts. The bank's home purchase lending performance was above the 12.1% of owner-occupied housing units located in moderate-income census tracts and was above the aggregate, which made 14.3% by number and 10.9% by dollar of home purchase loans in moderate-income census tracts. In 2022, the bank outperformed 2023 activity by significantly exceeding the lending aggregate. In 2021, the bank made 21.3% of home purchase loans by number and 17.4% by dollar in moderate-income census tracts. The bank's home purchase lending performance was significantly above the 11.2% of owner-occupied housing units located in moderate-income census tracts and was significantly above the aggregate, which made 10.6% by number and 7.7% by dollar of home purchase loans in moderate-income census tracts. As a result, performance within moderate-income census tracts was excellent due

to excellent performance in 2023, 2022, and 2021.

Home Refinance Loans

The geographic distribution of refinance loans reflected good penetration throughout this assessment area.

In 2023, the bank made 6.5% by number and 10.4% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was slightly above the 5.8% of owner-occupied housing units located in low-income census tracts and above the aggregate, which made 4.8% by number and 3.5% by dollar of refinance loans in low-income census tracts. In 2022, the bank made 11.4% by number and 6.9% by dollar of refinance loans in low-income census tracts. The bank's refinance lending performance in low-income census tracts was significantly above the 5.8% of owner-occupied housing units located in low-income census tracts and significantly above the aggregate, which made 3.7% by number and 2.6% by dollar of refinance loans in low-income census tracts. 2021 performance were comparable to 2022 where the bank performed significantly above demographics and aggregates. As a result, performance within low-income census tracts was excellent due to the good performance in 2023, and excellent performance in 2022 and 2021.

In 2023, the bank made 9.7% by number and 6.3% by dollar amount of refinance loans in moderate-income census tracts. Five Star's refinance lending performance in moderate-income census tracts was slightly below the 12.1% of owner-occupied housing units located in moderate-income census tracts and slightly below the aggregate, which made 11.6% by number and 9.8% by dollar of refinance loans in moderate-income census tracts. In 2022, the bank made 4.5% by number and 2.9% by dollar amount of refinance loans in moderate-income census tracts. This performance was significantly below both the 12.1% of owner-occupied housing units and the aggregate, which made 10.4% by number and 7.6% by dollar of refinance loans in moderate-income census tracts. Performance in 2021 was comparable to 2022. As a result, performance within moderate-income census tracts was adequate due to the good performance in 2023, and poor performance in 2022 and 2021.

Small Business Loans

The geographic distribution of small business loans reflected adequate penetration throughout the assessment area.

In 2023, the bank made 8.0% by number and 10.5% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was similar to the 7.7% of businesses located in low-income census tracts and similar to the aggregate, which made 8.3% by number and 7.5% by dollar of small business loans in low-income census tracts. In 2022, the bank made 12.5% by number and 12.4% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly above the 7.7% of businesses located in low-income census tracts and above the aggregate, which made 8.6% by number and 7.4% by dollar of small business loans in low-income census tracts. Performance in 2021 was similar to 2023. As a result, performance within low-income census tracts was good due to the good performance in 2023 and 2021, and excellent performance in 2022.

In 2023, the bank made 1.3% by number and 1.7% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was significantly below the 12.7% of businesses located in moderate-income census tracts and significantly below the aggregate, which made 11.9% by number and 13.0% by dollar of small business loans in moderate-income census tracts. Performance in 2022 was similar to 2023 with small business lending performance in moderate-income census tracts significantly below demographics and aggregate. In 2021, the bank made 7.6% by number and 11.5% by dollar of small business loans in moderate-income census tracts. Five Star's small business lending performance in moderate-income census tracts was below the 10.9% of businesses located in moderate-income census tracts and below the aggregate, which made 10.7% by number and 11.9% by dollar of small business loans in moderate-income census tracts. As a result,

performance within moderate-income census tracts was poor due to poor performance in 2023 and 2022, and adequate performance in 2021.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout the assessment area. Overall, HMDA lending to LMI borrowers and lending to businesses with GARs of \$1.0 million or less was good.

Home Purchase Loans

The borrower distribution of home purchase loans reflected excellent penetration throughout this assessment area based on good penetration among low-income borrowers and excellent penetration among moderate-income borrowers.

In 2023, the bank made 11.3% by number and 5.6% by dollar to low-income borrowers and was below the 22.3% low-income families in the assessment area. Performance was above aggregate lending, which made 7.6% by number and 4.2% by dollar to low-income families. In 2022, the bank made 18.8% by number and 11.9% by dollar to low-income borrowers and was below the 22.3% low-income families in the assessment area. Performance was significantly above aggregate lending, which made 8.3% by number and 4.7% by dollar to low-income families. Performance in 2021 was comparable to 2022 with lending slightly below demographics and significantly above aggregate. The distribution of borrowers reflected, given the product lines offered, good penetration among low-income borrowers for home purchase lending based on good penetration in 2023, 2022, and 2021.

In 2023, the bank's lending to moderate-income borrowers was 28.7% by number and 17.1% by dollar, which was above the aggregate performance of 22.4% by number and 16.6% by dollar, and significantly above the 16.3% moderate-income families in the assessment area. In 2022, the bank's lending to moderate-income borrowers was 44.1% by number and 34.0% by dollar, which was significantly above the aggregate performance of 23.4% by number and 17.7% by dollar, and significantly above the 16.3% moderate-income families in the assessment area. Performance in 2021 was comparable to 2022 with the bank's lending significantly outperforming demographics and aggregate data. The distribution of borrowers reflected, given the product lines offered, excellent penetration among moderate-income borrowers for home purchase lending based on excellent penetration in 2023, 2022, and 2021.

Home Refinance Loans

The borrower distribution of refinance loans reflected adequate penetration throughout the assessment area.

In 2023, the bank's lending to low-income borrowers was 12.9% by number and 5.7% by dollar which was slightly above the aggregate lending data, at 11.7% by number and slightly below 7.2% by dollar. The bank's performance was below the 22.3% of low-income families in the assessment area. In 2022, the bank's lending to low-income borrowers was 4.5% by number and 3.0% by dollar and was significantly below the aggregate lending data, at 10.3% by number and 6.0% by dollar. The bank's performance was significantly below the 22.3% low-income families in the assessment area. Performance in 2021 was comparable to 2022. The distribution of borrowers reflected, given the product lines offered, adequate penetration among low-income borrowers based on good penetration in 2023 and poor penetration in 2022 and 2021.

In 2023, the bank's lending to moderate-income borrowers was 22.6% by number and 23.8% by dollar, performance was similar to the aggregate lending data at 24.9% by number, slightly above 19.8% by dollar, and significantly above the 16.3% moderate-income families in the assessment area. In 2022, the bank's lending to moderate-income borrowers was 13.6% by number and 9.8% by dollar which was below the aggregate lending data of 23.8% by

number, below 18.4% by dollar, and slightly below the 16.3% moderate-income families in the assessment area. Performance in 2021 was comparable to 2022 with Five Star's lending trailing and demographics and aggregate data. The distribution of borrowers reflected, given the product lines offered, adequate penetration among moderate-income borrowers for refinance lending based on good penetration in 2023, and adequate penetration in 2022 and 2021.

Small Business Loans

The borrower distribution of small business loans reflected good penetration throughout the assessment area based on good penetration in 2022 and 2023, and adequate penetration in 2021. The overall level of lending to small businesses was similar to aggregate lending although below the assessment area demographic. A comparison to demographics was made, however, examiners placed greater weight on the aggregate performance, since aggregate was a better indicator of demand.

In 2023, the bank originated 58.7% of loans by number and 35.7% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was slightly above the aggregate lending data, at 53.2% by number and 33.1% by dollar, in addition to being below the 89.3% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also made 53.3% of loans to assessment area businesses in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses.

In 2022, the bank originated 60.7% of loans by number and 47.9% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was above the aggregate lending data, at 49.1% by number and 34.1% by dollar, in addition to being below the 89.0% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also originated 33.9% of loans to assessment area businesses in amounts of \$100,000 or less.

In 2021, the bank originated 38.8% of loans by number and 22.0% by dollar to businesses with GARs of \$1.0 million or less. The bank's lending to small businesses was slightly below the aggregate lending data, at 43.2% by number and 24.2% by dollar, in addition to being significantly below the 88.9% of businesses in the assessment area with GARs of \$1.0 million or less. The bank also made 63.8% of loans to assessment area businesses in amounts of \$100,000 or less.

Responsiveness to Credit Needs of Highly Economically Disadvantaged Geographies and to Low-Income Persons and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's loan products, such as the Progress Checking Account and Non-profit Checking, helped support LMI borrower needs within this assessment area. Five Star's extensive use of innovative and flexible products, primarily targeted at improving access to affordable housing, also supported the bank's good record of responding to community credit needs. The bank helped to meet the needs of small businesses during the COVID-19 pandemic by originating PPP loans in 2021, which provided critical funding to sustain operations and retain employees. Five Star further supported small business by providing small business loans in amounts of \$100,000 or less, which are typically considered more responsive to the credit needs of very small businesses. In 2023, the bank originated 53.3% of loans to assessment area businesses in amounts of \$100,000 or less, reinforcing its good record of responding to this assessment's credit needs.

Community Development Lending Activities

Five Star made is a leader in making qualified community development loans. Community development lending totaled 7 loans for \$35.6 million or 29.1% of the bank's total community development. This lending level represented an annualized performance over 36 months of \$11.9 million. Compared to the previous evaluation, when the bank had an annualized performance of \$8.7 million, this represented an increase by dollar volume of 36.8%.

The table below illustrates the bank's community development loan activity by year and purpose.

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2022	2	22,800	0	0	0	0	4	10,671	6	33,471
2023	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	1	2,100	1	2,100
Total	2	22,800	0	0	0	0	5	12,771	7	35,571
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>										

Below are examples of the bank's community development loans within this assessment area.

