

PUBLIC DISCLOSURE

October 29, 2001

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Solvay Bank
RSSD Number 722816**

**1537 Milton Avenue
Solvay, New York 13209**

**Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045**

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

Institution Rating
 Institution’s CRA Rating BB1
 Table of Performance Test Ratings..... BB1
 Summary of Major Factors Supporting Rating..... BB1

Institution
 Description of Institution BB2
 Scope of Examination BB5
 Conclusions With Respect to Performance Tests BB5

Exhibits
 Exhibit 1 -- Assessment Area Demographics BB4
 Exhibit 2 -- Lending Inside and Outside the Assessment Area BB6

Appendices
 CRA Appendix A: Scope of Examination BB11
 CRA Appendix B: Glossary..... BB11
 CRA Appendix C: Core CRA Tables BB15
 CRA Appendix D: Map of Assessment Area BB21

INSTITUTION RATING

INSTITUTION'S CRA RATING: Solvay Bank is rated "SATISFACTORY."

The following table indicates the performance level of the bank with respect to the lending, investment and service tests.

PERFORMANCE LEVELS	SOLVAY BANK		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

The major factors supporting the rating follow:

- The bank had an excellent level of community development loans totaling \$2.3 million.
- The bank's service delivery systems were readily accessible to geographies and individuals of different income levels in its assessment area.
- The number of home purchase, refinance, home improvement, consumer and small business loans originated by the bank represented good responsiveness to the credit needs in the bank's assessment areas, given the bank's capacity, recent history and performance context.
- The distribution of loans among borrowers of different income levels and businesses of different sizes was good.
- The bank had a good level of qualified investments, totaling \$2.3 million in its assessment area.

* The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

INSTITUTION

DESCRIPTION OF INSTITUTION

Established in 1917, Solvay Bank ("Solvay") is a New York State-chartered banking corporation headquartered in Solvay, New York, and a member of the Federal Reserve System. It is a wholly owned subsidiary of Solvay Bank Corporation, also based in Solvay. As of June 30, 2001, the bank had total assets of \$355 million with total loans and leases of \$266 million and total retail deposits of \$326 million. As of November 7, 2001, Solvay operated six full-service branches in Onondaga County, offering various deposit and loan products and services to consumers and small to medium-sized businesses.

Solvay's performance in Onondaga County was evaluated in terms of the business and demographic context in which the bank operates. The market area is highly competitive with branches of numerous local, regional and multinational banks, mortgage companies and other financial institutions operating in the bank's assessment areas. Solvay's primary competitors are Manufacturers and Traders Trust Company ("M&T"), HSBC Bank, Chase Manhattan Bank ("Chase"), Fleet Bank and Binghamton Savings Bank.

Solvay's previous CRA examination was conducted as of November 1, 1999, at which time the bank received an overall rating of "outstanding." The 1999 CRA Performance Evaluation was completed using small bank performance standards, and this is the first examination of Solvay using large bank performance standards.

The bank has one assessment area, Onondaga County, a portion of Metropolitan Statistical Area ("MSA") 8160 (Syracuse, NY). Unchanged since the previous examination, Solvay's assessment area is in compliance with the requirements of Section 228.41 of Regulation BB and does not arbitrarily exclude any low- or moderate-income ("LMI") geographies.

Based on information reported to the Federal Deposit Insurance Corporation ("FDIC") on June 30, 2001, Solvay's deposits represent 5.9 percent of all bank branch deposits in Onondaga County. M&T is first with 27.8 percent of all deposits. For 2000, Solvay had 4.5 percent of all reported small business loans, a primary business focus of the bank, and 2.3 percent of all loans in Onondaga County reported under the Home Mortgage Disclosure Act ("HMDA"). GE Financial Capital Inc. and American Express Centurion Bank dominate the small business loan market. GE Financial and American Express Centurion have 31 percent of all small business loans reported in 2000. Of financial institution lenders, M&T was the market leader with 8.6 percent, followed by HSBC and Chase with 8 and 7.9 percent of the small business loan market, respectively. HMDA market leaders include Syracuse Securities Inc. (5.7 percent), M&T Mortgage Corporation (4.3 percent), and Homeside Lending, Inc. (3.9 percent).

