

PUBLIC DISCLOSURE

November 30, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Solvay Bank
RSSD No. 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's CRA Rating	BB1
Description of Institution	BB2
Description of Assessment Area	BB2
Scope of Examination	BB2
Performance Context	BB3
Conclusions with Respect to Performance Tests	BB6
Lending Test	BB6
Community Development Test	BB9
Fair Lending or Other Illegal Credit Practices Review	BB11
Exhibit	
Exhibit 1: Assessment Area Demographics	BB4
CRA Appendices	
CRA Appendix A: Glossary	BB12
CRA Appendix B: Map of Assessment Area	BB15

INSTITUTION'S CRA RATING: Solvay Bank ("Solvay") is rated "**Satisfactory.**"

The following table indicates the performance level of the institution with respect to the lending and community development tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS	
	Lending Test	Community Development Test
Outstanding		X
Satisfactory	X	
Needs to Improve		
Substantial Noncompliance		

The satisfactory performance of Solvay is based on the following performance criteria:

- The level of community development loans, qualified investments, and community development services demonstrated excellent responsiveness to community development credit needs in the assessment area.
- The bank's loan-to-deposit ratio was reasonable.
- A substantial majority of loans were made in the assessment area.
- The overall geographic distribution of loans reflected reasonable dispersion throughout the assessment area.
- The overall distribution of loans to borrowers of different incomes and businesses of different sizes reflected reasonable penetration.

DESCRIPTION OF INSTITUTION

Solvay, headquartered in Solvay, NY, is the sole subsidiary of Solvay Bank Corporation, a bank holding company. The bank operates seven retail branches located throughout Onondaga County, New York.

Solvay is a full service commercial bank that offers various consumer and commercial loan products, deposit products, and trust services. Loan products include residential mortgages, small business loans and consumer loans.

As of December 31, 2008, the bank had total assets of \$512 million, net loans and leases of \$355 million, and total domestic deposits of \$457 million. Based on deposits reported to the Federal Deposit Insurance Corporation ("FDIC") on June 30, 2008, Solvay had a 6% deposit market share in Onondaga County, NY.

Solvay's previous CRA examination was conducted as of November 26, 2007, and resulted in an overall rating of satisfactory. There are no financial or legal factors that would keep Solvay from fulfilling its responsibility under CRA.

DESCRIPTION OF ASSESSMENT AREA

Solvay's assessment area consists of Onondaga County, New York, which includes the city of Syracuse, New York. The assessment area is located in Metropolitan Statistical Area ("MSA") 45060 (Syracuse, NY). This assessment area is unchanged since the previous examination.

SCOPE OF EXAMINATION

Examination Procedures: Solvay was examined using the FFIEC intermediate small bank CRA examination procedures.

Examination Dates: The examination covered the period January 1, 2007 through December 31, 2008.

Products: Home Mortgage Disclosure Act (HMDA)-related loans (home purchase, home improvement, and refinance loans) and small business loans made by the bank during the examination period were analyzed. The 2007 and 2008 HMDA and small business loan samples (332 HMDA-related loans and 160 small business loans) were selected using the Board of Governors' procedures, and the data was verified by FRBNY examiners. Examiners also reviewed activities relating to community development) during the same period.

Lending Distribution Analysis: The analysis of geographic and borrower distribution considered only the loans made in Solvay's assessment area. The bank's performance in 2007 and 2008 was compared to the 2007 and 2008 loan data of the aggregate for all HMDA and small business reporting lenders.

To evaluate the geographic distribution of HMDA-related loans, the proportion of loan originations was compared with the proportion of owner-occupied housing units located in low- and moderate-income geographies. For small business loans, the analysis compared the proportion of loan originations with the proportion of businesses located in low- and moderate-income geographies.

To analyze the borrower characteristics of HMDA-related loans, the proportion of originations to LMI borrowers was compared with the proportion of LMI families in the assessment area. Income estimates from the U.S. Department of Housing and Urban Development (“HUD”) were used to categorize borrower income. For small business loans, the bank’s percentage of loans to businesses with gross annual revenues (“GAR”) of \$1 million or less was compared to the percentage of all such businesses in the assessment area. The size of the small business loan was also used as a proxy to identify lending to businesses with GAR of \$1 million or less.

