



## **PUBLIC DISCLOSURE**

August 12, 2024

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

Glens Falls National Bank and Trust Company  
Charter Number: 7699

250 Glen Street  
Glens Falls, New York 12801

Office of the Comptroller of the Currency

5000 Brittonfield Parkway, Suite A132  
Syracuse, New York 13057

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

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## Overall CRA Rating

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

The following table indicates the performance level of Glens Falls National Bank and Trust Company with respect to the Lending, Investment, and Service Tests:

Performance Levels	Glens Falls National Bank and Trust Co. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on High Satisfactory rating in the state of New York.
- The Investment Test rating is based on High Satisfactory rating in the state of New York.
- The Service Test rating is based on Outstanding rating in the state of New York.
- A high percentage of the bank's loans are in the bank's assessment area.

### Lending in Assessment Area

A high percentage of the bank's loans are in its assessment areas (AA).

The bank originated and purchased 74.5 percent of its total loans by count and 86.4 percent by dollar amount inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. The bank did not submit affiliate lending data for consideration during this evaluation. The bank's primary products are based on loan originations for home mortgages and loans to small businesses.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,855	91.2	178	8.8	2,033	467,371	91.6	42,989	8.4	510,360
Small Business	1,223	58.3	876	41.7	2,099	125,200	71.3	50,386	28.7	175,586
<b>Total</b>	<b>3,078</b>	<b>74.5</b>	<b>1,054</b>	<b>25.5</b>	<b>4,132</b>	<b>592,572</b>	<b>86.4</b>	<b>93,375</b>	<b>13.6</b>	<b>685,946</b>

## Description of Institution

Glens Falls National Bank and Trust Company (GFNB or bank) is a single-state community bank headquartered in Glens Falls, New York. The bank is a wholly owned subsidiary of Arrow Financial Corporation (AFC). AFC was formed in 1983 and is traded on the NASDAQ under the AROW symbol. As of March 31, 2024, AFC is approximately a \$4.3 billion bank holding company also headquartered in Glens Falls, New York. Other subsidiaries of AFC include Saratoga National Bank and Trust Company, North Country Investment Advisors, Inc., and Upstate Agency LLC, an insurance company. This performance evaluation does not consider activities performed by the bank's subsidiaries.

During the evaluation period, GFNB provided a wide range of commercial and retail products. Products and services offered included personal and commercial loans, deposit products, mobile and online banking, drive-thru facilities, deposit-taking automated teller machines (ATM), and remote deposit capture. Retail loan types primarily consisted of one- to four-family residential real estate products and personal loans. Commercial loan types include commercial real estate and commercial and industrial loans.

GFNB reported total assets of \$3.3 billion, total deposits of \$2.9 billion, and tier 1 capital of \$298 million as of December 31, 2023, which was the end of the evaluation period. Total loans and leases of \$2.3 billion and \$7.3 million of total investments represented 70.0 percent and 22.0 percent of total assets, respectively. Loan portfolio composition as of December 31, 2023, was as follows: 40.7 percent residential real estate loans – including multifamily and home equity products, 37.1 percent consumer loans, 17.8 percent commercial real estate loans, and 4.4 percent commercial and industrial loans.

As of December 31, 2023, GFNB had 26 branches throughout Clinton, Essex, Saratoga, Warren, and Washington counties, all of which had deposit-taking ATMs attached. GFNB's AAs include the bank's main office, branches, and deposit-taking ATMs. GFNB designated three AAs, the Albany-Schenectady-Troy NY MSA AA, the Glens Falls NY MSA AA, and the NY Non MSA AA. The Albany-Schenectady-Troy NY Metropolitan Statistical Area (MSA) AA consisted of the eastern portion of Saratoga County and three branch locations. The Glens Falls NY MSA AA included Warren and Washington counties in their entirety and 16 branch locations. The NY Non MSA AA included the eastern portions of Clinton and Essex counties and seven branch locations.

There were no legal or financial factors that impacted GFNB's ability to help meet the credit needs of its communities.

The bank received a Satisfactory rating at the last Community Reinvestment Act (CRA) evaluation dated June 14, 2021, based on High Satisfactory for the Lending Test, High Satisfactory for the Investment Test, and Outstanding for the Service Test.

## COVID-19 Pandemic

During the evaluation period, the bank offered Small Business Administration (SBA) Paycheck Protection Program (PPP) loans, a program enacted as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The program was designed to provide economic support to businesses by offering forgivable loans that enabled companies to retain employees and pay certain operational expenses incurred during the COVID-19 pandemic. In response, in 2021, the bank extended 662 PPP loans totaling \$47.9 million. Of this total, 625 PPP loans totaling \$43.6 million were originated

inside the bank's AAs; 468 loans in the Glens Falls NY MSA AA for a total of \$32.6 million, 93 loans in the NY Non MSA AA for a total of \$8.1 million, and 64 loans in the Albany-Schenectady-Troy NY MSA AA for a total of \$2.9 million.

Additionally in response to the COVID-19 pandemic, the bank provided temporary payment relief to borrowers directly impacted by the COVID-19 pandemic through loan deferrals and reduced late fees. In 2021, the bank granted approximately 310 loan deferrals totaling \$14 million and waived or eased assessment of late fees for 815 customers for a total of \$28,000.

## **Product Innovation and Flexibility**

The bank utilized several innovative and/or flexible loan products for home mortgage borrowers and small businesses that were available and assessed at the bank-wide level. Examples included:

**First Time Homebuyer Program** – This loan program is specifically designed for first-time homebuyers and can be used in conjunction with the Homebuyer Dream Program. Features of the program include a three percent minimum downpayment and waiver of private mortgage insurance for borrowers who are purchasing their first primary residence in a low- or moderate-income census tract in the bank's AA or income-qualify at 80 percent or less of the area median income. The bank originated 151 loans for \$25.2 million during the evaluation period.

**Homebuyer Dream Program** – GFNB participates in this program in conjunction with the Federal Home Loan Bank of New York. During the evaluation period, first-time homebuyers who met income-eligibility requirements were granted up to \$10,000 to be used toward down payment and closing cost assistance. The bank originated 38 loans totaling \$5.6 million during the evaluation period.

**State of New York Mortgage Agency Program** – This income-based program is designed to maximize the amount first-time homebuyers can afford with features including a down payment requirement of three percent and the availability of an optional add-on down payment assistance loan for a 0.375 percent rate increase. The bank made two loans totaling \$308,000 during the evaluation period.

GFNB partnered with various local government agencies in efforts to increase homeownership for first-time homebuyers within the bank's AAs, including City of Glens Falls Grant Program, Clinton County Housing Assistance Program, Housing Assistance Program of Essex County, and Homefront Development Purchase Assistance. Over the evaluation period, 45 governmental grants were obtained by first-time homebuyers for \$558,000.

GFNB is also an SBA lender. As an SBA lender, the bank develops new business relationships and provides capital to businesses that would not otherwise qualify for traditional financing. Over the evaluation period, GFNB originated 28 loans totaling \$1.4 million.

## **Scope of the Evaluation**

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

This performance evaluation assessed the bank's CRA performance under the Large Bank examination procedures, which includes a Lending Test, Investment Test, and Service Test. The evaluation period for all tests is January 1, 2021, through December 31, 2023. The bank's performance was assessed using

home mortgage loan products reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses that the bank reported under CRA. To perform a meaningful analysis, there must have been at least 20 loans originated or purchased for a specific loan product within a respective AA, during one or more of the analysis periods within the overall evaluation period. GFNB did not originate and purchase any small farm loans during the evaluation period. Therefore, an analysis of small farm lending was not completed.

Management maintained the same AAs throughout the evaluation period. However, the evaluation period covered two census periods. To provide more current and accurate demographic data, census data used is updated every five years instead of 10, beginning with the Census Bureau's 2015 American Community Survey (ACS). GFNB's AAs were affected by this change; therefore, the 2021 lending data received a separate analysis from the 2022 through 2023 lending data. For mortgage lending activity in 2021, the Office of the Comptroller of the Currency (OCC) compared the bank's performance to the HMDA peer aggregate lender data as well as the 2015 ACS census data. For mortgage lending activity in 2022 and 2023, the OCC compared the bank's performance to HMDA peer aggregate lender data and the 2020 U.S. Census data, which the FFIEC released in 2022. The analysis of small business lending focused on the comparison of the bank's performance with data from Dun & Bradstreet (D&B) and aggregate peer data. Aggregate lending and market share percentages considered only lenders that submitted HMDA and small business lending data. Lenders that collected, but do not submit data, were not considered in the percentages. The census changes also impacted branch and population distributions considered in the Service Test analysis. Performance also included an assessment of community development (CD) activities including CD loans, qualified investments, grants and donations, and CD services. Qualifying activities performed in response to the significant impact of the COVID-19 pandemic across the U.S. were considered in this evaluation.

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

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

### **Ratings**

The bank's rating is based on its performance in the state of New York. The state rating is based on performance in all of the bank's AAs with the most weight placed on the Glens Falls NY MSA AA because it represented the largest portion of branches, deposits, and lending activity. The Glens Falls NY MSA AA was evaluated using full-scope procedures, as was the NY Non MSA AA, as this AA represented the second largest portion of branches, deposits, and lending activity. The Albany-Schenectady-Troy NY MSA AA was evaluated using limited-scope procedures during the evaluation.

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

Pursuant to 12 C.F.R. §25.28(c) in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been

considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

## State Rating

### State of New York

**CRA rating for the State of New York:** Satisfactory

**The Lending Test is rated:** High Satisfactory

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- Lending activity levels reflect excellent responsiveness to community needs;
- A good distribution of loans to geographies of different income levels and distribution of loans to borrowers of different income levels;
- The institution was a leader in making CD loans, which had a positive impact on the Lending Test;
- The bank has a significant level of qualified CD investments and grants;
- The bank's service delivery systems were readily accessible to geographies and individuals of different income levels within the bank's AAs; and
- The bank is a leader in providing CD services.

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

As of December 31, 2023, GFNB had 26 branches throughout its AAs, all of which had deposit-taking ATMs attached. The Glens Falls NY MSA AA included 16 branch locations, the NY Non MSA AA included seven branch locations, and the Albany-Schenectady-Troy NY MSA AA included three branch locations.

Most of the bank's lending activity occurred in the Glens Falls NY MSA AA. During the evaluation period, GFNB originated and purchased 68.0 percent of its home mortgage loans (by number) in the Glens Falls NY MSA AA, 18.8 percent of its home mortgage loans in the NY Non MSA AA, and 13.2 percent of its home mortgage loans in the Albany-Schenectady-Troy NY MSA AA. Moreover, GFNB originated 70.5 percent of small business loans (by number) in the Glens Falls NY MSA AA, 19.1 percent of small business loans in the NY Non MSA AA, and 10.4 percent of small business loans in the Albany-Schenectady-Troy NY MSA AA.