Demographic and economic information relevant to the bank's performance context is discussed below. Information was obtained from publicly available sources including the U.S. Department of Commerce's Bureau of the Census (1990 and 2000), U.S. Department of Labor, U.S. Department of Housing and Urban Development ("HUD"), and the New York State Department of Labor. For detailed statistics on the assessment area, see Exhibit 1 on page BB4.

PERFORMANCE CONTEXT

According to the 1990 Census, Onondaga County has a population of 468,973. Approximately 105 thousand, or 22 percent of the total population, resides in LMI geographies. Although complete information from the 2000 Census is unavailable, 2000 Census figures put the population of the assessment area at 458,336, a decline of 2.3 percent since the 1990 Census. Onondaga County's main population center, the city of Syracuse, has a population of 147,306, which represents 31 percent of the assessment area population. Syracuse's population also declined (by 10 percent) since the 1990 Census.

Income Characteristics

The HUD-adjusted median family income for the MSA was \$45,400 in 1999, \$47,000 in 2000, and \$47,900 in 2001. Based on the 1990 Census, of the 143 census tracts considered for analysis, 40 or 28 percent are LMI. All but two of the LMI census tracts are located in Syracuse.

Housing Characteristics

The assessment area contains a total of 190,878 housing units of which 59.2 percent are owner-occupied. Within LMI census tracts, owner-occupied units represent 22.8 percent of total housing units. Given the relatively low level of owner-occupancy in LMI census tracts, opportunities for homeownership are limited. According to community contacts, high housing vacancy rates in Syracuse have led to blighted neighborhoods in need of stabilization. As a result, the community has a critical need for affordable multifamily rehabilitation loans for owners and investors.

According to reports the New York State Association of Realtors, the median sales price of existing single-family homes in the Greater Syracuse/Onondaga County area was \$102,091 as of September 200, increasing to \$105,799 as of September 2001. These prices are 74 percent of the state median figures for both periods. Community contacts spoke of low-cost housing opportunities in the city of Syracuse, but a lack of local jobs and inadequate income prevent many families from buying homes.

Labor, Employment and Economic Characteristics

MSA 8160 (Syracuse, NY) has been in an economic decline for much of the 1990s as a result of lost manufacturing jobs. Factory jobs totaled approximately 60 thousand at the end of 1988, but declined to below 49 thousand by the end of 1995, reducing manufacturing's share of local private jobs from 21 percent to approximately 17.5 percent.

Since 1995, however, average annual employment began to gradually increase, particularly in the service sector and even in the manufacturing sector, where manufacturers of industrial machinery, electronic equipment and automobile parts resumed hiring. Between 1995 and 1999, average annual employment in the Syracuse area increased approximately 3.2 percent from 243,053 to 250,711. Although this growth rate lags behind New York State and the nation, it represents important gains for the area.

The overall unemployment rate in the MSA for 1999 and 2000 was 3.5 percent; as of September 2001, it was 4.1 percent. These rates are generally consistent with national rates but lower than the state unemployment rate, which declined to 4.5 percent for 2000. Although unemployment rates have fallen over the past two years, the area is feeling the effects of the national slowdown, evidenced by recent layoffs at area manufacturers. This has been offset to some degree by growth in construction and service industries.

