



PUBLIC DISCLOSURE

September 10, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Canandaigua National Bank and Trust Company
Charter Number 3817

72 South Main Street
Canandaigua, NY 14424

Office of the Comptroller of the Currency

5000 Brittonfield Parkway
Suite 102B
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 following table indicates the performance level of **The Canandaigua National Bank and Trust Company (CNBT)** with respect to the Lending, Investment, and Service Tests:

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

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending levels that reflect an excellent responsiveness by CNBT to the credit needs of its assessment area (AA).
- A good distribution of loans among borrowers of different income levels throughout the AA.
- A good geographic distribution of loans among census tracts of different income levels throughout the AA, along with a substantial majority of loans originated inside the AA.
- A relatively high level of community development (CD) loans.
- Uses flexible lending practices to serve AA credit needs.
- A significant level of investments that reflect good responsiveness to the credit and CD needs of the AA.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AA.
- A relatively high level of CD services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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

Full 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing).

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

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

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

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

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

Description of Institution

Canandaigua National Bank and Trust Company (CNBT) is headquartered in Canandaigua, New York (NY), and is a wholly owned subsidiary of Canandaigua National Corporation (CNC). CNC had total assets of \$2.7 billion, as of December 31, 2017. CNBT's operating subsidiaries are CNB Mortgage Company (CNBMC), which generates home purchase and refinance loans; CANNAT Holdings, LLC, which manages other real estate (ORE) primarily consisting of foreclosed real estate; CNB Funding Corp., which provides retail estate investment trust services; and CNB Insurance Agency, which offers insurance products. Genesee Valley Trust Company, a state-chartered subsidiary of CNC which provides fiduciary, investment management, and retirement services, merged into CNBT in March 2018. CNBT also maintains ownership interests in Cephass Capital Partners, LP and Cephass Capital Partners II, LP, both Small Business Investment Companies (SBIC); Monroe Fund, a start-up business venture fund; and USA Payroll, a payroll processing firm (until the company was purchased in July 2018).

CNBT is a full service intrastate bank with 24 branch banking offices and one trust office serving all of Ontario County and portions of Monroe, Livingston, and Wayne Counties in the Finger Lakes Region of New York State. The bank offers a wide range of financial services ranging from traditional deposit and loan products to insurance products, trust services, and investment products.

As of December 31, 2017, CNBT had \$2.6 billion in total assets that included \$2.1 billion in net loans, representing 81 percent of total assets. The bank's loan portfolio mix consists of 64 percent real estate loans, 12 percent commercial loans, and 25 percent loans to individuals. As of December 31, 2017, CNBT reported tier 1 capital of \$225.8 million.

CNBT operates in a competitive financial services market with mortgage companies, large regional banks, large credit unions, savings banks, and community banks. CNBT is not subject to any known financial, legal, or other factors that would impede its ability to help meet the credit needs of its AA.

CNBT's last CRA evaluation was dated October 13, 2015, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The lending test evaluation covers the time period from January 1, 2015 through December 31, 2017, for HMDA loans, small business loans, and small farm loans. HMDA loans include home purchase, home improvement, refinance, and multifamily dwelling loans. The evaluation period for CD loans, investments, and services is October 13, 2015 through December 31, 2017. Lending performance for the 2015-2016 and 2017 time periods are analyzed separately due to changes in census information effective in 2017. The census changes were a result of the Census Bureau's 2015 American Community Survey (ACS).

The market share and peer comparisons are based on information contained in the aggregate HMDA and Small Business/Farm Registers. The aggregate HMDA and Small Business/Farm Registers are available for public review. The peer comparisons in this evaluation include only lenders who were required to file HMDA data for 2016 and 2017 and a Small Business/Farm Register for 2016. Any lender with significant mortgage loan activity operating in CNBT's AA would have been required to file a HMDA report for both years. Small business reporting for 2016 was required only of bank and thrift banks with assets of \$1.216 billion or more, as of December 31 of the prior two calendar years preceding the reporting year. Peer data was not available for 2017 at the time of this evaluation.

Data Integrity

A data integrity review was performed prior to the evaluation of the loan information discussed in the Evaluation Period/Products Evaluated section above. The quality of the bank's HMDA and small business/farm reporting was determined to be satisfactory based on the results of the sample of HMDA and small business/farm loans tested. No significant issues were identified.

Selection of Areas for Full-Scope Review

We completed a full-scope evaluation for CNBT's only AA, the Rochester, NY MSA AA. The bank's AA includes portions of the Rochester, NY MSA, concentrated in four counties in the Finger Lakes Region of Upstate NY. The AA includes all of Ontario County, towns along the western border of Wayne County (Macedon, Ontario, and Walworth), towns along the eastern border of Livingston County (Lima and Livonia), and all of Monroe County except for the towns in the western and southwestern part of the county (towns excluded are Hamlin, Sweden, Clarkson, Parma, Ogden, Riga, Wheatland, and Rush). The AA meets the requirements of the regulation, and does not arbitrarily exclude any low- or moderate-income census tracts or reflect illegal discrimination. Please refer to Appendix B – Community Profile for additional information on the AA.