GFNB reported \$2.8 billion in total deposits based on Federal Deposit Insurance Corporation (FDIC) deposit information as of June 30, 2023. Of this, the bank had \$2.2 billion in total deposits in the Glens Falls NY MSA AA, \$4.1 million in the NY Non MSA AA and \$1.9 million in the Albany-Schenectady-Troy NY MSA AA. Within all AAs, GFNB ranked first out of 20 FDIC-Insured Institutions, with 21.0 percent market share. Behind GFNB, the top three competitors were TD Bank, N.A., The Adirondack Trust Company, and KeyBank, N.A., with 30.5 percent market share.



## Glens Falls NY MSA

The following tables provide a summary of the demographics, including housing and business information for the Glens Falls NY MSA AA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Glens Falls NY MSA AA 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	36	0.0	8.3	80.6	11.1	0.0
Population by Geography	127,880	0.0	7.0	82.6	10.4	0.0
Housing Units by Geography	67,922	0.0	6.4	85.2	8.4	0.0
Owner-Occupied Units by Geography	36,421	0.0	4.1	83.8	12.1	0.0
Occupied Rental Units by Geography	14,604	0.0	15.6	79.3	5.1	0.0
Vacant Units by Geography	16,897	0.0	3.4	93.6	3.0	0.0
Businesses by Geography	10,668	0.0	8.4	81.9	9.6	0.0
Farms by Geography	623	0.0	1.6	77.5	20.9	0.0
Family Distribution by Income Level	33,461	20.2	17.1	23.8	38.9	0.0
Household Distribution by Income Level	51,025	24.2	16.0	19.3	40.6	0.0
Median Family Income MSA - 24020 Glens Falls, NY MSA		\$64,495	Median Housing Value			\$177,161
			Median Gross Rent			\$842
			Families Below Poverty Level			9.2%
<i>Source: 2015 ACS and 2021 D&amp;B Data            Due to rounding, totals may not equal 100.0%            (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Glens Falls NY MSA AA 2022-2023</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	44	2.3	9.1	72.7	15.9	0.0
Population by Geography	127,039	1.5	7.1	74.5	16.9	0.0
Housing Units by Geography	69,681	1.3	9.0	72.1	17.6	0.0
Owner-Occupied Units by Geography	38,010	0.7	8.1	71.3	19.8	0.0
Occupied Rental Units by Geography	15,078	4.1	6.8	80.0	9.1	0.0
Vacant Units by Geography	16,593	0.2	12.9	66.9	20.0	0.0
Businesses by Geography	12,956	3.3	9.6	70.3	16.9	0.0
Farms by Geography	744	0.8	7.1	83.3	8.7	0.0
Family Distribution by Income Level	32,605	19.2	19.1	20.8	40.8	0.0
Household Distribution by Income Level	53,088	23.1	16.3	19.5	41.1	0.0
Median Family Income MSA - 24020 Glens Falls, NY MSA		\$77,435	Median Housing Value			\$190,632
			Median Gross Rent			\$903
			Families Below Poverty Level			5.9%
<i>Source: 2020 U.S. Census and 2023 D&amp;B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Glens Falls NY MSA AA consisted of Warren and Washington Counties in their entirety. In 2021, the AA contained 36 census tracts, of which three were moderate-income, 29 were middle-income, and four were upper income. The AA did not have any low-income census tracts in 2021. During the period of 2022 through 2023, the AA contained 44 census tracts, of which one was low-income, four were moderate-income, 32 were middle-income, and seven were upper income. As of year-end 2023, GFNB operated 16 branch locations in the AA, all of which had deposit-taking ATMs attached.

According to the FDIC Summary of Deposits as of June 30, 2023, GFNB had \$2.2 billion in deposits within the AA. GFNB had 57.3 percent deposit market share, which ranked first among all FDIC-Insured Institutions within the AA. Competition was moderate with 10 total FDIC-Insured Institutions operating 42 offices in the AA. TD Bank, N.A. ranked second with seven branches and 21.6 percent market share, and Trustco Bank ranked third with six branches and 4.9 percent deposit market share.

## **Economic Data**

Based on data from the January 2024 Moody's Analytic report, the Glens Falls NY MSA economy was one of the weakest in New York. The labor market was hindered as non-farm payrolls stagnated and remained below pre-pandemic counts. The Glens Falls NY MSA experienced subpar demographic trends as the population consistently contracted in the MSA. Area strengths included proximity to tourist destinations in the Adirondacks and the Lake Champlain Valley and below-average employment volatility. Demand for healthcare continued its upward trend, as the MSA is highest in the state with an elderly population of those 65 and older. Additionally, the MSA saw the leisure and hospitality sector hit an all-time high employment level in late 2023; however, expectations for continued growth will lessen. Weaknesses included poor migration patterns in the metro area, a declining natural population, the

inability to retain educated workers, reliance on low-paying consumer industries, and exposure to secularly declining paper manufacturing.

According to the December 2023 U.S. Bureau of Labor Statistics (BLS) data, the unemployment rate (not seasonally adjusted) in the Glens Falls MSA was 4.4 percent, which was in line with the state unemployment rate of 4.6 percent. Although this was an increase compared to 3.5 percent in 2022 and 3.4 percent in 2021, the unemployment rate did not differ materially from the state's unemployment rate throughout the evaluation period. Per Moody's Analytics, top employers included Glens Falls Hospital, BD Becton Dickinson, Finch Paper LLC, and Hudson Headwaters Health Network. Leading industries by wage in the MSA included government, physicians, and management of companies and enterprises, all of which require higher levels of specialized employees. Government, leisure and hospitality, and education and health services composed the top employment industries with 18.5 percent, 15.9 percent, and 14.1 percent, respectively.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the poverty level are identified as having difficulty meeting basic financial needs and, as such, are less likely to have the financial means to qualify for a home loan than those with income above the poverty level. For the Glens Falls NY MSA AA, 9.2 percent of families in 2021 and 5.9 percent of families during the period of 2022 through 2023 were living below the poverty level.

### **Community Contacts**

The OCC relied on information from two community contacts conducted during the evaluation period within the Glens Falls NY MSA AA for the purpose of determining a community profile, identifying opportunities for participation by local financial institutions and determining the performance of local financial institutions in meeting the credit needs of the community. The contacts represented organizations focused on providing services and advocacy for low- and moderate-income individuals and households within the AA. Community contacts indicated a need for quality affordable housing, housing rehabilitation lending programs (including weatherization), jobs with livable wages, and expanded public transportation. Additionally, financial assistance is needed for utility costs and to avoid evictions, repossession, foreclosure, and bankruptcy.

## NY Non MSA

The following tables provide a summary of the demographics, including housing and business information for the NY Non MSA AA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: NY Non MSA AA 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	25	4.0	4.0	76.0	12.0	4.0
Population by Geography	87,624	3.2	3.8	75.1	14.8	3.2
Housing Units by Geography	45,445	3.3	3.5	80.6	12.4	0.3
Owner-Occupied Units by Geography	24,458	0.7	2.2	80.7	16.4	0.0
Occupied Rental Units by Geography	10,787	10.0	8.6	68.6	12.3	0.4
Vacant Units by Geography	10,200	2.2	1.3	92.7	2.9	0.8
Businesses by Geography	5,977	6.0	2.7	76.7	13.8	0.7
Farms by Geography	277	1.1	1.4	91.3	6.1	0.0
Family Distribution by Income Level	22,650	19.9	16.0	21.4	42.8	0.0
Household Distribution by Income Level	35,245	22.8	16.2	17.6	43.3	0.0
Median Family Income Non-MSAs - NY		\$59,570	Median Housing Value			\$129,396
			Median Gross Rent			\$767
			Families Below Poverty Level			10.5%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: NY Non MSA AA 2022-2023</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	30	0.0	16.7	70.0	10.0	3.3
Population by Geography	86,478	0.0	14.0	74.8	8.6	2.6
Housing Units by Geography	46,820	0.0	13.0	79.6	7.4	0.0
Owner-Occupied Units by Geography	25,251	0.0	9.9	82.8	7.3	0.0
Occupied Rental Units by Geography	10,815	0.0	26.0	62.7	11.3	0.0
Vacant Units by Geography	10,754	0.0	7.0	89.2	3.8	0.0
Businesses by Geography	6,948	0.0	16.7	71.6	11.3	0.4
Farms by Geography	315	0.0	5.1	94.0	1.0	0.0
Family Distribution by Income Level	21,898	18.8	16.5	22.0	42.7	0.0
Household Distribution by Income Level	36,066	20.8	16.1	18.9	44.2	0.0
Median Family Income Non-MSAs - NY		\$69,021	Median Housing Value			\$149,402
			Median Gross Rent			\$822
			Families Below Poverty Level			7.9%
<i>Source: 2020 U.S. Census and 2023 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The NY Non MSA AA consisted of portions of Clinton and Essex Counties. In 2021, the AA contained 25 census tracts, of which one was low-income, one was moderate-income, 19 were middle-income, three were upper-income, and one tract was not classified. In 2023, the AA consisted of 30 census tracts, of which five were moderate-income, 21 were middle-income, three were upper-income, and one tract was not classified. The AA did not have any low-income census tracts.

According to the FDIC Summary of Deposits as of June 30, 2023, GFNB had \$413.4 million deposits in the AA. GFNB had 14.5 percent deposit market share, which ranked fourth among FDIC-Insured Institutions. Competition was moderate with seven total FDIC-Insured Institutions operating 37 offices in the AA. The top three competitors had 60.6 percent of the market share and included Community Bank, N.A. with six branches and 27.1 percent market share, TD Bank, N.A. with four branches and 17.4 percent market share, and NBT Bank, N.A. with five branches and 16.1 percent market share.

### **Economic Data**

According to June 2023 D&B data and the 2020 U.S. Census, there were a total of 6,948 non-farm businesses and 315 farm businesses in the AA in 2023. Across all businesses, approximately 90.0 percent reported having less than 10 employees. Based on the Standard Industrial Classification codes, the primary industries in the AA were services, non-classifiable establishments (those that cannot be classified in any other industry), and retail trade, comprising 35.3 percent, 17.5 percent, and 13.1 percent of businesses, respectively.

