PUBLIC SUMMARY

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION OF GENESEE REGIONAL BANK

AS OF DECEMBER 31, 2024

New York State Department of Financial Services
Consumer Protection and Financial Enforcement Division
One State Street, New York NY 10004

NOTE: **This Evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Department of Financial Services concerning the safety and soundness of this financial institution.**

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I - GENERAL INFORMATION

This document is an evaluation (the "Evaluation") of the Community Reinvestment Act ("CRA") performance of Genesee Regional Bank ("GRB" or the "Bank") prepared by the New York State Department of Financial Services ("DFS" or the "Department"). This Evaluation represents the Department's current assessment and rating of the Bank's CRA performance based on an evaluation conducted as of December 31, 2024.

Section 28-b of the New York Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Financial Services shall assess a banking institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income ("LMI") areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Superintendent ("GRS") implements Section 28-b and further requires that the Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate institutions' performance. Section 76.5 further provides that the Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

(1) Outstanding record of meeting community credit needs;

(2) Satisfactory record of meeting community credit needs;

(3) Needs to improve in meeting community credit needs; and

(4) Substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the Evaluation be made available to the public. Evaluations of banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 through 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the end of this Evaluation.

II - OVERVIEW OF INSTITUTION'S PERFORMANCE

The Department evaluated GRB according to the intermediate small banking institutions performance criteria pursuant to Sections 76.7 and 76.12 of the GRS. The evaluation period included the period from January 1, 2023, to December 31, 2024, for the lending and community development tests. GRB is rated "**2**," indicating a "**Satisfactory**" record of helping to meet community credit needs with regulatory standards.

The rating is based on the following factors:

A. Lending Test: Satisfactory

1. Loan-to-Deposit Ratio and Other Lending-Related Activities:

GRB's average loan-to-deposit ("LTD") ratio was excellent considering its size, business strategy, financial condition and peer group activity.

GRB's average LTD ratio of 95.3%, exceeded the peer group's average LTD ratio of 82.7%. Since the prior examination, the Bank's average LTD ratio increased 16.9% .

2. Assessment Area Concentration:

During the evaluation period, GRB originated 59.7% by number and 63.4% by dollar value of its total HMDA-reportable and small business loans within the assessment area demonstrating a reasonable concentration of lending.

3. Distribution by Borrower Characteristics:

GRB's HMDA-reportable and small business lending demonstrated a reasonable distribution of loans among individuals of different income levels and businesses of different revenue sizes.

4. Geographic Distribution of Loans:

GRB's origination of loans in census tracts of varying income levels demonstrated a reasonable distribution of lending.

5. Action Taken in Response to Written Complaints with Respect to CRA:

Neither DFS nor GRB received any written complaints during the evaluation period regarding GRB's CRA performance.

B. Community Development Test: Outstanding

GRB's community development performance demonstrated an excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments and services, considering the Bank's capacity, and the need for and availability of opportunities for community development in its assessment area.

1. Community Development Lending:

During the evaluation period, GRB originated $22.8 million in new community development loans and had $15.5 million outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending over the course of the evaluation period.

2. Qualified Investments:

During the evaluation period, GRB made $490,000 in qualified investments and had $3.8 million outstanding from prior evaluation periods. In addition, GRB made $106,401 in qualified grants. This demonstrated an adequate level of qualified investments over the course of the evaluation period.

3. Community Development Services

GRB demonstrated an adequate level of community development services over the course of the evaluation period.

4. Responsiveness to Community Development Needs:

GRB demonstrated an excellent level of responsiveness to credit and community development needs.

This evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York Banking Law and GRS Part 76.

III - PERFORMANCE CONTEXT

A. Institution Profile

Chartered in 1985, GRB is a commercial bank headquartered in Rochester, New York. The Bank is a wholly owned subsidiary of Greater Rochester Bancorp, Inc.

GRB operates three banking offices in Monroe County, New York. Supplementing the banking offices is an automated teller machine ("ATM") network consisting of three non-deposit-taking ATMs, one at each branch. The Bank has an agreement with three ATM networks, MoneyPass, Allpoint, and STAR, which provide surcharge-free access to non-deposit-taking ATMs located throughout Monroe County and outside of the Bank's assessment area. GRB operates a loan production office in Syracuse, New York.

The Bank offers several deposit products including consumer and business checking, savings and certificates of deposit. Complimenting these are various lending products such as consumer loans, residential mortgage loans, commercial mortgage loans and commercial and industrial loans. Furthermore, the institution provides banking services including overdraft protection, online and mobile banking platforms that facilitate self-service transactions and account management for customers.

In its Consolidated Report of Condition (the "Call Report") as of December 31, 2024, filed with the Federal Deposit Insurance Corporation ("FDIC"), GRB reported total assets of $1.2 billion, of which $888 million were net loans and lease financing receivables. It also reported total deposits of $980.4 million, resulting in an LTD ratio of 90.6% as of December 31, 2024. According to the latest available comparative deposit data as of June 30, 2024, GRB obtained a market share of 5.1%, or $905.4 million in a market of $17.6 billion, ranking it 7th among 15 deposit-taking institutions in the assessment area.