- In 2022, the bank made a \$4.1 million loan to a for-profit organization to refinance 25 affordable housing properties that had a total of 49 units.
- In 2022, the bank made a loan totaling \$1.5 million to a for-profit organization. Funds were used to develop a vacant building located in a low-income census tract into a brewery that would provide LMI jobs to individuals in the area.

Innovative and/or Flexible Lending Practices

The bank made extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs. For detailed information on the bank's innovative and/or flexible lending practices, please refer to the discussion at the institutional level.

INVESTMENT TEST

Five Star's performance under the Investment Test was good in this assessment area.

Investment and Grant Activity

Five Star had an adequate level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 98 qualified investments and grants totaling \$10.5 million. This included 18 prior period investments with a current balance of \$9.9 million and 80 grants totaling \$639,270. This represented an annualized performance over 36 months of \$3.5 million. Compared to the previous evaluation, when the bank had an annualized performance of \$4.1 million, performance by dollar volume decreased by 14.6%. The bank did not initiate new qualified investment activity during the review period for this geography.

The table below illustrates the bank's community development investment and grant activity by year and purpose.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	18	9,905	0	0	0	0	0	0	18	9,905
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0
Total Investments	18	9,905	0	0	0	0	0	0	18	9,905
Total Grants	8	71	64	493	8	75	0	0	80	639
Grand Total	26	9,976	64	493	8	75	0	0	98	10,544

Source: Bank data, January 1, 2022 to December 31, 2024

Below are examples of the bank's qualified investments and grants within this assessment area.

- A \$553,401 prior investment in a mortgage-backed security that supported four HMDA loans to LMI borrowers.
- A \$661,278 prior investment in a mortgage-backed security that supported 36 units of affordable housing for LMI individuals.
- Grants totaling \$10,000 to a community service nonprofit organization that provided services to LMI children and teens. Services included financial literacy and career development.

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs. Five Star's qualified investments included multiple investment projects and dollars that focused on affordable housing which demonstrated responsiveness needs within this assessment area.

Community Development Initiatives

The bank rarely used innovative and/or complex investments to support community development initiatives. No new qualified investments were conducted during the review period and prior period investments included mortgage-backed securities.

SERVICE TEST

Five Star's performance under the Services Test was good in this assessment area.

Retail Services

Accessibility of Delivery Systems

Delivery systems were accessible to essentially all portions of the bank's assessment area. Five Star operated 6 full-service branches in this assessment area, of which 1 branch (16.7%) was in a LMI census tract. The bank maintained a total of 10 full-service ATMs. Of the total ATMs, 1 (10.0%) was located in a LMI census tract. As detailed on the

following chart, this was below the 24.2% of the assessment area's families that resided in LMI census tracts.

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	40	15.3	23,120	10.1	0	0	0	0
Moderate	46	17.6	32,141	14.1	1	16.7	1	10.0
Middle	102	39.1	97,808	42.8	2	33.3	5	50.0
Upper	63	24.1	74,189	32.5	3	50.0	4	40.0
Unknown	10	3.8	1,182	0.5	0	0	0	0
Total	261	100.0	228,440	100.0	6	100.0	10	100.0
<i>Source: 2023 US Census data; Bank data as of December 31, 2023</i>								

Changes in Branch Locations

To the extent changes have been made, the bank's record of opening and closing branches improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the evaluation period, the bank opened two branches, the Elmwood Crossing branch located in a moderate-income census tract, and the Seneca Street Branch located in a middle-income census tract.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced portions of this assessment area, particularly LMI geographies and/or individuals. The bank offered the same loan and deposit products throughout its assessment areas. Of the bank's total branches:

- Extended weekday hours were offered at 5 (83.3%) branches, of which one (20.0%) branch was located in a moderate-income tract.
- Saturday lobby hours were offered at 3 (50.0%) branches, of which one (33.3%) branch was located in a moderate-income tract.

Community Development Services

Five Star was a leader in providing community development services. The bank provided 344 services, primarily addressing community service needs. This represented an annualized performance over 36 months of 115 community development services. This represented a 691.0% increase above the previous evaluation's annualized performance of 15 community development services. The bank logged 1,247.8 community development service hours. Of Five Star's total qualified services in this assessment area, the COVID-19 special consideration applied to 264 (76.7%) of services.

The table below illustrates the bank's community development services by year and purpose.

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	31	64	0	0	95
2023	20	146	20	0	186
2024	0	42	21	0	63
Total	51	252	41	0	344
<i>Source: Bank data, January 1, 2022 to December 31, 2024</i>					

Below are examples of the bank’s community development services within this assessment area.

- From 2022 through 2023, the bank’s Chief Legal Officer served on the board of a community service nonprofit organization that provided LMI youth access to affordable food and job training.
- From 2023 through 2024, a communication specialist served on the board of a community service nonprofit organization that employed LMI youth and provided them with on-the-job training.

MSA 21300 (ELMIRA) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION’S OPERATIONS

As of December 31, 2023, Five Star operated 2 (4.1%) of its 49 locations and 3 (4.4%) of its 68 ATMs in this assessment area. This assessment area generated approximately 3.0% by number and 1.6% by dollar volume of the bank’s combined total lending activity from January 1, 2021 to December 31, 2023.

According to June 30, 2024 FDIC Summary of Deposit Report, 6 institutions operated 16 offices within this assessment area. This assessment area contained \$194.6 million in deposits which represented 14.0% of the deposit market share and accounted for 3.8% of the bank’s total branch deposits. Competitors included Chemung Canal Trust Company, Community Bank, N.A., and M&T Bank, which collectively captured 85.7% of the total deposit market share.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	4	16.0	6.6	23.3
Moderate	4	16.0	11.3	15.7
Middle	12	48.0	60.3	21.8
Upper	4	16.0	21.8	39.1
Unknown	1	4.0	0	0
Total	25	100.0	100.0	100.0
<i>Source: 2023 FFIEC</i>				

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the overall rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 21300 (Elmira, NY)	Consistent	Consistent	Consistent

Five Star’s performance under the Lending Test was rated High Satisfactory. Lending levels reflected good responsiveness to this assessment area’s credit needs. Performance included good geographic distribution of loans and good borrower distribution.

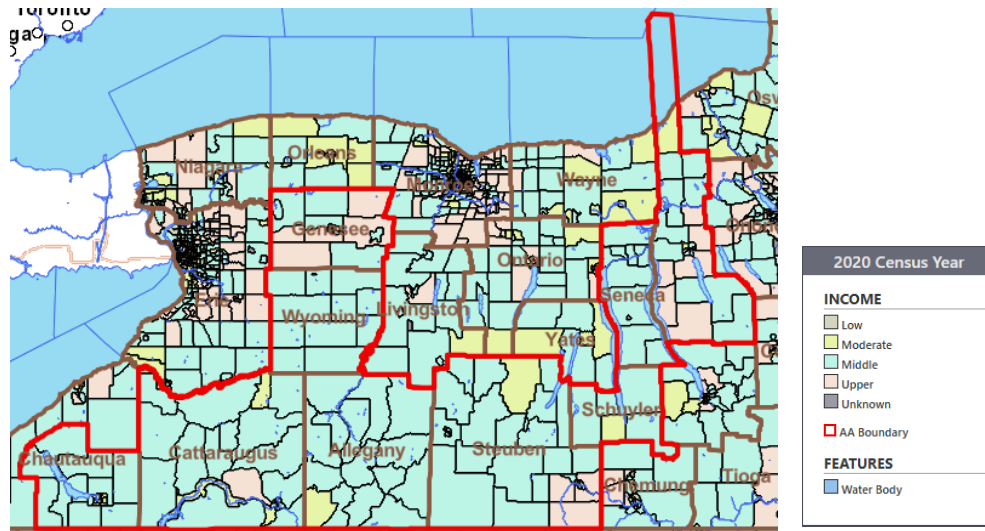
Five Star’s performance under the Investment Test was rated High Satisfactory. Performance included significant investment and grant activity and a good responsiveness to credit and community development needs.

Five Star’s performance under the Service Test was rated High Satisfactory. The bank’s consolidated Elmira Branch improved accessibility for LMI individuals and was part of a mixed-use revitalization project in a low-income census tract that housed its new branch, retail spaces, and 51 residential apartments. Additionally, the new branch included a drive-thru and a walk-up ATM, which were not available at the prior branch.

