



LARGE BANK

Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

The First National Bank of Palmerton
Charter Number: 8930

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Palmerton, PA 18071

Office of the Comptroller of the Currency

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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 First National Bank of Palmerton (FNBP)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank of Palmerton (FNBP) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
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:

- FNBP's lending activity is good in its assessment areas
- Geographic distribution of home mortgage loans and small business loans is excellent
- Borrower distribution of home mortgage loans is good
- Borrower distribution of small loans to businesses is excellent
- FNBP has an adequate level of qualified Investments
- FNBP's retail delivery system is readily accessible to the various branch geographies and individuals of different income levels
- FNBP provides a good level of community development 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.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

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 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.

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 household 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 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 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: such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing 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.

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 ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the

appropriate federal financial supervisory agency.

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) 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 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 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.

Description of Institution

The First National Bank of Palmerton (FNBP) is a community bank institution headquartered in Palmerton, Pennsylvania. As of March 31, 2005, its assets were \$475 million. FNBP is an intrastate bank with nine full service branches located throughout the Lehigh Valley and Pocono Mountain regions of Northeastern Pennsylvania. Each branch has a drive-up and ATM facility.

FNBP's last Public Evaluation (PE) was dated January 7, 2002 and the overall CRA rating assigned was **Satisfactory**. Since that time, FNBP opened one branch and no branches were closed. There are no financial or legal impediments to hinder FNBP's ability to help meet its community credit needs. FNBP has no operating subsidiaries.

FNBP is a wholly owned subsidiary of Palm Bancorp, Inc., a one-bank holding company also headquartered in Palmerton, Pennsylvania, and was incorporated on November 10, 1982. On December 31, 2004 Palm Bancorp, Inc. had total consolidated assets of \$474 million. FNBP's primary products include residential mortgages, small business loans, and consumer installment loans. As of March 31, 2005, net loans and leases represent 54% of total assets. The loan portfolio is comprised of residential mortgages (55%), commercial loans (42%), and consumer loans (3%). Net Tier 1 Capital was \$61.5 million as of March 31, 2005. Competition in the area is very strong and includes local community banks, branches of regional banks, national financial institutions, and mortgage companies.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test for home mortgages reported under the Home Mortgage Disclosure Act (HMDA) and small loans to businesses was January 1, 2002 to December 31, 2003. The evaluation period was January 8, 2002 to May 16, 2005 for community development (CD) loans, and the Investment and Services Tests. FNBP did not originate any small farm loans during the evaluation period.

For the HMDA and CRA lending data, it is important to note that this evaluation covers two reporting periods; loans reported using 1990 census data (2002 loans originated and purchased), and loans which were reported using 2000 census data (2003 loans originated and purchased). Due to the changes in the demographic information from one census year to another, loan data for the two reporting periods was analyzed separately. The lending tables in Appendix C reflect those changes.

Data Integrity

During March 2005, FNBP's publicly filed loan registers were examined by the OCC to verify the accuracy of the HMDA and small business loan application registrars (LARs). We found significant errors within the small business LARs that required management to correct the bank's records. Management provided us with updated records prior to the start of this CRA

examination. We then concluded that the LARs were now accurate. CD loans, investments, and services submitted by management were reviewed during the examination to ensure that they met the regulatory definition of community development.

Selection of Areas for Full-Scope Review

We performed a full scope review on both of the bank's assessment areas (AAs). The first AA consists of portions of the Allentown-Bethlehem-Easton, Pa. Metropolitan Statistical Area (MSA), referred to as the ABE MSA AA. The second AA consists of Monroe County, a Non-Metropolitan Statistical Area (Non-MSA), referred to as the Non-MSA AA.

Ratings

The bank's overall rating is based on a full-scope review of its two AAs. Home mortgage products received more weight in evaluating the Lending Test than small loans to businesses because more mortgages were originated (by both number and dollar amount) than small loans to businesses in both AAs. Home refinance loans received the greatest weight as they represent 79% of the mortgages in the ABE MSA AA, and 76% in the Non-MSA AA. We placed greater weight on 2003 lending results for home mortgages as the bank originated more loans during this time period than it did during 2002. Finally, we placed more weight on Distribution of Loans by Income Level of the Borrower as this test best reflects how the bank lends to low- and moderate-income individuals and small businesses.

Other

During our examination, we reviewed two previous community contacts for the ABE MSA AA, economic development groups, and contacted a third directly for the Non-MSA AA, a housing group. Our discussions were done via telephone and provided us with information regarding the credit needs of the AAs. The economy in the ABE MSA AA is relatively stable. Housing prices are rising quickly in the ABE MSA AA due to an increase in demand from an influx of higher income people to the area from New York and New Jersey. As housing prices rise, it becomes increasingly difficult for low- and moderate-income (LMI) borrowers to find decent affordable housing. Banks in the area continue to help first time and low- and moderate-income borrowers by offering special programs to assist with home ownership. Home mortgages remain a credit need of the ABE MSA AA.

In the Non-MSA AA housing and median-income also are rising quickly due to the influx of individuals from New York and New Jersey, who continue to work in NY and NJ, but live in the Non-MSA AA. The rapid rise in housing cost has made it difficult for those who work in the Non-MSA to afford a home or to stay in a present home.

The primary banking need in both AAs is basic education of bank products and services, and how to utilize them effectively, i.e. checking accounts and how to balance an account. Another banking need is how to use credit wisely, particularly credit cards. All of the community banks are assisting individuals and community groups in meeting the credit and banking needs of LMI individuals, but regional banks are less willing to work directly with community groups to meet the needs of LMI individuals.

Fair Lending Review

We found no evidence of illegal discrimination or other illegal credit practices.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the ABE MSA AA and the Non-MSA AA is good.