The following is a summary of the Bank's loan portfolio, based on Schedule RC-C of the Bank's December 31, 2023, and December 31, 2024 Call Reports:

TOTAL GROSS LOANS OUTSTANDING				
	2023		2024	
Loan Type	$000's	%	$000's	%
1-4 Family Residential Mortgage Loans	251,637	30.1	277,069	29.7
Commercial & Industrial Loans	213,721	25.6	234,646	25.1
Commercial Mortgage Loans	275,989	33.0	300,566	32.2
Multifamily Mortgages	16,816	2.0	17,299	1.9
Consumer Loans	4,690	0.6	3,925	0.4
Agricultural Loans	474	0.1	447	0.0
Construction Loans	50,846	6.1	48,156	5.2
Other Loans	21,028	2.5	51,111	5.5
Total Gross Loans	835,201		933,219	

As illustrated in the above table, GRB is primarily a commercial lender, with 32.2% of its loan portfolio in commercial mortgage loans and 25.1% in commercial and industrial loans as of December 31, 2024.

Examiners did not find evidence of financial or legal impediments that had an adverse impact on GRB's ability to meet the credit needs of its community.

B. Assessment Area

The Bank's assessment area consists of Monroe County in its entirety and contains 211 census tracts, of which 39 are low-income, 32 are moderate-income, 67 are middle-income, 63 are upper-income, and 10 are tracts with no income indicated. While the number of census tracts did not change since the prior evaluation, the distribution of moderate, middle, and upper-income census tracts changed slightly as a result of the 2020 census conducted by the U.S. Census Bureau.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Monroe	10	39	32	67	63	211	33.6
Total	10	39	32	67	63	211	33.6

C. Demographic & Economic Data

The assessment area had a population of 759,443 during the evaluation period. Approximately 16.9% of the population were over the age of 65 and 20.1% were under the age of 16.

Of the 183,050 families in the assessment area 21.6% were low-income, 16.3% were moderate-income, 19.5% were middle-income and 42.7% were upper-income. There were 305,210

households in the assessment area, of which 9.7% had income below the poverty level and 3.8% were on public assistance.

The weighted-average median family income in the assessment area was $85,690.

There were 329,105 housing units within the assessment area, of which 81.7% were one-to-four family units and 17.4% were multifamily units. A majority (58.7%) of the housing units were owner-occupied, while 34% were rental-occupied units; approximately 7% of housing units in the assessment area were vacant.

Of the 193,319 owner-occupied housing units, 18% were in LMI census tracts while 81.8% were in middle- and upper-income census tracts. The median age of the housing stock was 110 years, and the median home value in the assessment area was $135,887.

There were 85,625 non-farm businesses in the assessment area. Of these, 89.9% were businesses with reported revenues of less than or equal to $1 million, 3.3% reported revenues of more than $1 million and 6.8% did not report their revenues. Of all the businesses in the assessment area, 97.9% were businesses with less than fifty employees and 92.9% operated from a single location. The largest industries in the area were services (33.6%), finance, insurance & real estate (10.2%) and retail trade (10.5%); 30.3% of businesses in the assessment area were not classified.

According to the New York State Department of Labor, the average unemployment rate for New York State was 4.2% compared to 3.6% for Monroe County. The unemployment rates for both New York State and Monroe County decreased significantly since the prior evaluation period's rates of 6.3% and 5.2%, respectively.

Assessment Area Unemployment Rate		
	Statewide	Monroe
2023	4.1	3.4
2024	4.3	3.7
Average of Years above	4.2	3.6

D. Community Information

As part of the Evaluation, DFS examiners conducted community contact interviews with representatives of two nonprofit community organizations serving GRB's assessment area. The purpose of the interviews was to obtain information on the credit needs and opportunities for financial institutions to support community development.

The first interview was held with the Chief Executive Officer and president of a nonprofit organization whose main mission is to assist low-income individuals and families in achieving self-sufficiency. The representative stated that although the organization receives most of its funding from federal resources, while local financial institutions provide sponsorship and support. The representative reported that the banking needs of low-income residents remain significant, noting that available products tend to be generic and are not tailored to this population. Identified

needs include loan programs for first-time homebuyers, accessible financial literacy programs and additional bank branches in low-income neighborhoods, where access to in-person services is limited.

The second interview was conducted with a representative from a nonprofit organization that primarily serves minority and underserved communities. The organization provides a broad range of services including childcare, case management, migrant services, workforce development, financial empowerment, and housing support. The representative stated most of their clients are unbanked, not due to a lack of financial institutions, but largely due to language barriers. The representative emphasized the need for bilingual bank staff who can clearly explain products and services, as many individuals are reluctant to engage with institutions where they cannot communicate effectively. The representative also noted opportunities for financial institutions to offer language-accessible financial literacy programs and other multilingual services to support these communities .

IV - PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

The Department evaluated GRB under the intermediate small banking institution performance criteria in accordance with Sections 76.7 and 76.12 of the GRS, which consist of the lending test and the community development test.

The lending test includes:

1. Loan-to-deposit ratio and other lending-related activities;
2. Assessment area concentration;
3. Distribution of loans by borrower characteristics;
4. Geographic distribution of loans; and
5. Action taken in response to written complaints regarding CRA.

The community development test includes:

1. Community development lending;
2. Community development investments;
3. Community development services; and
4. Responsiveness to community development needs.