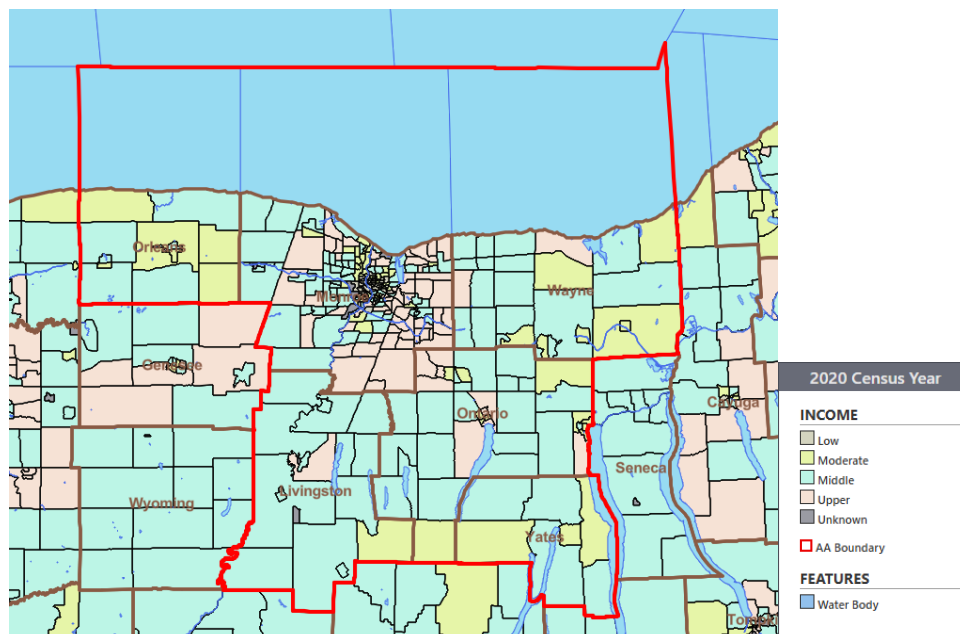
APPENDICES

APPENDIX A – ASSESSMENT AREA MAPS

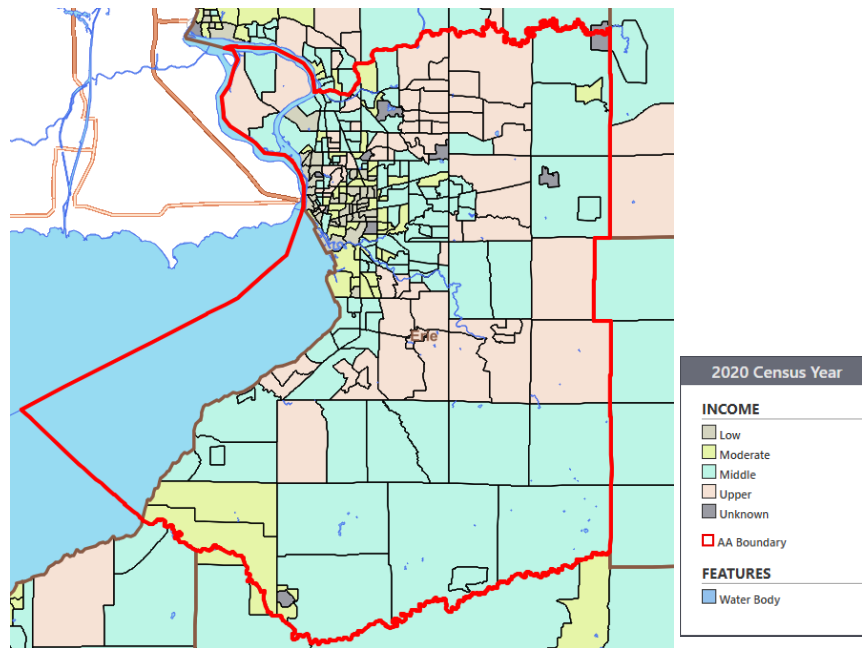
NON-METROPOLITAN, NY



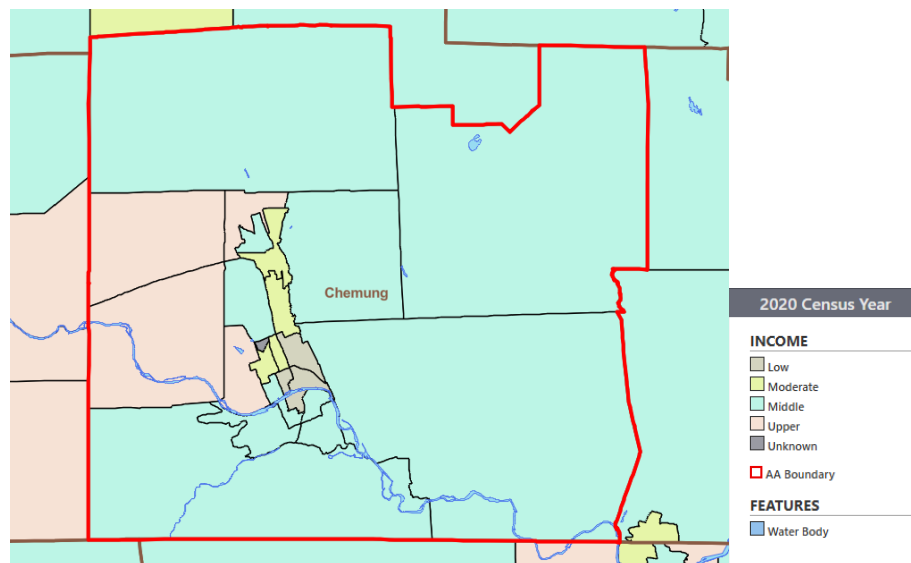
MSA 40380 (ROCHESTER, NY)



MSA 15380 (BUFFALO-CHEEKTOWAGA)



MSA 21300 (ELMIRA)



APPENDIX B – LOAN DISTRIBUTION REPORTS

GEOGRAPHIC DISTRIBUTION

HMDA Lending:

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Non-Metropolitan, NY													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	\$%	\$%	#	##	##	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	0.9	0.7	100	0.6	0.4	2	1.9	1.2	146	0.7	0.6	0.6
Moderate	11	10.0	12.0	1,261	7.8	8.9	13	12.6	12.6	2,278	11.6	9.3	9.8
Middle	87	79.1	70.6	13,056	80.5	70.5	78	75.7	70.7	15,710	79.8	71.4	74.8
Upper	11	10.0	16.6	1,804	11.1	20.2	10	9.7	15.6	1,562	7.9	18.7	14.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	110	100.0	100.0	16,221	100.0	100.0	103	100.0	100.0	19,696	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.7	0	0.0	0.4	1	2.1	0.9	25	0.5	0.6	0.6
Moderate	5	7.7	8.4	616	8.5	6.7	3	6.4	9.8	716	13.7	9.0	9.8
Middle	50	76.9	73.6	5,591	77.0	74.3	33	70.2	73.3	3,648	69.8	74.2	74.8
Upper	10	15.4	17.3	1,052	14.5	18.6	10	21.3	15.9	840	16.1	16.2	14.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	65	100.0	100.0	7,259	100.0	100.0	47	100.0	100.0	5,229	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.4	0	0.0	0.3	0	0.0	0.9	0	0.0	0.6	0.6
Moderate	8	10.5	7.8	545	11.8	7.1	5	6.3	9.1	280	5.8	7.3	9.8
Middle	56	73.7	73.1	3,529	76.2	74.6	61	77.2	72.0	3,557	73.4	72.9	74.8
Upper	12	15.8	18.6	556	12.0	18.0	13	16.5	18.0	1,011	20.9	19.2	14.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	76	100.0	100.0	4,630	100.0	100.0	79	100.0	100.0	4,848	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	4.4	0	0.0	1.5	0	0.0	4.5	0	0.0	0.6	10.4
Moderate	1	25.0	17.6	8,558	50.5	16.8	0	0.0	20.5	0	0.0	5.0	13.2
Middle	3	75.0	57.4	8,400	49.5	42.0	1	50.0	65.9	320	6.6	82.1	67.0
Upper	0	0.0	20.6	0	0.0	39.7	1	50.0	9.1	4,500	93.4	12.3	9.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	16,958	100.0	100.0	2	100.0	100.0	4,820	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	1	0.4	0.7	100	0.2	0.4	3	1.3	1.0	171	0.5	0.6	0.6
Moderate	25	9.8	10.4	10,980	24.4	8.7	21	9.1	10.9	3,274	9.5	8.7	9.8
Middle	196	76.9	71.7	30,576	67.8	70.1	173	74.9	71.7	23,235	67.2	72.7	74.8
Upper	33	12.9	17.3	3,412	7.6	20.8	34	14.7	16.3	7,913	22.9	18.0	14.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	255	100.0	100.0	45,068	100.0	100.0	231	100.0	100.0	34,593	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Source: 2023 FFIEC Census Data; 2020 ACS