Lending Activity

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

ABE MSA AA

Based on the 2002 and 2003 data, lending activity in the ABE MSA AA is good. The bank's lending patterns are reflective of the credit needs of the community, which is primarily housing related. According to the 2002 data, 74% of the bank's lending activity was centered in HMDA products for this AA. Purchase, home improvement, and home refinance loans represent 21%, 15%, and 63%, respectively, of all mortgages originated in the ABE MSA AA. Multi-family loans represent an insignificant portion of the bank's lending with only three loans originated in this AA. Small loans to businesses are a secondary credit need of the AA and therefore are reflected in the small volume of lending, 26% for the AA.

According to the 2003 data, 79% of the bank's lending activity was centered in HMDA products for this AA. Purchase, home improvement, and home refinance loans represent 15%, 9%, and 75%, respectively, of all mortgages originated in the AA. Multi-family loans represent an insignificant portion of the bank's lending with only two loans originated in the AA. There are no CD loans in the AA. There is no small farm lending based on the lack of demand for this type of credit.

FNBP has five branches and 47% of its deposits in this AA. Lending patterns relate to deposit patterns. FNBP's market share of deposits is 1.58% for the ABE MSA AA. FNBP ranks 23 out of 247 lenders in the AA, for home purchase loans with a 1.09% market share. Large mortgage companies and regional banks were the top lenders in the AA for this product. FNBP ranks 34 out of 81 lenders competing for home improvement loans in the AA with a market share of 2.4%. FNBP's market share for home refinance mortgage loans of 1.89% ranks 15 out of 322 total lenders. Market share of small loans to businesses with revenues less than \$1 million is 3.3%.

Non-MSA AA

Based on the 2002 and 2003 data, lending activity in Non-MSA AA is good. According to the 2002 data, housing represents the primary credit need of the AA, with HMDA loans totaling

86% of loan originations. Purchase, home improvement, and home refinance loans represent 12%, 23%, and 65%, respectively, of all mortgages originated in this AA. Small business credit is a secondary credit need of the AA and therefore is reflected in the small volume of lending, 14% for the AA.

Based on the 2003 data, housing is again the primary credit need of the AA, with HMDA loans representing 88% of the loan originations. Purchase, home improvement, and refinance loans represent 10%, 14%, and 76%, respectively, of all mortgages originated in this AA. Small business credit is a secondary credit need of the AA and therefore is reflected in the small volume of lending, 12% for the AA. There were no Multi-family loans originated in this AA. There were no CD loans in the AA. There is no small farm lending based on the lack of demand for this type of credit.

FNBP has four branches and 53% of its deposits in this AA. Lending patterns relate to deposit patterns. Market share of deposits is 11.52% for the Non-MSA AA. FNBP ranks 25 out of 241 lenders in the AA, for home purchase loans with a 0.68% market share. Large mortgage companies and regional banks were the top lenders in the AA for this product. FNBP ranks 3 out of 81 lenders competing for home improvement loans in the AA with a market share of 6.92%. FNBP's market share for home refinance mortgage loans of 2.69% ranks 11 out of 303 lenders. Market share of small loans to businesses with revenues of less than \$1 million is 5.24%, which ranks 5th out of 60 lenders.

Distribution of Loans by Income Level of the Geography

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 distribution of home mortgage loans by income level across branch geographies is **Excellent**.

Geographic distribution of multifamily loans is not discussed due to the limited number of multifamily loans originated by FNBP. Geographic distribution of small loans to farms is not discussed since there were no small loans to farms originated by FNBP.

ABE MSA AA

According to the 2002 data, the geographic distribution is excellent in the ABE MSA AA. This conclusion is based on the bank's lending record in moderate-income tracts only, as there are no low-income tracts in this AA. The geographic distribution of home purchase loans, home improvement loans, and home refinance loans is excellent since the bank's percentage of originated loans significantly exceeds the percentage of owner-occupied units in the moderate-income tracts. Finally, the bank's market share for home purchase, home improvement and home refinance loans significantly exceeds the bank's overall market share for each of the products.

According to the 2003 data, the geographic distribution is excellent in the ABE MSA AA. This conclusion is based on the bank's lending record in moderate-income tracts only, as there are no low-income tracts in this AA. The geographic distribution of home purchase loans, home improvement loans, and home refinance loans is excellent since the bank's percentage of originated loans significantly exceeds the percentage of owner-occupied units in the moderate-income tracts. Finally, the bank's market share for home purchase, home improvement and home refinance loans significantly exceeds the bank's overall market share for each of the products.

Monroe County Non-MSA AA

Since there are no low- or moderate-income tracts in this assessment area, a geographical analysis of HMDA loans is not meaningful.

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 distribution of small loans to businesses by income level of geography is excellent.

ABE MSA AA

According to the 2002 data the geographic distribution of small loans to businesses is excellent. This conclusion is based on the bank's lending in moderate-income tracts only, as there are no low-income tracts in this AA. The percentage of bank loans significantly exceeds the percentage of businesses in the moderate-income tracts.

According to the 2003 data the geographic distribution of small loans to businesses is excellent. This conclusion is based on the bank's lending in moderate-income tracts only, as there are no low-income tracts in this AA. The percentage of bank loans significantly exceeds the percentage of businesses in the moderate-income tracts and the bank's market share in the moderate-income tracts also exceeds the bank's overall market share.

Monroe County Non-MSA AA

Since there are no low- or moderate-income tracts in this assessment area, a geographical distribution of small loans to businesses is not meaningful.

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.

FNBP has not originated any small loans to farms and analysis would not be meaningful.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in lending patterns.

Inside/Outside Ratio

Our analysis is performed at the bank level and not individual AA levels. As indicated in the chart below a substantial majority of the home mortgage loans and small loans to businesses were originated within the bank's AAs. The high level of lending within its own AAs reflects favorably on the bank's overall geographic distribution of lending by income level of geography.