DFS also considered the following factors in assessing the bank's record of performance:

1. The extent of participation by the Board of Directors or Board of Trustees in formulating CRA policies and reviewing CRA performance;
2. Evidence of any practices intended to discourage credit applications;
3. Evidence of prohibited discriminatory or other illegal credit practices;
4. Record of opening and closing offices and providing services at offices; and
5. Process factors, such as activities to ascertain credit needs and the extent of marketing and special credit related programs.

DFS derived statistics employed in this Evaluation from various sources. GRB submitted bank-specific information both as part of the Evaluation process and in its all report submitted to the FDIC. DFS obtained aggregate lending data from the Federal Financial Institutions Examination Council ("FFIEC") and deposit data from the FDIC. DFS obtained loan to deposit ("LTD") ratios from information shown in the Bank's Uniform Bank Performance Report, compiled by the FFIEC from call report data.

DFS derived the demographic data referred to in this report from the 2020 U.S. Census and the FFIEC. DFS based business data on Dun & Bradstreet reports, which Dun & Bradstreet updates annually. DFS obtained unemployment data from the New York State Department of Labor.

The evaluation period included the period from January 1, 2023, to December 31, 2024 for lending and community development activities. Examiners considered GRB's HMDA-reportable and small business loans in evaluating factors (2), (3) and (4) of the lending test noted above.

As GRB did not make any small farm loans, DFS based all analyses on small business lending only.

HMDA-reportable and small business loan data evaluated in this Evaluation represented actual originations.

GRB is not required to report small business data, so GRB's small business lending is not included in the aggregate data. The aggregate data are shown only for comparative purposes.

Examiners gave greater weight to GRB's HMDA-reportable lending in this evaluation, as HMDA-reportable loans represented 90.3% by number and 66.4% by dollar value, of all HMDA-reportable and small business loans originated by GRB in the assessment area during the evaluation period.

In its prior Community Reinvestment Act Performance Evaluation as of December 31, 2022, DFS assigned GRB a rating of "2," or "satisfactory" compliance with regulatory standards.

CRA Rating: Satisfactory

A. Lending Test: Satisfactory

GRB's HMDA-reportable and small business lending activities were reasonable considering GRB's size, business strategy, and financial condition, as well as aggregate and peer group activity and the demographic characteristics and credit needs of the assessment area.

1. Loan-to-Deposit Ratio and other Lending-Related Activities:

GRB's average LTD ratio was excellent considering its size, business strategy, financial condition and peer group activity.

GRB's average LTD ratio of 95.3%, exceeded the peer group's average LTD ratio of 82.7%. Since the prior examination, the Bank's average LTD ratio increased 16.9%.. GRB's quarterly average LTD ratios ranged from 86.9% to 100.1% during the evaluation period.

The table below shows GRB's LTD ratios in comparison with the peer group's ratios for the eight quarters of this evaluation.

Loan-to-Deposit Ratios									
	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	Avg.
Bank	86.9	95.5	100.1	96.9	99.1	94.9	94.9	94.1	95.3
Peer	79.8	81.9	82.0	83.4	83.0	84.5	83.6	83.3	82.7

2. Assessment Area Concentration:

During the evaluation period, GRB originated 59.7% by number and 63.4% by dollar value of its total HMDA-reportable and small business loans within the assessment area, demonstrating a reasonable concentration of lending.

a. HMDA-Reportable Loans:

During the evaluation period, GRB originated 58.9% by number and 59.1% by dollar value of its HMDA-reportable loans within the assessment area.

This majority of lending inside GRB's assessment area reflects a reasonable concentration of lending.

b. Small Business Loans:

During the evaluation period, GRB originated 67.5% by number and 73.9% by dollar value of its small business loans within the assessment area.

This majority of lending inside GRB's assessment area reflects a reasonable concentration of lending.

The following table shows the percentages of GRB's HMDA-reportable and small business loans originated inside and outside of the assessment area.

Distribution of Loans Inside and Outside of the Assessment Area										
Loan Type	Number of Loans					Loans in Dollars (in thousands)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		$	%	$	%	
HMDA-Reportable										
2023	849	57.6%	626	42.4%	1,475	194,944	57.3%	145,376	42.7%	340,320
2024	927	60.2%	612	39.8%	1,539	215,766	60.8%	138,948	39.2%	354,714
Subtotal	1,776	58.9%	1,238	41.1%	3,014	410,710	59.1%	284,324	40.9%	695,034
Small Business										
2023	91	58.7%	64	41.3%	155	94,682	65.0%	50,975	35.0%	145,657
2024	100	78.1%	28	21.9%	128	112,799	83.5%	22,225	16.5%	135,024
Subtotal	191	67.5%	92	32.5%	283	207,481	73.9%	73,200	26.1%	280,681
Grand Total	1,967	59.7%	1,330	40.3%	3,297	618,191	63.4%	357,524	36.6%	975,715

3. Distribution by Borrower Characteristics:

GRB's HMDA-reportable and small business lending demonstrated a reasonable distribution of loans among individuals of different income levels and businesses of different revenue sizes.

a. One-to-four Family HMDA-Reportable Loans:

GRB's one-to-four family HMDA-reportable lending demonstrated a reasonable distribution of loans among borrowers of different income levels.