Ratings

The bank's rating is based exclusively on a full-scope evaluation of its only AA, the Rochester, NY MSA AA. We weighted home mortgage loans more heavily than small business loans, as they accounted for 57 percent of the number of loans evaluated. Small business loans followed representing 42 percent of the number of loans evaluated. We gave the least weight to small farm loans, which represented less than 1 percent of the number of loans. Within the HMDA products, we gave the most weight to home purchase loans, which represented 62 percent of the total number of loans, followed by refinance loans at 28 percent, home improvement at 9 percent and multifamily dwelling loans at 1 percent for the entire evaluation period. We weighted the 2015-2016 evaluation period more heavily than the 2017 evaluation period, as 65 percent of the bank's number of loans were made during this time period.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any 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 institution [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 institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution'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.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

Based upon a full-scope evaluation of the bank's Rochester, NY MSA AA, the bank's performance under the lending test is rated high satisfactory.

Lending Activity

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity.

CNBT's overall lending activity in its AA was excellent. Per Federal Deposit Insurance Corporation (FDIC) deposit market share data, the bank ranked fourth for deposits with a 13.10 percent market share, as of June 30, 2017. Based on 2016 and 2017 aggregate HMDA data, CNBT ranked third in both years for originating home mortgage loans with a 8.9 percent market share in 2016 and a 9.02 percent market share in 2017 (aggregate ranking of CNBT and CNBMC). CNBT was outranked by a large federal credit union and a mortgage company. The bank outranked all FDIC insured deposit taking banks in the AA, including the three top deposit taking banks.

Based on 2016 CRA aggregate data, CNBT ranked fourth as originator of small loans to businesses (7.67 percent market share) and eleventh as originator of small loans to farms (1.66 percent market share). When considering loans made to small size businesses and farms only, CNBT ranked fifth for small size business loans with an 8.19 percent market share and ninth for small size farm loans with a 1.20 percent market share. CNBT was outranked only by large national credit card lenders for the number of small business loans. The credit card lenders had average loans of \$8,000 compared to CNBT's average loan of \$45,000. Like home mortgage loans, the bank outranked all FDIC insured deposit taking banks in the AA, including the three top deposit taking banks.

Distribution of Loans by Income Level of the Geography

The geographic distribution of CNBT's home mortgage loans, small loans to businesses, and small loans to farms reflects good distribution throughout the AA census tracts.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of home mortgage loans for the evaluation period was good. The portion of home mortgage loans made in low-income census tracts was below in 2015-2016, and exceeded in 2017, the portion of owner-occupied housing in low-income census tracts in the AA. The portion of loans made in moderate-income census tracts in 2015-

2016 was near to, and in 2017 exceeded the portion of owner-occupied housing in moderate-income census tracts. CNBT's portion of home mortgage loans made in low- and moderate-income census tracts exceeded the average for peer lenders in the AA in 2016. The bank's portion of loans made in low-income census tracts significantly exceeded, and in moderate-income census tracts exceeded, the average for peer lenders in 2017.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses was good. The portion of small business loans made in low-income census tracts exceeded in 2015-2016, and was near to in 2017, the portion of businesses in low-income census tracts. The portion of small business loans made in moderate-income census tracts was below in 2015-2016, and near to in 2017, the portions of businesses in moderate-income census tracts. CNBT's portion of small business loans made in low-income census tracts significantly exceeded, and moderate-income census tracts was below, the average for peer lenders in the AA in 2016.

Small Loans to Farms

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The overall geographic distribution of small loans to farms was adequate. The portion of small farm loans made in low-income census tracts in 2015-2016 exceeded, and in 2017 was significantly below, the portion of farms in those census tracts. The portion of small farm loans made in moderate-income census tracts was significantly below in 2015-2016 and exceeded in 2017 the portion of farms in those census tracts. CNBT's portion of small farm loans made in moderate-income census tracts was below the average for peer lenders in the AA in 2016. There were no farm loans made in low-income census tracts by any lender in 2016. It should be noted that CNBT made only 26 small farm loans during the evaluation period, 16 in 2015-2016 and 10 in 2017.