LOAN PRODUCT	YEAR	LOANS INSIDE AA	YEAR	LOANS INSIDE AA
Home Purchase Mortgages	2002	91%	2003	88%
Home Improvement Mortgages	2002	96%	2003	97%
Home Refinance Mortgages	2002	95%	2003	94%
Small Loans to Businesses	2002	87%	2003	85%

Distribution of Loans by Income Level of the Borrower

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.

The distribution of loans by income level of borrower is good.

ABE MSA AA

The distribution of home loans by income level of borrower is good.

The distribution of loans by income level of the borrower in the ABE MSA AA is good when considering the affordability of homeownership for low- and moderate-income persons in the ABE MSA AA. Based on 2002 data, the median housing cost is \$103,333. The 2002 Updated Median Family Income is \$55,700. This means that a low-income person earns less than \$27,850. A moderate-income person earns more than \$27,850 but less than \$44,560. Additionally, 6% of households have incomes below the poverty level.

According to 2003 data, the median housing cost is \$117,571. The 2003 Updated Median Family Income is \$59,700. This means that a low-income person earns less than \$29,850. A

moderate-income person earns more than \$29,850 but less than \$47,850. Additionally, 8.49% of households have incomes below the poverty level.

Home Purchase

Borrower distribution for home purchase loans is good.

For 2002 and 2003, the borrower distribution of home purchase loans to low-income borrowers is adequate. Based on the 2002 data, the percentage of loan originations to low-income borrowers is lower than the percentage of low-income borrowers in the AA. According to the 2003 data, the percentage of loan originations to low-income borrowers is also lower than the percentage of low-income borrowers in the AA. The bank's market share in 2002 and 2003 in lending to low-income borrowers is near to its overall market share for lending reflecting positively on FNBP's lending performance to low-income borrowers. FNBP's performance in lending to low-income borrowers is adequate when considering the difficulty that low-income borrowers have in purchasing a home, as described above, and the level of households below the poverty level.

According to 2002 and 2003 data, the borrower distribution of home purchase loans to moderate-income borrowers is excellent with the percentage of originated loans exceeding the percentage of moderate-income families residing in the AA. Based on the 2003 data, the bank's market share indicates that lending to moderate-income borrowers significantly exceeds their overall market share.

Home Improvement

Borrower distribution of home improvement loans is good.

Based on the 2002 data, the borrower distribution of home improvement loans to low-income borrowers is adequate. The bank's percentage of home improvement loan originations is below the percentage of low-income families. Market share data also reveals that lending to low-income borrowers for home improvement loans is below the bank's overall market share. However, when considering the initial difficulties of purchasing a home for a low-income person, combined with the additional financial responsibilities for home improvements, and the moderate level of poverty, origination of home improvement loans to low-income borrowers is adequate.

According to the 2003 data, the borrower distribution of home improvement loans is good. Although the bank's percentage of home improvement loan originations remains below the percentage of low-income families, it has improved significantly. Market share data reveals that lending to low-income borrowers for home improvement loans also increased. However, as described above, when considering the initial difficulties of purchasing a home for a low-income person, combined with the added costs of home improvements, and the moderate level of poverty, the origination of home improvement loans to low-income borrowers is good.

Based on the 2002 and 2003 data, borrower distribution of home improvement loans to moderate-income borrowers is excellent. The percentage of bank loans exceeds the percentage of families in the AA. Market share data for 2002 and 2003 shows that lending to

moderate-income borrowers exceeds the bank's overall market share.

Home Refinance

The borrower distribution of home refinance loans is good.

Again, considering the difficulties a low-income person encounters when purchasing a home and the lack of affordable housing in the AA, the bank's performance is adequate. The percentage of home refinance mortgages to low-income families is below the percentage of low-income families. Market share data for 2002 also reveals that lending to low-income borrowers for home refinance loans is below the bank's overall market share. However, according to the 2003 data, lending to low-income borrowers actually exceeded the bank's overall market share.

Based on the 2002 and 2003 data borrower distribution of home refinance loans to moderate-income borrowers is excellent. The level of bank loans to moderate-income borrowers exceeds the percentage of families, and market share data for moderate-income borrowers also exceeds the bank's overall market share.

Monroe County Non-MSA AA

The distribution of home loans by income level of borrower is good.

The distribution of loans by income level of the borrower in the Non-MSA AA is good when considering the affordability of homeownership for low-and moderate-income individuals in the AA. Based on the 2002 data, the median housing cost is \$115,642, and the 2002 Updated Median Family income is \$41,100. This means that a low-income person earns less than \$20,550. A moderate-income individual earns more than \$20,550, but less than \$32,880. Also, 8% of the households are below the poverty level. As a result, it is very difficult for low-and moderate-income individuals to afford a home.

According to 2003 data, the median housing cost is \$122,155. The 2003 Updated Median Family Income is \$47,400. This means that a low-income person earns less than \$23,700. A moderate-income person earns more than \$23,700 but less than \$37,920. In addition, 9% of households have incomes below the poverty level. As a result, it is very difficult for low- and moderate-income individuals to afford a home.

Home Purchase

The borrower distribution of home purchase loans is adequate.

According to the 2002 and 2003 data, lending to low-income borrowers is poor. The borrower distribution of home purchase loans to low-income borrowers is below the percentage of families in the AA. Market share data for 2002 shows the bank had no lending to low-income borrowers in the year 2002. The market share data for 2003 indicates the bank's lending to low-income individuals significantly exceeds the bank's overall market share for home purchases. This performance is adequate when considering the difficulty that low-income borrowers have in purchasing a home, as described above, and the level of households below

the poverty level.