EXHIBIT 1								
Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	18	13	7,054	6	2,880	34	20,123	17
Moderate-income	22	15	13,714	12	2,348	28	20,566	17
Middle-income	65	45	57,823	48	2,379	28	28,689	24
Upper-income	38	27	40,615	34	831	10	49,828	42
Total Assessment Area	143	100	119,206	100	8,438	100	119,206	100
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	17,221	2,251	2	12,515	19	2,455	19	
Moderate-income	29,702	8,468	7	18,288	28	2,946	23	
Middle-income	87,476	59,624	53	23,197	36	4,655	36	
Upper-income	56,479	42,603	38	10,952	17	2,924	22	
Total Assessment Area	190,878	112,946	100	64,952	100	12,980	100	
	Total Businesses By Tract		Businesses by Tract & Revenue Size					
		Less Than or = \$1 million		Over \$1 million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	2,008	10	1,685	10	259	14	64	9
Moderate-income	2,080	11	1,744	11	266	14	70	10
Middle-income	9,429	49	8,134	48	948	50	347	50
Upper-income	5,862	30	5,217	31	426	22	219	31
Tract not reported	0	0	0	0	0	0	0	0
TOTALS	19,379	100	16,780	100	1,899	100	700	100

SCOPE OF EXAMINATION

This evaluation of Solvay's CRA performance encompasses activity between July 1, 1999, and June 30, 2001. The bank's assessment area was reviewed using Interagency Procedures and Guidelines for Large Retail Institutions. All calculations have been rounded to the nearest whole number.

Loan products evaluated include home purchase loans, refinancings, home improvement loans, small business loans and consumer loans. Multifamily loans were not included in the evaluation because of the limited number of such loans made during the examination period. For analytical purposes, loan products were evaluated based on the overall number of loans and their relative importance to the loan portfolio.

In addition, the bank's HMDA-related and small business loan performance was compared with the aggregate of all lenders in the bank's assessment area that report real estate loans under HMDA and small business loans under CRA. This data is reported annually, and 2000 is the most recent year for which information is available. The bank's assessment area has a total of 148 HMDA reporters and 62 small business reporters for 2000.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Solvay's record of meeting the credit needs of its assessment areas through its lending performance is rated "high satisfactory." Retail lending volume exhibited good responsiveness to assessment area credit needs. Geographic distribution reflected adequate penetration throughout the bank's assessment area. The overall distribution of loans among individuals of different income levels and businesses of different sizes was good. Solvay had an excellent level of community development lending.

The information used to evaluate the bank's performance can be found in Core Tables 1-15 in Appendix C. Tables 1, 1A and 1B describe lending activity, Tables 2-7 describe geographic distribution of lending, and Tables 8-12, borrower characteristics. Table 13 details consumer loans, while Tables 14 and 15 cover qualified investments and branch openings, respectively.

Lending Activity: Lending activity reflected good responsiveness to the assessment area's credit needs. During the examination period, the bank originated 4,231 HMDA-related, small business and consumer loans totaling approximately \$121 million. (For details, see Exhibit 2 below.) Approximately 15 percent of the loans were HMDA-related, 19 percent small business, and 65 percent consumer loans.

On an annualized basis, home purchase lending declined 17 percent since the previous examination period while refinance lending plunged 70 percent. Home improvement lending volume increased 15 percent. Home purchase and refinance volume was down because of

competitive factors and a higher interest rate environment. In addition, Solvay refinances home purchase loans for its own customers as a consolidation and extension of the original mortgage, which is not reported as a refinance transaction under HMDA.

EXHIBIT 2								
Lending Inside and Outside the Assessment Area								
	Inside				Outside			
	#	%	\$(000's)	%	#	%	\$(000's)	%
Home Purchase	316	94	32,751	91	21	6	3,102	9
Refinancings	100	95	6,995	96	5	5	275	4
Home Improvement	229	93	3,660	93	17	7	271	7
Multifamily	4	100	658	100	0	0	0	0
Total HMDA-related	649	94	44,064	92	43	6	3,648	8
Total small business	818	90	45,687	98	25	10	962	2
Total consumer	2,764	97	31,642	89	301	3	4,078	11
TOTAL LOANS	4,231	92	121,393	93	369	8	8,688	7

Geographic Distribution of Lending: Overall the geographic distribution of HMDA-related, small business and consumer loans in census tracts of various income levels reflected adequate loan penetration, although performance varied between products.