Lending Gap Analysis

Reports and maps detailing CNBT's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

This portion of the evaluation is based only on bank loans and does not include loans originated by the bank's affiliate, CNBMC. A substantial majority (82 percent) of the bank's small business, small farm and home improvement loans were made within the AA (both number and dollar). By product, the number of small loans to businesses was 82 percent, small farm loans 77 percent, and home improvement loans 85 percent. This performance was

positively factored into the overall analysis of the geographic distribution of lending by income level of census tract.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CNBT's home mortgage loans, small loans to businesses and small loans to farms reflects a good distribution among borrowers of different income levels. In the evaluation of borrower distribution, we gave consideration to the high household poverty level in the AA (12.91 percent in 2016 and 13.58 percent in 2017). The high poverty rates likely had a negative impact on the opportunities available to lend to lower income borrowers.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home mortgage loan borrower distribution was good. The portion of home mortgage loans to moderate-income borrowers exceeded the portion of moderate-income families in both 2015-2016 and 2017. The portion of home mortgage loans to low-income borrowers was below the portion of low-income families in both time periods. CNBT's portion of home mortgage loans made to low-income borrowers was significantly below in 2015-2016, and below in 2017, the average for peer lenders in the AA. The portion of loans to moderate-income borrowers was below the average for peer lenders in the AA in both time periods.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses was adequate. The portion of CNBT's loans to small businesses (businesses with revenues of \$1 million or less) was below the portion of small size businesses in the AA in both 2015-2016 and 2017. The bank's portion of small loans to businesses exceeded the average for peer lenders in the AA in 2016. There was no revenue information for 20.74 percent of bank loans made in 2015-2016 and 20.60 percent made in 2017. Eighty-five of the bank's loans were for \$100,000 or less, a loan amount normally associated with small size businesses.

Small Loans to Farms

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to farms was adequate. The portion of loans to small farms (farms with revenues of \$1,000,000 or less) was below in 2015-2016, and exceeded in 2017, the portion of small farms in the AA. The bank's portion of small loans to farms was below the average for peer lenders in the AA in 2016. There was no revenue information provided for 31.25 percent of the 16 small farm loans made in 2015-2016, while revenue was provided for all 10 loans made in 2017. One hundred percent of the bank's small farm loans

were for \$100,000 or less in 2015-2016, and 90 percent in 2017. Loans for amounts of \$100,000 or less are normally associated with small size farms.

Community Development Lending

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

CNBT made a relatively high level of CD loans during the evaluation period. The bank originated 21 CD loans for \$14.9 million during the evaluation period. Seven of the loans totaling \$4 million were used to purchase, refinance or refurbish multifamily affordable housing properties that are located in low- and moderate-income census tracts. The properties have affordable rents for people of low- and moderate-income that are below the median rents in the census tracts where each is located. Fourteen loans for \$10.9 million were made to organizations that provide services targeted to people with low- and moderate-income. The services include legal services for low-income people, services for people with disabilities that are covered by Medicaid, services for at risk youth that are primarily covered by Medicaid and state aid, and a charter school that is largely attended by economically disadvantaged students.

Product Innovation and Flexibility

CNBT uses innovative and flexible loan programs to serve AA credit needs. It is involved in four affordable home buying programs that assist homebuyers with low- or moderate-income or homebuyers who purchase homes in low- and moderate-income census tracts in the AA.

CNBT works in partnership with the Federal Home Loan Bank of New York (FHLBNY) to provide loans under the First Home Club program. This program enables low- and moderate-income individuals and families to earn grants up to \$7,500 for down payment and or closing costs associated with their first home purchases. The grants are made to participants who successfully establish a dedicated savings account at the bank and make regular deposits during a 10-24 month period. The FHLBNY provides four dollars for every dollar saved by the homebuyer. CNBT closed 140 loans under this program during the evaluation period.

CNBT has its own affordable home grant program to assist qualified borrowers in the purchase of single-family homes located in low- or moderate-income census tracts in the AA. The bank provides \$2,500 grants for owner-occupied homes located in low-income census tracts and \$1,500 for owner-occupied homes located in moderate-income census tracts. During the evaluation period, CNBT provided five grants for home purchases in moderate-income census tracts and eight grants for home purchases in low-income census tracts.

The bank participates in a home grant funding program with the University of Rochester and the City of Rochester to assist and encourage home ownership in designated areas within the City of Rochester, located near the University. The majority of the designated census tracts are classified as low- or moderate-income. The other three census tracts are classified as

middle-income. To be eligible, the buyer must be a full- or part-time employee of the University. Grants are available for up to \$9,000 toward the purchase of a primary residence in the targeted areas. CNBT provides \$3,000 of the grant money and the other \$6,000 comes from the University and the City of Rochester. Buyers must also complete home ownership education and counseling through NeighborWorks Rochester. Bank grant funds can be used for a down payment, closing costs, escrow deposit or interest rate buy down. CNBT participated in 35 of these grant/loan arrangements during the evaluation period, with all of them financing residences in low- or moderate-income census tracts.