Lending to moderate-income borrowers is good. According to the 2002 data the borrower distribution of home purchase loans to moderate-income borrowers is below the percentage of families in the AA. The market share data for 2002 shows the bank's lending to moderate-income individuals is below the bank's overall market share. However, based on the 2003 data the borrower distribution of home purchase loans to moderate-income borrowers exceeds the percentage of families in the AA. The market share data for 2003 indicates the bank's lending to moderate-income borrowers exceeds the bank's overall market share. Again, it is difficult for a moderate-income borrower to purchase a home based on the median price of a home in the AA.

Home Improvement

The borrower distribution of home improvement loans is good.

Lending to low-income borrowers for home improvements is adequate when considering the difficulties faced by low-income borrowers in acquiring a home. Lending to low-income borrowers is below the percentage of low-income families residing in the AA for 2002 and 2003. Market share data shows that lending to low-income borrowers significantly exceeds the bank's overall market share for home improvement loans for 2002, but falls below the bank's overall market share for home improvement loans for 2003. This performance is adequate when considering the difficulty that low-income borrowers have in purchasing a home and the additional cost of home improvements.

Lending to moderate-income borrowers for home improvement is good. Although lending to moderate-income individuals is below the percentage of moderate-income families residing in the AA for 2002, lending to moderate-income individuals is near to the percentage of moderate-income families residing in the AA for 2003. Market share data for 2002 indicates the level of lending to moderate-income persons is slightly less than the bank's overall market share for home improvements. However, the data for 2003 shows the bank's performance exceeds the overall market share for home improvement loans to moderate-income individuals.

Home Refinance

The borrower distribution of home refinance loans is good.

Lending to low-income borrowers for home refinance is good when considering the affordability of housing for low-income borrowers. Lending to low-income borrowers is below the percentage of low-income families residing in the AA. The market share data reveals that lending to low-income borrowers is significantly above the bank's overall market share. This performance is good when considering the affordability of housing for low-income borrowers in the AA.

Lending to moderate-income borrowers is good when considering the affordability of housing for moderate-income borrowers in the AA. Lending to moderate-income borrowers is somewhat lower than the percentage of moderate-income families residing in the AA.

However, the market share data indicates that the lending to moderate-income borrowers is well above the bank's overall market share. This performance is good when considering the affordability of housing for moderate-income borrowers in the AA.

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.

Distribution of small loans to businesses is excellent.

ABE MSA AA

Distribution of small loans to businesses is excellent. According to the 2002 and 2003 data, the percentage of small loans to businesses with revenues of \$1 million or less is significantly higher than the percentage of small businesses in the AA. In addition, for both 2002 and 2003, the market share of loans to businesses with revenues of \$1 million or less is also substantially higher than that of the bank's market share for all loans to businesses. The distribution by size of loans shows the substantial majority of loan originations are for \$100,000 or less for both 2002 and 2003. This is another indication that business lending is primarily to small businesses.

Monroe County Non-MSA AA

Distribution of small loans to businesses is excellent. Based on the 2002 and 2003 data the percentage of small loans to businesses with revenues of \$1 million or less is significantly higher than the percentage of small businesses in the AA. For both 2002 and 2003 the bank's market share of loans to businesses with revenues of \$1 million or less is substantially higher than the bank's share for all loans to businesses. The distribution by size of loans shows the substantial majority of loan originations are for \$100,000 or less for both 2002 and 2003. This is another indication that business lending is primarily to small 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.

FNBP has not originated any small loans to farms. Therefore, an analysis would not be meaningful.

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 CD 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.

Community development lending had a neutral impact on the Lending Test. The bank has no CD loans. Competition for CD loans is strong in the ABE MSA AA, and the Non-MSA AA is rural with little opportunity for CD lending.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test. The product discussed below is offered in both the ABE MSA and the Monroe County Non-MSA AAs. The bank offers a first time homebuyers program with up to \$1,100,000 set aside for disbursement for each of the years 2002 and 2003. Total funds disbursed for 2002 and 2003 were \$710,115 and \$1,065,560 respectively. Terms for the program are as follows:

- Must be a first time homebuyer,
- Maximum gross yearly income is \$48,820,
- No mobile home mortgages,
- Zero points on purchases and new construction,
- Borrower required to maintain checking or savings account with pre-authorized payment deductions,
- Minimum of 5% down plus closing costs with Private Mortgage Insurance, (up to 2% may be from gift/grant or unsecured loan), and
- Borrowers and property must meet all standard Freddie Mac guidelines and qualifying ratios.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated **Low Satisfactory**. Based on our analysis, the bank's performance in the ABE MSA AA and the Non-MSA AA is adequate.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

ABE MSA AA

Investments in the ABE MSA AA are adequate. There were eight Investments totaling \$29 thousand for 2002, and twelve investments totaling \$57 thousand for 2003 through May 16, 2005. We determined through community contacts and our internal research that there are opportunities for qualified investments, but opportunities are limited for FNBP based on their total asset size, market share in the MSA, and strong competition for qualified community development investments in the AA. The majority of the investments in ABE MSA AA consist of the following:

PA Education Improvement Tax Credit, CEO America Lehigh Valley:

- 2002 \$25,000
- 2003 \$25,000
- 2004 \$25,000

These funds provided scholarships to LMI children in the bank's AA. All other investments consist of donations made to qualifying charities for community development under the CRA definition.

Non-MSA AA

Investments in the AA are adequate. There were five investments that totaled \$6 thousand for 2002, and four totaling \$8 thousand for 2003 through May 16, 2005. The AA is rural and CD opportunities are limited. FNBP's largest donation was an in-kind rent reduction donation to an agency serving LMI individuals for \$5 thousand during 2002. All other investments were donations made to qualifying charities for community development under the CRA definition.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated **High Satisfactory**. Based on our analysis, the bank's performance in the ABE MSA AA and the Non-MSA AA is good.

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.