According to the December 2023 BLS, the unemployment rate (not seasonally adjusted) in Clinton County was 4.0 percent, which was in line with the state unemployment rate of 4.6 percent. Although

this was an increase compared to 3.1 percent in December 2022 and 2.9 percent in December 2021, the unemployment rate in Clinton County during this period compared favorably to the state's unemployment rates of 4.2 percent in December 2022 and 5.5 percent in December 2021.

According to the December 2023 BLS, the unemployment rate (not seasonally adjusted) in Essex County was 4.6 percent, which was in line with the state unemployment rate of 4.6 percent. Although this was an increase compared to 3.7 percent in 2022 and 3.5 percent in 2021, the unemployment rate in Essex County during this period compared favorably to the state's unemployment rates of 4.2 percent in December 2022 and 5.5 percent in December 2021.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the poverty level are identified as having difficulty meeting basic financial needs and, as such, are less likely to have the financial means to qualify for a home loan than those with income above the poverty level. For the NY Non MSA AA, 10.5 percent of families in 2021 and 7.9 percent of during the period of 2022 through 2023 were living below the poverty level.

### **Community Contacts**

The OCC relied on information from two community contacts conducted during the evaluation period within Clinton and Essex counties for the purpose of determining a community profile in the NY Non MSA AA, identifying opportunities for participation by local financial institutions and determining the performance of local financial institutions in meeting the credit needs of the community. The contacts represented organizations focused on economic development, affordable housing, and community services for low- and moderate-income individuals. Community contacts indicated a need for affordable housing, despite housing costs being below the statewide average, as local wages left many unable to afford other basic needs. Additionally, the community contacts emphasized that economic assistance is needed to revitalize the community because of small business closures due to the COVID-19 pandemic.

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

GFNB had three assessment areas in the State of New York. The OCC selected two AAs for full-scope reviews, the Glens Falls NY MSA AA and the NY Non MSA AA. Combined, these full-scope AAs accounted for 88.0 percent of lending (by number), 93.2 percent of deposits, and 88.5 percent of branch locations within its AAs. Regarding all performance tests, more weight was given to the bank's performance in the Glens Falls NY MSA AA, as it had the largest percentage of statewide deposits, loans originated or purchased, and branch locations with 78.2 percent, 68.8 percent, and 61.5 percent respectively. The Albany-Schenectady-Troy NY MSA AA received a limited-scope review.

When determining the overall conclusions for the Lending Test, the OCC placed more weight on home mortgage lending performance in the bank's AAs since this was the predominant loan product. Home mortgage loans represented the largest portion of lending activity during the evaluation period, with 1,855 loans totaling \$467 million originated or purchased within the bank's AAs. This accounted for 60.3 percent by number and 78.9 percent by dollar of the loans evaluated. During the evaluation period, there were 1,223 small business loans (including PPP loans) originated within the bank's AAs for a total of \$125 million. This accounted for 39.7 percent by number and 21.1 percent by dollar of loans evaluated. The OCC also placed more weight on lending activity from 2022 through 2023 as this period represented most of the evaluation period.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK

### LENDING TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Glens Falls NY MSA AA and NY Non MSA AA is good.

### Lending Activity

Lending levels reflected excellent responsiveness to AA credit needs.

<b>Number of Loans*</b>						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
<b>Full-Scope</b>						
Glens Falls NY MSA	1,262	862	10	2,134	68.9	78.2
NY Non MSA	349	234	10	593	19.1	15.0
<b>Limited-Scope</b>						
Albany-Schenectady-Troy NY MSA	244	127	0	371	12.0	6.8
<b>Total</b>	<b>1,855</b>	<b>1,223</b>	<b>20</b>	<b>3,098</b>	<b>100.0</b>	<b>100.0</b>

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

<b>Dollar Volume of Loans* (000s)</b>						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
<b>Full-Scope</b>						
Glens Falls NY MSA	349,741	85,917	32,877	468,535	72.2	78.2
NY Non MSA	68,343	27,769	23,460	119,572	18.4	15.0
<b>Limited-Scope</b>						
Albany-Schenectady-Troy NY MSA	49,287	11,514	0	60,801	9.4	6.8
<b>Total</b>	<b>467,371</b>	<b>125,200</b>	<b>56,337</b>	<b>648,908</b>	<b>100.0</b>	<b>100.0</b>

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

### Glens Falls NY MSA

According to the FDIC's Summary of Deposits as of June 30, 2023, GFNB ranked first out of 10 depository institutions (90<sup>th</sup> percentile) with a deposit market share of 57.3 percent.

Based on the 2023 HMDA market share data, GFNB ranked first out of 147 lenders (99<sup>th</sup> percentile) with a market share of 13.1 percent for home mortgage loans. Other top lenders within AA were Homestead Funding Corp. with 10.5 percent market share, and Trustco Bank with 4.9 percent market share. The top five lenders represented 37.8 percent of the market share.

Based on the 2022 CRA small business loan data, GFNB ranked sixth out of 68 lenders (91<sup>st</sup> percentile) with a market share of 4.8 percent for small loans to businesses. The top three lenders were American Express National Bank with 19.6 percent market share, JP Morgan Chase Bank, N.A. with 12.5 percent market share, and Synchrony Bank with 8.7 percent market share. The top five lenders represented 54.4 percent of the market share. Despite ranking sixth, GFNB is the only institution of the top six that has a higher average loan size of \$119,000, given that it does not focus on credit card lending as the other institutions do, which all have an average loan size between \$4,000 and \$8,000. This demonstrates stronger performance than what the market share ranking indicates.

## **NY Non MSA**

According to the FDIC's Summary of Deposits as of June 30, 2023, GFNB ranked fourth out of seven depository institutions (43<sup>rd</sup> percentile) with a deposit market share of 14.5 percent.

Based on the 2023 HMDA market share data, GFNB ranked second out of 101 lenders (98<sup>th</sup> percentile) with a market share of 8.6 percent for home mortgage loans. Other top lenders within the AA were Community Bank, N.A, with 23.7 percent market share, and Rocket Mortgage with 7.3 percent market share. The top five lenders represented 48.2 percent of the market share.

Based on the 2022 CRA small business loan data, GFNB ranked 14<sup>th</sup> out of 70 lenders (80<sup>th</sup> percentile) with a market share of 1.7 percent for small loans to businesses. The top three lenders were American Express National Bank with 23.4 percent market share, JP Morgan Chase Bank, N.A. with 10.9 percent market share, and Synchrony Bank with 9.74 percent market share. The top five lenders represented 56.6 percent of the market share. Despite ranking 14<sup>th</sup>, GFNB is the only institution of the top 15 that has a higher average loan size of \$136,000, given that it does not focus on credit card lending as the other institutions do, which all have an average loan size between \$4,000 and \$26,000. This demonstrates stronger performance than what the market share ranking indicates.

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

The bank exhibited a good geographic distribution of loans in its AA. The OCC generally placed more emphasis on the bank's performance in moderate-income geographies as these areas had a higher percentage of owner-occupied housing units and small businesses. The Glens Falls NY MSA AA did not have any low-income census tracts in the 2021 census period and the NY Non MSA AA did not have any low-income census tracts in the 2022-2023 census period.

### **Glens Falls NY MSA**

The bank exhibits a good geographic distribution of loans in the AA.

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

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

The geographic distribution of home mortgage loans was good.



2021

The geographic distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded the percentage of owner-occupied housing units located in those geographies and approximated to the aggregate percentage of all reporting lenders.

2022-2023

The geographic distribution of home mortgage loans was good. The percentage of home mortgage loans originated or purchased in low- income geographies exceeded, and in moderate-income geographies was below, the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low- income geographies exceeded, and in moderate-income geographies was near to, the aggregate percentage of all reporting lenders.

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

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

The geographic distribution of small loans to businesses was excellent.

2021

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in moderate-income geographies exceeded the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

2022-2023

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in low- and moderate-income geographies exceeded the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

### ***Lending Gap Analysis***

The OCC analyzed GFNB's geographic lending patterns of home mortgage loans and small loans to businesses by mapping loan originations and purchases throughout the AA. The OCC did not identify any unexplained conspicuous lending gaps.

### **NY Non MSA**

The bank exhibits a good geographic distribution of loans in the AA.

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

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

The geographic distribution of home mortgages was adequate.

*2021*

The geographic distribution of home mortgage loans was poor. The bank did not make any loans in low- or moderate-income geographies in this year. However, there were limited opportunities to lend given the limited number of owner-occupied housing in low- and moderate-income geographies, representing 0.7 percent and 2.2 percent of all owner-occupied housing in the AA, respectively.

*2022-2023*

The geographic distribution of home mortgage loans was adequate. The percentage of home mortgage loans originated or purchased in moderate-income geographies was below the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

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

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

The geographic distribution of small loans to businesses was excellent.

*2021*

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in low-income geographies was near-to, and in moderate-income geographies exceeded, the percentage of businesses located in those geographies. The percentage of small loans to businesses originated or purchased in low- and moderate-income geographies exceeded the aggregate percentage of all reporting lenders.

*2022-2023*

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in moderate-income geographies exceeded the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

### ***Lending Gap Analysis***

The OCC analyzed GFNB's geographic lending patterns of home mortgage loans and small loans to businesses by mapping loan originations and purchases throughout the AA. The OCC did not identify any unexplained conspicuous lending gaps.

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

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

## **Glens Falls NY MSA**

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

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

The borrower distribution of home mortgage loans to individuals of different income levels is good.

#### *2021*

The distribution of home mortgage loans among individuals of different income levels was good. The percentage of home loans originated or purchased to low-income borrowers in the AA was well below the percentage of low-income families in the AA and equaled the aggregate percentage of all reporting lenders in the AA. The percentage of home loans originated or purchased in moderate-income borrowers equaled the percentage of moderate-income families in the AA and was near to the aggregate percentage of all reporting lenders.

#### *2022-2023*

The distribution of home mortgage loans among individuals of different income levels was good. The percentage of home loans originated or purchased to low-income borrowers was well below the percentage of low-income families in the AA and near to the aggregate percentage of all reporting lenders in the AA. The percentage of home loans originated or purchased to moderate-income borrowers in the AA was near to the percentage of moderate-income families in the AA and the aggregate percentage of all reporting lenders in the AA.

The OCC considered the AA's poverty level of 5.9 percent and housing costs in relation to the median family incomes in the AA, which limited housing affordability. Per Realtor.com, the median single family residence list price in the MSA increased approximately 15.0 percent over the evaluation period from \$298,000 in 2021 to \$345,000 in 2023. One method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. Based on the 2023 Federal Institutions Examination Council (FFIEC) median family income ranges, low-income and moderate-income families earned less than \$45,300 and between \$45,300 and \$72,480 in the AA, respectively. This calculated to a maximum monthly mortgage payment of \$1,133 for a low-income borrower and \$1,812 for a moderate-income borrower. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for a down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the Glens Falls NY MSA median housing value of \$345,000 would be \$1,852. Based on these calculations, low- and moderate-income borrowers would be challenged to qualify for and afford home mortgage financing in the AA.