CNBT runs annual home improvement loan sales for residents of low- or moderate-income census tracts in the AA. The applicant must reside in the residence. The special offer provides a fixed interest rate lower than the bank's prevailing fixed rate for loan amounts of \$1,000-\$10,000. Loan terms range from 12-48 months. The bank originated 55 loans through this program during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated high satisfactory.

CNBT had a significant level of investment activity that provided good responsiveness to the credit and community development needs of the AA. The bank made three investments for \$2.525 million during the evaluation period. The investments consisted of two investments totaling \$2.5 million in a CRA qualified fund, and a \$25,000 grant to an organization providing funding to small businesses located in low- and moderate-income census tracts in the AA. The CRA fund earmarked specific loans contained in Freddie Mac and Ginnie Mae securities for CNBT. The loans were for home purchase or affordable rental property for people of low- and moderate-income. One earmarked loan that was part of a Ginnie Mae security involved \$1.089 million for a low-income housing tax credit property. The property is a 526 unit affordable rental property in a low-income and high poverty census tract in the City of Rochester. All units are restricted to those making 60 percent or less of the area median income. The facility includes an office suite for health care providers to deliver services onsite to residents, offices for onsite delivery of social services, and a suite for community service providers to provide meals to residents. The grant is funding a revolving loan fund targeted to small businesses that do not meet commercial lending or traditional venture capital standards. The organization's mission is to bring jobs to those in poverty and without high skill levels.

In addition, there were five prior period investments with current outstanding balances of \$4.6 million, with two of the investments totaling \$3.2 million having continuing significant impact in the AA. An investment in a SBIC continues to have a significant impact on the AA due to its making of new small business loans in Upstate New York, which includes the AA. The SBIC made nearly \$11 million dollars in new loans during the evaluation period. The investment has a \$1 million outstanding balance and a \$1.5 million dollar unfunded balance from a \$3 million dollar commitment. CNBT has \$2.2 million outstanding from the prior period with the CRA qualified fund discussed above. The original investments remain in the fund and have not been paid. The monies are used to purchase and earmark new qualifying investments for the

bank, and do not remain in the investment securities from the prior period. Like the current period funding, the new investments support affordable housing in the AA. CNBT also made 65 qualified grants totaling \$169,050 to CD-related organizations.

The investments demonstrate good responsiveness to community credit and economic development needs by supporting affordable housing for people of low- and moderate-income, and small businesses that are creating and maintaining jobs in the AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test is rated high satisfactory.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

CNBT's delivery systems are accessible to census tracts and individuals of different income levels throughout the AA. In the 2015-2016 period, the bank had one branch in a low-income census tract and two in moderate-income census tracts. Effective in January 2017, census tract 0510 in Ontario County, where the bank's main office is located, was reclassified from middle-income to moderate-income, bringing the offices in moderate-income census tracts to three. While not in a moderate-income census in 2015-2016, the main office conveniently served the residents of moderate-income census tract 0511, which is located directly across the street from the office. Currently CNBT has one full service branch located in a low-income census tract, representing 4.17 percent of total full service branches, to service 11.91 percent of the AA's population residing in the low-income tract. It has three branches located in moderate-income census tracts, representing 12.50 percent of full service branches, to service 13.76 percent of the AA population residing in those tracts.

The Alexander Park office located in the City of Rochester, which is located in a middle-income census tract in the City of Rochester (was upper-income in 2016), provides convenient service to residents of the nearby low- and moderate- income census tracts. The office is located across the street from low-income census tract 0093.02. In addition, the office is also adjacent to moderate-income census tract 0030.00, and within a reasonable distance to service its residents. Both census tracts are within walking distance of the branch and have sidewalks for pedestrians. There is also public transportation convenient to the branch. CNBT has a significant number of loan and deposit customers for residents of these adjacent census tracts. It also opened a significant number of new loan and deposit accounts for residents of the two tracts during the evaluation period, providing support for the ability of the branch to service these nearby areas.

CNBT did not open or close any branches in the AA during the evaluation period.

CNBT's hours and services offered throughout the full-scope AA do not vary in a way that inconveniences certain portions of the AA, particularly low- and moderate-income census tracts and individuals. Services offered are comparable among locations regardless of the income level of the census tract. The College Town and Lakeshore branches, which are located in moderate-income census tracts, are among the four branches that are open seven days a week. Most branches have Saturday business hours, including the Alexander Park office, mentioned earlier.

CNBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any CNBT automated teller machine (ATM) free of charge. CNBT also cashes checks drawn on the bank free of charge for non-customers. The bank's e-ssentials Checking account is an affordable checking option for people with low- or moderate-income. The account has a monthly maintenance charge ranging from \$0 to \$8 depending on whether the customer has direct deposit and/or e-statements. The first 15 checks written on the account each month are free, and there is a \$0.50 charge per check for any additional checks. A monthly credit of up to \$5 is given to cover any transaction charges incurred at non-CNBT ATMs.