ABE MSA AA and Non-MSA AA

FNBP's delivery systems are readily accessible to the branch geographies and individuals of different income levels within the AAs based upon population demographics, and locations of the bank's branches and ATMs.

During the assessment period, one branch was opened in the ABE MSA AA, and no branches were closed. The branch was opened on June 26, 2004 in Northampton County in a middle-income tract location. Banking hours and services are provided Monday through Friday with extended hours one to two evenings per week, and Saturday morning hours at all branches. The traditional line of banking products and services are offered at all branches. The bank offers low cost checking accounts to serve LMI individuals, and special accounts for senior citizens. Additionally, the bank offers a reduced fee deposit account package to small businesses and non-profit organizations in its AAs.

Each branch maintains an ATM. There are no remote location ATMs. The bank also offers bank by mail. FNBP offers both telephone and web banking, whereby customers have 24-hour access to their account information, and can sign-up to perform some transactional

banking over the Internet. Since the bank could not provide specific data on how low- and moderate-income individuals and geographies are impacted by this service, significant weight was not placed on these alternative delivery systems.

Community Development Services

FNBP's performance in providing CD services to the AAs is good. Few CD services are provided in Monroe County Non MSA AA because it is more rural, and there are fewer community groups.

The following are the types of CD services provided by bank employees:

ABE MSA AA

- ✓ One officer serves on the board of a CD organization that is working on attracting small businesses to a moderate-income census tract in the AA.
- ✓ One officer serves as the treasurer of the local Salvation Army that offers clothing, food and financial aid to the LMI individuals.
- ✓ One officer serves on the local partners for progress committee, whose primary purpose is to bring new small businesses into Carbon County, which includes two moderate-income census tracts in the AA.
- ✓ One officer serves as the Chairman for a foundation that raises funds for capital improvements to a hospital located in a moderate-income tract.
- ✓ One officer serves as both a Board and finance executive committee member of the Blue Mountain Health Systems, a hospital located in a moderate-income census tract.
- ✓ One officer is a Board member of an economic development council that serves the two moderate-income tracts in the AA. The purpose of the council is to attract new small businesses that will provide employment opportunities for the local residents.
- ✓ One officer is a Board member of an organization that trains professionals to provide social services, health services and financial training for LMI individuals.
- ✓ One officer serves as a coordinator for a local organization associated with the Palmerton area churches that operates a food bank and provides clothing to LMI individuals in the moderate-income tract of the AA.

Monroe County Non-MSA AA

- ✓ One officer is a Board member for a childcare center, which provides childcare for LMI families in the AA.
- ✓ One officer serves as Treasure for a local church's fund that collects money for food, medicine and rent assistance for LMI families in the AA.

- ✓ One officer is a committee member of a local church committee that provides sleeping bags to homeless individuals and also operates a food bank that provides assistance to LMI individuals in the AA.

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 non-metropolitan 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): 1/1/02 – 12/31/03 Investment and Service Tests and CD Loans: 1/8/02 – 5/16/05	
Financial Institution	Products Reviewed	
First National Bank of Palmerton (FNBP) Palmerton, Pennsylvania	HMDA, small loans to business, CD loans, investments and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	NA	NA
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
ABE MSA AA – 0240 Monroe County Non MSA AA	Full Scope Full Scope	NA NA

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

ABE MSA AA.....Appendix B-2
Non MSA AA.....Appendix B-4

Institution ID: FIRST NATIONAL BANK PALMERTON

1990 US Census Data

Demographic Information for Full Scope Area: ABE MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	40	0.00	5.00	80.00	15.00	0.00
Population by Geography	189,753	0.00	5.96	79.35	14.69	0.00
Owner-Occupied Housing by Geography	56,374	0.00	5.29	79.72	14.99	0.00
Business by Geography	13,291	0.00	6.56	73.63	19.81	0.00
Farms by Geography	465	0.00	1.51	84.09	14.41	0.00
Family Distribution by Income Level	54,117	15.05	18.87	27.82	38.25	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	18,359	0.00	9.36	83.75	6.89	0.00
Median Family Income		37,523	Median Housing Value		103,333	
HUD Adjusted Median Family Income for 2002		55,700	Unemployment Rate (March 2005)		5.40%	
Households Below Poverty Level		6.00%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 US Census and 2002 HUD updated MFI.

2000 US Census Data

Demographic Information for Full Scope Area: ABE MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	42	0.00	7.14	73.81	19.05	0.00
Population by Geography	207,961	0.00	8.51	67.47	24.02	0.00
Owner-Occupied Housing by Geography	64,038	0.00	8.08	67.82	24.10	0.00
Business by Geography	13,368	0.00	9.46	64.45	26.08	0.00
Farms by Geography	514	0.00	3.11	71.40	25.49	0.00
Family Distribution by Income Level	58,995	15.26	19.39	24.77	40.57	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	20,446	0.00	13.38	72.20	14.42	0.00
Median Family Income		52,114	Median Housing Value		117,571	
HUD Adjusted Median Family Income for 2002		59,700	Unemployment Rate (March 2005)		5.40%	
Households Below Poverty Level		8.49%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2003 HUD updated MFI

ABE MSA AA

FNBP's AA is only portions of the ABE MSA, including parts of Carbon, Northampton, and Lehigh Counties in eastern Pennsylvania. The area is often referred to as the Lehigh Valley. Within this MSA, FNBP is ranked 16th out of 34 banks and has 1.58% of the market share of deposits based on June 30, 2004 FDIC Summary of Deposits. FNBP operates five full service branches in this MSA, including its main office in Palmerton, Pennsylvania. All branches have drive up services, ATMs, extended weekday and Saturday hours. The bank also offers bank-

by-phone and on-line banking.