Community Contacts: Two interviews were conducted with two community development organizations in order to gain an understanding of local credit needs. Both community groups focused their efforts on economic development, affordable housing, and the provision of community development services for LMI individuals.

PERFORMANCE CONTEXT

The following demographic and economic information was obtained from publicly available sources that include the U.S. Department of Commerce’s Bureau of Census, New York State Department of Labor, U.S. Department of Housing and Urban Development (“HUD”), and the National Association of Realtors (“NAR”).

Solvay’s market is highly competitive with branches of local, regional and international banks, mortgage companies, and other financial institutions operating in the assessment area.

Demographic Characteristics

According to the 2000 Census, Onondaga County had a population of approximately 458,000. The city of Syracuse, in 2000, had a population of approximately 147,000, representing 32% of the County’s population.

According to the 2000 Census, 12% of the assessment area population resides in low-income geographies, 13% in moderate-income geographies, 40% in middle-income geographies and 35% in upper-income geographies. Exhibit 1 on following page provides a summary of demographic information related to Solvay’s assessment area.

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	21	14.6	9,346	8.0	3,630	38.8	22,805	19.6
Moderate-income	23	16.0	13,415	11.6	2,668	19.9	19,870	17.1
Middle-income	56	38.9	50,194	43.2	2,617	5.2	24,450	21.1
Upper-income	44	30.6	43,181	37.2	1,033	2.4	49,011	42.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	144	100.0	116,136	100.0	9,948	8.6	116,136	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	24,371	3,935	3.4	16.1	15,983	65.6	4,453	18.3
Moderate-income	29,334	9,789	8.4	33.4	16,018	54.6	3,527	12.0
Middle-income	80,498	55,217	47.3	68.6	20,827	25.9	4,454	5.5
Upper-income	62,430	47,874	41.0	76.7	11,510	18.4	3,046	4.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	196,633	116,815	100.0	59.4	64,338	32.7	15,480	7.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	3,503	17.6	2,906	16.6	480	24.9	117	22.0
Moderate-income	1,869	9.4	1,630	9.3	184	9.5	55	10.4
Middle-income	8,455	42.4	7,311	41.8	914	47.4	230	43.3
Upper-income	6,133	30.7	5,655	32.3	349	18.1	129	24.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	19,960	100.0	17,502	100.0	1,927	100.0	531	100.0
	Percentage of Total Businesses:			87.7		9.7		2.7

Based on 2000 Census Information.

Income Characteristics

According to 2000 Census data, 20% of families in the assessment area are low-income, 17% of families are moderate-income, and 9% of families live below the poverty level. The HUD-adjusted median family income for the assessment area in 2007 was \$58,700, and \$61,000 in 2008.

Housing Characteristics

The 2000 Census indicates that the assessment area has 196,633 housing units, 59% of which are owner-occupied. A total of 3% of the owner-occupied units are located in low-income census tracts while 8% are located in moderate-income tracts. The remaining housing in the assessment area consists of rental housing (33%) and vacant properties (8%).

The median sales price of existing single-family homes in Onondaga County was \$125,200 as of December 2008. Homes were priced at approximately 4 times what a low-income person could afford and approximately 3 times what a moderate-income person could afford. According to information obtained through interviews with community contacts, low-cost housing opportunities exist in Syracuse but the declining job market, inadequate income and costs associated with home maintenance and improvements prevent many lower income families from owning homes.

Demographic information from the 2000 Census estimated that the median age of the housing stock in the assessment area to be 43 years. Given the age of the housing stock, interviews with community contacts revealed that there is a need for home improvement and home rehabilitation lending.