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2021 Home Mortgage Lending By Income Level of Geography							
Assessment Area: Non-Metropolitan, NY							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	0.6	0	0.0	0.3	0.7
Moderate	6	5.8	6.6	389	2.7	4.2	6.5
Middle	94	91.3	82.0	13,881	95.0	81.4	83.3
Upper	3	2.9	10.8	346	2.4	14.1	9.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	103	100.0	100.0	14,616	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.4	0	0.0	0.5	0.7
Moderate	5	2.8	3.7	295	1.5	2.6	6.5
Middle	157	87.7	82.5	17,922	89.0	80.6	83.3
Upper	17	9.5	13.4	1,913	9.5	16.3	9.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	179	100.0	100.0	20,130	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.2	0	0.0	0.1	0.7
Moderate	1	2.9	4.5	47	2.2	2.8	6.5
Middle	31	91.2	83.3	1,983	94.2	83.1	83.3
Upper	2	5.9	12.0	76	3.6	14.0	9.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	34	100.0	100.0	2,106	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	0	0.0	2.0	0	0.0	25.1	7.8
Moderate	0	0.0	8.0	0	0.0	2.9	14.6
Middle	1	100.0	76.0	62	100.0	63.5	65.9
Upper	0	0.0	14.0	0	0.0	8.4	11.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	62	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	0	0.0	0.5	0	0.0	1.1	0.7
Moderate	12	3.8	5.3	731	2.0	3.6	6.5
Middle	283	89.3	82.2	33,848	91.7	80.6	83.3
Upper	22	6.9	11.9	2,335	6.3	14.8	9.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	317	100.0	100.0	36,914	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 40380 (Rochester, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	##%	##%	#	##%	##%	\$(000)	##%	##%	
Home Purchase Loans													
Low	31	19.7	6.0	2,741	12.6	3.1	37	24.7	7.0	3,736	11.7	3.5	3.9
Moderate	53	33.8	18.8	6,281	28.8	13.7	34	22.7	18.5	4,674	14.7	13.7	16.6
Middle	54	34.4	44.4	8,530	39.1	42.1	49	32.7	44.6	11,559	36.2	42.6	47.8
Upper	19	12.1	30.6	4,260	19.5	41.0	30	20.0	29.5	11,934	37.4	39.9	31.5
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.4	0	0.0	0.3	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	157	100.0	100.0	21,812	100.0	100.0	150	100.0	100.0	31,903	100.0	100.0	100.0
Refinance Loans													
Low	3	4.1	4.6	184	2.4	3.3	2	4.5	5.2	58	1.1	4.0	3.9
Moderate	13	17.8	15.0	843	10.9	12.0	7	15.9	15.0	549	10.4	11.9	16.6
Middle	49	67.1	45.9	5,526	71.5	43.3	30	68.2	47.4	3,651	68.9	45.5	47.8
Upper	8	11.0	34.3	1,178	15.2	41.2	5	11.4	32.2	1,042	19.7	38.5	31.5
Unknown	0	0.0	0.2	0	0.0	0.1	0	0.0	0.2	0	0.0	0.1	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	73	100.0	100.0	7,731	100.0	100.0	44	100.0	100.0	5,300	100.0	100.0	100.0
Home Improvement Loans													
Low	3	4.3	2.6	83	2.2	1.6	2	3.0	2.5	99	2.3	1.5	3.9
Moderate	13	18.8	13.8	574	15.2	11.1	13	19.4	16.8	832	19.2	13.0	16.6
Middle	38	55.1	47.6	2,183	57.8	44.1	43	64.2	46.7	2,541	58.7	43.7	47.8
Upper	15	21.7	36.0	939	24.8	42.9	9	13.4	33.9	857	19.8	41.8	31.5
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	69	100.0	100.0	3,779	100.0	100.0	67	100.0	100.0	4,329	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	1	12.5	12.6	525	0.9	15.0	0	0.0	16.1	0	0.0	5.6	11.5
Moderate	3	37.5	32.1	877	1.5	16.6	2	33.3	33.0	7,238	13.7	26.9	24.3
Middle	1	12.5	40.3	2,040	3.5	41.2	4	66.7	33.0	45,625	86.3	48.9	40.0
Upper	2	25.0	12.6	32,600	55.7	24.6	0	0.0	17.0	0	0.0	18.5	22.5
Unknown	1	12.5	2.5	22,531	38.5	2.7	0	0.0	0.9	0	0.0	0.0	1.7
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	58,573	100.0	100.0	6	100.0	100.0	52,863	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	38	12.4	5.0	3,533	3.8	4.8	41	15.4	5.5	3,893	4.1	3.5	3.9
Moderate	82	26.7	16.8	8,575	9.3	13.5	56	21.0	17.1	13,293	14.1	14.4	16.6
Middle	142	46.3	45.3	18,279	19.9	42.4	126	47.2	45.9	63,376	67.1	43.9	47.8
Upper	44	14.3	32.7	38,977	42.4	38.8	44	16.5	31.2	13,833	14.7	38.0	31.5
Unknown	1	0.3	0.2	22,531	24.5	0.5	0	0.0	0.3	0	0.0	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	307	100.0	100.0	91,895	100.0	100.0	267	100.0	100.0	94,395	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 40380 (Rochester, NY)							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans							
Low	40	17.3	4.0	3,656	11.2	2.1	3.4
Moderate	75	32.5	13.3	7,933	24.2	8.6	11.3
Middle	97	42.0	50.7	14,988	45.7	46.9	53.2
Upper	19	8.2	32.0	6,197	18.9	42.4	32.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	231	100.0	100.0	32,774	100.0	100.0	100.0
Refinance Loans							
Low	1	0.5	1.5	198	0.8	0.9	3.4
Moderate	13	6.7	7.6	1,865	7.2	5.2	11.3
Middle	143	73.7	49.8	18,034	69.9	44.1	53.2
Upper	37	19.1	41.1	5,709	22.1	49.7	32.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	194	100.0	100.0	25,806	100.0	100.0	100.0
Home Improvement Loans							
Low	1	2.9	1.6	111	4.5	1.0	3.4
Moderate	2	5.7	9.0	155	6.3	6.2	11.3
Middle	24	68.6	53.1	1,833	73.9	46.6	53.2
Upper	8	22.9	36.2	380	15.3	46.2	32.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	35	100.0	100.0	2,479	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	2	40.0	26.5	10,076	18.5	21.2	16.6
Moderate	0	0.0	23.2	0	0.0	7.1	18.7
Middle	1	20.0	37.0	9,500	17.4	44.4	40.3
Upper	2	40.0	13.3	34,970	64.1	27.3	24.3
Unknown	0	0.0	0.0	0	0.0	0.0	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	5	100.0	100.0	54,546	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	44	9.5	2.7	14,041	12.1	3.6	3.4
Moderate	90	19.4	10.4	9,953	8.6	7.0	11.3
Middle	265	57.0	50.5	44,355	38.4	45.6	53.2
Upper	66	14.2	36.4	47,256	40.9	43.8	32.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	465	100.0	100.0	115,605	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	%	%	#	##	##	\$(000)	%	%	
Home Purchase Loans													
Low	16	7.5	5.1	2,489	5.1	3.2	28	11.3	6.4	4,692	6.7	3.8	5.8
Moderate	38	17.8	12.5	7,180	14.7	9.5	43	17.4	14.3	11,045	15.9	10.9	12.7
Middle	96	45.1	46.8	21,469	43.8	41.9	92	37.2	45.6	24,037	34.6	41.2	46.4
Upper	58	27.2	35.1	17,123	35.0	45.0	82	33.2	33.2	29,481	42.4	43.6	35.2
Unknown	5	2.3	0.5	717	1.5	0.4	2	0.8	0.6	262	0.4	0.4	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	213	100.0	100.0	48,978	100.0	100.0	247	100.0	100.0	69,517	100.0	100.0	100.0
Refinance Loans													
Low	5	11.4	3.7	680	6.9	2.6	2	6.5	4.8	493	10.4	3.5	5.8
Moderate	2	4.5	10.4	285	2.9	7.6	3	9.7	11.6	298	6.3	9.8	12.7
Middle	20	45.5	46.6	3,592	36.7	40.9	15	48.4	47.9	2,222	47.1	44.4	46.4
Upper	17	38.6	39.0	5,243	53.5	48.7	11	35.5	35.3	1,707	36.2	41.9	35.2
Unknown	0	0.0	0.3	0	0.0	0.2	0	0.0	0.5	0	0.0	0.4	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	44	100.0	100.0	9,800	100.0	100.0	31	100.0	100.0	4,720	100.0	100.0	100.0
Home Improvement Loans													
Low	4	7.5	4.5	194	4.7	3.3	4	9.3	3.9	150	4.3	2.8	5.8
Moderate	2	3.8	8.3	98	2.4	6.4	1	2.3	9.9	200	5.7	7.7	12.7
Middle	30	56.6	44.0	2,563	62.6	38.5	25	58.1	44.4	1,864	52.8	38.4	46.4
Upper	17	32.1	42.8	1,239	30.3	51.6	13	30.2	41.6	1,314	37.2	51.0	35.2
Unknown	0	0.0	0.3	0	0.0	0.2	0	0.0	0.2	0	0.0	0.1	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	53	100.0	100.0	4,094	100.0	100.0	43	100.0	100.0	3,528	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	7	25.9	20.3	8,656	6.6	7.2	4	23.5	12.3	8,910	8.4	5.9	13.2
Moderate	2	7.4	20.3	5,621	4.3	29.6	2	11.8	15.1	32,842	30.8	28.0	19.0
Middle	12	44.4	34.0	47,510	36.2	31.1	10	58.8	44.3	62,773	58.9	35.7	37.0
Upper	6	22.2	24.8	69,555	53.0	31.5	1	5.9	25.5	2,000	1.9	24.3	29.1
Unknown	0	0.0	0.7	0	0.0	0.6	0	0.0	2.8	0	0.0	6.1	1.7
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	27	100.0	100.0	131,342	100.0	100.0	17	100.0	100.0	106,525	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	32	9.5	4.6	12,019	6.2	3.5	38	11.2	5.6	14,245	7.7	3.9	5.8
Moderate	44	13.1	11.2	13,184	6.8	11.6	49	14.5	12.9	44,385	24.1	12.4	12.7
Middle	158	46.9	46.2	75,134	38.7	39.9	142	42.0	45.7	90,896	49.3	40.6	46.4
Upper	98	29.1	37.6	93,160	48.0	44.6	107	31.7	35.3	34,502	18.7	41.9	35.2
Unknown	5	1.5	0.4	717	0.4	0.4	2	0.6	0.5	262	0.1	1.0	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	337	100.0	100.0	194,214	100.0	100.0	338	100.0	100.0	184,290	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	45	15.7	5.6	5,762	11.4	3.5	7.4
Moderate	61	21.3	10.6	8,804	17.4	7.7	11.2
Middle	134	46.7	44.9	23,004	45.5	40.2	41.8
Upper	47	16.4	38.8	13,040	25.8	48.5	39.6
Unknown	0	0.0	0.1	0	0.0	0.2	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	287	100.0	100.0	50,610	100.0	100.0	100.0
Refinance Loans							
Low	11	9.0	2.8	1,681	6.3	1.8	7.4
Moderate	6	4.9	7.2	644	2.4	4.8	11.2
Middle	37	30.3	40.4	7,084	26.7	33.3	41.8
Upper	67	54.9	49.6	16,698	62.9	59.4	39.6
Unknown	1	0.8	0.0	450	1.7	0.7	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	122	100.0	100.0	26,557	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	5.3	0	0.0	3.6	7.4
Moderate	3	14.3	9.8	183	11.0	7.2	11.2
Middle	7	33.3	38.7	523	31.4	33.8	41.8
Upper	11	52.4	46.3	961	57.6	55.4	39.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	21	100.0	100.0	1,667	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	8	20.5	14.1	10,300	10.6	4.6	17.4
Moderate	6	15.4	19.7	4,747	4.9	7.5	12.5
Middle	16	41.0	37.4	51,086	52.7	37.9	37.5
Upper	7	17.9	26.8	18,516	19.1	43.5	31.1
Unknown	2	5.1	2.0	12,200	12.6	6.5	1.5
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	39	100.0	100.0	96,849	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	64	13.6	4.3	17,743	10.1	2.9	7.4
Moderate	76	16.2	9.0	14,378	8.2	6.5	11.2
Middle	194	41.4	42.2	81,697	46.5	37.0	41.8
Upper	132	28.1	44.4	49,215	28.0	52.7	39.6
Unknown	3	0.6	0.1	12,650	7.2	1.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	469	100.0	100.0	175,683	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 21300 (Elmira, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	\$%	\$%	#	##	##	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	3	20.0	5.7	219	15.0	3.0	1	12.5	5.6	56	6.1	2.8	6.6
Moderate	2	13.3	13.4	217	14.9	10.3	0	0.0	14.1	0	0.0	9.9	11.3
Middle	8	53.3	58.2	757	51.8	57.4	5	62.5	56.6	694	75.0	53.6	60.3
Upper	2	13.3	22.6	267	18.3	29.2	2	25.0	23.7	175	18.9	33.8	21.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	15	100.0	100.0	1,460	100.0	100.0	8	100.0	100.0	925	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	7.1	0	0.0	6.2	0	0.0	5.9	0	0.0	4.7	6.6
Moderate	1	25.0	12.8	25	8.4	8.6	0	0.0	15.6	0	0.0	14.7	11.3
Middle	2	50.0	54.5	110	36.9	54.9	2	66.7	59.1	105	35.8	56.6	60.3
Upper	1	25.0	25.6	163	54.7	30.4	1	33.3	19.4	188	64.2	24.1	21.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	298	100.0	100.0	3	100.0	100.0	293	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.5	0	0.0	1.3	0	0.0	4.5	0	0.0	3.7	6.6
Moderate	1	33.3	13.6	20	16.7	10.4	1	16.7	16.3	58	25.3	15.3	11.3
Middle	2	66.7	55.8	100	83.3	53.6	3	50.0	50.5	61	26.6	45.9	60.3
Upper	0	0.0	29.1	0	0.0	34.7	2	33.3	28.7	110	48.0	35.1	21.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	120	100.0	100.0	6	100.0	100.0	229	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	1	100.0	27.8	142	100.0	6.5	0	0.0	50.0	0	0.0	16.7	34.7
Moderate	0	0.0	5.6	0	0.0	0.2	0	0.0	0.0	0	0.0	0.0	32.5
Middle	0	0.0	55.6	0	0.0	86.0	0	0.0	50.0	0	0.0	83.3	24.7
Upper	0	0.0	11.1	0	0.0	7.3	0	0.0	0.0	0	0.0	0.0	8.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	142	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	4	17.4	5.3	361	17.9	4.3	1	5.9	5.3	56	3.9	3.9	6.6
Moderate	4	17.4	13.2	262	13.0	7.3	1	5.9	14.6	58	4.0	9.8	11.3
Middle	12	52.2	57.0	967	47.9	64.7	10	58.8	56.7	860	59.4	56.2	60.3
Upper	3	13.0	24.5	430	21.3	23.7	5	29.4	23.5	473	32.7	30.1	21.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	2,020	100.0	100.0	17	100.0	100.0	1,447	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Home Mortgage Lending By Income Level of Geography Assessment Area: MSA 21300 (Elmira, NY)							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	1	5.3	5.8	58	2.5	2.6	4.7
Moderate	2	10.5	11.2	190	8.3	8.0	8.5
Middle	12	63.2	51.6	1,150	49.9	48.3	56.3
Upper	4	21.1	31.5	905	39.3	41.0	30.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	19	100.0	100.0	2,303	100.0	100.0	100.0
Refinance Loans							
Low	1	12.5	2.4	45	5.9	2.2	4.7
Moderate	0	0.0	6.7	0	0.0	4.9	8.5
Middle	5	62.5	50.2	407	53.2	43.7	56.3
Upper	2	25.0	40.7	313	40.9	49.2	30.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	765	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	5.5	0	0.0	4.3	4.7
Moderate	0	0.0	9.1	0	0.0	7.1	8.5
Middle	1	50.0	46.3	64	56.1	41.6	56.3
Upper	1	50.0	39.0	50	43.9	47.0	30.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	114	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	1	100.0	29.4	394	100.0	3.6	34.4
Moderate	0	0.0	0.0	0	0.0	0.0	15.4
Middle	0	0.0	58.8	0	0.0	38.2	40.0
Upper	0	0.0	11.8	0	0.0	58.2	10.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	394	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	3	10.0	4.6	497	13.9	2.6	4.7
Moderate	2	6.7	9.4	190	5.3	6.3	8.5
Middle	18	60.0	50.7	1,621	45.3	45.6	56.3
Upper	7	23.3	35.3	1,268	35.5	45.4	30.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	30	100.0	100.0	3,576	100.0	100.0	100.0
Source: 2021 FFIEC Census Data, 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Small Business Lending