During the evaluation period, the Bank originated 36.2% by number and 25.0% by dollar value of its HMDA-reportable loans to LMI borrowers. The Bank's lending levels by number and dollar value were comparable to the aggregate lending rates, while its lending level by number of loans was comparable to the proportion of LMI families in the assessment area (38.4% in 2023 and 37.9% in 2024).

The following table provides a summary of the distribution of GRB's one-to-four family loans by borrower income.

Distribution of One-to-Four Family Loans by Borrower Income									
2023									
Borrower	**Bank**				**Aggregate**				**Fam.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	83	9.8%	9,241	4.8%	1,746	11.9%	145,880	6.6%	21.9%
Moderate	211	24.9%	36,049	18.7%	3,662	25.0%	427,710	19.4%	16.5%
LMI	294	34.8%	45,290	23.4%	5,408	36.9%	573,590	26.0%	38.4%
Middle	192	22.7%	38,578	20.0%	3,669	25.0%	523,535	23.7%	19.6%
Upper	360	42.6%	109,270	56.6%	5,114	34.9%	1,032,530	46.7%	42.0%
Unknown	0	0.0%	0	0.0%	469	3.2%	79,145	3.6%	
Total	**846**		**193,138**		**14,660**		**2,208,800**		
2024									
Borrower	**Bank**				**Aggregate**				**Fam.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	110	11.9%	14,470	6.7%	1,573	10.7%	143,755	6.0%	21.6%
Moderate	238	25.7%	42,070	19.6%	3,512	23.9%	441,220	18.4%	16.3%
LMI	348	37.6%	56,540	26.3%	5,085	34.7%	584,975	24.4%	37.9%
Middle	244	26.3%	53,253	24.8%	3,643	24.8%	555,455	23.2%	19.5%
Upper	334	36.1%	105,073	48.9%	5,283	36.0%	1,139,995	47.5%	42.7%
Unknown	0	0.0%	0	0.0%	655	4.5%	117,815	4.9%	0.0%
Total	**926**		**214,866**		**14,666**		**2,398,240**		
GRAND TOTAL									
Borrower	**Bank**				**Aggregate**				**Fam.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	193	10.9%	23,711	5.8%	3,319	11.3%	289,635	6.3%	
Moderate	449	25.3%	78,119	19.1%	7,174	24.5%	868,930	18.9%	
LMI	642	36.2%	101,830	25.0%	10,493	35.8%	1,158,565	25.1%	
Middle	436	24.6%	91,831	22.5%	7,312	24.9%	1,078,990	23.4%	
Upper	694	39.2%	214,343	52.5%	10,397	35.5%	2,172,525	47.2%	
Unknown	-	0.0%	-	0.0%	1,124	3.8%	196,960	4.3%	
Total	**1,772**		**408,004**		**29,326**		**4,607,040**		

b. Small Business Loans:

GRB's small business lending demonstrated a reasonable distribution of loans among businesses of different revenue sizes.

During the evaluation period, GRB's rates of lending to small businesses with gross annual revenue of $1 million or less were 46.1% by number and 41.8% by dollar value of loans which trailed the aggregate rates of 54.3% and 35.7%, respectively. Both the Bank's and aggregate's rates of lending trailed the percentage (88.9% to 89.9%) of small businesses with revenue of $1 million or less in the Bank's assessment area.

The following table provides a summary of the distribution of the Bank's small business loans by the revenue size of the business.

Distribution of Small Business Lending by Revenue Size of Business									
2023									
Rev. Size	**Bank**				**Aggregate**				**Bus.Dem.**
	#	%	$000's	%	#	%	$000's	%	%
Rev. < = $1MM	33	36.3%	28,798	30.4%	7,173	54.6%	145,942	37.1%	88.9%
Rev. > $1MM	58	63.7%	65,884	69.6%					3.7%
Rev. Unknown		0.0%		0.0%					7.5%
Total	**91**		**94,682**		**13,126**		**393,782**		
2024									
Rev. Size	**Bank**				**Aggregate**				**Bus.Dem.**
	#	%	$000's	%	#	%	$000's	%	%
Rev. < = $1MM	55	55.0%	57,975	51.4%	7,277	54.0%	130,897	34.3%	89.9%
Rev. > $1MM	44	44.0%	54,774	48.6%					3.3%
Rev. Unknown	1	1.0%	50	0.0%					6.8%
Total	**100**		**112,799**		**13,464**		**381,984**		
GRAND TOTAL									
Rev. Size	**Bank**				**Aggregate**				**Bus.Dem.**
	#	%	$000's	%	#	%	$000's	%	%
Rev. < = $1MM	88	46.1%	86,773	41.8%	14,450	54.3%	276,839	35.7%	
Rev. > $1MM	102	53.4%	120,658	58.2%	-				
Rev. Unknown	1	0.5%	50	0.0%	0				
Total	**191**		**207,481**		**26,590**		**775,766**		

4. Geographic Distribution of Loans:

GRB's origination of loans in census tracts of varying income levels demonstrated a reasonable distribution of lending.

a. HMDA-Reportable Loans:

The distribution of GRB's HMDA-reportable loans among census tracts of different income levels was reasonable.