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

Refer to Table R in the state of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is adequate.

*2021*

The distribution of loans to businesses of different sizes was adequate. The percentage of loans to small businesses originated or purchased was significantly below the percentage of small businesses in the AA and the aggregate percentage of all reporting lenders.

OCC examiners considered the impact of the high percentage of small loans to business with revenue information unavailable on the borrower distribution analysis. For 88.4 percent of small loans to businesses in the AA, borrower revenue information was not available. The majority of these loans (89.1 percent) were PPP loans which did not require the bank to collect or consider gross annual revenues. The bank's PPP lending was positively considered in our assessment of the Distribution of Loan by Income Level of the Borrower.

*2022-2023*

The distribution of loans to businesses of different sizes was poor. The percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA and the aggregate percentage of all reporting lenders.

### **NY Non MSA**

The bank exhibits an adequate distribution of loans among individuals of different income levels and businesses of different sizes.

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

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

The borrower distribution of home mortgage loans to individuals of different income levels is adequate.

*2021*

The distribution of home mortgage loans among individuals of different income levels was adequate. The percentage of home loans originated or purchased to low-income borrowers was well below the percentage of those families in the AA and was near to the aggregate percentage of all reporting lenders. The percentage of home loans originated or purchased in moderate-income borrowers below the percentage of those families in the AA and was below the aggregate percentage of all reporting lenders.

*2022-2023*

The distribution of home mortgage loans among individuals of different income levels was adequate. The percentage of home loans originated or purchased to low-income borrowers was well below the percentage of those families in the AA and near to the aggregate percentage of all reporting lenders. The percentage of home loans originated or purchased in moderate-income borrowers was near to the percentage of those families in the AA and below the aggregate percentage of all reporting lenders.

Per Realtor.com, the median single family residence list price in the MSA increased approximately 15 percent over the evaluation period from \$129,000 in 2021 to \$149,000 in 2023. One method used to

determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. Based on FFIEC median family income ranges, low-income and moderate-income families in 2023 earned less than \$38,350 and between \$38,350 and \$61,360 in the AA, respectively. This calculated to a maximum monthly mortgage payment of \$1,046 for low-income borrowers and \$1,674 for moderate-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the NY Non MSA median housing value of \$149,000 would be \$802, indicating that housing was affordable to low- and moderate-income borrowers.

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

Refer to Table R in the state of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes is adequate.

#### *2021*

The distribution of loans to businesses of different sizes was adequate. The percentage of loans to small businesses originated or purchased was significantly below the percentage of small businesses in the AA and the aggregate percentage of all reporting lenders.

OCC examiners considered the impact of the high percentage of small loans to business with revenue information unavailable on the borrower distribution analysis. For 85.4 percent of small loans to businesses in the AA, borrower revenue information was not available. The majority of these loans (69.4 percent) were PPP loans which did not require the bank to collect or consider gross annual revenues. The bank's PPP lending was positively considered in our assessment of the Distribution of Loan by Income Level of the Borrower.

#### *2022-2023*

The distribution of loans to businesses of different sizes was poor. The percentage of loans to small businesses originated or purchased was significantly below the percentage of small businesses in the AA and the aggregate percentage of all reporting lenders.

### **Community Development Lending**

The institution was a leader in making CD loans.

The Lending Activity table above sets forth the information and data used to evaluate the institution's level of CD lending. The tables include all CD loans, including multifamily loans that also qualify as CD loans.

## **Glens Falls NY MSA**

The level of CD lending was excellent. During the evaluation period, GFNB originated 10 CD loans totaling \$32.9 million. The dollar volume of CD lending in the AA was equal to 14.1 percent of allocated tier 1 capital. By dollar volume, 24.3 percent of the loans funded community services and 75.7 percent funded economic development activities. These loans were responsive to identified community credit needs. The bank made some use of innovative and/or complex CD loans. The following are examples of CD loans originated during the evaluation period that illustrate the complexity, leadership, or responsiveness of the bank's CD lending:

- The bank made a \$2 million loan that supported community services. This loan supported a Federally Qualified Health Center that provided primary care to a rural, medically underserved region. This healthcare network served as a safety-net provider regardless of income or insurance.
- The bank made a \$2.7 million loan under the SBA's 504 loan program that supported economic development by retaining jobs. The loan helped retain 27 jobs by funding the construction of a new facility for the business.

## **NY Non MSA AA**

The level of CD lending was excellent. During the evaluation period, GFNB originated 10 CD loans totaling \$23.5 million. The dollar volume of CD lending in the AA was equal to 52.4 percent of allocated tier 1 capital. By dollar volume, 61.4 percent of the loans funded community services and 38.6 percent funded economic development activities. These loans were responsive to identified community credit needs. The bank made some use of innovative and/or complex CD loans. The following are examples of CD loans originated during the evaluation period that illustrate the complexity, leadership, or responsiveness of the bank's CD lending:

- The bank made a \$2.6 million loan that supported community services. This loan supported a not-for-profit trust servicing disabled individuals through vocational, residential, day habilitation, support services, and family care programs. Revenues from Medicaid composed 83.0 percent of total revenue for the organization. The line of credit supported the acquisition of real estate to accommodate individuals with special needs.
- The bank made a \$1.6 million loan under the SBA's 504 loan program to a small business. This loan financed the construction of a 70-room addition to an enhanced living facility for private paying residents to age in place and maintain independence while receiving the specialized care they need.

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

Based on a limited-scope review, the bank's performance under the Lending Test in the Albany-Schenectady-Troy NY MSA AA is weaker than the bank's overall performance under the Lending Test in the full-scope areas, as the bank did not originate any CD loans during the evaluation period. Performance in the limited-scope area did not have an impact on the overall conclusion.

Refer to Tables O through V in the state of New York section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

The bank's performance under the Investment Test in New York State is rated High Satisfactory.

### Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Glens Falls NY MSA AA and the NY Non MSA AA is good.

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits adequate responsiveness to credit and community economic development needs. The institution does not use innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
<b>Full-Scope</b>										
Glens Falls NY MSA	6	548	112	12,085	118	66.7	12,633	78.6	0	0
NY Non MSA	0	0	43	2,777	43	24.3	2,777	17.3	0	0
<b>Limited-Scope</b>										
Albany-Schenectady-Troy MSA	0	0	16	666	16	9.0	666	4.1	0	0
<b>Total</b>	<b>6</b>	<b>548</b>	<b>171</b>	<b>15,528</b>	<b>177</b>	<b>100.0</b>	<b>16,076</b>	<b>100.0</b>	<b>0</b>	<b>0</b>

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

### Glens Falls NY MSA

During the evaluation period, the bank provided 112 qualifying investments and donations totaling \$12.1 million. The total dollar volume of current- and prior- period investments represent 5.43 percent of allocated tier 1 capital. The bank exhibited good responsiveness to AA needs. By number of investments, 64.3 percent were for community service, 23.2 percent were to revitalize and stabilize, 7.4 percent were for economic development, and 4.5 percent were for affordable housing. Examples of qualified investments and donations include:

- A \$1.6 million investment into the redevelopment of the Moran-Derby Park in downtown Hudson Falls.
- A \$2 million investment into the downtown redevelopment of the City of Glens Falls.
- A \$10,000 donation to a local non-profit health network. The health network organizes community health services for LMI individuals and the underserved.

## **NY Non MSA**

During the evaluation period, the bank provided 43 qualifying investments and donations totaling \$2.8 million. The total dollar volume of current-period investments represents 6.21 percent of allocated tier 1 capital. The bank exhibited adequate responsiveness to AA needs. By number of investments, 81.4 percent were for community service, 7.0 percent were to revitalize and stabilize, and 11.6 percent were for economic development. Examples of qualified investments and donations include:

- A \$1.2 million investment to the Ticonderoga Central School District for school aid; the school district contains a student population of 61.0 percent that are economically disadvantaged.
- A \$64,800 donation to an emergency services organization, which provides needed services for LMI in the area. The organization is the only provider of medical services in the area.
- A \$5,000 donation to a local economic opportunity organization that provides services such as affordable childcare, food services and energy services programs for LMI families and underserved areas.

### *New York Statewide*

Since the bank was responsive to CD needs and opportunities in the full-scope areas, broader statewide and regional investments received consideration in the assessment. During the evaluation period, the bank made two investments totaling \$725,221 in the broader statewide region.

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

Based on a limited-scope review, the bank's performance under the Investment Test in the Albany-Schenectady-Troy MSA is weaker than the bank's overall performance under the Investment Test in the full-scope areas. The primary reason for weaker performance is that the bank's investments and donations within the AA only accounted for 3.3 percent of allocated tier 1 capital. Performance in the limited-scope area did not have an impact on the overall conclusion.

## **SERVICE TEST**

The bank's performance under the Service Test in New York is rated Outstanding.

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

Based on full-scope reviews, the bank's performance in the Glens Falls NY MSA AA and NY Non MSA AA are excellent.

## **Retail Banking Services**

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AAs.



Distribution of Branch Delivery System											2023
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full-Scope</b>											
Glens Falls NY MSA	78.2	16	61.5	12.5	12.5	75.0	0.0	1.5	7.1	74.5	16.9
NY Non MSA	15.0	7	26.9	0.0	28.6	71.4	0.0	0	14.0	74.8	8.6
<b>Limited-Scope</b>											
Albany-Schenectady-Troy NY MSA	6.8	3	11.5	0.0	66.7	33.3	0.0	0	20.0	68.6	11.4
<b>Total</b>	100.0	26	100.0	7.7	23.1	69.2	0.0	0.7	12.3	73.2	13.0

## Glens Falls NY MSA

As of year-end 2023, the institution operated 16 branches in the Glens Falls MSA; two branches were in a low-income census tract and two branches were in a moderate-income census tract. In 2023, the bank's distribution of branches in low- and moderate-income geographies exceeded the percentage of the population living within those geographies. Of the 44 census tracts in the AA, one was a low-income census tract and four were moderate-income census tracts.