CNBT offers alternative delivery systems in the form of ATMs. All branch offices have an ATM. In addition, there are 60 offsite ATMs in the AA located at Rite Aid pharmacy stores and Speedway gas stations. There are also nine CNBT ATMs located at high traffic locations such as a shopping mall, a hospital, the airport, and a college. Use of CNBT's ATMs is free for bank customers. Sixteen of the offsite ATMs are located in moderate-income census tracts and four are located in low-income census tracts. Customers can access their accounts through CNBT ATMs, as well as, non-proprietary ATMs around the world which are connected to the Pulse, Cirrus, Discover, MasterCard, and the Armed Forces Financial Networks. Nearly all of the bank's ATMs can take cash and checks directly into the machine rather than in an envelope for later processing. No deposit ticket is required for these deposits, check images are available on the ATM screen and on the receipt, and deposited cash is immediately available for withdrawal.

CNBT also offers alternative delivery systems, which provide customers access to bank services through means other than visiting a branch office. The alternative services include a customer call center (open seven days a week), online banking, mobile banking and text banking. These services allow customers to obtain deposit and loan account information, open accounts, make payments on CNBT loans, transfer funds, and pay other household bills. The mobile banking application enables customers to photograph checks with their phone and deposit them directly in their account. The bank tracks the usage of its ATM machines, online banking, text and voice banking, online applications, mobile banking applications and mobile deposit activity by income of census tracts. The data shows that all of these alternative services were actively used by residents of low- and moderate-income census tracts during the evaluation period.

Community Development Services

CNBT's performance in providing CD services was good in the full-scope AA.

Management and bank employees provide a relatively high level of support to various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous employees are members of the Boards of Directors, loan committees, or finance committees, or serve as treasurers of organizations that provide CD services.

CNBT employees participated in more than 25 community organizations that are involved in CD activities, devoting approximately 3,180 hours to such activities during the evaluation period. The vast majority of the bank's services were devoted to organizations that provide community services targeted to people of low- and moderate-income. The employee services also supported organizations that are involved with affordable housing for low- and moderate-income people, economic development by financing small businesses that are creating and retaining jobs for low- and moderate-income people, in low- and moderate-income census tracts or in areas designated for economic development by federal, state, or local government, and revitalizing or stabilizing low-income census tracts, moderate-income census tracts, or distressed or underserved middle-income census tracts.

Appendix A: Scope of Examination

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 metropolitan and nonmetropolitan areas 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”).

Time Period Reviewed	Lending Test (excludes CD Loans): 1/1/2015 to 12/31/2017 Investment and Service Tests and CD Loans: 10/13/2015 to 12/31/2017	
Financial Institution	Products Reviewed	
Canandaigua National Bank and Trust Co. (CNBT) 72 South Main Street Canandaigua, NY 14424	Home improvement, multifamily dwelling, small business, small farm and CD loans.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
CNB Mortgage Co. (CNBMC)	Operating Subsidiary	Home purchase and home mortgage refinance loans.
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Rochester NY MSA AA , which includes all of Ontario County, towns along the western border of Wayne County (Macedon, Ontario, and Walworth), and towns along the eastern border of Livingston County (Lima and Livonia) and all of Monroe County except for the towns in the western and southwestern part of the county (towns excluded are Hamlin, Sweden, Clarkson, Parma, Ogden, Riga, Wheatland, and Rush).	Full-Scope	

Appendix B: Community Profiles for Full-Scope Areas

CNBT AA 2016

Demographic Information for Full-Scope Area: CNBT AA 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	208	18.75	15.87	39.90	24.04	1.44
Population by Geography	813,834	10.50	12.76	46.06	30.40	0.29
Owner-Occupied Housing by Geography	217,071	4.11	9.94	50.91	35.04	0.00
Business by Geography	43,971	11.79	10.49	44.32	33.13	0.26
Farms by Geography	1,259	3.26	3.26	58.22	35.27	0.00
Family Distribution by Income Level	201,775	20.72	16.71	21.30	41.26	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	75,536	19.11	19.12	45.30	16.46	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,013 68,100 13%	Median Housing Value Unemployment Rate – Avg. for 2016		131,617 4.3 to 5.0% in each of the AA counties	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census, 2016 FFIEC updated MFI, NY State Department of Labor