Banking competition is very heavy for both loans and deposits. Competition exists from national institutions, large regional institutions, and community banks. Major competitors are: Wachovia Bank with 23.67% deposit share and 52 offices, PNC Bank with 11.94% deposit share and 35 offices, Keystone Nazareth Bank & Trust with 11.23% deposit share and 36 offices, and Lafayette Ambassador with 8.17% deposit share and 24 branches.

FBNP offers a traditional line of banking products for loans and deposits. The economy in the area is primarily stable. Major employers are: Lehigh University, Lehigh Valley Hospital, St. Luke's Hospital, Wal-Mart, local school districts, and state and local governments.

Institution ID: FIRST NATIONAL BANK PALMERTON

1990 US Census Data

Demographic Information for Full Scope Area: Non MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	14	0.00	0.00	35.71	64.29	0.00
Population by Geography	95,709	0.00	0.00	35.25	64.75	0.00
Owner-Occupied Housing by Geography	25,905	0.00	0.00	31.72	68.28	0.00
Business by Geography	10,270	0.00	0.00	41.43	58.57	0.00
Farms by Geography	201	0.00	0.00	25.87	74.13	0.00
Family Distribution by Income Level	26,174	11.08	14.25	21.13	53.54	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	6,630	0.00	0.00	41.89	58.11	0.00
Median Family Income		28,934	Median Housing Value		115,642	
HUD Adjusted Median Family Income for 2002		41,100	Unemployment Rate (March 2005)		5.40%	
Households Below Poverty Level		8.00%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 US Census and 2002 HUD updated MFI.

2000 US Census Data

Demographic Information for Full Scope Area: Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	23	0.00	0.00	39.13	60.87	0.00
Population by Geography	138,687	0.00	0.00	37.16	62.84	0.00
Owner-Occupied Housing by Geography	38,742	0.00	0.00	33.63	66.37	0.00
Business by Geography	9,752	0.00	0.00	42.58	57.42	0.00
Farms by Geography	205	0.00	0.00	27.80	72.20	0.00
Family Distribution by Income Level	36,602	12.68	14.34	19.93	53.06	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	9,888	0.00	0.00	42.87	57.13	0.00
Median Family Income		41,549	Median Housing Value		122,155	
HUD Adjusted Median Family Income for 2002		47,400	Unemployment Rate (March 2005)		5.40%	
Households Below Poverty Level		9.00%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2003 HUD updated MFI

Non-MSA AA

The Non-MSA AA includes the entire county and is the center of the Pocono Mountains resort area. Within the AA, FNBP is ranked fourth for deposits and has 11.52% market share of deposits as of June 30, 2004. FNBP operates four full service branches in this AA, all with drive up facilities, ATMs, and extended weekday and Saturday hours. The bank also offers

bank-by-phone and on line banking.

Competition is very heavy for both loans and deposits. Competition exists from national institutions, large regional institutions, and community banks. Major competitors are: PNC Bank with 23.13% market share of deposits and nine offices, East Stroudsburg Savings Association with 19% market share of deposits and eleven branches, and Citizens Bank of PA with 15.53% market share of deposits and five branches.

The bank offers a traditional line of banking products for loans and deposits. The economy in the area is primarily stable, but due to the nature of the resort area, some employment is seasonal and much is lower paying service jobs. Major employers include the Tobyhanna Army Depot, Aventis Pasteur, Pocono Medical Center and Wal-Mart. In addition, Monroe County continues to be a blossoming bedroom community of New York City and New Jersey since an increasing number of residents commute to these areas for employment.

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: 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. Tables without data are not included in this PE.

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. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- 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. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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.

Institution ID: FIRST NATIONAL BANK PALMERTON

Table 1. Lending Volume

LENDING VOLUME												
Geography: FIRST NB OF PALMERTON												
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2002												
MA/Assessment Area:	% 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:												
ABE MSA AA 2002	50.41	275	15,944	97	7,527	0	0	0	0	372	23,471	47.00
Non- MSA AA 2002	49.59	315	16,635	51	3,627	0	0	0	0	366	20,262	53.00
ABE MSA AA 2003	54.04	381	27,528	100	7,941	0	0	0	0	481	35,469	47.00
Non- MSA AA 2003	45.96	358	21,907	51	3,597	0	0	0	0	409	25,504	53.00

* Loan Data for 2002 is as of December 31, 2002. Loan Data for 2003 is as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 8, 2002 to May 16, 2005.

*** Deposit Data as of June 30, 2004. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Institution ID: **FIRST NATIONAL BANK PALMERTON**

Table 1. Other Products

LENDING VOLUME		Geography: FIRST NB OF PALMERTON				Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003								
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:														
ABE MSA AA 2002	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Non- MSA AA 2002	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
ABE MSA AA 2003	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Non- MSA AA 2003	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

* Loan Data for 2002 is as of December 31, 2002. Loan Data for 2003 is as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Optional Product Line(s) is from January 01, 2002 to December 31, 2003.

*** Deposit Data as of May 12, 2004. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: **FIRST NATIONAL BANK PALMERTON**

Table 1. Other Products

LENDING VOLUME					
		Geography: FIRST NB OF PALMERTON		Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003	
MA/Assessment Area (2002):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
ABE MSA AA 2002	0	0	0	0	0
Non- MSA AA 2002	0	0	0	0	0
ABE MSA AA 2003	0	0	0	0	0
Non- MSA AA 2003	0	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2002 to December 31, 2003.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: FIRST NB OF PALMERTON					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
ABE MSA AA 2002	58	60.42	0.00	0.00	5.29	17.24	79.72	82.76	14.99	0.00	1.22	0.00	5.43	1.25	0.00	
Non- MSA AA 2002	38	39.58	0.00	0.00	0.00	0.00	31.72	28.95	68.28	71.05	0.81	0.00	0.00	0.53	1.02	
ABE MSA AA 2003	58	63.04	0.00	0.00	8.08	20.69	67.82	77.59	24.10	1.72	1.11	0.00	1.42	1.40	0.08	
Non- MSA AA 2003	34	36.96	0.00	0.00	0.00	0.00	33.63	35.29	66.37	64.71	0.68	0.00	0.00	0.53	0.79	

* Based on 2002 Peer Mortgage Data (Eastern)

** 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 1990 Census information for loan data for 2002 and based on 2000 Census information for 2003.