GFNB offered alternative delivery systems (ADS) including ATMs, self-service telephone banking, and digital banking (online/mobile). These systems provided additional delivery availability and access to banking services to both retail and business customers. Additionally, in low- and moderate-income geographies, there were three branches offering safe deposit boxes and four branches offering night deposit boxes. The distribution of ATMs in low- and moderate-income geographies was excellent. Of the 17 ATMs in the AA, the bank had two ATMs in both low- and moderate-income geographies. The distribution exceeded the percentage of the population living within those low- and moderate-income geographies.

## NY Non MSA

As of year-end 2023, the institution operated seven branches in the NY Non MSA; two branches were in a moderate-income census tract. The percentage of GFNB branches located in moderate-income geographies exceeded the percentage of population in those geographies. Of the 30 census tracts in the AA, five were moderate-income census tracts.

GFNB offered ADS including ATMs, self-service telephone banking, and digital banking (online/mobile). The distribution of ATMs in moderate-income geographies was excellent. Of the seven ATMs in the AA, one ATM was in each of the moderate-income census tracts within the AA. Additionally, of the two branches in moderate income tracts within the AA, both offered night deposit boxes and one offered safe deposit box services.

Distribution of Branch Openings/Closings			2021-2023			
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
<b>Full-Scope</b>						
Glens Falls NY MSA	0	3	0	0	-2	-1
NY Non MSA	0	0	0	0	0	0
<b>Limited Scope</b>						
Albany-Schenectady-Troy NY MSA	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-1</b>

## Glens Falls NY MSA

The institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. The bank closed three branches during the evaluation period, two of which were in middle income geographies, and one in an upper income geography.

Services, including where appropriate, business hours, did not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and/or individuals. The bank maintained relatively standard business hours at all branch locations in the AA. Most branches maintained lobby hours of 9:00 a.m. to 3:00 p.m. Monday through Wednesday and 9:00 a.m. to 5:00 p.m. Thursday through Friday. Five of the 16 branches in the AA offered limited lobby and drive-in hours on Saturdays, typically from 9:00 a.m. to 12:00 p.m. All branches offered extended drive-in hours on the days that they were open, either by opening an hour earlier than the lobby, closing an hour later, or a combination of both.

## NY Non MSA

The bank did not open or close branches in the NY Non MSA AA during the evaluation period.

Services, including where appropriate, business hours, did not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and/or individuals. GFNB offered traditional banking products, mortgages, consumer and small business lending and services at seven branch locations in the AA. Additionally, GFNB maintained a drive-up office that provided ATM and night deposit services.

## Community Development Services

The institution is a leader in providing CD services.

## Glens Falls NY MSA

During the evaluation period, 81 employees provided services to 81 different organizations including serving in board or board committee leadership roles at many of these organizations. Employees provided approximately 3,118 service hours in the AA. During the evaluation period, employees served organizations involved in providing essential services to low- and moderate-income individuals, affordable housing, and economic development of small businesses.

The following are examples of community development services provided during the evaluation period:

- An employee contributed 471 hours of service as a board member, specifically, providing treasurer services, for a community service organization that targeted low- and moderate-income individuals. The organization operated a food pantry on weekends serving 35 families per week.
- Employees contributed 253 hours of service as board members, committee members, or volunteered as income tax assistants for a community service organization targeted to low- and moderate-income individuals. The organization identified its priority issues in the AA such as school supplies, tax assistance, childcare, and healthcare access. Tax assistant volunteers at the organization filed over 2,000 tax returns for the 2023 tax year. Additionally, the organization worked to provide hundreds of fully stocked backpacks to school districts in Warren and Washington counties.

## **NY Non MSA**

During the evaluation period, seven employees provided services to seven different organizations, serving as board members or volunteers. Employees provided approximately 244 service hours in the AA. During the evaluation period, employees served organizations involved in providing essential services to low- and moderate-income individuals and economic development of small businesses.

The following is an example of a community development service provided during the evaluation period:

- An employee contributed 86 hours of service as a board member for a school district with economically disadvantaged individuals representing the majority of the student body. The school district focused on developing students in a safe environment with a strong educational foundation. The school district provides free or reduced lunch to 60 percent of students.

### *New York Statewide*

Since the bank was responsive to CD needs and opportunities in the full-scope areas, broader statewide and regional services that do not have a purpose, mandate, or junction to serve the AA received consideration in the assessment. During the evaluation period, 10 employees provided services to eight organizations, serving in board, board committee, or volunteer roles, for a total of 168 service hours.

## **Conclusion for Area Receiving Limited-Scope Review**

Based on a limited-scope review, the bank's performance under the Service Test in the Albany-Schenectady-Troy NY MSA AA is consistent with the bank's overall performance under the Service Test in the full-scope areas.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	01/01/2021 to 12/31/2023	
<b>Bank Products Reviewed:</b>	Home mortgage, small business Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>New York</b>		
Glens Falls NY MSA AA	Full Scope	Whole counties of Warren and Washington
NY Non MSA AA	Full Scope	Partial counties of Clinton and Essex
Albany-Schenectady-Troy NY MSA AA	Limited Scope	Partial county of Saratoga

## Appendix B: Summary of MMSA and State Ratings

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RATINGS: Glens Falls National Bank and Trust Company				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Glens Falls National Bank and Trust Company	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
State:				
New York	High Satisfactory	High Satisfactory	Outstanding	Satisfactory

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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



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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2021
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	89	19,667,883	11.7	2,914	0.0	0.0	0.0	17.7	28.1	19.1	67.6	64.0	65.3	14.7	7.9	15.6	0.0	0.0	0.0
Glens Falls NY MSA	533	124,138,801	70.3	4,755	0.0	0.0	0.0	4.1	6.0	6.1	83.8	79.6	79.6	12.2	14.4	14.2	0.0	0.0	0.0
NY Non MSA	136	32,705,432	17.9	2,166	0.7	0.0	0.9	2.2	0.0	2.5	80.7	83.8	78.9	16.4	16.2	17.6	0.0	0.0	0.1
<b>Total</b>	<b>758</b>	<b>176,512,116</b>	<b>100.0</b>	<b>9,835</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>	<b>6.8</b>	<b>7.5</b>	<b>9.2</b>	<b>79.0</b>	<b>78.5</b>	<b>75.2</b>	<b>14.0</b>	<b>14.0</b>	<b>15.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022-23
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	155	29,619,530	14.1	2,053	0.0	0.0	0.0	18.6	29.7	21.5	69.7	54.8	64.0	11.8	15.5	14.5	0.0	0.0	0.0
Glens Falls NY MSA	729	225,602,132	66.5	3,332	0.7	1.5	0.9	8.1	6.4	6.8	71.3	63.0	69.2	19.8	29.1	23.1	0.0	0.0	0.0
NY Non MSA	213	35,637,531	19.4	1,416	0.0	0.0	0.0	9.9	7.5	9.6	82.8	82.6	81.4	7.3	9.9	9.0	0.0	0.0	0.0
<b>Total</b>	<b>1,097</b>	<b>290,859,193</b>	<b>100.0</b>	<b>6,801</b>	<b>0.3</b>	<b>1.0</b>	<b>0.4</b>	<b>11.2</b>	<b>9.9</b>	<b>11.8</b>	<b>74.4</b>	<b>65.6</b>	<b>70.2</b>	<b>14.1</b>	<b>23.4</b>	<b>17.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2021
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	89	19,667,883	11.7	2,914	19.5	10.1	9.0	20.6	23.6	21.1	22.5	23.6	26.0	37.4	33.7	31.7	0.0	9.0	12.2
Glens Falls NY MSA	533	124,138,801	70.3	4,755	20.2	6.4	6.5	17.1	17.1	20.0	23.8	22.5	23.4	38.9	48.0	37.9	0.0	6.0	12.2
NY Non MSA	136	32,705,432	17.9	2,166	19.9	3.7	3.9	16.0	8.8	15.5	21.4	18.4	23.3	42.8	64.0	43.7	0.0	5.1	13.6
<b>Total</b>	<b>758</b>	<b>176,512,116</b>	<b>100.0</b>	<b>9,835</b>	<b>19.9</b>	<b>6.3</b>	<b>6.7</b>	<b>17.6</b>	<b>16.4</b>	<b>19.3</b>	<b>22.7</b>	<b>21.9</b>	<b>24.2</b>	<b>39.8</b>	<b>49.2</b>	<b>37.3</b>	<b>0.0</b>	<b>6.2</b>	<b>12.5</b>

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022-23
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	155	29,619,530	14.1	2,053	20.4	11.0	10.0	19.4	22.6	22.5	23.1	31.0	26.9	37.2	32.9	30.4	0.0	2.6	10.2
Glens Falls NY MSA	729	225,602,132	66.5	3,332	19.2	7.3	8.4	19.1	18.7	20.9	20.8	21.1	24.0	40.8	48.4	35.1	0.0	4.5	11.6
NY Non MSA	213	35,637,531	19.4	1,416	18.8	5.2	6.2	16.5	15.5	19.5	22.0	23.5	25.1	42.7	50.7	37.6	0.0	5.2	11.6
<b>Total</b>	<b>1,097</b>	<b>290,859,193</b>	<b>100.0</b>	<b>6,801</b>	<b>19.4</b>	<b>7.4</b>	<b>8.4</b>	<b>18.4</b>	<b>18.6</b>	<b>21.1</b>	<b>21.7</b>	<b>23.0</b>	<b>25.1</b>	<b>40.5</b>	<b>46.7</b>	<b>34.2</b>	<b>0.0</b>	<b>4.4</b>	<b>11.2</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2021</b>
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	86	6,072	10.3	1,274	0.0	0.0	0.0	18.5	50.0	4.5	65.4	50.0	56.3	16.1	0.0	38.8	0.0	0.0	0.4
Glens Falls NY MSA	595	49,820	71.0	2,941	0.0	0.0	0.0	8.4	9.4	7.3	81.9	84.7	80.8	9.6	5.9	11.0	0.0	0.0	0.9
NY Non MSA	157	16,569	18.7	1,611	6.0	5.1	3.1	2.7	3.8	1.6	76.7	73.9	66.6	13.8	17.2	27.9	0.7	0.0	0.8
<b>Total</b>	<b>838</b>	<b>72,461</b>	<b>100.0</b>	<b>5,826</b>	<b>1.7</b>	<b>1.0</b>	<b>0.7</b>	<b>9.0</b>	<b>12.5</b>	<b>4.5</b>	<b>76.8</b>	<b>79.1</b>	<b>64.4</b>	<b>12.2</b>	<b>7.4</b>	<b>29.8</b>	<b>0.2</b>	<b>0.0</b>	<b>0.6</b>

*Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2022-2023</b>
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	Aggt
Albany-Schenectady-Troy NY MSA	41	5,442	10.6	1,235	0.0	0.0	0.0	17.4	19.5	17.5	68.0	70.7	70.0	14.6	9.8	12.5	0.0	0.0	0.0
Glens Falls NY MSA	267	36,097	69.4	2,687	3.3	3.4	2.7	9.6	10.1	9.1	70.3	71.9	69.7	16.9	14.6	18.5	0.0	0.0	0.0
NY Non MSA	77	11,200	20.0	1,464	0.0	0.0	0.0	16.7	24.7	12.6	71.6	66.2	78.5	11.3	9.1	8.9	0.4	0.0	0.0
<b>Total</b>	<b>385</b>	<b>52,739</b>	<b>100.0</b>	<b>5,386</b>	<b>1.7</b>	<b>2.3</b>	<b>1.4</b>	<b>13.2</b>	<b>14.0</b>	<b>12.0</b>	<b>70.1</b>	<b>70.6</b>	<b>72.2</b>	<b>14.9</b>	<b>13.0</b>	<b>14.5</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2021</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Albany-Schenectady-Troy NY MSA	86	6,072	10.3	1,274	89.2	8.1	43.3	2.6	2.3	8.2	89.5	
Glens Falls NY MSA	595	49,820	71.0	2,941	84.7	5.4	45.7	4.0	6.2	11.4	88.4	
NY Non MSA	157	16,569	18.7	1,611	80.8	7.0	40.1	5.4	7.6	13.8	85.4	
<b>Total</b>	<b>838</b>	<b>72,461</b>	<b>100.0</b>	<b>5,826</b>	<b>84.6</b>	<b>6.0</b>	<b>43.2</b>	<b>4.1</b>	<b>6.1</b>	<b>11.3</b>	<b>87.9</b>	

*Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2022-23</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Albany-Schenectady-Troy NY MSA	41	5,442	10.6	1,235	91.3	31.7	53.0	2.1	19.5	6.6	48.8	
Glens Falls NY MSA	267	36,097	69.4	2,687	87.3	21.7	51.3	3.2	29.2	9.5	49.1	
NY Non MSA	77	11,200	20.0	1,464	83.7	22.1	49.0	4.3	24.7	12.0	53.2	
<b>Total</b>	<b>385</b>	<b>52,739</b>	<b>100.0</b>	<b>5,386</b>	<b>87.2</b>	<b>22.9</b>	<b>51.0</b>	<b>3.3</b>	<b>27.3</b>	<b>9.6</b>	<b>49.9</b>	

*Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*



Office of the  
Comptroller of the Currency  
Washington, DC 20219

# INTERMEDIATE SMALL BANK

## PUBLIC DISCLOSURE

August 21, 2023

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Saratoga National Bank and Trust Company  
Charter Number: 21530

171 South Broadway  
Saratoga Springs, NY 12866

Office of the Comptroller of the Currency

5000 Brittonfield Parkway, Suite A132  
East Syracuse, NY 13057

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



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## Overall CRA Rating

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

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The Lending Test rating is based on performance in the state of New York, which demonstrated reasonable distribution of loans to borrowers of different income levels, a majority of lending conducted inside the bank's assessment area (AA), reasonable distribution of loans to geographies of different income levels, and a more than reasonable loan-to-deposit (LTD) ratio.
- The Community Development (CD) Test rating is based on performance in the state of New York. The performance exhibits excellent responsiveness to community development needs through community development loans, qualified investments, and CD services.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is more than reasonable.

Saratoga National Bank's (SNB or bank) LTD ratio averaged 84.01 percent for the twelve quarters from January 1, 2020, through December 31, 2022. During this period, the bank's LTD ratio fluctuated from a low of 78.01 percent to a high of 94.89 percent. In comparison, the quarterly average of three similarly situated national and state-chartered banks was 73.35 percent, ranging from a low of 60.15 percent to a high of 83.39 percent.

### Lending in Assessment Area

A majority of the bank's loans are inside its AA.

The bank originated and purchased 61.1 percent of its total loans inside the bank's AA during the total evaluation period. SNB did not submit affiliate lending data for consideration during this evaluation.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	406	92.1	35	7.9	441	140,120	93.7	9,366	6.3	149,486
2021	415	90.4	44	9.6	459	130,121	93.5	8,973	6.5	139,094
2022	377	96.4	14	3.6	391	166,452	96.5	6,013	3.5	172,464
<b>Subtotal</b>	<b>1,198</b>	<b>92.8</b>	<b>93</b>	<b>7.2</b>	<b>1,291</b>	<b>436,692</b>	<b>94.7</b>	<b>24,352</b>	<b>6.4</b>	<b>461,044</b>
Consumer										
2020	3,768	60.5	2,464	39.5	6,232	90,188	58.6	63,608	41.4	153,795
2021	3,864	58.0	2,801	42.0	6,665	99,748	56.0	78,387	44.0	178,135
2022	4,152	58.8	2,913	41.2	7,065	121,161	57.9	87,967	42.1	209,128
<b>Subtotal</b>	<b>11,783</b>	<b>59.0</b>	<b>8,178</b>	<b>41.0</b>	<b>19,962</b>	<b>311,097</b>	<b>57.5</b>	<b>229,962</b>	<b>42.5</b>	<b>541,058</b>
<b>Total</b>	<b>12,981</b>	<b>61.1</b>	<b>8,271</b>	<b>38.9</b>	<b>21,253</b>	<b>747,789</b>	<b>74.6</b>	<b>254,314</b>	<b>25.4</b>	<b>1,002,102</b>

## Description of Institution

SNB is a \$980 million community bank established in 1988. SNB is headquartered in Saratoga Springs, New York (N.Y.), which is centrally located in Saratoga County and approximately 35 miles north of Albany, N.Y. SNB is owned by holding company, Arrow Financial Corporation (Arrow). Arrow also owns Glens Falls National Bank and Trust Company, a \$3.2 billion community bank headquartered in Glens Falls, N.Y., approximately 19 miles northeast of Saratoga Springs. SNB provides a full range of retail and commercial products to borrowers in the local community. Lending products include home mortgages, commercial mortgages, commercial business loans, and consumer loans. Deposit products include various checking accounts, savings accounts, and certificates of deposit.

SNB is a single-state institution with one AA in the state of New York, which is located in the Albany-Schenectady-Troy Metropolitan Statistical Area (MSA) AA (MSA #10580). The AA consists of four of the five counties that make up the Albany-Schenectady-Troy MSA, which are Albany, Rensselaer, Saratoga, and Schenectady counties in their entirety. With the opening of the Latham office in July 2020, and the consolidation of the Wilton and Jones Road (Saratoga Springs) locations into a new location at Wilton Square in November 2021, SNB serves the community through 11 office locations.

SNB's lending activities are focused on home mortgage and consumer lending. As of December 31, 2022, SNB's assets included \$670.9 million in total loans, \$707.1 million in total deposits and \$95.9 million in tier one equity capital. The bank's loan portfolio consisted of 29.8 percent in one- to four-family residential mortgages, 27.7 percent in consumer loans, 26.6 percent in commercial real estate loans, 5.8 percent in multifamily, 5.0 percent in commercial and industrial loans, 4.4 percent in construction and development, and < 1 percent in other consumer loans.

SNB has no legal, financial, or regulatory impediments that would hinder its ability to help meet the credit needs of its AA. SNB's prior Performance Evaluation dated July 6, 2020, resulted in a "Satisfactory" rating based on a "Satisfactory" Lending Test rating and an Outstanding Community Development Test rating.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This performance evaluation assessed the bank's performance in its AAs under the Community Reinvestment Act (CRA). SNB was evaluated using the Intermediate Small Bank examination procedures, which includes a Lending Test and a Community Development Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AA through its primary lending products, home mortgages and consumer loans. The OCC assessed 2020 and 2021 home mortgage lending activities against the 2015 American Community Survey (ACS) data and 2022 lending activities against the 2020 U.S. Census data. The Community Development Test assessed the bank's engagement in community development activities, including CD loans and services, qualified investments, grants, and donations, based on the needs of the community and the bank's capacities. The evaluation period for both tests was January 1, 2020, through December 31, 2022.

To evaluate performance under the Lending Test, the OCC reviewed home mortgage and consumer loan originations and purchases within the evaluation period. The primary lending products were determined based on the bank's overall business strategy and the volume of home mortgage and consumer loans originated or purchased during the evaluation period. The OCC reviewed the bank's Loan Application Register (LAR) required by the Home Mortgage Disclosure Act (HMDA) and while not required to maintain or submit the data, management maintains loan data for consumer loans in a machine-readable format that was able to be reviewed. The OCC tested the accuracy of HMDA data and consumer loan data maintained by the bank and found the data to be reliable for CRA scoping purposes.

The market share and peer comparisons for home mortgage loans are based on the information contained in the aggregate HMDA information, which are available for public review. Aggregate HMDA information includes only lenders who were required to file HMDA data in 2020, 2021, and 2022. Banks are not required to collect and report consumer loans data; therefore, an aggregate peer comparison is not available to assess consumer lending performance.

### Selection of Areas for Full-Scope Review

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

### Ratings

The bank's overall rating is based on performance in the bank's one AA within the Albany-Schenectady-Troy MSA in the State of New York. The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each state section for details regarding how the areas were weighted in arriving at the respective ratings.

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

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

The OCC has not identified that this bank has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## State Rating

### State of New York

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

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Outstanding

The major factors that support this rating include:

- The bank originated or purchased a majority of its primary lending products, home mortgage and consumer loans, inside the bank's AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of the census tract.
- The distribution of loans across geographies of different income levels is reasonable.
- The distribution of loans to individuals of different income levels is reasonable.
- Excellent responsiveness to CD needs in the bank's AA through CD loans, qualified investments, and CD services.

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

SNB is a community bank that provides traditional loan and deposit products to individuals and businesses in the Capital region of New York State. Deposit products include low balance, service-charge free accounts. In 2022, the bank became BankOn certified, offering a checking product for the unbanked or underbanked population with no overdraft fees. Loan products include home and commercial mortgages, commercial loans, and consumer loans with a focus on indirect automobile lending through a state-wide network of automobile dealers. The bank originated or purchased a majority of its primary lending products, home mortgage and consumer loans, within its AA.