HMDA-related Products

When compared with the level of owner-occupied housing units, the geographic distribution of HMDA-related products was adequate. Performance in home purchase and refinancing loans was adequate while performance in home improvement lending was weak. Performance was adequate in moderate-income geographies for all HMDA-related products. Solvay's performance in low-income geographies for home purchase loans was excellent. Both refinancings and home improvement loans had a limited volume of loans in low-income geographies. Performance in all HMDA-related products was weaker than the aggregate.

Small Business Loans

The distribution of small business loans in census tracts of different income levels reflected excellent penetration when compared with the location of small businesses. Distribution was excellent in moderate-income geographies and good in low-income geographies. Solvay's performance exceeded the aggregate of small business lenders in LMI census tracts.

Consumer Loans

The overall geographic distribution of consumer loans reflected poor penetration when compared with households across census tracts of different income levels. Distribution was poor in low-income geographies and weak in moderate-income geographies. Performance was poor, as most of the LMI geographies are located in areas of Syracuse where Solvay has no branches.

Borrower Characteristics: The overall distribution of loans among borrowers of different income levels and businesses of different sizes was good given the significant gap between income levels and housing costs in the assessment area. Conclusions for HMDA-related lending were based principally on lending to moderate-income families because the ratio of housing cost to income generally makes homeownership unavailable to most low-income families.

HMDA-related Lending to Moderate-income Families

The level of HMDA-related lending to moderate-income families was adequate. Performance was adequate in both home purchase and refinance lending and good in home improvement lending. A review of aggregate home purchase and refinance data indicates that Solvay's performance was weaker in lending to moderate-income borrowers while a review of aggregate home improvement data indicated Solvay's performance was stronger. Lending to moderate-income families was enhanced through its program with Home Headquarters, which provided flexible lending terms such as down payment assistance, reduced closing costs, and no private mortgage insurance ("PMI").

HMDA-related Lending to Low-income Families

The level of HMDA-related lending to low-income families was weak. Performance was weak in all HMDA-related products. A review of aggregate performance indicates Solvay's performance was weaker in all products. As previously mentioned, Solvay's performance is mitigated by a comparison of average sales prices with median family incomes indicating that owner-occupied housing is beyond the reach of most low-income borrowers.

Lending to Small Businesses of Different Sizes

The bank's record of lending to businesses of different sizes was excellent in the assessment area, based on the number of bank loans to businesses with gross annual revenues ("GAR") of \$1 million compared with the number of businesses in the assessment area with GAR of \$1 million or less. The bank outperformed the aggregate (87 percent compared with 39 percent). Of the small business loans reported, 87 percent were for amounts of \$100 thousand or less. This is slightly below the amount reported by the aggregate of 90 percent. The average size of these loans was \$29 thousand, an amount that would typically meet the credit needs of smaller businesses.

Consumer Loans

The level of consumer loans to LMI borrowers was good. Overall, the bank originated 49 percent of such loans to LMI borrowers, while LMI households represent 38 percent of households in its assessment area. Lending to moderate-income borrowers was excellent while lending to low-income borrowers was good. Motor vehicle, personal and credit card loans were the dominant consumer loan categories.

Community Development Lending: Solvay's community development lending performance in its assessment area was outstanding. During the examination period, community development loan commitments totaled \$2.3 million. (For details, see Table 1 on page BB15.) Most of Solvay's community development loans (94 percent) were for initiatives that helped to revitalize and stabilize LMI geographies in Onondaga County. The balance of Solvay's community development lending efforts focused on affordable housing.

Examples of community development loans originated during the evaluation period include:

- A construction loan for \$1.1 million to finance a new light industrial metal stamping manufacturer in a low-income census tract that had been losing manufacturing jobs. The construction of the manufacturing plant helped to revitalize the area through the creation of new jobs.
- A construction mortgage for \$264 thousand to finance the expansion of an existing business located in an Empire Zone, thereby revitalizing the area through the creation of new jobs.
- A commercial mortgage for \$233 thousand to finance the purchase of property in an area that had been deteriorating as the result of the closing of Allied Chemical as well as many other local businesses. The commercial mortgage helped to revitalize the area through the creation of new employment opportunities.