Labor, Employment and Economic Characteristics

According to the 2000 Census, Onondaga County's economy depends primarily on the services industry, which represents 44% of the MSA's employment through the provision of educational services and the health industry. Manufacturing and retail trade comprise most of the remaining employment. According to community contacts, while the city of Syracuse's population has declined, some job gains have been made in the high tech sector, principally in the North Syracuse suburbs. The MSA unemployment rate increased from 4.5% in 2007 to 5.7% in 2008. In the City of Syracuse, unemployment rates increased from 5.1% in 2007 to 6.5% in 2008. The upward trend in unemployment rates is reflective of weakening economic conditions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Solvay's record of meeting the credit needs of its assessment area through its lending performance is rated satisfactory. Solvay originated a substantial majority of its loans within its assessment area and its loan-to-deposit ratio was reasonable. The geographic distribution of HMDA-related and small business loans also reflected reasonable penetration throughout Solvay's assessment area. The overall distribution of its loans among borrowers of different income levels and businesses of different sizes was reasonable.

Loan-to-Deposit Ratio

Solvay's loan-to-deposit ratio was reasonable given the bank's size, financial condition, and the credit needs of its assessment area. The bank's average loan-to-deposit ratio for the eight most recent quarters ending December 31, 2008 was 76%, based on information contained in its Consolidated Report of Condition and Income. This ratio was below the national peer average of 87% for similarly-sized banks and somewhat below an average of 85% for the bank's local peer group, consisting of similarly-sized banks located within Solvay's assessment area during the evaluation period.

Lending in Assessment Area

Solvay originated a substantial majority of its loans in its assessment area. Of the sample of small business loans analyzed during this examination, 96% were extended to business establishments in the bank's assessment area. Of the sample of HMDA loans analyzed during this examination, 93% were extended to individuals residing in the bank's assessment area.

Geographic Distribution of Loans

Solvay's geographic distribution of loans reflected reasonable dispersion throughout the bank's assessment area. The assessment area has 21 (15%) low-income tracts and 23 (16%) moderate-income tracts. There are 116,815 owner-occupied housing units in the assessment area, of which 3,935 (3%) are located in low-income geographies and 9,789 (8%) are located in moderate-income geographies. The relatively low level of owner-occupancy in LMI census tracts limits opportunities for homeownership in those geographies. According to community contacts, high housing vacancy rates in Syracuse have led to blighted neighborhoods in need of stabilization.

In addition, there are 19,960 small businesses operating within the assessment area, of which 3,503 (18%) are in low-income geographies and 1,869 (9%) are located in moderate-income geographies. An analysis of the lending distribution in each loan category follows.

Home Purchase Loans

Solvay's distribution of home purchase loans in LMI areas was reasonable when compared with the level of owner-occupied housing units as well as with the performance of the aggregate of all HMDA-reporting lenders. The bank's performance in 2008 revealed that the bank made 2% and 5% of its home purchase loans in low-income and moderate-income geographies. In comparison, 3% and 8% of owner occupied-housing units are located within low- and moderate-income geographies and 2% and 8% were originated by the aggregate in low-income and moderate-income geographies. The bank's performance in 2007 was consistent to its performance in 2008, when compared to the 2007 aggregate.

Refinance Loans

Solvay's distribution of refinance loans in low- and moderate-income areas was very poor when compared with the level of owner-occupied housing units as well as with the performance of the aggregate of all HMDA-reporting lenders. In 2008, the bank made no refinance loans in low- and moderate-income geographies. In comparison, 3% and 8% of owner occupied-housing units are located within low- and moderate-income geographies, and the aggregate originated 11% and 8% in low- and moderate income tracts, respectively. Performance in 2007 was consistent with Solvay's 2008 performance.

Home Improvement Loans

Solvay's distribution of home improvement loans in low- and moderate-income areas was poor when compared with the level of owner-occupied housing units as well as with the performance of the aggregate of all HMDA-reporting lenders. In 2008, Solvay made 3% of its home improvement loans in moderate-income geographies and no home improvement loans in low-income geographies. In comparison, aggregate lending originated 3% and 8% in low- and moderate-income geographies, respectively and 3% and 8% of the owner occupied-housing units are located within low- and moderate-income geographies. The bank's performance in 2007 was consistent with its 2008 performance, in that it lagged both the demographics and the performance level of the aggregate.