The bank has one AA in the state of New York, the Albany-Schenectady-Troy MSA AA (MSA #10580). The AA consists of four of the five counties that make up the Albany-Schenectady-Troy MSA, which are Albany, Rensselaer, Saratoga, and Schenectady counties in their entirety, as Schoharie County is excluded. According to the 2015 ACS data, which was used to analyze 2020 and 2021 performance, the AA consisted of 210 census tracts, which included 21 low-income census tracts, 39 moderate-income census tracts, 101 middle-income census tracts, 46 upper-income census tracts, and three census tracts with no corresponding census-level income designation available. Per the 2020 U.S. Census data, which was used to analyze the 2022 performance, the AA consists of 243 census tracts, which includes 23 low-income census tracts, 39 moderate-income census tracts, 114 middle-income census tracts, 60 upper-income census tracts, and seven census tracts with no corresponding census-level income designation available. The AA meets the requirements of the CRA and does not arbitrarily exclude low- and moderate-income (LMI) geographies.

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<sup>1</sup> This rating reflects performance within the state.

SNB serves the community through 11 offices, covering the four counties of Albany, Rensselaer, Saratoga, and Schenectady. Of the 11 office locations, three are in upper-income census tracts; six are in middle-income census tracts; and two are in moderate-income census tracts. All offices have 24-hour automated teller machines (ATMs) and all, but the Troy office, have drive-through facilities. The bank's ATMs recognize public benefit cards without a surcharge. The bank does not have any standalone ATMs. There are no material differences in the availability or cost of services available across SNB offices. In 2020, the bank hired a salaried CRA Mortgage Originator, a Community Engagement Officer, and CRA officer in efforts to build community relationships and increase low-moderate-income lending throughout the bank's AA.

In addition to conventional mortgages, the bank offers home mortgages through the Federal Housing Administration, State of New York Mortgage Agency, United States Department of Agriculture, and Veterans Administration. SNB also offers a first-time home buyer program with a low-down payment, waived fees and origination charges, no private mortgage insurance, an interest rate discount and up to \$14,500 for down payment or closing costs through the Federal Home Loan Bank of New York's Homebuyer Dream Program, which provides grants to low- and moderate-income mortgage applicants that work with home ownership organizations in learning the responsibilities of homeownership. SNB is also a preferred Small Business Administration (SBA) lender and is a partner with the Pursuit Lending (f/k/a New York Business Development Corporation) and Empire State Development to offer various lending programs for small businesses.

In response to the COVID-19 pandemic, the bank participated in SBA's Paycheck Protection Program (PPP). The bank originated 419 loans totaling \$40.36 million during the first round and 217 loans totaling \$19.3 million during the second round. Additionally, SNB worked with borrowers unable to meet their contractual payment obligations through loan deferrals on a case-by-case basis.

SNB operates in a highly competitive financial services market. Competition from other financial institutions operating in the area is strong with 41 institutions operating in the market with 281 offices and \$45 billion in total deposits. As of June 30, 2022, SNB had a market share of 1.7 percent in its AA with \$749.8 million in deposits, ranking it 13<sup>th</sup> among its competitors. The deposit market is dominated by large national banks KeyBank, N.A., Citizens Bank, N.A., and Bank of America, N.A., with 20.3 percent, 14.9 percent, and 8.3 percent deposit market shares, respectively. Other financial institutions in the top five include State Employees Federal Credit Union (SEFCU n/k/a/ Broadview FCU) with 11.7 percent market share and TrustCo Bank with a 7.7 percent market share. With respect to home mortgage loans, based on the 2022 Peer Mortgage Data, there were 307 reporting lenders in the AA. The top five mortgage lenders in the AA, based on loan volume, had a total combined market share of 38.3 percent and include Broadview FCU (11.8 percent), SEFCU Services, LLC (7.8 percent), Homestead Funding Corp. (7.6 percent), TrustCo Bank (6 percent), and Sunmark Credit Union (5.2 percent). SNB ranked 17<sup>th</sup> in the AA with a market share of 1.5 percent.

### **Economic Data**

Data from the December 2022 report from Moody's Analytics indicates that Albany-Schenectady-Troy MSA is currently in economic recovery. Its strengths include its central location to New York City and the New England states, is a semiconductor production hub with government investments in the domestic chip industry through the CHIPS Act, maintains low business costs with below-average employment volatility, offers affordable housing and promotes an even distribution of income and wealth. Weaknesses include the growing reliance on state government, worsening population trends that affect long-term growth and the outsized dependence on low-wage jobs. Unemployment (not seasonally

adjusted) within the MSA during the evaluation period ranged from a high of 14.1 percent in April 2020 to a low of 2.7 percent in December 2021 and has remained relatively stable at 2.9 percent since June 2022. Government, education and health services, professional and business services, and retail trade account for 21.7 percent, 20.1 percent, 12.8 percent, and 10 percent of total employment in the MSA, respectively. Top industries in the area providing the most employment are health care providers and supermarket chains. Major employers in the MSA include St. Peter's Health Partners, Albany Medical Center, Golub Corp., Hannaford Supermarkets and General Electric.

## Community Contacts

During the evaluation period, the OCC and other financial regulators met with eight organizations in the Capital Region that aid socially and economically disadvantaged small businesses, homeownership services, and promote local economic development. Contacts from these organizations identified a need for affordable housing, homeownership assistance, financial education, flexible small business lending, banking services for smaller and struggling business, start-up capital, and general economic development. Contacts stated that it is challenging for individuals to connect with agencies that are provide community services and workforce development in addition to their being a lack of transportation get to job training sites. Contacts noted that financial institutions in the area are generally responsive to community needs, particularly during the COVID-19 pandemic.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Albany-Schenectady-Troy MSA AA 2020-2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	210	10.0	18.6	48.1	21.9	1.4
Population by Geography	845,933	7.6	16.6	50.0	24.7	1.0
Housing Units by Geography	378,947	8.9	18.1	49.9	22.9	0.2
Owner-Occupied Units by Geography	215,410	3.0	12.6	55.3	29.1	0.0
Occupied Rental Units by Geography	118,169	16.0	25.1	42.6	16.0	0.3
Vacant Units by Geography	45,368	18.4	26.2	43.1	11.6	0.7
Businesses by Geography	79,148	13.6	12.1	45.8	28.1	0.4
Farms by Geography	2,146	2.4	7.5	65.9	24.2	0.0
Family Distribution by Income Level	200,849	20.0	17.6	22.1	40.3	0.0
Household Distribution by Income Level	333,579	24.0	15.5	18.8	41.7	0.0
Median Family Income MSA - 10580 Albany-Schenectady-Troy, NY MSA		\$81,103	Median Housing Value			\$198,104
			Median Gross Rent			\$915
			Families Below Poverty Level			7.3%

Source: 2015 ACS and 2021 D&B Data  
Due to rounding, totals may not equal 100.0%  
(\* The NA category consists of geographies that have not been assigned an income classification.



<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Albany-Schenectady-Troy MSA AA 2022</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	243	9.5	16.0	46.9	24.7	2.9
Population by Geography	869,548	8.9	14.0	47.5	27.8	1.8
Housing Units by Geography	392,574	9.7	15.4	47.8	25.8	1.3
Owner-Occupied Units by Geography	218,932	3.7	10.0	52.4	33.6	0.3
Occupied Rental Units by Geography	128,022	17.4	22.3	40.6	17.1	2.7
Vacant Units by Geography	45,620	17.0	22.4	46.0	12.7	1.9
Businesses by Geography	82,676	7.2	9.7	46.3	27.5	9.2
Farms by Geography	2,187	1.8	5.4	62.0	29.2	1.6
Family Distribution by Income Level	206,349	21.0	17.1	21.8	40.1	0.0
Household Distribution by Income Level	0	0.0	0.0	0.0	0.0	0.0
Median Family Income MSA - 10580 Albany-Schenectady-Troy, NY MSA		\$95,438	Median Housing Value			\$217,479
			Median Gross Rent			\$1,048
			Families Below Poverty Level			6.1%
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

## Scope of Evaluation in New York

The OCC conducted a full-scope review of the bank's one AA in the state of New York, located in the Albany-Schenectady-Troy MSA AA. Consumer lending received a heavier weighting over home mortgage lending in the performance assessment given its proportion of originations and purchases throughout the evaluation period.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK

### LENDING TEST

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

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the state of New York is reasonable. The Lending Test rating includes the LTD ratio analysis and lending inside and outside the AA, as well as the distribution of loans by the income levels of the geography and borrower described below.

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

The bank exhibits reasonable geographic distribution of loans in the state.

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

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

The geographic distribution of home mortgage loans is reasonable. In 2020 and 2021, the geographic distribution of home mortgage loans in low-income census tracts was near to the percentage of owner-occupied housing units and aggregate lending in the AA. For the same period, the geographic distribution of home mortgage loans in moderate-income census tracts was below the percentage of owner-occupied housing units and aggregate lending in the AA. In 2022, the proportion of bank loans to borrowers in low-income census tracts was well below the proportion of owner-occupied housing units and significantly below aggregate lending in the AA. The proportion of bank loans to borrowers in moderate-income census tracts exceeded the proportion of owner-occupied housing units and was near to aggregate lending in the AA. Between 2020 and 2022, overall, lending in low-income tracts decreased from 2.6 percent of bank loans to 2.1 percent, while lending in moderate-income tracts improved from 9.1 percent of bank loans to 10.1 percent.

### ***Consumer Loans***

Refer to Table U in the state of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is reasonable. In 2020 and 2021, the geographic distribution of consumer loans was below the distribution of households in low-income geographies and near to the distribution of households in moderate-income geographies. In 2022, the geographic distribution of consumer loans was below the distribution of households in both low-and moderate-income geographies. The assessment of performance considered payment affordability for low-income borrowers given the median household income and the average used vehicle price. Based on 2022 FFIEC data, the bank's low-income census tracts within the AA have median household income of \$53,000, which is an increase from 2021 of \$47,800 and 2020 of \$49,600. According to J.D. Power, the average transaction price for a used vehicle at franchised dealerships in September 2022 was \$31,025, which is an increase of 7.2 percent when compared to September 2021. Based on the weighted average monthly gross rent of \$1,048 and a \$647 monthly car payment (\$31,025 loan at 7 percent for 48 months), it would be difficult for a borrower in a low-income census tract to qualify for a loan based on sound credit underwriting standards.

### ***Lending Gap Analysis***

The OCC reviewed supervisory data and other summary reports and did not find any unexplained conspicuous gaps in the bank's lending.

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

The bank exhibits reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.