INVESTMENT TEST

Solvay's performance in its assessment area under the investment test is rated "high satisfactory." For details, see Table 14.

The bank's level of qualified investments was significant, totaling \$2.3 million at this examination. Investments include \$2.2 million to entities engaged in community development activities with the remainder the result of multiple charitable grants and contributions to various community development organizations. Qualified investments initiated during the examination period represent \$2.2 million or 96 percent of the total.

The most significant qualified investment (90 percent of the total) included in this evaluation was \$2.1 million in bond anticipation notes to finance the cost of extension and improvements to storm drains located in one moderate-income tract in the bank's assessment area, providing only an adequate level of response to community development needs in the assessment area. Remaining investments (9 percent) targeted affordable housing and community services (1 percent).

Solvay made limited use of innovative or complex investments. Most investments were in debt instruments issued by municipalities for qualified community development activity, collateral trust notes or grants.

SERVICE TEST

Solvay's performance under the service test is rated "outstanding" based on the bank's record of providing services in its assessment area. Delivery systems were readily accessible to all portions of the bank's assessment area, and the bank's record of opening and closing branches improved access to its services. In addition, the bank provided a good level of community development services.

Retail Services

As of the examination date, October 29, 2001, the bank operated six branches in its assessment area. Of the total number of branches, one or 17 percent was located in an LMI geography. This compares favorably with the 22 percent of the population residing in LMI geographies. In addition, two branches located within a half-mile of LMI geographies also help to provide a full range of services to individuals residing in LMI geographies. During the examination period, one branch was opened in a middle-income geography, and no branches were closed. For details, see Table 15.

A network of six 24-hour automated teller machines ("ATMs") offers an alternative system of delivering bank services in the assessment area. Five ATMs are located in branch offices while one is a stand-alone facility on the New York State Fairgrounds. One branch ATM and the off-site ATM are located in moderate-income geographies.

Solvay offers a full range of retail and commercial deposit and loan services at all branch offices, including alternative delivery systems such as "Bank-By-Mail," telephone and Internet services. Trust services are available at the main office only. Both the telephone banking and Internet banking services enable customers to pay bills, transfer funds and make account inquiries.

Solvay's business hours and services did not vary in a way that inconveniences certain portions of its assessment area, particularly LMI geographies and individuals. All branches are full-service and offer various commercial and retail loan and deposit products and services. The bank made extended hours available at all six branches. Extended hours include Thursday and/or Friday evenings and Saturdays. The LMI branch offers extended hours on Thursdays and Fridays.

Community Development Services

Solvay provides a good level of community development services, including seminars and technical assistance, to various nonprofit organizations that provide community development services to LMI individuals.

The bank participated in Syracuse's Most Affordable Home Show for first-time home buyers and minorities. The bank was a co-sponsor of the Empower Your Future Conference, which promoted savings awareness and investment opportunities. The conference was geared to low-income individuals. The bank participated in or sponsored 19 seminars, workshops and fairs that targeted affordable housing, economic development and community services.

Bank management was proactive in providing technical assistance for the support of community development activities. Management and staff served as directors, advisors or committee members to 21 organizations throughout Solvay's assessment area. Organizations receiving technical assistance include:

- Home Headquarters, which promotes neighborhood revitalization by providing affordable housing to LMI individuals through innovative loan products, down payment and closing assistance, homeownership counseling and training programs as well as distressed and vacant home sales.
- The Appleseed Trust, which trains LMI individuals to own and manage businesses.
- Christmas in April, an organization that rehabilitates the houses of low-income and disabled elderly homeowners.

COMPLIANCE WITH FAIR LENDING LAWS

No credit practices were identified that violated the substantive provisions of the antidiscrimination laws and regulations, including the Equal Credit Opportunity Act (Regulation B), the Fair Housing Act, and all relevant agency regulations pertaining to nondiscriminatory treatment of credit applicants.

CRA APPENDIX A

SCOPE OF EXAMINATION

Details concerning the scope of examination are found on page BB5.