CNBT AA 2017

Demographic Information for Full-Scope Area: CNBT AA 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	208	21.15	16.35	35.58	25.48	1.44
Population by Geography	819,044	11.91	13.76	40.97	33.04	0.32
Owner-Occupied Housing by Geography	214,863	4.53	10.51	46.17	38.79	0.01
Business by Geography	44,247	11.52	12.93	39.75	35.58	0.22
Farms by Geography	1,271	2.75	6.69	56.02	34.46	0.08
Family Distribution by Income Level	201,646	22.19	16.45	19.16	42.20	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	77,915	21.30	19.42	41.36	17.92	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		67,757 68,500 14%	Median Housing Value Unemployment Rate – Avg. for 2017		135,405 4.7-5.1% in each of the AA counties	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2015 ACS US Census, 2017 FFIEC updated MFI, NY State Department of Labor

The bank's AA includes portions of the Rochester, NY MSA, concentrated in four counties in the Finger Lakes region of Upstate NY. The AA includes all of Ontario County, towns along the western border of Wayne County (Macedon, Ontario, and Walworth), towns along the eastern border of Livingston County (Lima and Livonia) and all of Monroe County except for

the towns in the western and southwestern part of the county (towns excluded are Hamlin, Sweden, Clarkson, Parma, Ogden, Riga, Wheatland, and Rush). The excluded census tracts in Monroe County are not within the service area of CNBT's branch offices. CNBT does not have any offices located in Wayne and Livingston counties, and the AA includes only the census tracts in these counties that is within the service area of its branch offices. Per FDIC deposit market share data as of June 30, 2017, CNBT ranked fourth for deposits with 13.10 percent market share.

During the 2014-2016 time period the composition of the AA census tracts by income level was 18.75 percent low-income, 15.87 percent moderate-income, 39.90 percent middle-income, 24.04 percent upper-income and 1.44 percent not classified for income. The Census Bureau's 2015 ACS, which became effective in 2017, changed the composition of the AA census tracts somewhat to 21.15 percent low-, 16.35 percent moderate-, 35.58 percent middle-, 25.45 percent upper- and 1.44 percent not classified for income. The households living below the poverty level increased to 13.58 percent in 2017 from 12.51 percent in 2015-2016.

Competition among financial service providers is strong. CNBT competes with large regional banks, large credit unions and various community and savings banks. CNBT is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans through its affiliate, CNBMC, home equity loans, and consumer loans. The bank's business focus is primarily on retail and commercial lending. The products are delivered through the bank's network of community banking offices, which include drive-up facilities and ATMs, mobile banking, its customer call center, and the internet.

The average unemployment rate in each AA county ranged from 4.3-5.0 percent in 2016 with a 4.3 percent rate in Ontario County, 4.7 percent in Monroe County, 4.9 percent in Livingston County, and 5.0 percent in Wayne County. The average rate in 2017 was slightly higher for three of the counties with a 4.5 percent rate in Ontario County, 5.0 percent in Monroe County, and 5.1 percent in Livingston County. The rate in Wayne County remained the same at 5.0 percent. The rate in the AA counties were in line with the overall New York State unemployment rate, which averaged 4.8 percent in 2016 and 4.7 percent in 2017.

The major employers in the area include the University of Rochester, Rochester Regional Health, Wegmans Food Markets Inc., Paychex Inc., Rochester Institute of Technology, Rochester School District, Xerox, Inc., and Thompson Health.

During the 2015-2016 time period, 83 percent of the housing in the AA was one- to four-family units, 16 percent were multifamily units, and 2 percent were mobile homes. Of the total housing units, 62 percent were owner-occupied, 30 percent were renter-occupied, and approximately 9 percent were vacant. The housing composition remained essentially the same after the 2015 ACS Census. The weighted average of median housing value was \$131,617 in the 2010 census and increased to \$135,405 as a result of the 2015 ACS Census. Housing stock consists mostly of older homes, with 1961 the median age of a home in the 2010 census and 1963 in the 2015 ACS Census. The senior citizen population increased from 14 to 15 percent of the total population in the five year period between the two censuses.

According to the 2016 business demographics, there were 45,320 businesses in the AA, of which 2.8 percent are farms. Of the non-farm businesses, 80 percent had revenues less than

\$1 million, 8 percent had revenues over \$1 million and 12 percent had unknown revenues. Approximately 83 percent of businesses reported having less than 10 employees. The top three industries in the AA are services (50 percent), retail trade (15 percent) and finance, insurance, and real estate (7 percent). The business demographics did not change significantly from these levels in 2017.