The Bank's average rate of lending to LMI borrowers of 23.5% by number of loans exceeded the aggregate's rate of 22% while the Bank's average rate of 15.4% by dollar value of loans was slightly lower than the aggregate's rate of 16.9%.

Both the Bank and the aggregate's rates of lending by number of loans were higher than the assessment area's percentage (18.0% - 19.1%) of owner-occupied housing units in LMI census tracts.

The following table provides a summary of the distribution of the GRB's HMDA-reportable loans by the income level of the geography where the property was located.

Distribution of HMDA-Reportable Lending by Geographic Income of the Census Tract									
2023									
Geographic	**Bank**				**Aggregate**				**OO HUs**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	64	7.5%	7,498	3.8%	1,104	7.5%	125,010	4.8%	5.9%
Moderate	142	16.7%	23,063	11.8%	2,101	14.3%	340,935	13.2%	13.2%
LMI	206	24.3%	30,561	15.7%	3,205	21.7%	465,945	18.1%	19.1%
Middle	332	39.1%	69,545	35.7%	5,791	39.3%	974,785	37.8%	39.3%
Upper	308	36.3%	94,376	48.4%	5,699	38.7%	1,132,815	43.9%	41.4%
Unknown	3	0.4%	462	0.2%	48	0.3%	5,930	0.2%	0.2%
Total	**849**		**194,944**		**14,743**		**2,579,475**		
2024									
Geographic	**Bank**				**Aggregate**				**OO HUs**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	73	7.9%	9,763	4.5%	1,266	8.6%	138,880	4.7%	5.9%
Moderate	138	14.9%	22,958	10.6%	2,034	13.8%	324,950	11.1%	12.1%
LMI	211	22.8%	32,721	15.2%	3,300	22.4%	463,830	15.8%	18.0%
Middle	382	41.2%	82,071	38.0%	5,751	39.0%	1,014,935	34.6%	39.5%
Upper	330	35.6%	100,393	46.5%	5,662	38.4%	1,441,130	49.1%	42.3%
Unknown	4	0.4%	582	0.3%	49	0.3%	12,285	0.4%	0.2%
Total	**927**		**215,767**		**14,762**		**2,932,180**		
GRAND TOTAL									
Geographic	**Bank**				**Aggregate**				**OO HUs**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	137	7.7%	17,261	4.2%	2370	8.0%	263,890	4.8%	
Moderate	280	15.8%	46,021	11.2%	4,135	14.0%	665,885	12.1%	
LMI	417	23.5%	63,282	15.4%	6,505	22.0%	929,775	16.9%	
Middle	714	40.2%	151,616	36.9%	11,542	39.1%	1,989,720	36.1%	
Upper	638	35.9%	194,769	47.4%	11,361	38.5%	2,573,945	46.7%	
Unknown	7	0.4%	1,044	0.3%	97	0.3%	18,215	0.3%	
Total	**1,776**		**410,711**		**29,505**		**5,511,655**		

b. Small Business Loans:

The distribution of GRB's small business loans among census tracts of varying income levels was reasonable.

GRB's average rates of lending in LMI tracts were 15.2% by number and 15.8% by dollar value during the evaluation period, both of which were lower than the aggregate rates of 19.4% and 19.5%, respectively.

Both the Bank's and the aggregate's average rates of lending by number of loans trailed the percentage (22.1% - 23.1%) of small businesses located in LMI census tracts in the assessment area.

The following table provides a summary of the distribution of GRB's small business loans by the income level of the geography where the businesses were located.

Distribution of Small Business Lending by Geographic Income of the Census Tract									
2023									
Geographic	**Bank**				**Aggregate**				**Bus.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	3	3.3%	2,875	3.0%	911	6.9%	27,206	6.9%	8.4%
Moderate	12	13.2%	25,455	26.9%	1,718	13.1%	51,106	13.0%	13.6%
LMI	15	16.5%	28,330	29.9%	2,629	20.0%	78,312	19.9%	22.1%
Middle	32	35.2%	33,869	35.8%	5,014	38.2%	161,374	41.0%	37.0%
Upper	37	40.7%	29,858	31.5%	5,190	39.5%	138,631	35.2%	37.4%
Unknown	7	7.7%	2,625	2.8%	293	2.2%	15,465	3.9%	3.6%
Total	**91**		**94,682**		**13,126**		**393,782**		
2024									
Geographic	**Bank**				**Aggregate**				**Bus.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	3	3.0%	1,035	0.9%	879	6.5%	24,830	6.5%	9.5%
Moderate	11	11.0%	3,476	3.1%	1,653	12.3%	48,473	12.7%	13.7%
LMI	14	14.0%	4,511	4.0%	5,634	41.8%	73,303	19.2%	23.1%
Middle	38	38.0%	59,419	52.7%	5,033	37.4%	150,413	39.4%	36.6%
Upper	46	46.0%	46,419	41.2%	5,634	41.8%	145,445	38.1%	36.9%
Unknown	2	2.0%	2,450	2.2%	265	2.0%	12,823	3.4%	3.4%
Total	**100**		**112,799**		**13,464**		**381,984**		
GRAND TOTAL									
Geographic	**Bank**				**Aggregate**				**Bus.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	6	3.1%	3,910	1.9%	1,790	6.7%	52,036	6.7%	
Moderate	23	12.0%	28,931	13.9%	3,371	12.7%	99,579	12.8%	
LMI	29	15.2%	32,841	15.8%	5,161	19.4%	151,615	19.5%	
Middle	70	36.6%	93,288	45.0%	10,047	37.8%	311,787	40.2%	
Upper	83	43.5%	76,277	36.8%	10,824	40.7%	284,076	36.6%	
Unknown	9	4.7%	5,075	2.4%	558	2.1%	28,288	3.6%	
Total	**191**		**207,481**		**26,590**		**775,766**		

5. Action Taken in Response to Written Complaints with Respect to CRA:

Neither DFS nor GRB received any written complaints during the evaluation period regarding GRB's CRA performance.