CRA APPENDIX B

GLOSSARY

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

Block numbering area (“BNA”): A statistical subdivision of a county for grouping and numbering blocks in nonmetropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration’s Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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 or a block numbering area delineated by the U.S. Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (“HMDA”): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

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

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.

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).

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

Metropolitan area ("MA"): Any primary metropolitan statistical area ("PMSA"), metropolitan statistical area ("MSA"), or consolidated metropolitan statistical area ("CMSA"), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

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

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

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

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

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

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

Small loan(s) to business(es): A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income ("Call Report") and the Thrift Financial Reporting ("TFR") 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

CRA APPENDIX C

FFIEC INTERAGENCY CORE CRA PUBLIC EVALUATION TABLES

Table 1. Lending Volume

LENDING VOLUME		Geography: ONONDAGA COUNTY						Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001				
Metropolitan Statistical Area/ Assessment Area	% of Rated Area Loans (#) in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MSA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Assessment Area Total	100.00	649	44,064	818	45,687	0	0	12	2,300	1,479	92,051	100.00

* Loan data as of June 30, 2001. Rated area refers to either the state or multistate MSA rating area.

** The evaluation period for community development loans is July 1, 1999, to June 30, 2001.

*** Deposit data as of June 30, 2001. Rated area refers to either the state, multistate MSA, or institution, as appropriate.

Table 1A. Other Products

LENDING VOLUME		Geography: ONONDAGA COUNTY						Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001						
Metropolitan Statistical Area/ Assessment Area	% of Rated Area Loans (#) in MSA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MSA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Assessment Area Total	100.00	2,764	31,642	0	0	286	10,471	1,097	12,088	385	1,278	197	2,755	100.00

* Loan data as of June 30, 2001. Rated area refers to either the state or multistate MSA rating area.

** The evaluation period for optional product line(s) is July 1, 1999, to June 30, 2001.

*** Deposit data as of June 30, 2001. Rated area refers to either the state, multistate MSA, or institution, as appropriate.

Table 1B. Other Products

LENDING VOLUME		Geography: ONONDAGA COUNTY			Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001		
Metropolitan Statistical Area/ Assessment Area	% of Rated Area Loans (#) in MSA/AA*	Other Unsecured Consumer Loans*		Other Optional Loans*			
		#	\$ (000's)	#	\$ (000's)	\$ (000's)	
Assessment Area Total	100.00	475	4,116	324	934	934	

* The evaluation period for optional product line(s) is from July 1, 1999, to June 30, 2001.

Table 2. Geographic Distribution of Home Purchase Loans

Metropolitan Statistical Area/ 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-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	Low	Mod	Mid	Upper	
Full Review:		316	100.00	1.99	2.53	7.50	4.112	52.79	47.15	37.72	46.20	1.39	6.15	47.77	44.66
Assessment Area Total															

* Based on 2000 Peer Mortgage Data: Northeast Region.
 ** Home purchase loans originated and purchased in the MSA/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 housing units in a particular geography divided by number of owner-occupied units in the area based on 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Metropolitan Statistical Area/ 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-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	Low	Mod	Mid	Upper	
Full Review:		229	100.00	1.99	0.44	7.50	3.93	52.79	57.21	37.72	38.43	1.23	6.47	53.96	38.34
Assessment Area Total															

* Based on 2000 Peer Mortgage Data: Northeast Region.
 ** Home improvement loans originated and purchased in the MSA/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 housing units in a particular geography divided by number of owner-occupied units in the area based on 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans ("Refinancings")

Metropolitan Statistical Area/ Assessment Area		Total Refinancings		Low-income Geographies		Moderate-income Geographies		Middle-income Geographies		Upper-income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
		#	% of Total**	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	% Bank Loans	% Owner-Occupied Units***	Low	Mod	Mid	Upper	
Full Review:		100	100.00	1.99	2.00	7.50	4.00	52.79	56.00	37.72	38.00	3.94	9.43	50.29	36.34
Assessment Area Total															