Our community contacts for this evaluation consisted of a meeting that included a number of representatives from community organizations and a representative from local government. Fifteen representatives from 11 organizations attended the meeting representing concerns for lower income residents and small businesses in the Greater Rochester Area, especially within the City of Rochester. Topics raised at the meeting included the need for banks to provide better financial and credit counseling services or support the organizations that can provide the service; having affordable checking accounts that have no or minimum overdraft charges, and clear and simple disclosure of the terms; the top eight deposit taking institutions should increase their aggregate mortgage market share over nonbank lenders operating in the area; involve third party counselors in mortgage foreclosures; websites with a Spanish option to accommodate the growing Hispanic population; and, the ready availability of bilingual staff and loan officers that specialize in lending to people of low- and moderate-income. The attendees discussed several opportunities for banks to participate in mortgage and small business lending programs, either through direct lending or lending or investing with an intermediary.

There are ample CD opportunities available in the AA, as evidenced by the bank's CD activities, information from community contacts and other public information.

Appendix C: Tables of Performance Data

Content of Standardized 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 as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses 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) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business 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 7. Geographic Distribution of Small Loans to Farms** - 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. The table also presents market share information based on the most recent aggregate market data available. Because 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 8. Borrower Distribution of Home Purchase Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and

purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table 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 within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

2015-2016 Tables

(Includes CD investment (Table 14) and CD loan (Table 1) information for the entire CD evaluation period of 10/13/2015 to 12/31/2017)

Institution ID: Canandaigua National Bank Charter # 3817

Table 1 Lending Volume

LENDING VOLUME		Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA *	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
CNBT AA 2016	100.00	2,798	429,097	1,958	150,082	16	462	21	14,900	4,793	594,541	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from October 13, 2015 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: Canandaigua National Bank Charter # 3817

Table 2a Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans	Low-Income Geographies	Moderate-Income Geographies	Middle-Income Geographies	Upper-Income Geographies	Aggregate HMDA Lending (%) by Tract Income*								
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	1,683	100.00	4.11	2.67	9.94	8.97	50.91	46.70	35.04	41.65	2.53	8.37	52.56	36.54

* Based on 2016 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua National Bank Charter # 3817

Table 3a Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2016		Geography: CNBT AA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31,						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	280	100.00	4.11	6.43	9.94	17.50	50.91	58.93	35.04	17.14	3.28	11.06	56.64	29.02

* Based on 2016 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua National Bank Charter # 3817

Table 4a Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 2016		Geography: CNBT AA								Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31,				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total **	% Owner Occ Units ***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	811	100.00	4.11	4.81	9.94	9.12	50.91	41.43	35.04	44.64	2.05	7.21	49.49	41.25

* Based on 2016 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 5a Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total **	% of MF Units ***	% BANK Loans **	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	24	100.00	20.03	29.17	13.80	12.50	44.85	45.83	21.33	12.50	25.97	18.18	36.36	19.48

* Based on 2016 Peer Mortgage Data -- US and PR

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: Canandaigua National Bank Charter # 3817

Table 6a Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 2016			Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31,							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses*	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	1,953	100.00	11.79	12.44	10.49	7.68	44.32	42.70	33.13	37.17	7.94	8.44	49.53	34.09

* Based on 2016 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2016).

Institution ID: Canandaigua National Bank Charter # 3817

Table 7a Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS 2016		Geography: CNBT AA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	16	100.00	3.26	6.25	3.26	0.00	58.22	68.75	35.27	25.00	0.00	9.65	82.19	8.16

* Based on 2016 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2016).

Institution ID: Canandaigua National Bank Charter # 3817

Table 8a Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families*	% BANK Loans****	% Families ¹	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	1,683	100.00	20.72	7.25	16.71	23.69	21.30	23.57	41.26	45.49	10.03	25.14	25.62	39.21

* Based on 2016 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.4% of loans originated and purchased by BANK.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua National Bank Charter # 3817

Table 9a Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: CNBT AA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data [*]			
	#	% of Total [*]	% Families ^{**}	% BANK Loans ^{****}	% Families ²	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	280	100.00	20.72	19.29	16.71	27.50	21.30	25.71	41.26	27.50	10.77	22.86	27.49	38.88

^{*} Based on 2016 Peer Mortgage Data -- US and PR

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua National Bank Charter # 3817

Table 10a Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 2016		Geography: CNBT AA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data *			
	#	% of Total *	% Families **	% BANK Loans ****	% Families 3	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
CNBT AA 2016	811	100.00	20.72	4.50	16.71	15.40	21.30	23.30	41.26	56.81	7.18	19.37	26.45	47.00

* Based on 2016 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 9.5% of loans originated and purchased by BANK.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua National Bank Charter # 3817

Table 11a Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 2016		Geography: CNBT AA			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31,				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data *	
	#	% of Total **	% of Businesses ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
CNBT AA 2016	1,958	100.00	80.19	48.72	85.29	7.05	7.66	15,234	7,023

* Based on 2016 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.74% of small loans to businesses originated and purchased by the bank.