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography													
Assessment Area: Non-Metropolitan, NY													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	\$%	\$%	#	##	##	\$(000)	\$%	\$%	
Low	3	3.8	2.9	1,000	10.7	6.0	3	3.3	2.5	757	9.5	2.6	4.2
Moderate	1	1.3	10.0	2	0.0	10.7	5	5.6	10.3	134	1.7	9.7	11.8
Middle	68	86.1	71.1	7,405	79.0	65.8	69	76.7	70.5	3,591	44.9	70.6	70.5
Upper	7	8.9	15.1	963	10.3	16.9	13	14.4	16.0	3,518	44.0	17.0	13.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.9	0	0.0	0.6	0	0.0	0.6	0	0.0	0.1	
Total	79	100.0	100.0	9,370	100.0	100.0	90	100.0	100.0	8,000	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2023 D&B; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Income Level of Geography							
Assessment Area: Non-Metropolitan, NY							
Geographic Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank			Agg
	#	##%	##%	\$(000)	\$%		\$%
Low	13	2.4	3.3	2,133	5.8	5.1	3.9
Moderate	38	7.1	8.0	6,222	17.1	11.1	8.9
Middle	453	84.2	78.6	25,173	69.0	74.5	77.1
Upper	34	6.3	9.6	2,955	8.1	9.3	10.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.5	0	0.0	0.1	
Total	538	100.0	100.0	36,483	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2020 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 40380 (Rochester, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	6	6.4	4.8	1,522	8.3	5.7	2	1.9	4.9	535	2.4	4.6	5.9
Moderate	21	22.3	16.2	5,322	28.9	17.3	21	20.4	16.1	4,899	21.7	16.1	17.5
Middle	49	52.1	45.5	6,952	37.8	45.3	57	55.3	45.1	11,950	52.8	48.5	44.2
Upper	18	19.1	31.2	4,588	25.0	29.0	22	21.4	32.0	5,210	23.0	27.9	29.8
Unknown	0	0.0	1.9	0	0.0	2.5	1	1.0	1.7	34	0.2	2.7	2.6
	0	0.0	0.4	0	0.0	0.1	0	0.0	0.3	0	0.0	0.1	
	94	100.0	100.0	18,384	100.0	100.0	103	100.0	100.0	22,628	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Income Level of Geography							
Assessment Area: MSA 40380 (Rochester, NY)							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	22	3.9	8.2	3,237	6.8	10.0	9.0
Moderate	72	12.7	11.0	8,074	16.9	11.8	13.3
Middle	361	63.9	45.9	22,325	46.6	44.6	45.7
Upper	110	19.5	34.5	14,238	29.7	33.4	31.9
Unknown	0	0	0.1	0	0	0.1	0.2
Tract-Unk	0	0	0.3	0	0	0.1	
Total	565	100.0	100.0	47,874	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2021 D&B data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	7	12.5	8.6	2,270	12.4	7.4	6	8.0	8.3	1,529	10.5	7.5	7.7
Moderate	2	3.6	12.7	1,433	7.8	13.6	1	1.3	11.9	250	1.7	13.0	12.7
Middle	25	44.6	40.1	7,884	42.9	40.0	30	40.0	39.9	6,800	46.7	41.7	42.2
Upper	20	35.7	36.2	6,211	33.8	36.3	35	46.7	37.7	5,427	37.3	35.3	35.0
Unknown	2	3.6	2.1	565	3.1	2.6	3	4.0	1.7	544	3.7	2.4	2.3
Tract-Unk	0	0.0	0.3	0	0.0	0.1	0	0.0	0.4	0	0.0	0.1	
Total	56	100.0	100.0	18,363	100.0	100.0	75	100.0	100.0	14,550	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2023 D&D Data, 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Income Level of Geography							
Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	23	10.3	10.4	5,014	15.3	10.0	9.7
Moderate	17	7.6	10.7	3,762	11.5	11.9	10.9
Middle	66	29.5	33.4	12,777	39.0	34.6	34.9
Upper	114	50.9	42.2	10,121	30.9	37.3	40.7
Unknown	4	1.8	3.1	1,101	3.4	6.1	3.9
Tract-Unk	0	0.0	0.2	0	0.0	0.0	
Total	224	100.0	100.0	32,775	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 21300 (Elmira, NY)													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	№%	№%	\$(000)	№%	№%	#	№%	№%	\$(000)	№%	№%	
Low	1	10.0	14.1	826	57.4	17.5	0	0.0	13.8	0	0.0	15.8	19.6
Moderate	2	20.0	19.6	200	13.9	24.8	3	33.3	18.4	58	9.3	27.0	19.5
Middle	5	50.0	43.6	94	6.5	38.5	3	33.3	44.7	202	32.5	43.0	40.5
Upper	2	20.0	22.3	320	22.2	19.1	3	33.3	22.9	361	58.1	14.2	20.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.4	0	0.0	0.1	0	0.0	0.2	0	0.0	0.0	
Total	10	100.0	100.0	1,440	100.0	100.0	9	100.0	100.0	621	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Income Level of Geography							
Assessment Area: MSA 21300 (Elmira, NY)							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	
Low	12	21.8	17.3	723	32.6	21.7	19.4
Moderate	8	14.5	13.4	212	9.5	19.3	12.0
Middle	20	36.4	41.3	817	36.8	33.6	42.5
Upper	15	27.3	27.8	469	21.1	25.4	26.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.1	0	0.0	0.0	
Total	55	100.0	100.0	2,221	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

BORROWER PROFILE

HMDA Lending:

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Non-Metropolitan, NY													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Home Purchase Loans													
Low	19	17.3	8.4	1,550	9.6	4.4	7	6.8	7.3	645	3.3	3.6	20.1
Moderate	43	39.1	25.1	5,146	31.7	18.0	36	35.0	24.4	4,263	21.6	17.6	18.4
Middle	16	14.5	21.5	2,424	14.9	19.6	22	21.4	22.7	3,070	15.6	21.0	22.0
Upper	30	27.3	29.8	6,886	42.5	43.2	37	35.9	28.9	11,619	59.0	42.0	39.5
Unknown	2	1.8	15.2	215	1.3	14.8	1	1.0	16.6	99	0.5	15.8	0.0
Total	110	100.0	100.0	16,221	100.0	100.0	103	100.0	100.0	19,696	100.0	100.0	100.0
Refinance Loans													
Low	9	13.8	9.9	473	6.5	5.3	5	10.6	10.6	218	4.2	6.4	20.1
Moderate	17	26.2	22.6	1,751	24.1	16.5	9	19.1	25.0	662	12.7	19.7	18.4
Middle	16	24.6	26.9	1,725	23.8	23.7	12	25.5	26.6	1,374	26.3	24.9	22.0
Upper	22	33.8	34.2	3,210	44.2	46.9	19	40.4	30.4	2,725	52.1	39.2	39.5
Unknown	1	1.5	6.3	100	1.4	7.6	2	4.3	7.3	250	4.8	9.9	0.0
Total	65	100.0	100.0	7,259	100.0	100.0	47	100.0	100.0	5,229	100.0	100.0	100.0
Home Improvement Loans													
Low	5	6.6	8.3	125	2.7	5.5	12	15.2	9.5	506	10.4	6.0	20.1
Moderate	18	23.7	19.6	768	16.6	15.1	19	24.1	20.9	875	18.0	15.9	18.4
Middle	22	28.9	26.2	979	21.1	21.1	19	24.1	28.5	1,020	21.0	25.5	22.0
Upper	30	39.5	43.1	2,746	59.3	55.8	26	32.9	38.4	2,317	47.8	49.8	39.5
Unknown	1	1.3	2.8	12	0.3	2.6	3	3.8	2.7	130	2.7	2.8	0.0
Total	76	100.0	100.0	4,630	100.0	100.0	79	100.0	100.0	4,848	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	33	13.1	8.7	2,148	7.6	4.6	24	10.5	8.7	1,369	4.6	4.4	20.1
Moderate	78	31.1	23.3	7,665	27.3	17.3	64	27.9	23.6	5,800	19.5	17.6	18.4
Middle	54	21.5	23.5	5,128	18.2	20.6	53	23.1	24.6	5,464	18.4	22.0	22.0
Upper	82	32.7	33.0	12,842	45.7	45.2	82	35.8	31.2	16,661	56.0	42.5	39.5
Unknown	4	1.6	11.5	327	1.2	12.3	6	2.6	11.9	479	1.6	13.5	0.0
Total	251	100.0	100.0	28,110	100.0	100.0	229	100.0	100.0	29,773	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: Non-Metropolitan, NY							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	14	13.6	7.8	960	6.6	4.1	20.5
Moderate	40	38.8	23.2	4,045	27.7	16.2	18.4
Middle	22	21.4	22.3	2,731	18.7	19.9	22.1
Upper	22	21.4	31.7	6,141	42.0	45.3	39.1
Unknown	5	4.9	15.1	739	5.1	14.5	0.0
Total	103	100.0	100.0	14,616	100.0	100.0	100.0
Refinance Loans							
Low	10	5.6	6.1	542	2.7	3.2	20.5
Moderate	38	21.2	17.5	3,366	16.7	11.9	18.4
Middle	53	29.6	25.4	5,053	25.1	21.0	22.1
Upper	71	39.7	41.6	10,471	52.0	52.6	39.1
Unknown	7	3.9	9.5	698	3.5	11.2	0.0
Total	179	100.0	100.0	20,130	100.0	100.0	100.0
Home Improvement Loans							
Low	5	14.7	8.0	252	12.0	5.5	20.5
Moderate	4	11.8	19.8	147	7.0	14.2	18.4
Middle	10	29.4	28.0	380	18.0	25.9	22.1
Upper	14	41.2	41.4	1,202	57.1	51.5	39.1
Unknown	1	2.9	2.7	125	5.9	2.9	0.0
Total	34	100.0	100.0	2,106	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	29	9.2	7.1	1,754	4.8	3.8	20.5
Moderate	82	25.9	20.3	7,558	20.5	14.3	18.4
Middle	85	26.9	23.8	8,164	22.2	20.5	22.1
Upper	107	33.9	35.9	17,814	48.3	48.1	39.1
Unknown	13	4.1	12.9	1,562	4.2	13.3	0.0
Total	316	100.0	100.0	36,852	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 40380 (Rochester, NY)													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
		#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Home Purchase Loans													
Low	53	33.8	10.3	4,677	21.4	5.6	38	25.3	8.6	3,709	11.6	4.3	21.4
Moderate	51	32.5	21.9	6,952	31.9	16.5	45	30.0	20.3	6,528	20.5	15.0	17.7
Middle	29	18.5	20.9	4,544	20.8	20.1	20	13.3	19.3	3,995	12.5	18.6	20.6
Upper	18	11.5	28.1	4,782	21.9	39.8	43	28.7	28.8	16,442	51.5	39.6	40.4
Unknown	6	3.8	18.8	857	3.9	17.9	4	2.7	23.1	1,229	3.9	22.6	0.0
Total	157	100.0	100.0	21,812	100.0	100.0	150	100.0	100.0	31,903	100.0	100.0	100.0
Refinance Loans													
Low	12	16.4	12.0	786	10.2	7.3	10	22.7	13.3	541	10.2	7.6	21.4
Moderate	23	31.5	24.2	1,807	23.4	17.9	15	34.1	24.4	1,666	31.4	18.2	17.7
Middle	14	19.2	23.3	1,557	20.1	21.1	4	9.1	23.0	560	10.6	20.4	20.6
Upper	18	24.7	29.3	2,691	34.8	38.9	11	25.0	25.4	2,029	38.3	32.4	40.4
Unknown	6	8.2	11.2	896	11.6	14.7	4	9.1	13.9	504	9.5	21.4	0.0
Total	73	100.0	100.0	7,731	100.0	100.0	44	100.0	100.0	5,300	100.0	100.0	100.0
Home Improvement Loans													
Low	9	13.0	9.6	326	8.6	6.6	7	10.4	10.6	301	7.0	6.7	21.4
Moderate	25	36.2	22.1	1,044	27.6	16.3	17	25.4	22.3	728	16.8	15.9	17.7
Middle	11	15.9	25.6	497	13.2	22.8	24	35.8	25.7	1,766	40.8	23.0	20.6
Upper	24	34.8	41.5	1,912	50.6	53.2	16	23.9	40.2	1,384	32.0	53.0	40.4
Unknown	0	0.0	1.2	0	0.0	1.2	3	4.5	1.1	150	3.5	1.5	0.0
Total	69	100.0	100.0	3,779	100.0	100.0	67	100.0	100.0	4,329	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	74	24.7	10.6	5,789	17.4	6.2	55	21.1	10.1	4,551	11.0	5.2	21.4
Moderate	99	33.1	22.6	9,803	29.4	16.8	77	29.5	21.9	8,922	21.5	15.8	17.7
Middle	54	18.1	22.5	6,592	19.8	20.6	48	18.4	21.8	6,321	15.2	19.4	20.6
Upper	60	20.1	30.9	9,385	28.2	40.9	70	26.8	30.6	19,855	47.8	39.9	40.4
Unknown	12	4.0	13.3	1,753	5.3	15.6	11	4.2	15.5	1,883	4.5	19.7	0.0
Total	299	100.0	100.0	33,322	100.0	100.0	261	100.0	100.0	41,532	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: MSA 40380 (Rochester, NY)							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	96	41.6	11.7	9,465	28.9	6.8	21.9
Moderate	78	33.8	24.5	10,277	31.4	18.9	17.1
Middle	25	10.8	20.2	4,012	12.2	19.3	19.9
Upper	21	9.1	28.6	6,788	20.7	40.1	41.0
Unknown	11	4.8	15.0	2,232	6.8	14.8	0.0
Total	231	100.0	100.0	32,774	100.0	100.0	100.0
Refinance Loans							
Low	20	10.3	7.9	1,511	5.9	4.2	21.9
Moderate	43	22.2	20.6	4,213	16.3	14.4	17.1
Middle	66	34.0	24.3	8,608	33.4	21.2	19.9
Upper	56	28.9	36.2	9,934	38.5	46.3	41.0
Unknown	9	4.6	11.0	1,540	6.0	13.8	0.0
Total	194	100.0	100.0	25,806	100.0	100.0	100.0
Home Improvement Loans							
Low	1	2.9	8.9	41	1.7	6.6	21.9
Moderate	9	25.7	23.7	458	18.5	18.6	17.1
Middle	11	31.4	25.9	777	31.3	22.4	19.9
Upper	13	37.1	40.2	1,166	47.0	50.6	41.0
Unknown	1	2.9	1.3	37	1.5	1.8	0.0
Total	35	100.0	100.0	2,479	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	117	25.4	9.6	11,017	18.0	5.6	21.9
Moderate	130	28.3	22.4	14,948	24.5	16.8	17.1
Middle	102	22.2	22.5	13,397	21.9	20.2	19.9
Upper	90	19.6	33.0	17,888	29.3	43.2	41.0
Unknown	21	4.6	12.4	3,809	6.2	14.2	0.0
Total	460	100.0	100.0	61,059	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	%%	%%	#	##	##	\$(000)	%%	%%	
Home Purchase Loans													
Low	40	18.8	8.3	5,839	11.9	4.7	28	11.3	7.6	3,868	5.6	4.2	22.3
Moderate	94	44.1	23.4	16,647	34.0	17.7	71	28.7	22.4	11,874	17.1	16.6	16.3
Middle	23	10.8	22.4	4,962	10.1	21.0	37	15.0	21.7	9,602	13.8	20.1	20.6
Upper	47	22.1	30.1	18,053	36.9	40.9	105	42.5	30.4	41,812	60.1	42.4	40.9
Unknown	9	4.2	15.9	3,477	7.1	15.7	6	2.4	17.8	2,361	3.4	16.7	0.0
Total	213	100.0	100.0	48,978	100.0	100.0	247	100.0	100.0	69,517	100.0	100.0	100.0
Refinance Loans													
Low	2	4.5	10.3	295	3.0	6.0	4	12.9	11.7	268	5.7	7.2	22.3
Moderate	6	13.6	23.8	964	9.8	18.4	7	22.6	24.9	1,121	23.8	19.8	16.3
Middle	11	25.0	26.1	1,889	19.3	24.9	4	12.9	23.2	553	11.7	22.3	20.6
Upper	20	45.5	32.1	5,628	57.4	42.6	10	32.3	31.2	1,725	36.5	40.6	40.9
Unknown	5	11.4	7.7	1,024	10.4	8.2	6	19.4	9.0	1,053	22.3	10.1	0.0
Total	44	100.0	100.0	9,800	100.0	100.0	31	100.0	100.0	4,720	100.0	100.0	100.0
Home Improvement Loans													
Low	5	9.4	9.3	158	3.9	6.2	4	9.3	8.0	259	7.3	5.1	22.3
Moderate	11	20.8	19.5	601	14.7	15.5	7	16.3	20.9	380	10.8	15.1	16.3
Middle	15	28.3	25.1	928	22.7	21.7	12	27.9	25.6	871	24.7	22.4	20.6
Upper	19	35.8	41.7	1,686	41.2	52.6	16	37.2	41.8	1,814	51.4	53.4	40.9
Unknown	3	5.7	4.4	721	17.6	4.1	4	9.3	3.7	204	5.8	4.1	0.0
Total	53	100.0	100.0	4,094	100.0	100.0	43	100.0	100.0	3,528	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	47	15.2	9.0	6,292	10.0	5.1	36	11.2	8.7	4,395	5.7	4.8	22.3
Moderate	111	35.8	22.6	18,212	29.0	17.5	85	26.5	22.6	13,375	17.2	17.0	16.3
Middle	49	15.8	23.8	7,779	12.4	21.9	53	16.5	22.8	11,026	14.2	20.7	20.6
Upper	86	27.7	32.7	25,367	40.3	42.4	131	40.8	32.7	45,351	58.3	43.1	40.9
Unknown	17	5.5	12.0	5,222	8.3	13.0	16	5.0	13.3	3,618	4.7	14.4	0.0
Total	310	100.0	100.0	62,872	100.0	100.0	321	100.0	100.0	77,765	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	52	18.1	8.3	6,765	13.4	4.9	22.1
Moderate	146	50.9	23.4	22,995	45.4	17.9	16.5
Middle	43	15.0	21.6	8,445	16.7	20.3	19.9
Upper	39	13.6	30.4	10,426	20.6	40.7	41.6
Unknown	7	2.4	16.3	1,979	3.9	16.2	0.0
Total	287	100.0	100.0	50,610	100.0	100.0	100.0
Refinance Loans							
Low	4	3.3	6.7	386	1.5	3.6	22.1
Moderate	16	13.1	17.9	2,555	9.6	12.5	16.5
Middle	23	18.9	25.2	3,982	15.0	22.1	19.9
Upper	70	57.4	39.8	17,649	66.5	49.8	41.6
Unknown	9	7.4	10.4	1,985	7.5	12.1	0.0
Total	122	100.0	100.0	26,557	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	8.9	0	0.0	6.3	22.1
Moderate	3	14.3	19.4	232	13.9	15.2	16.5
Middle	5	23.8	23.0	527	31.6	21.6	19.9
Upper	9	42.9	43.4	669	40.1	51.0	41.6
Unknown	4	19.0	5.3	239	14.3	5.9	0.0
Total	21	100.0	100.0	1,667	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	56	13.0	7.5	7,151	9.1	4.3	22.1
Moderate	165	38.4	20.2	25,782	32.7	15.2	16.5
Middle	71	16.5	23.1	12,954	16.4	21.0	19.9
Upper	118	27.4	35.7	28,744	36.5	45.1	41.6
Unknown	20	4.7	13.5	4,203	5.3	14.3	0.0
Total	430	100.0	100.0	78,834	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 21300 (Elmira, NY)													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	%	%	#	##	##	\$(000)	%	%	
Home Purchase Loans													
Low	7	46.7	11.8	522	35.8	6.9	4	50.0	11.9	303	32.8	6.7	23.3
Moderate	8	53.3	25.3	938	64.2	20.3	3	37.5	25.7	472	51.0	19.8	15.7
Middle	0	0.0	21.9	0	0.0	22.5	0	0.0	23.8	0	0.0	24.2	21.8
Upper	0	0.0	25.8	0	0.0	36.9	1	12.5	24.4	150	16.2	37.3	39.1
Unknown	0	0.0	15.2	0	0.0	13.3	0	0.0	14.3	0	0.0	12.0	0.0
Total	15	100.0	100.0	1,460	100.0	100.0	8	100.0	100.0	925	100.0	100.0	100.0
Refinance Loans													
Low	1	25.0	9.0	25	8.4	5.6	1	33.3	15.1	45	15.4	10.2	23.3
Moderate	0	0.0	23.4	0	0.0	18.5	0	0.0	22.6	0	0.0	18.8	15.7
Middle	3	75.0	26.4	273	91.6	24.5	0	0.0	22.6	0	0.0	22.2	21.8
Upper	0	0.0	32.4	0	0.0	42.3	2	66.7	30.1	248	84.6	37.9	39.1
Unknown	0	0.0	8.7	0	0.0	9.0	0	0.0	9.7	0	0.0	11.0	0.0
Total	4	100.0	100.0	298	100.0	100.0	3	100.0	100.0	293	100.0	100.0	100.0
Home Improvement Loans													
Low	1	33.3	12.1	20	16.7	8.6	1	16.7	12.9	14	6.1	8.3	23.3
Moderate	0	0.0	20.4	0	0.0	17.4	1	16.7	21.3	10	4.4	17.5	15.7
Middle	2	66.7	26.7	100	83.3	26.0	3	50.0	33.7	168	73.4	27.9	21.8
Upper	0	0.0	38.3	0	0.0	46.3	1	16.7	27.7	37	16.2	40.4	39.1
Unknown	0	0.0	2.4	0	0.0	1.6	0	0.0	4.5	0	0.0	5.9	0.0
Total	3	100.0	100.0	120	100.0	100.0	6	100.0	100.0	229	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	9	40.9	10.8	567	30.2	6.6	6	35.3	12.3	362	25.0	7.2	23.3
Moderate	8	36.4	23.8	938	49.9	19.6	4	23.5	24.3	482	33.3	19.6	15.7
Middle	5	22.7	23.4	373	19.9	23.1	3	17.6	24.9	168	11.6	23.9	21.8
Upper	0	0.0	29.7	0	0.0	38.5	4	23.5	27.0	435	30.1	38.0	39.1
Unknown	0	0.0	12.4	0	0.0	12.2	0	0.0	11.5	0	0.0	11.4	0.0
Total	22	100.0	100.0	1,878	100.0	100.0	17	100.0	100.0	1,447	100.0	100.0	100.0
Source: 2023 FFIEC Census Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: MSA 21300 (Elmira, NY)							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	7	36.8	8.0	520	22.6	4.5	22.9
Moderate	6	31.6	21.6	541	23.5	15.9	16.0
Middle	1	5.3	23.5	102	4.4	23.4	21.0
Upper	5	26.3	28.7	1,140	49.5	39.7	40.0
Unknown	0	0.0	18.3	0	0.0	16.5	0.0
Total	19	100.0	100.0	2,303	100.0	100.0	100.0
Refinance Loans							
Low	3	37.5	6.6	184	24.1	3.0	22.9
Moderate	1	12.5	14.6	71	9.3	9.7	16.0
Middle	2	25.0	24.6	197	25.8	19.5	21.0
Upper	1	12.5	42.8	257	33.6	52.5	40.0
Unknown	1	12.5	11.4	56	7.3	15.3	0.0
Total	8	100.0	100.0	765	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	7.3	0	0.0	5.6	22.9
Moderate	1	50.0	22.6	50	43.9	18.5	16.0
Middle	1	50.0	29.3	64	56.1	23.3	21.0
Upper	0	0.0	37.8	0	0.0	49.9	40.0
Unknown	0	0.0	3.0	0	0.0	2.7	0.0
Total	2	100.0	100.0	114	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	10	34.5	7.4	704	22.1	4.0	22.9
Moderate	8	27.6	18.5	662	20.8	13.5	16.0
Middle	4	13.8	24.1	363	11.4	21.8	21.0
Upper	6	20.7	34.8	1,397	43.9	44.5	40.0
Unknown	1	3.4	15.2	56	1.8	16.3	0.0
Total	29	100.0	100.0	3,182	100.0	100.0	100.0
Source: 2021 FFIEC Census Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Small Business Lending:

Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Non-Metropolitan, NY													
	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%		
By Revenue													
\$1 Million or Less	63	79.7	53.0	6,145	65.6	42.3	67	74.4	55.4	2,605	32.6	37.8	88.5
Over \$1 Million	16	20.3		3,225	34.4		18	20.0		4,772	59.7		8.4
Revenue Unknown	0	0.0		0	0.0		5	5.6		623	7.8		3.2
Total	79	100.0		9,370	100.0		90	100.0		8,000	100.0		100.0
By Loan Size													
\$100,000 or Less	59	74.7	93.0	1,539	16.4	36.2	77	85.6	93.2	1,783	22.3	40.3	
\$100,001 - \$250,000	9	11.4	3.7	1,498	16.0	16.6	3	3.3	3.9	423	5.3	18.5	
\$250,001 - \$1 Million	11	13.9	3.2	6,333	67.6	47.2	10	11.1	2.9	5,794	72.4	41.2	
Total	79	100.0	100.0	9,370	100.0	100.0	90	100.0	100.0	8,000	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	51	81.0		1,219	19.8		63	94.0		1,275	48.9		
\$100,001 - \$250,000	5	7.9		831	13.5		1	1.5		150	5.8		
\$250,001 - \$1 Million	7	11.1		4,095	66.6		3	4.5		1,180	45.3		
Total	63	100.0		6,145	100.0		67	100.0		2,605	100.0		
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Revenue Size of Businesses									
Assessment Area: Non-Metropolitan, NY									
	Bank And Aggregate Loans							Total Businesses %	
	Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	%	%			
By Revenue									
\$1 Million or Less	241	44.8	43.5	10,466	28.7	27.8		88.2	
Over \$1 Million	75	13.9		17,238	47.2			8.6	
Revenue Unknown	222	41.3		8,779	24.1			3.2	
Total	538	100.0		36,483	100.0			100.0	
By Loan Size									
\$100,000 or Less	454	84.4	90.0	10,854	29.8	35.0			
\$100,001 - \$250,000	55	10.2	6.3	8,728	23.9	22.4			
\$250,001 - \$1 Million	29	5.4	3.7	16,901	46.3	42.5			
Total	538	100.0	100.0	36,483	100.0	100.0			
By Loan Size and Revenues \$1 Million or Less									
\$100,000 or Less	226	93.8		5,373	51.3				
\$100,001 - \$250,000	11	4.6		1,398	13.4				
\$250,001 - \$1 Million	4	1.7		3,695	35.3				
Total	241	100.0		10,466	100.0				
Source: 2021 FFIEC Census Data; 2021 D&B Data, 2015 ACS									
Note: Percentages may not total 100.0 percent due to rounding.									

Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 40380 (Rochester, NY)													
	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	52	55.3	50.3	3,807	20.7	34.1	58	56.3	54.3	7,935	35.1	36.6	90.1
Over \$1 Million	31	33.0		11,055	60.1		37	35.9		12,440	55.0		8.7
Revenue Unknown	11	11.7		3,522	19.2		8	7.8		2,253	10.0		1.1
Total	94	100.0		18,384	100.0		103	100.0		22,628	100.0		100.0
By Loan Size													
\$100,000 or Less	55	58.5	94.1	1,540	8.4	41.5	51	49.5	94.5	2,096	9.3	45.5	
\$100,001 - \$250,000	14	14.9	3.2	2,562	13.9	16.3	19	18.4	3.1	3,416	15.1	16.4	
\$250,001 - \$1 Million	25	26.6	2.7	14,282	77.7	42.2	33	32.0	2.4	17,116	75.6	38.2	
Total	94	100.0	100.0	18,384	100.0	100.0	103	100.0	100.0	22,628	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	44	84.6		982	25.8		41	70.7		1,357	17.1		
\$100,001 - \$250,000	5	9.6		902	23.7		7	12.1		1,108	14.0		
\$250,001 - \$1 Million	3	5.8		1,923	50.5		10	17.2		5,470	68.9		
Total	52	100.0		3,807	100.0		58	100.0		7,935	100.0		
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2021 Small Business Lending By Revenue Size of Businesses							
Assessment Area: MSA 40380 (Rochester, NY)							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	\$%	
By Revenue							
\$1 Million or Less	242	42.8	40.4	10,704	22.4	23.8	89.9
Over \$1 Million	101	17.9		23,747	49.6		9.0
Revenue Unknown	222	39.3		13,423	28.0		1.1
Total	565	100.0		47,874	100.0		100.0
By Loan Size							
\$100,000 or Less	451	79.8	90.9	12,457	26.0	36.6	
\$100,001 - \$250,000	58	10.3	5.4	9,841	20.6	20.3	
\$250,001 - \$1 Million	56	9.9	3.7	25,576	53.4	43.1	
Total	565	100.0	100.0	47,874	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	222	91.7		5,425	50.7		
\$100,001 - \$250,000	14	5.8		2,112	19.7		
\$250,001 - \$1 Million	6	2.5		3,167	29.6		
Total	242	100.0		10,704	100.0		
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)													
	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	34	60.7	49.1	8,799	47.9	34.1	44	58.7	53.2	5,191	35.7	33.1	89.3
Over \$1 Million	8	14.3		2,905	15.8		27	36.0		7,576	52.1		9.8
Revenue Unknown	14	25.0		6,659	36.3		4	5.3		1,783	12.3		1.0
Total	56	100.0		18,363	100.0		75	100.0		14,550	100.0		100.0
By Loan Size													
\$100,000 or Less	19	33.9	94.4	766	4.2	40.3	40	53.3	94.6	1,635	11.2	40.7	
\$100,001 - \$250,000	6	10.7	2.8	1,165	6.3	14.5	17	22.7	2.7	3,122	21.5	14.5	
\$250,001 - \$1 Million	31	55.4	2.8	16,432	89.5	45.2	18	24.0	2.7	9,793	67.3	44.8	
Total	56	100.0	100.0	18,363	100.0	100.0	75	100.0	100.0	14,550	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	16	47.1		522	5.9		32	72.7		1,121	21.6		
\$100,001 - \$250,000	6	17.6		1,165	13.2		5	11.4		735	14.2		
\$250,001 - \$1 Million	12	35.3		7,112	80.8		7	15.9		3,335	64.2		
Total	34	100.0		8,799	100.0		44	100.0		5,191	100.0		
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2021 Small Business Lending By Revenue Size of Businesses							
Assessment Area: MSA 15380 (Buffalo-Cheektowaga, NY)							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
By Revenue							
\$1 Million or Less	87	38.8	43.2	7,214	22.0	24.2	88.9
Over \$1 Million	57	25.4		17,427	53.2		10.1
Revenue Unknown	80	35.7		8,134	24.8		1.0
Total	224	100.0		32,775	100.0		100.0
By Loan Size							
\$100,000 or Less	143	63.8	89.3	4,211	12.8	31.4	
\$100,001 - \$250,000	34	15.2	6.0	5,054	15.4	19.8	
\$250,001 - \$1 Million	47	21.0	4.7	23,510	71.7	48.8	
Total	224	100.0	100.0	32,775	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	71	81.6		2,029	28.1		
\$100,001 - \$250,000	8	9.2		1,214	16.8		
\$250,001 - \$1 Million	8	9.2		3,971	55.0		
Total	87	100.0		7,214	100.0		
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 21300 (Elmira, NY)													
	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	7	70.0	52.8	269	18.7	26.6	5	55.6	53.9	109	17.6	26.8	88.9
Over \$1 Million	2	20.0		345	24.0		4	44.4		512	82.4		9.5
Revenue Unknown	1	10.0		826	57.4		0	0.0		0	0.0		1.6
Total	10	100.0		1,440	100.0		9	100.0		621	100.0		100.0
By Loan Size													
\$100,000 or Less	8	80.0	90.7	369	25.6	29.2	6	66.7	91.2	159	25.6	33.3	
\$100,001 - \$250,000	1	10.0	5.7	245	17.0	25.6	3	33.3	4.7	462	74.4	17.7	
\$250,001 - \$1 Million	1	10.0	3.6	826	57.4	45.1	0	0.0	4.1	0	0.0	49.0	
Total	10	100.0	100.0	1,440	100.0	100.0	9	100.0	100.0	621	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	7	100.0		269	100.0		5	100.0		109	100.0		
\$100,001 - \$250,000	0	0.0		0	0.0		0	0.0		0	0.0		
\$250,001 - \$1 Million	0	0.0		0	0.0		0	0.0		0	0.0		
Total	7	100.0		269	100.0		5	100.0		109	100.0		
Source: 2023 FFIEC Census Data; 2023 D&B Data; 2020 ACS													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2021 Small Business Lending By Revenue Size of Businesses							
Assessment Area: MSA 21300 (Elmira, NY)							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
By Revenue							
\$1 Million or Less	28	50.9	41.1	1,010	45.5	18.2	88.3
Over \$1 Million	7	12.7		550	24.8		10.1
Revenue Unknown	20	36.4		661	29.8		1.6
Total	55	100.0		2,221	100.0		100.0
By Loan Size							
\$100,000 or Less	49	89.1	88.5	1,192	53.7	30.2	
\$100,001 - \$250,000	6	10.9	6.3	1,029	46.3	21.7	
\$250,001 - \$1 Million	0	0.0	5.2	0	0.0	48.2	
Total	55	100.0	100.0	2,221	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	26	92.9		682	67.5		
\$100,001 - \$250,000	2	7.1		328	32.5		
\$250,001 - \$1 Million	0	0.0		0	0.0		
Total	28	100.0		1,010	100.0		
Source: 2021 FFIEC Census Data; 2021 D&B Data; 2015 ACS							
Note: Percentages may not total 100.0 percent due to rounding.							

APPENDIX C – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision 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. Census tracts 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: All Agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have GAR of \$1.0 million or less; or activities that revitalize or stabilize LMI geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- or moderate-income individuals.

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, home equity 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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, 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 do 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 applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes 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 100.0% 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 (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50.0% of the area median income, or a median family income that is less than 50.0%, 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 reporting lenders in the metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80.0% and less than 120.0% of the area median income, or a median family income that is at least 80.0% and less than 120.0%, in the case of a geography.

Moderate-income: Individual income that is at least 50.0% and less than 80.0% of the area median income, or a median family income that is at least 50.0% and less than 80.0%, in the case of a geography.

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

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated area: A rated area is a state or multistate metropolitan 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Federal Financial Institutions Examination Council's (FFIEC) Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1.0 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for the Call Report. These loans have original amounts of \$500,000.0 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120.0% of the area median income, or a median family income that is more than 120.0%, in the case of a geography.

APPENDIX D – SCOPE OF EVALUATION

SCOPE OF EVALUATION			
TIME PERIOD REVIEWED	HMDA: January 1, 2021 through December 31, 2023 Small Business: January 1, 2021 through December 31, 2023 Community Development: January 1, 2022 through December 31, 2024		
FINANCIAL INSTITUTION	Five Star Bank 29 North Main Street, Warsaw, NY 14203	PRODUCTS REVIEWED Home Purchase Home Refinance Small Business	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
None	None	None	
LIST OF ASSESSMENT AREAS AND TYPE OF EVALUATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Non-Metropolitan, NY	Full Scope Review	None	None
MSA 40380 (Rochester, NY)	Full Scope Review	None	None
MSA 15380 (Buffalo-Cheektowaga, NY)	Full Scope Review	None	None
MSA 21300 (Elmira, NY)	Limited Scope Review	None	None