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

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

The borrower distribution of home mortgage loans is reasonable. In 2020 and 2021, home mortgage lending to low-income borrowers was well below the percentage of low-income families and below aggregate lending in the AA. During the period of 2020 to 2021, the median housing value in the AA was \$198,104 and rose to \$217,479 in 2022 based on the Census data. However, according to Realtor.com data, the median housing value in the AA is \$295,750 and \$344,900 in 2020 and 2021 reflecting an increase of 16.6 percent from 2020 to 2021. Low median family income in the AA were \$47,800 and \$53,000, respectively during this period, resulting in challenges for those to qualify for a home-mortgage loan. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$53,000 per year (or less than 50 percent of the 2022 FFIEC adjusted median family income in the AA) could afford a \$245,823 mortgage with a payment of \$1,325 per month. This illustrates that low-income borrowers would be challenged to qualify for a mortgage loan in the AA. In 2020 and 2021, home mortgage lending to moderate-income borrowers was near to the percentage of moderate-income families and below aggregate lending in the AA. In 2022, home mortgage lending to low-income borrowers was significantly below the percentage of low-income families and below aggregate lending in the AA. For the same period, home mortgage lending to moderate-income borrowers was near to the percentage of low-income families and below aggregate lending in the AA.

### ***Consumer Loans***

Refer to Table V in the state of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is excellent. In 2020, 2021, and 2022, the borrower distribution of consumer loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income households in the AA.

### **Responses to Complaints**

The bank did not receive any CRA-related complaints during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in the state of New York is rated Outstanding.

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

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

### Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Albany-Schenectady-Troy MSA AA	247	100.0	36,409	100.0

SNB demonstrated excellent responsiveness to CD needs through CD loans. SNB responded to flexible lending opportunities during the COVID-19 pandemic by originating loans through the SBA's PPP to stabilize small businesses and communities. The PPP was implemented to encourage businesses to keep employees on payrolls during the initial lockdowns of the COVID-19 pandemic. Loans originated under the program carried an interest rate of 1 percent and had a maturity of two years if originated prior to June 5, 2020, and five years if originated after that date. The SBA forgave the loans if a business met certain requirements such as spending at least 60 percent of proceeds on payroll costs and maintaining employee and compensation levels. CD lending during the evaluation period totaled 247 loans with a combined total commitment of \$36.4 million. SNB originated 217 PPP loans totaling \$19.3 million after October 1, 2020. Other CD lending included 10 loans totaling \$7.5 million to organizations providing community services targeting low- or moderate-income individuals, 11 loans totaling \$19.2 million for economic development purposes, and two loans totaling \$1.2 million for affordable housing for low- or moderate-income individuals.

Examples of the bank's CD lending activities include:

- \$226,000 loan to an organization for an affordable housing project to construct homes for the unhomed;
- Four loans totaling \$510,000 to community development financial institutions that support small business programs and promote economic development; and
- Two loans totaling \$4.6 million to a dental practice where 75 percent of its revenue comes from Medicaid for child dental services.

CD lending activity positively impacted the overall CD rating due to the outstanding level of CD lending and responsiveness to community needs while providing stabilization of small businesses inside the AA.

## Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Albany-Schenectady-Troy MSA AA	7	43	120	3,967	127	100	4,010	100	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

SNB demonstrated excellent responsiveness to CD needs through qualified investments, donations, and grants. During the evaluation period, SNB made or renewed 13 qualified investments totaling \$3.71 million during the evaluation period. SNB's investments consisted of purchasing municipal bonds that supported moderate-income geographies with improvements to water and sewer systems, as well as a library construction in one school district. Additionally, SNB has seven prior period investments totaling \$43,000 in bonds to finance affordable housing inside the bank's AA.

SNB made 107 donations totaling over \$254,000 to various community development, economic development, and non-profit organizations within the bank's AA during the evaluation period.

### Extent to Which the Bank Provides Community Development Services

SNB demonstrated excellent responsiveness to CD needs through CD services. During the evaluation period, bank employees provided a total of 1,037 service hours for the benefit of various CD-eligible organizations within the AA. Of the 1,037 hours, 374 hours were allocated to affordable housing; 446 hours were allocated to community services; 111 hours allocated to economic development; and 106 allocated to revitalization and stabilization. Service hours to organizations included, but was not limited to promoting financial literacy, encouraging entrepreneurship among LMI individuals, and providing the youth with academic resources. Bank employees also played a key role in teaching local community members about the mortgage process in partnership with various organizations that seek to make homeownership a reality for local residents. Some examples of services include:

- A bank executive, along with a bank employee, serving on the board of a local non-profit human services organization that provides housing, workforce training, and financial education to LMI individuals, as well as addresses food insecurity.
- Bank officers collaborating with various affordable housing organizations to provide homebuyer education, financial literacy, and housing counseling services to LMI individuals interested in obtaining a home mortgage loan.
- A bank employee serving on the board of a non-profit organization that provides tailored home repair services to low-income homeowners in Saratoga at no cost to the homeowner based on individual needs.
- A bank executive serving on the board of an economic development agency that helps to build the local economy by financing small businesses.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	01/01/2020 to 12/31/2022	
<b>Bank Products Reviewed:</b>	Home mortgage and consumer loans CD loans, qualified investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State of New York</b>		
Albany-Schenectady-Troy MSA	Full-Scope	Albany, Rensselaer, Saratoga, and Schenectady counties

## Appendix B: Summary of State Rating

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RATINGS      Saratoga National Bank and Trust Company			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State Rating
Saratoga National Bank and Trust Company	Satisfactory	Outstanding	Satisfactory
State:			
New York	Satisfactory	Outstanding	Satisfactory

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2020-21</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	
Albany-Schenectady-Troy MSA AA	821	270,241	100.0	35,483	3.0	2.6	2.9	12.6	9.1	12.6	55.3	61.3	54.7	29.1	26.7	29.6	0.0	0.4	0.1	
<b>Total</b>	<b>821</b>	<b>270,241</b>	<b>100.0</b>	<b>35,483</b>	<b>3.0</b>	<b>2.6</b>	<b>2.9</b>	<b>12.6</b>	<b>9.1</b>	<b>12.6</b>	<b>55.3</b>	<b>61.3</b>	<b>54.7</b>	<b>29.1</b>	<b>26.7</b>	<b>29.6</b>	<b>0.0</b>	<b>0.4</b>	<b>0.1</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2022</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	
Albany-Schenectady-Troy MSA AA	377	166,451	100.0	24,727	3.7	2.1	4.7	10.0	10.1	11.8	52.4	45.6	50.2	33.6	42.2	32.9	0.3	0.0	0.5	
<b>Total</b>	<b>377</b>	<b>166,451</b>	<b>100.0</b>	<b>24,727</b>	<b>3.7</b>	<b>2.1</b>	<b>4.7</b>	<b>10.0</b>	<b>10.1</b>	<b>11.8</b>	<b>52.4</b>	<b>45.6</b>	<b>50.2</b>	<b>33.6</b>	<b>42.2</b>	<b>32.9</b>	<b>0.3</b>	<b>0.0</b>	<b>0.5</b>	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2020-21</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	
Albany-Schenectady-Troy MSA AA	821	270,241	100.0	35,483	20.0	5.8	8.6	17.6	13.8	22.6	22.1	16.3	24.6	40.3	59.2	32.6	0.0	4.9	11.6	
<b>Total</b>	<b>821</b>	<b>270,241</b>	<b>100.0</b>	<b>35,483</b>	<b>20.0</b>	<b>5.8</b>	<b>8.6</b>	<b>17.6</b>	<b>13.8</b>	<b>22.6</b>	<b>22.1</b>	<b>16.3</b>	<b>24.6</b>	<b>40.3</b>	<b>59.2</b>	<b>32.6</b>	<b>0.0</b>	<b>4.9</b>	<b>11.6</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2022</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	% Families	% Bank Loans	Aggt	
Albany-Schenectady-Troy MSA AA	377	166,451	100.0	24,727	21.0	2.9	10.7	17.1	15.4	24.0	21.8	15.1	25.4	40.1	61.0	29.9	0.0	5.6	10.1	
<b>Total</b>	<b>377</b>	<b>166,451</b>	<b>100.0</b>	<b>24,727</b>	<b>21.0</b>	<b>2.9</b>	<b>10.7</b>	<b>17.1</b>	<b>15.4</b>	<b>24.0</b>	<b>21.8</b>	<b>15.1</b>	<b>25.4</b>	<b>40.1</b>	<b>61.0</b>	<b>29.9</b>	<b>0.0</b>	<b>5.6</b>	<b>10.1</b>	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>														<b>2020-21</b>	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts			
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans		
Albany-Schenectady-Troy MSA AA	7,632	189,936	100.0	7.6	5.1	17.0	16.2	50.8	55.4	24.4	23.2	0.1	0.1		
<b>Total</b>	<b>7,632</b>	<b>189,936</b>	<b>100.0</b>	<b>7.6</b>	<b>5.1</b>	<b>17.0</b>	<b>16.2</b>	<b>50.8</b>	<b>55.4</b>	<b>24.4</b>	<b>23.2</b>	<b>0.1</b>	<b>0.1</b>		

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data.  
Due to rounding, totals may not equal 100.0%*

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>														<b>2022</b>	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts			
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans		
Albany-Schenectady-Troy MSA AA	4,152	121,161	100.0	8.7	5.5	14.5	10.9	48.1	53.5	27.5	29.4	1.2	0.7		
<b>Total</b>	<b>4,152</b>	<b>121,161</b>	<b>100.0</b>	<b>8.7</b>	<b>5.5</b>	<b>14.5</b>	<b>10.9</b>	<b>48.1</b>	<b>53.5</b>	<b>27.5</b>	<b>29.4</b>	<b>1.2</b>	<b>0.7</b>		

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.  
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower 2020-21**

Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Albany-Schenectady-Troy MSA AA	7,632	189,936	100.0	24.0	28.4	15.5	32.2	18.8	20.7	41.7	15.2	0.0	3.4
<b>Total</b>	<b>7,632</b>	<b>189,936</b>	<b>100.0</b>	<b>24.0</b>	<b>28.4</b>	<b>15.5</b>	<b>32.2</b>	<b>18.8</b>	<b>20.7</b>	<b>41.7</b>	<b>15.2</b>	<b>0.0</b>	<b>3.4</b>

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data.  
 Due to rounding, totals may not equal 100.0%

**Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower 2022**

Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Albany-Schenectady-Troy MSA AA	4,152	121,161	100.0	23.9	25.5	16.1	32.0	17.7	21.5	42.2	17.3	0.0	3.6
<b>Total</b>	<b>4,152</b>	<b>121,161</b>	<b>100.0</b>	<b>23.9</b>	<b>25.5</b>	<b>16.1</b>	<b>32.0</b>	<b>17.7</b>	<b>21.5</b>	<b>42.2</b>	<b>17.3</b>	<b>0.0</b>	<b>3.6</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.  
 Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.