Institution ID: Canandaigua National Bank Charter # 3817

Table 12a Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS 2016		Geography: CNBT AA			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31,				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data *	
	#	% of Total **	% of Farms ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
CNBT AA 2016	16	100.00	95.31	50.00	100.00	0.00	0.00	541	333

* Based on 2016 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 31.25% of small loans to farms originated and purchased by the bank.

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Table 14 Qualified Investments

QUALIFIED INVESTMENTS		Geography: CNBT AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
CNBT AA 2016	6	4,627	68	2,694	74	7,321	100.00	1	1,500

* 'Prior Period Investments' means investments made in a previous 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. This amount is not included in the Total Investments amount.

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Table 15 Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS	Geography: CNBT AA	Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016
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Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population*					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
CNBT AA 2016	100.00	24	100.00	4.17	8.33	37.50	50.00	0	0	0	0	0	0	10.50	12.76	46.06	30.40

* 0.29% of the population resides in census tracts not classified for income.

2017 PE Tables

Institution ID: Canandaigua NB Charter#3817

Table 1 Lending Volume

LENDING VOLUME 2017		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA *	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
CNBT AA	100.00	1,396	223,457	1,141	92,540	10	400	0	0	2,547	316,397	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** Please refer to the CD loan information in Table I in the 2015-2016 Tables for CD loan information for the entire 10/13/2015 to 12/31/2017 evaluation period.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: Canandaigua NB Charter#3817

Table 2a Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: ROCHESTER NY MSA AA					Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	928	100.00	4.53	4.96	10.51	12.28	46.17	39.44	38.80	43.32	2.97	10.65	46.79	39.59

* Based on 2017 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua NB Charter#3817

Table 3a Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total *	% Owner Occ Units ***	% BANK Loans ****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	113	100.00	4.53	6.19	10.51	18.58	46.17	47.79	38.80	27.43	3.91	11.87	49.31	34.90

* Based on 2017 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua NB Charter#3817

Table 4a Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: ROCHESTER NY MSA AA												Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp	
Full Review:															
CNBT AA	346	100.00	4.53	7.23	10.51	13.29	46.17	41.04	38.80	38.44	2.91	9.68	48.43	38.99	

* Based on 2017 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 5a Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans**	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	9	100.00	19.19	22.22	17.82	22.22	36.99	33.33	26.00	22.22	19.61	23.53	37.25	19.61

* Based on 2017 Peer Mortgage Data -- US and PR

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

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Table 6a Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: ROCHESTER NY MSA AA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017								
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	1,140	100.00	11.52	10.00	12.93	12.37	39.75	39.39	35.58	38.25	0.00	0.00	0.00	0.00

* Aggregate data for 2017 was not available at the time this report was prepared.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2017).

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Table 7a Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	10	100.00	2.75	0.00	6.69	10.00	56.02	80.00	34.46	10.00	0.00	0.00	0.00	0.00

* Aggregate data for 2017 was not available at the time this report was prepared.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2017).

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Table 8a Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families*	% BANK Loans****	% Families*	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	928	100.00	22.19	7.46	16.45	21.92	19.16	24.75	42.20	45.88	9.29	24.45	25.93	40.33

* Based on 2017 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.6% of loans originated and purchased by BANK.

* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua NB Charter#3817

Table 9a Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: ROCHESTER NY MSA AA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	113	100.00	22.19	11.50	16.45	27.43	19.16	30.09	42.20	30.97	8.77	22.09	27.49	41.66

* Based on 2017 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua NB Charter#3817

Table 10a Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: ROCHESTER NY MSA AA Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
CNBT AA	346	100.00	22.19	5.07	16.45	15.88	19.16	22.30	42.20	56.76	8.74	20.18	26.52	44.56

* Based on 2017 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 14.5% of loans originated and purchased by BANK.

* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Canandaigua NB Charter#3817

Table 11a Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ROCHESTER NY MSA AA			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data *	
	#	% of Total **	% of Businesses ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
CNBT AA	1,141	100.00	79.98	48.29	85.89	5.87	8.24	0	0

* Aggregate data for 2017 was not available at the time this report was prepared.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2017).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.60% of small loans to businesses originated and purchased by the bank.

Institution ID: Canandaigua NB Charter#3817

Table 12a Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: ROCHESTER NY MSA AA			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data *	
	#	% of Total **	% of Farms ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
CNBT AA	10	100.00	95.28	100.00	90.00	10.00	0.00	0	0

* Aggregate data for 2017 was not available at the time this report was prepared.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2017).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Institution ID: Canandaigua NB Charter#3817

Table 15 Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: ROCHESTER NY MSA AA Evaluation Period: January 1, 2017 TO DECEMBER 31, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population*					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
CNBT AA	100.00	24	100.00	4.17	12.50	41.67	41.67	0	0	0	0	0	0	11.91	13.76	40.97	33.04

* 0.32% of the population live in census tracts not classified for income