Institution ID: FIRST NATIONAL BANK PALMERTON

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: FIRST NB OF PALMERTON				Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
ABE MSA AA 2002	42	37.17	0.00	0.00	5.29	19.05	79.72	78.57	14.99	2.38	3.23	0.00	10.26	3.20	0.52
Non- MSA AA 2002	71	62.83	0.00	0.00	0.00	0.00	31.72	33.80	68.28	66.20	12.10	0.00	0.00	12.44	11.93
ABE MSA AA 2003	34	40.48	0.00	0.00	8.08	32.35	67.82	58.82	24.10	8.83	2.40	0.00	7.43	2.02	1.08
Non- MSA AA 2003	50	59.52	0.00	0.00	0.00	0.00	33.63	46.00	66.37	54.00	6.92	0.00	0.00	8.46	5.99

* Based on 2002 Peer Mortgage Data (Eastern)

** 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 1990 Census information for loan data for 2002 and based on 2000 Census information for 2003.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: FIRST NB OF PALMERTON						Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
ABE MSA AA 2002	172	45.50	0.00	0.00	5.29	19.19	79.72	79.07	14.99	1.74	1.87	0.00	12.84	1.92	0.16
Non- MSA AA 2002	206	54.50	0.00	0.00	0.00	0.00	31.72	31.55	68.28	68.45	3.37	0.00	0.00	3.12	3.50
ABE MSA AA 2002	287	51.16	0.00	0.00	8.08	20.56	67.82	71.43	24.10	8.01	1.89	0.00	4.20	2.23	0.50
Non- MSA AA 2002	274	48.84	0.00	0.00	0.00	0.00	33.63	31.39	66.37	68.61	2.69	0.00	0.00	2.44	2.81

* Based on 2002 Peer Mortgage Data (Eastern)

** 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 1990 Census information for loan data for 2002 and based on 2000 Census information for 2003.

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Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: FIRST NB OF PALMERTON					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
ABE MSA AA 2002	3	100.00	0.00	0.00	12.00	0.00	78.27	100.00	9.73	0.00	13.64	0.00	0.00	17.65	0.00	
Non- MSA AA 2002	0	0.00	0.00	0.00	0.00	0.00	57.45	0.00	42.55	0.00	0.00	0.00	0.00	0.00	0.00	
ABE MSA AA 2002	2	100.00	0.00	0.00	12.13	0.00	66.79	100.00	21.08	0.00	18.18	0.00	0.00	28.57	0.00	
Non- MSA AA 2002	0	0.00	0.00	0.00	0.00	0.00	58.17	0.00	41.83	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2002 Peer Mortgage Data (Eastern)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 1990 Census information for loan data for 2002 and based on 2000 Census information for 2003.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: FIRST NB OF PALMERTON					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
Full Review:																
ABE MSA AA 2002	97	65.54	0.00	0.00	6.56	15.46	73.63	80.41	19.81	4.13	1.15	0.00	1.13	1.37	0.87	
Non- MSA AA 2002	51	34.46	0.00	0.00	0.00	0.00	41.43	27.45	58.57	72.55	2.69	0.00	0.00	2.96	3.45	
ABE MSA AA 2002	100	66.23	0.00	0.00	9.46	24.00	64.45	71.00	26.08	5.00	1.31	0.00	2.09	1.53	0.93	
Non- MSA AA 2002	51	33.77	0.00	0.00	0.00	0.00	42.58	37.25	57.42	62.75	2.32	0.00	0.00	2.18	3.19	

* Based on 2002 Peer Small Business Data -- US and PR for 2002. 2003 based on 2003 Peer Small Business Data.

** 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: FIRST NB OF PALMERTON															
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
ABE MSA AA 2002	0	0.00	0.00	0.00	1.51	0.00	84.09	0.00	14.40	0.00	0.00	0.00	0.00	0.00	0.00
Non- MSA AA 2002	0	0.00	0.00	0.00	0.00	0.00	25.87	0.00	74.13	0.00	0.00	0.00	0.00	0.00	0.00
ABE MSA AA 2003	0	0.00	0.00	0.00	3.11	0.00	71.40	0.00	25.49	0.00	0.00	0.00	0.00	0.00	0.00
Non- MSA AA 2003	0	0.00	0.00	0.00	0.00	0.00	27.80	0.00	72.20	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2002 Peer Small Business Data -- US and PR for 2002. 2003 based on Peer Small Business Data.

** 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 (2002).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: FIRST NB OF PALMERTON					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
ABE MSA AA 2002	58	60.42	15.05	5.36	18.87	19.64	27.82	30.36	38.26	44.64	1.32	1.20	1.22	1.33	1.37	
Non- MSA AA 2002	38	39.58	11.08	0.00	14.25	5.26	21.13	21.05	53.54	73.68	0.94	0.00	0.68	0.94	0.98	
ABE MSA AA 2002	58	63.04	15.26	7.27	19.39	29.09	24.77	29.09	40.58	34.55	1.22	1.25	1.56	1.14	1.07	
Non- MSA AA 2002	34	36.96	12.68	2.94	14.34	14.71	19.93	17.65	53.05	64.71	0.81	1.20	1.09	0.58	0.84	

* Based on 2002 Peer Mortgage Data (Eastern) for 2002. Based on 2003 Peer Mortgage Data (Eastern) for 2003 loan data.