Small Business Loans

Solvay's distribution of small business loans in low- and moderate-income areas was reasonable when compared with the level of business establishments as well as with the performance of the aggregate of small business reporting lenders. In 2008, the bank made 13% and 6% of its small business loans in low- and moderate-income geographies, respectively. In comparison, the aggregate made 13% and 7% of its small business loans in low- and moderate-income geographies and 18% and 9% of the business establishments are located in low- and moderate-income geographies. The bank's performance in 2007 was somewhat stronger than the aggregate's performance, especially in lending to small businesses located in moderate income geographies.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The overall distribution of HMDA-related and small business loans reflected reasonable penetration among individuals of different income levels and businesses of different sizes. An analysis of the lending distribution in each loan category follows.

Home Purchase Loans

Solvay's overall distribution of home purchase loans to low- and moderate-income borrowers was reasonable. In 2008, Solvay extended 9% of its home purchase loans to low-income borrowers. Bank performance in 2008 was lower than the demographic when compared to the number of low-income families residing in the area (20%) but exceeded the aggregate, which originated 8% of loans to low-income borrowers.

In 2008, Solvay extended 12% of its home purchase loans to moderate-income borrowers compared to 17% of moderate-income families residing in the assessment area. Solvay's 2008 home purchase lending to moderate-income borrowers was lower the aggregate's 23% to moderate-income borrowers. The bank's performance in 2007 was similar to its performance in 2008.

Refinance Loans

Solvay's overall distribution of refinance loans to low- and moderate-income borrowers was reasonable. In 2008, Solvay originated 2% of its refinance loans to low-income borrowers. Solvay's 2008 refinance lending to low-income borrowers was significantly lower than both the number of low-income families (20%) residing in the area and the aggregate, which originated 17% of its refinance loans to low-income borrowers.

In 2008, Solvay extended 16% of its refinance loans to moderate-income borrowers compared to 17% of moderate-income families residing in the area. Solvay's 2008 refinance lending to moderate-income borrowers was similar to the aggregate, which originated 17% of its refinance loans to moderate-income borrowers. The bank's performance in 2007 was similar to its performance in 2008.

Home Improvement Loans

Solvay's overall distribution of home improvement loans to low- and moderate-income borrowers was reasonable. In 2008 the bank extended 3% of its home improvement loans to low-income borrowers, compared to 20% of low-income families residing in the area. The bank's 2008 home improvement lending to low-income borrowers was below the aggregate, which originated 10% of its home improvement loans to low-income borrowers.

In 2008, Solvay extended 22% of its home improvement loans to moderate-income borrowers, compared to 17% of moderate-income families residing in the area. The bank's 2008 home improvement lending to moderate-income borrowers exceeded the aggregate, which originated 21% of its home improvement loans to moderate-income borrowers. The bank's performance in 2007 was similar to its performance in 2008.

Lending to Businesses of Different Sizes

Solvay’s overall distribution of loans to businesses of different sizes was excellent. The proportion of loans to businesses with GAR of \$1 million or less was 83% in 2008, compared to 88% of such businesses located in the assessment area. Solvay’s 2008 performance exceeded the performance of the aggregate, which reported 31% of its loans to such businesses. Solvay’s performance in 2007 was slightly stronger, with the proportion of loans to businesses with GAR of \$1 million or less at 88%, compared to 88% of such businesses located in the assessment area.

A total of 78% of Solvay’s small business loans, made in 2008 were in amounts of \$100,000 or less. The average small business loan size was \$81 thousand, an amount that would typically meet the credit needs of smaller businesses. The bank’s percentage of 2008 small business loans in amounts of \$100,000 or less was below the aggregate, which originated 95% of its loans in amounts of \$100,000 or less. The bank’s performance in 2007 was similar to its performance in 2008.

Response to Complaints

Solvay received no complaints relating to the bank’s CRA performance. Since the previous examination, there were no CRA-related or consumer complaints filed with the Federal Reserve Bank of New York.

COMMUNITY DEVELOPMENT TEST

Solvay demonstrated excellent responsiveness to the community development needs of its assessment area through the provision of community development loans, qualified investments, and community development services, taking into consideration the bank’s capacity and the need and availability of community development opportunities in Solvay’s assessment area.