* Based on 2000 Peer Mortgage Data: Northeast Region.
 ** Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.
 *** Percentage of owner-occupied units is the number of owner-occupied housing units in a particular geography divided by number of owner-occupied units in the area based on 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ONONDAGA COUNTY						Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001					
Metropolitan Statistical Area/ Assessment Area	Total Multifamily ("MF") Loans		Low-income Geographies		Moderate-income Geographies		Middle-income Geographies		Upper-income Geographies				
	#	% of Total**	% of MF Units***	% Bank Loans	% MF Units***	% Bank Loans	% MF Units***	% Bank Loans	% MF Units***	Low	Mod	Upper	
Assessment Area Total	4	100.00	22.94	0.00	27.49	25.00	29.80	75.00	19.78	10.53	26.32	31.58	31.58

* Based on 2000 Peer Mortgage Data: Northeast Region.

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

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: ONONDAGA COUNTY						Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001					
Metropolitan Statistical Area/ Assessment Area	Total Small Business Loans		Low-income Geographies		Moderate-income Geographies		Middle-income Geographies		Upper-income Geographies				
	#	% of Total**	% of MF Units***	% Bank Loans	% of MF Units***	% Bank Loans	% of MF Units***	% Bank Loans	% of MF Units***	Low	Mod	Upper	
Assessment Area Total	818	100.00	10.25	9.17	10.43	15.04	48.73	51.10	30.54	7.70	10.66	49.18	29.08

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Source Data: Dun and Bradstreet (2001).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: ONONDAGA COUNTY						Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001					
Metropolitan Statistical Area/ Assessment Area	Total Small Farm Loans		Low-income Geographies		Moderate-income Geographies		Middle-income Geographies		Upper-income Geographies				
	#	% of Total**	% of MF Units***	% Bank Loans	% of MF Units***	% Bank Loans	% of MF Units***	% Bank Loans	% of MF Units***	Low	Mod	Upper	
Assessment Area Total	0	0.00	0.76	0.00	4.43	0.00	58.17	0.00	36.64	0.00	0.00	72.73	25.00

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Source Data: Dun and Bradstreet (2001).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ONONDAGA COUNTY										Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001		
Metropolitan Statistical Area/Assessment Area	Total Home Purchase Loans #	Low-income Borrowers		Moderate-income Borrowers		Middle-income Borrowers		Upper-income Borrowers		Aggregate Lending Data*				
		% of Total**	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	Low	Mod	Mid	Upper	
Assessment Area Total	316	100.00	16.88	4.84	17.25	12.26	24.08	18.06	41.80	64.84	6.42	22.40	26.48	44.70

- * Based on 2000 Peer Mortgage Data: Northeast Region.
- ** As a percentage of loans with borrower income information available. No information was available for 1.9% of loans originated and purchased by bank.
- *** Percentage of families is based on the 1990 Census information.
- **** Home purchase loans originated and purchased in the MSA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: ONONDAGA COUNTY										Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001		
Metropolitan Statistical Area/Assessment Area	Total Home Improvement Loans #	Low-income Borrowers		Moderate-income Borrowers		Middle-income Borrowers		Upper-income Borrowers		Aggregate Lending Data*				
		% of Total**	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	Low	Mod	Mid	Upper	
Assessment Area Total	229	100.00	16.88	5.48	17.25	24.20	24.08	23.74	41.80	46.58	7.23	18.53	26.84	47.40

- * Based on 2000 Peer Mortgage Data: Northeast Region.
- ** As a percentage of loans with borrower income information available. No information was available for 1.9% of loans originated and purchased by bank.
- *** Percentage of families is based on the 1990 Census information.
- **** Home purchase loans originated and purchased in the MSA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans ("Refinancings")