B. Community Development Test: Outstanding

GRB's community development performance demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments and community development services, considering GRB's capacity, and the need for and availability of opportunities for community development in its assessment area.

During the evaluation period, GRB originated $22.8 million in new community development loans, and still had $15.5 million outstanding from prior evaluation periods. Also, during the evaluation period, GRB made $490,000 in new qualified investments and had $3.8 million outstanding from prior evaluation periods. GRB also made $106,401 in qualified grants.

A more detailed description of GRB's community development activities follows:

1. Community Development Lending:

During the evaluation period, GRB originated $22.8 million in new community development loans, and had $15.5 million outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending over the course of the evaluation period.

The majority of the Bank's community development loans primarily supported revitalization and stabilization efforts in LMI geographies within the Bank's assessment area.

Community Development Loans				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
Purpose	# of Loans	$000	# of Loans	$000
Affordable Housing	4	2,981	1	782
Economic Development	7	12,229	2	1,362
Community Services			1	275
Revitalization/Stabilization	13	7,595	16	13,102
Total	24	22,805	20	15,521

Below are highlights of GRB's community development lending.

- GRB extended a $3 million line of credit to an organization located in a low-income census tract to acquire two mechanical contractors' businesses which will help retain existing businesses and retain and create new jobs mostly for LMI individuals.

- GRB originated a Small Business Administration term loan for $3.2 million to a business that focuses on the food and beverage industry to purchase equipment. This purchase will help retain and create jobs for LMI individuals.

- GRB originated a $5.1 million loan to construct a new building for a seafood processing facility. The new facility will increase its production capacity and help retain and create more job opportunities for LMI workers.

- GRB originated a $1.5 million loan to an organization that provides LMI first-time homebuyers an opportunity to own a home.

2. Qualified Investments:

During the evaluation period, GRB made $490,000 in new qualified investments and had $3.8 million outstanding from prior evaluation periods. In addition, GRB made $106,401 in qualified

grants. This demonstrated an adequate level of qualified investments over the course of the evaluation period.

Qualified Investments and Grants				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
CD Investments	# of Inv.	$000	# of Inv.	$000
Affordable Housing			2	2,110
Economic Development			5	1,680
Community Services	2	490		
Other (Please Specify)				
Total	2	490	7	3,790
CD Grants	# of Grants	$000	Not Applicable	
Affordable Housing	2	2		
Economic Development				
Community Services	61	104		
Other (Please Specify)				
Total	63	106		

Below are highlights of GRB's qualified investments and grants.

- The Bank invested $245,000 in a certificate of deposit in a designated Minority Depository Institution whose mission is to empower LMI communities by offering access to financial products and financial literacy resources.

Grants

- GRB donated $5,000 to a nonprofit organization that is committed to supporting a path to success for students, teachers, and families. Its mission is to expand access to quality education and opportunities for higher learning by ensuring the fundamental needs of K–12 students are met, providing financial assistance to teachers pursuing advanced degrees, and awarding scholarships to students who aspire to build bridges for others and strengthen their communities.

- GRB made a $5,000 donation to an organization that brings together 10th and 11th grade students from Rochester with successful entrepreneurs, business leaders, and educators to foster opportunities and meaningful connections. Through its programs, students develop essential life skills and engage in educational, relationship-building, and career-development experiences that prepare them for future success.

- GRB donated $4,000 to a nonprofit organization that promotes dignity and a sense of belonging for individuals and families facing challenges. Its mission is to foster self-reliance and stability by providing essential services in housing, education, and health.

- GRB donated $2,500 to an organization that provides support to community members living with mental health challenges and is dedicated to breaking the stigma surrounding mental health conditions.

3. Community Development Services:

GRB demonstrated an adequate level of community development services over the course of the evaluation period.

During the evaluation period, GRB management, directors and employees provided 26 instances of qualified community development services that consisted of board and committee memberships to local community organizations as well as conducting financial seminars and providing technical assistance to primarily low- and moderate-income students..

Community Development Services	
Activity Type	**Number of Activities**
On-Going Board & Committee Memberships	16
Technical Assistance	5
Seminars	3
Credit Counseling	
Other Services	2
Total Community Development Services	26

Below are highlights of GRB's community development services.

- A commercial relationship manager served on the board of a community organization in the city of Rochester that serves LMI individuals and families. The organization serves as a bridge to better mental health and community integration for all.

- A Bank manager served on the board of an organization that offers a senior citizen nutrition program and various other human services programs to improve the quality of life for children and families residing in Rochester, New York. The organization is mostly funded by the government.