Community development loans and qualified investments totaled \$9.6 million, consisting of \$6.2 million in community development loans and \$3.4 million in qualified investments. Solvay was responsive to the community development needs identified by community contacts. As shown in the following table, Solvay’s efforts, in terms of dollar amounts, primarily targeted economic development and revitalization and stabilization activities.

Solvay Bank Community Development Loans & Qualified Investments										
Loans and Investments	Affordable Housing		Community Services		Economic Development		Revitalize and Stabilize		Totals	
	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)
Loans	5	\$965	0	\$0	10	\$2,281	1	\$3,000	16	\$6,246
Investments	14	\$142	74	\$42	11	\$3,231	1	\$1	100	\$3,416
Total Loans and Investments	19	1,107	74	\$42	21	\$5,512	2	\$3,001	116	\$9,662

Total community development loans and investments increased by 14% from the last examination in terms of dollar volume. In addition, Solvay's performance compared favorably with peer banks in terms of community development loans and qualified investments within Onondaga County.

Community development loans were responsive to the credit needs of the assessment area. Of the total \$6.2 million in community development loans, 68% represents new commitments, and all loans were made within the assessment area. In terms of dollar volume, community development loans were primarily originated to provide revitalization and stabilization, as well as economic development initiatives to low-and moderate income geographies and individuals.

Examples of community development loans include:

- A \$3,000,000 loan to renovate hospital property located in a low-income tract in Syracuse, NY.
- A \$625,000 loan to refinance a building located in a moderate-income census tract in an economic development zone in Syracuse, NY.
- A \$265,000 commercial loan to a business located in a moderate-income census tract in a NYS empowerment zone.

Qualified investments were responsive to the needs of the assessment area. Of the total qualified investments, 98% represents new qualified investments made since the prior examination. Ninety-five percent were made within the assessment area while 4% met the needs of the broader statewide area. The substantial majority of investment dollars (95%) was concentrated in economic development activities in low- and moderate-income (LMI) geographies through municipal bonds that made infrastructure improvements.

Examples of qualified investments include:

- A \$450,000 investment in a Bond Anticipation Note ("BAN") for the purpose of sidewalk reconstruction in LMI census tracts in the town of Solvay, NY.
- Ten collateral trust notes totaling \$146,785 with the Community Preservation Corporation to provide funds for LMI mortgage pools.
- A \$25,000 BAN to provide for drainage improvements in LMI census tracts in the Town of Solvay, NY.

Solvay provided community development services, primarily through the provision of technical assistance to various organizations that furnish community development services to LMI individuals. Fifteen members of management and staff served as directors, advisors or committee members to eleven organizations throughout the assessment area. Examples of community development services include:

- Solvay provided financial education assistance for first-time home buyers with an affordable housing organization by providing instructors and program material for classes.
- Solvay worked with a small business development organization by providing counseling, mentoring and education to small business owners in Syracuse.
- One Solvay officer is a member of the board of directors of an economic development corporation.
- One Solvay officer serves as a board member and as Treasurer of a non-profit organization which assists graduating LMI high school seniors.
- One officer is Chairman of the Board of a non-profit agency, which provides services and support programs for LMI families.

In addition, Solvay's branch distribution provides good accessibility to the LMI population and geographies within the assessment area. Three of 7 branches, or 43%, are located in low- and moderate-income geographies. These locations enhance the delivery of credit and financial services to LMI individuals.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank is in compliance with the substantial provisions of the antidiscrimination laws and regulations. No credit practices were identified as being inconsistent with helping to meet the credit needs of the assessment area.

CRA APPENDIX A

GLOSSARY

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

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

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.

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

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

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

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

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

Home Mortgage Disclosure Act (“HMDA”): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, 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: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Low-income: Individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of a geography.

Metropolitan Statistical Area (“MSA”): A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

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

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

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.

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.

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

Solvay Bank

Assessment Area

January 1, 2007 - December 31, 2008

Legend

- Low Income Tracts
- Moderate income Tracts
- 2000 Census Tracts
- County
- Branch