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: ONONDAGA COUNTY										Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001		
Metropolitan Statistical Area/Assessment Area	Total Refinancings #	Low-income Borrowers		Moderate-income Borrowers		Middle-income Borrowers		Upper-income Borrowers		Aggregate Lending Data*				
		% of Total**	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	% Families***	% Bank Loans****	Low	Mod	Mid	Upper	
Assessment Area Total	100	100.00	16.88	5.15	17.25	17.53	24.08	30.93	41.80	46.39	9.11	22.56	26.12	42.21

- * Based on 2000 Peer Mortgage Data: Northeast Region.
- ** As a percentage of loans with borrower income information available. No information was available for 3% of loans originated and purchased by bank.
- *** Percentage of families is based on the 1990 Census information.
- **** Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ONONDAGA COUNTY		Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001			
Metropolitan Statistical Area/Assessment Area	Total Small Loans to Businesses		Businesses With Revenues of \$1 Million or less		Aggregate Lending Data*		
	#	% of Total**	% of Businesses***	% Bank Loans****			
Assessment Area Total	818	100.00	85.11	72.62	3.18	8,575	3,328
					9.90		
					86.92		
					9.90		
					3.18		

- * Based on 2000 Peer Small Business Data: US&PR.
- ** Small loans to businesses originated and purchased in the MSA/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 - 2001).
- **** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: ONONDAGA COUNTY		Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001			
Metropolitan Statistical Area/Assessment Area	Total Small Loans to Farms		Farms With Revenues of \$1 Million or Less		Aggregate Lending Data*		
	#	% of Total**	% of Farms***	% Bank Loans****			
Assessment Area Total	0	0.00	90.84	0.00	0.00	44	31
					0.00		
					0.00		
					0.00		
					0.00		

- * Based on 2000 Peer Small Business Data: US&PR.
- ** Small loans to farms originated and purchased in the MSA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
- *** Farms with revenues of \$1 mil or less as a percentage of all farms (Source D&B - 2001).
- **** Small loans to farms with revenues of \$1 mil or less as a percentage of all loans reported as small loans to farms.

Table 13. Geographic and Borrower Distribution of Consumer Loans***

Geographic and Borrower Distribution: CONSUMER LOANS		Geography: ONONDAGA COUNTY		Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001														
Metropolitan Statistical Area/Assessment Area	Total Consumer Loans		Geographic Distribution				Borrower Distribution											
	#	% of Total*	Low-income Geographies		Moderate-income Geographies		Upper-income Geographies		Low-income Borrowers		Moderate-income Borrowers		Upper-income Borrowers					
			% of Households**	% of Bank Loans	% of Households**	% of Bank Loans	% of Households**	% of Bank Loans	% of Households**	% of Bank Loans	% of Households**	% of Bank Loans	% of Households**	% of Bank Loans				
Assessment Area Total	2,764	100.00	8.35	1.41	14.88	7.42	46.59	57.13	30.18	34.04	22.70	23.65	15.30	24.55	19.96	21.64	42.04	30.16

- * Consumer loans originated and purchased in the MSA/AA as a percentage of all consumer loans originated and purchased in the rated area.
- ** Percentage of households is based on the 1990 Census Information.
- *** The information in this table is reported at the institution's option.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: ONONDAGA COUNTY									
Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001									
Metropolitan Statistical Area/ Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Assessment Area Total	0	0	34	2,335	34	2,335	100.00	0	0

* "Prior Period Investments" means investments made in a previous evaluation period that are outstanding as of the examination date.
 ** "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																
Geography: ONONDAGA COUNTY																
Evaluation Period: JULY 1, 1999, TO JUNE 30, 2001																
Metropolitan Statistical Area/ Assessment Area	Deposits % of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Branches			# of Branch Openings	# of Branch Closings	Branch Openings/Closings			Population				
				Location of Branches by Income of Geographies (%)					Net change in Location of Branches (+ or -)			% of Population Within Each Geography				
				Low	Mod	Upper			Low	Mod	Upper	Low	Mod	Upper		
Assessment Area Total	100.00	6	100	0.00	16.67	66.67	16.67	1	0	0	0	0	9.34	13.01	45.84	31.71

Solvay Bank Assessment Area July 1, 1999 through June 30, 2001

Onondaga