- GRB employees taught financial literacy classes to students in the Rochester City School District where a substantial majority of the students in the schools are eligible for free or reduced-price lunch.

- An employee served on the board and finance committee of a local organization that provides an array of housing and support services for those struggling with homelessness, full-time childcare and educational programs focused on early childhood development and school readiness through play-based learning, transitional housing and support to adults leaving correctional facilities, and provide produce to address food insecurity.

Responsiveness to Community Development Needs:

GRB demonstrated an excellent level of responsiveness through its community development lending, investments and services.

The Bank also participates in the following loan programs:

- Homebuyer Dream Program through the Federal Home Loan Bank of New York provides grant assistance up to $15,000 to qualified first-time homebuyers. Applicants must complete a homeownership course and have a total household income of 80% or less of the area median income.

- Homebuyer Dream Wealth Builder Program through the Federal Home Loan Bank of New York provides grant assistance up to $15,000 to qualified first-time homebuyers. Applicants must have a total household income of 120% or less of the area median income and have a minimum equity contribution of $1,000 toward purchase of the home.

- Fannie Mae's HomeReady Program**:** offers down payments as low as 3% for first-time or repeat homebuyers and a $2,500 credit to help with down payment and closing cost.

- The Bank supports the use of the City of Rochester's Home Purchase Assistance Program**.** The program provides grants of up to $8,000 for closing cost assistance to first-time homebuyers purchasing in the City of Rochester. Applicants must have a total household income of 120% or less of the area median income as outlined by the U.S. Department of Housing and Urban Development.

The Bank offers the following checking and savings accounts targeting LMI individuals:

- "Value Checking" account**,** a low-cost checking account, that benefits LMI individuals. The Value Checking account is a noninterest bearing account with no minimum deposit to open and unlimited transactions. There is a monthly service charge of $3; however, the charge can be waived with a $500 average monthly balance or at least one direct deposit during the monthly statement cycle.

- Basic savings account, that benefits LMI individuals. The basic "Statement Savings" account requires $25 to open the account and a $100 minimum balance to avoid the $5 quarterly maintenance fee.

C. Additional Factors

1. The extent of participation by the banking institution's Board of Directors or Board of Trustees in formulating the banking institution's policies and reviewing its performance with respect to the purposes of the CRA.

GRB's Board of Directors reviews and approves the Bank's CRA Plan annually. The CRA Officer ensures the Bank's compliance with CRA. GRB's CRA Plan establishes goals and a timetable for achieving those goals. The Plan also details the organizational structure supporting CRA-related activities and the reporting requirements. The Bank completes a CRA progress report quarterly,

which is presented to the Bank's Community Support Committee quarterly and to the board of directors annually. The Bank maintains a CRA policy which is reviewed and approved annually.

2. Discrimination and other illegal practices

- *Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.*

  DFS examiners did not note practices by GRB intended to discourage applications for the types of credit offered by GRB.

- *Evidence of prohibited discriminatory or other illegal credit practices.*

  DFS examiners did not note evidence by GRB of prohibited discriminatory or other illegal practices.

3. Record of opening and closing offices and providing services at offices

There were no branches opened or closed during the evaluation period.

As of the evaluation date, GRB operates three full-service retail branch locations in Rochester, NY. Branch hours are Monday through Friday from 8:55 a.m. until 5:05 p.m. Each branch has a non-deposit-taking ATM accessible 24-hours and a night depository.

Distribution of Branches within the Assessment Area							
County	**N/A** **#**	**Low** **#**	**Moderate** **#**	**Middle** **#**	**Upper** **#**	**Total** **#**	**LMI** **%**
Monroe				1	2	3	0%
Total	**-**	**-**	**-**	**1**	**2**	**3**	0%

4. Process Factors

- *Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution*.

GRB ascertains the credit needs of its assessment area through its Bank directors, management and employees who serve on boards and committees of local community organizations, as well as the Bank's participation and hosting of technical and financial seminars. The Bank also participates in other activities which support LMI individuals in the Bank's assessment area.

- *The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution*

GRB advertises its products and services through various methods including digital marketing, social media, billboards, radio, and eNewsletters. These campaigns are designed to raise awareness of the Bank in the community at large and drive engagement to specific products (home equity line of credit, CDs) and services (home mortgage and commercial banking). In addition, GRB's website is the electronic face of the company and marketing is focused on making sure its content and visuals are relevant to the market.

5. Other factors that in the judgment of the Superintendent bear upon the extent to which GRB is helping to meet the credit needs of its entire community

GRB originated two community development loans totaling $1.3 million outside of the Bank's assessment area but in New York State. These loans helped revitalize and stabilize low-income census tracts and remediate prior environmental damage.

V - GLOSSARY

Aggregate Lending

"Aggregate lending" means the number of loans originated and purchased by all reporting lenders in specified categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Banking Development District ("BDD") Program

The BDD Program is a program designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services, in recognition of the fact that banks can play an important role in promoting individual wealth, community development, and revitalization. Among others, the BDD Program seeks to reduce the number of unbanked and underbanked New Yorkers and enhance access to credit for consumers and small businesses. More information about the program may be found at https://www.dfs.ny.gov and search for the BDD Program.