** As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated and purchased by bank for 2002. No information was available for 3.3% of loans originated and purchased by the bank for 2003.

*** Percentage of Families is based on the 1990 Census information for 2002. Percentage of Families is based on 2000 Census for 2003.

**** 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.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: FIRST NB OF PALMERTON					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
ABE MSA AA 2002	42	37.17	15.05	5.00	18.87	27.50	27.82	27.50	38.26	40.00	3.26	1.68	3.75	3.16	3.43	
Non- MSA AA 2002	71	62.83	11.08	4.29	14.25	7.14	21.13	25.71	53.54	62.86	12.94	18.75	10.42	16.98	11.86	
ABE MSA AA 2003	34	40.48	15.26	11.76	19.39	26.47	24.77	26.47	40.58	25.30	2.44	2.30	2.96	2.07	2.51	
Non- MSA AA 2003	50	59.52	12.68	2.00	14.34	14.00	19.93	14.00	53.05	70.00	7.06	3.23	7.29	4.38	8.31	

* Based on 2002 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.7% of loans originated and purchased by bank for 2002. No information was available for 0.0% of loans originated and purchased by the bank for 2003.

*** Percentage of Families is based on the 1990 Census information for 2002. Percentage of Families is based on 2000 Census for 2003.

**** 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.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: FIRST NB OF PALMERTON				Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
ABE MSA AA 2002	172	45.50	15.05	3.01	18.87	24.70	27.82	37.95	38.26	34.34	2.07	1.23	2.90	2.69	1.48	
Non- MSA AA 2002	206	54.50	11.08	2.99	14.25	11.44	21.13	24.88	53.54	60.69	3.81	6.98	5.54	4.86	3.26	
ABE MSA AA 2003	287	51.16	15.26	6.16	19.39	24.28	24.77	34.78	40.58	34.78	2.16	2.44	2.74	2.51	1.66	
Non- MSA AA 2003	274	48.84	12.68	3.32	14.34	12.92	19.93	31.37	53.05	52.39	3.13	3.98	3.92	4.04	2.61	

* Based on 2002 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.9% of loans originated and purchased by bank for 2002. No information was available for 2.5% of loans originated and purchased by the bank for 2003.

*** Percentage of Families is based on the 1990 Census information for 2002. Percentage of Families is based on 2000 Census for 2003.

**** 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.

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Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: FIRST NB OF PALMERTON			Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% 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:									
ABE MSA AA 2002	97	65.54	65.89	100.00	74.23	22.68	3.09	1.15	3.43
Non- MSA AA 2002	51	34.46	63.98	100.00	86.27	5.88	7.84	2.69	8.22
ABE MSA AA 2003	100	66.23	65.42	100.00	77.00	18.00	5.00	1.31	3.07
Non- MSA AA 2003	51	33.77	65.32	100.00	74.51	23.53	1.96	2.32	5.28

* Based on 2002 Peer Small Business Data -- US and PR for 2002. Based on 2003 Peer Mortgage Data (Eastern for 2003).

** 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 - 2002).

**** 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 0.00% of small loans to businesses originated and purchased by the bank for 2002 and 2003.

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Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: FIRST NB OF PALMERTON			Evaluation Period: JANUARY 1, 2002 TO May 16, 2005				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% 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:									
ABE MSA AA 2002	0	0.00	95.05	0.00	0.00	0.00	0.00	0.00	0.00
Non- MSA AA 2002	0	0.00	93.03	0.00	0.00	0.00	0.00	0.00	0.00
ABE MSA AA 2003	0	0.00	94.16	0.00	0.00	0.00	0.00	0.00	0.00
Non- MSA AA 2003	0	0.00	95.12	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2002 Peer Small Business Data -- US and PR. Based 2003 Small Business Data – US and PR for 2003.

** 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 - 2002).

**** 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.

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Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: FIRST NB OF PALMERTON									
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
ABE MSA AA –2002	0	0	6	29	6	29	83.00	0	0
Non- MSA AA –2002	0	0	5	6	5	6	17.00	0	0
ABE MSA AA –2003 to May 16, 2005	0	0	12	57	12	57	93.00	0	0
Non- MSA AA – 2003 to May 16, 2005	0	0	8	4	8	4	7.00	0	0

* '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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: FIRST NB OF PALMERTON																	
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003																	
MA/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:																	
ABE MSA AA 2002	47.00	4	50.00	0.00	25.00	50.00	25.00	0	0	0	0	0	0	0.00	5.96	79.35	14.69
Non- MSA AA 2002	53.00	4	50.00	0.00	0.00	25.00	75.00	0	0	0	0	0	0	0.00	0.00	35.25	64.75
ABE MSA AA 2002	47.00	5	55.00	0.00	20.00	60.00	20.00	1	0	0	0	1	0	0.00	8.51	67.47	24.02
Non- MSA AA 2002	53.00	4	45.00	0.00	0.00	25.00	75.00	0	0	0	0	0	0	0.00	0.00	37.16	62.84

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Distribution of Branch and ATM Delivery System

Distribution of Branch and ATM Delivery System				Geography: FIRST NB OF PALMERTON				Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				#of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
ABE MSA AA 2002	47.00	4	50.00	0	25.00	50.00	25.00	4	50.00	0	25.00	50.00	25.00	0.00	5.96	79.35	14.69
Non MSA AA 2002	53.00	4	50.00	0	0	25.00	75.00	4	50.00	0	0	25.00	75.00	0.00	0.00	35.25	64.75
ABE MSA AA 2003	47.00	5	55.00	0	20.00	60.00	20.00	5	55.00	0	20.00	60.00	20.00	0.00	8.51	67.47	24.02
Non MSA 2003	53.00	4	55.00	0	20.00	60.00	20.00	4	45.00	0	0	25.00	75.00	0.00	0.00	37.16	62.84