Community Development

"Community development" means:

- Affordable housing (including multifamily housing) for LMI individuals;
- Community services targeted to LMI individuals;
- Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration ("SBA") Development Company or Small Business Investment Company programs, or have gross annual incomes of $1 million or less;
- Activities that revitalize or stabilize LMI geographies, designated disaster areas, or distressed or underserved metropolitan middle-income geographies designated by the Board of Governors of the federal Reserve System, FDIC and the Office of Comptroller of the Currency; and
- Activities that seek to prevent defaults and/or foreclosures in loans included in the first and third bullet points above.

Community Development Loan

"Community development loan" means a loan that has its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving LMI persons (DFS multifamily industry letter www.dfs.ny.gov/industry_guidance/industry_letters/il20141204_guidelines_bank_lending_multifamily_properties_cra_updated) ;
- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are in LMI areas or that primarily serve LMI individuals;

- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean-up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

Community Development Service

"Community development service" means a service that has community development as its *primary purpose*, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM "Training Machines" available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
  - ❖ Serving on a loan review committee;
  - ❖ Developing loan application and underwriting standards;
  - ❖ Developing loan processing systems;
  - ❖ Developing secondary market vehicles or programs;
  - ❖ Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
  - ❖ Furnishing financial services training for staff and management;
  - ❖ Contributing accounting/bookkeeping services; and
  - ❖ Assisting in fund raising, including soliciting or arranging investments.

Community Development Financial Institution ("CDFI")

A CDFI is a financial institution that provides credit and financial services to underserved markets and populations and has a primary mission of community development, serves a target market, is a financing entity, provides development services, remains accountable to its community, and is a non-governmental entity. CDFIs are certified as such by United States Treasury Department's CDFI Fund.

Fair Market Rents ("FMRs")

Fair Market Rents are published and developed annually by the US Department of Housing and Urban Development ("HUD") and used to determine rent payments for affordable housing projects such as Section 8 contracts in defined metropolitan statistical areas ("MSAs") nationwide. For easy reference of annual FMRs in New York MSAs or counties, go to www.huduser.gov/portal/datasets/fmr.html

Geography

"Geography" means a census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act ("HMDA")

The Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Income Level

The income level for borrowers is based on household or family income. A geography's income is categorized by median family income for the geography. In both cases, the income is compared to the Metropolitan Statistical Area ("MSA") or statewide nonmetropolitan median income.

Income level of individual or geography	% of the area median income
Low-income	Less than 50
Moderate-income	At least 50 and less than 80
Middle-income	At least 80 and less than 120
Upper-income	120 or more

LMI Geographies

"LMI geographies" means those census tracts or block numbering areas where, according to the most current U.S. Census, the median family income is less than 80% of the area median family income. In the case of tract areas that are part of a MSA or Primary Metropolitan Statistical Area ("PMSA"), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of Block Numbering Areas ("BNAs") and tract areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

"LMI borrowers" means borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In cases where the residential property is in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the Federal Financial Institutions Examination Council ("FFIEC").

LMI Individuals/Persons

"LMI individuals" or "LMI persons" means individuals or persons whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by the FFIEC.

LMI Penetration Rate

"LMI penetration rate" means the percentage of a bank's total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, if a bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers, the penetration rate would be 20%.

Low-Income Housing Tax Credit ("LIHTC")

LIHTC were created under the Tax Reform Act of 1986, that provides incentives to invest in projects for the utilization of private equity in the development of affordable housing aimed at low-income Americans. The tax credits provide a dollar-for-dollar reduction in a taxpayer's federal income tax. It is more commonly attractive to corporations since the passive loss rules and similar tax changes greatly reduced the value of tax credits and deductions to individual taxpayers.

Minority Depository Institutions ("MDIs")

An MDI is defined as a federal insured depository institution for which (1) 51 percent or more of the voting stock is owned by minority individuals; or (2) a majority of the board of directors is

minority and the community that the institution serves is predominantly minority. For more of MDIs, go to FDIC.gov (Minority Depository Institutions Program) including list of MDIs.

New Markets Tax Credit ("NMTC")

The NMTC Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities ("CDEs"). The credit provided to the investor totals 39% of the cost of the investment and is claimed over a 7-year period. CDEs must use substantially all the taxpayer's investments to make qualified investments in low-income communities. The Fund is administered by the CDFI Fund, an agency of the United States Department of the Treasury.

Paycheck Protection Program ("PPP") Loans

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") temporarily permits the U.S. Small Business Administration ("SBA") to guarantee 100% of 7(a) loans under a new program titled the "Paycheck Protection Program". The intent of the PPP is to help small business cover payroll costs providing for forgiveness of up to the full principal of qualifying loans guaranteed under the PPP subject to certain rules including how much or percentage of the loan proceeds a borrower spends on payroll costs. A small business owner can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Any amount of the PPP loan that is not forgiven shall be repaid over a 5-year term at a fixed interest rate of 1%. The program officially ended May 31, 2021.

Qualified Investment

"Qualified investment" means a lawful investment, deposit, membership share or grant that has community development as its *primary purpose*. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI individuals to promote community development;
- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;
- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;

- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.

Small Business Loan

A small business loan is a loan less than or equal to $1 million.