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Comptroller of the Currency  
Administrator of National Banks

LARGE BANK

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Washington, DC 20219

## **Public Disclosure**

October 5, 2000

# **Community Reinvestment Act Performance Evaluation**

**Newfield National Bank  
Charter Number: 14240**

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Newfield, NJ 08344**

**Office of the Comptroller of the Currency**

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**NOTE: 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.**

## Table of Contents

<b>General Information</b> .....	1
<b>Definitions and Common Abbreviations</b> .....	2
<b>Overall CRA Rating</b> .....	4
<b>Description of Institution</b> .....	5
<b>Scope of Evaluation</b> .....	6
<b>Fair Lending Review</b> .....	8
<b>Conclusions with Respect to Performance Tests</b>	
Lending Test .....	9
Investment Test .....	19
Service Test .....	19
<b>Appendix A: Scope of Evaluation</b> .....	A-1
<b>Appendix B: Market Profiles for Areas Receiving Full-Scope Reviews</b> .....	B-1
<b>Appendix C: Tables of Performance Data</b> .....	C-1

## General Information

*The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.*

*This document is an evaluation of the CRA performance of **Newfield National Bank** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency, as of **October 5, 2000**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. These 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Block Numbering Area (BNA)** - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

**Census Tract (CT)** - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

**Community Development (CD)** - Affordable 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.

**Full-Scope Review** - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

**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 statistical area to file annual summary reports of their mortgage lending activity.

The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

**Home Mortgage Loans** - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Limited-Scope 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, branch distribution).

**Low-Income** - Income levels that are less than 50% of the median family income.

**Median Family Income (MFI)** - The median income determined by the United States 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 Statistical Area (MSA)** - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Middle-Income** - Income levels that are at least 80% and less than 120% of the MFI.

**Moderate-Income** - Income levels that are at least 50% and less than 80% of the MFI.

**Small Business Loans** - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

**Small Farm Loans** - Loans with original amounts of \$500 thousand or less that are (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

**Tier 1 Capital** - The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income** - Income levels that are 120% or more of the MFI.

## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of **Newfield National Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Newfield National Bank Performance Tests		
	Lending Test	Investment Test	Service Test
Outstanding			
High Satisfactory			X
Low Satisfactory	X	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 following are the major factors that support the above ratings.

- An adequate volume of home mortgage loans and small loans to businesses in the assessment area.
- An adequate distribution of home mortgage loans and small loans to businesses among geographies;
- A good distribution of home mortgage loans and small loans to businesses to borrowers of different income levels;
- Community development lending had a neutral impact on the lending test rating.
- An adequate level of qualified investments based on the limited types of qualified investment opportunities in the assessment area.
- Service delivery systems are accessible to geographies and individuals of different income levels.
- Improved accessibility of delivery systems in a low-income geography.
- An adequate level of community development services.

## Description of Institution

Newfield National Bank (NNB) is an intrastate community bank. NNB is a wholly owned subsidiary of Newfield Bancorp, Inc., a single-bank holding company. Both entities are headquartered in Newfield, New Jersey. NNB has one wholly owned subsidiary: FNBN Investment Corp., a holding company for NNB's investment securities. The investment activities of FNBN Investment Corp. (FNBN) are considered in this evaluation at the bank's request.

As of June 30, 2000, Newfield Bancorp reported assets totaling \$314 million, all relating to NNB. NNB had net loans totaling \$201.0 million, which represented 64% of total assets. Commercial and commercial real estate loans represented 42% of average gross loans, followed by residential real estate (33%), consumer loans (17%), municipal loans (5%) and construction and development loans (3%). There are no legal, financial or other factors impeding NNB's ability to help meet the credit needs of the communities it serves. NNB reported Tier 1 capital of \$27.8 million.

NNB has a network of nine branch offices in the Southern New Jersey Assessment Area (SNJAA). Six are in the New Jersey portion of the Philadelphia PMSA and three are in the Vineland-Millville-Bridgeton PMSA. During 1999, NNB opened one branch in Sewell, New Jersey. In addition, the one branch in a low-income geography, in the Vineland-Millville-Bridgeton PMSA, was relocated across the street. This relocation allowed the bank to improve the delivery services for that branch.

The Bank offers a full range of loan and deposit products and services, including home equity loans, mortgage loans, a variety of commercial business and commercial real estate loans and installment loans. NNB's lending focus is real estate purchase mortgage loans due to the increasing population within portions of the assessment area and home equity loans. The Bank is a participating Small Business Administration (SBA) lender within the Certified Lenders Program.

NNB's wholly-owned subsidiary, FNBN Investment Corp., holds the majority of NNB's investment securities, including any qualified CRA investments. The subsidiary was formed to take advantage of Delaware's tax laws. As of June 30, 2000, FNBN Investment Corp. reported assets totaling \$79.0 million and net income of \$304 thousand. This subsidiary does not impact on the bank's ability for community reinvestment activities.

NNB was rated "Satisfactory" at its last CRA evaluation dated September 9, 1998. This evaluation was performed under the Small Bank guidelines.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

With the exception of community development (CD) loans, the evaluation period for the Lending Test is October 1, 1998 through June 30, 2000. For CD loans, the Investment Test and the Service Test, the evaluation period is September 10, 1998 to October 5, 2000.

For the Lending Test, NNB's origination/purchase of home mortgage loans, small loans to businesses and CD loans were evaluated. NNB did not originate/purchase small loans to farms during the evaluation period.

### Data Integrity

As part of this CRA evaluation, publicly filed information for HMDA reportable loans and loans to small businesses was tested for accuracy.

Overall, the data integrity of HMDA reportable loans and loans to small businesses is considered accurate. While errors were detected in key fields for mortgage and small business loans sampled the volume of these findings do not materially impact data integrity. Bank management responded quickly in researching the cause and correcting all exceptions.

CD loans, investments and services submitted by management were also verified to ensure that they met the regulatory definition for CD.

### Selection of Areas for Full-Scope Review

NNB designates one assessment area within the Consolidated Metropolitan Statistical Areas (CMSAs) of Philadelphia-Wilmington-Atlantic City (Southern New Jersey assessment area). The Southern New Jersey assessment area (SNJAA) was selected for a full-scope review and is comprised of all or portions of three Primary Metropolitan Statistical Areas (PMSAs): the Vineland-Millville-Bridgeton PMSA (8760); the western portion of Atlantic County of the Atlantic-Cape May PMSA (0560); and Gloucester County of the New Jersey portion of the Philadelphia PA-NJ PMSA (6160).

### Ratings

Ratings are based on conclusions reached in the evaluation of NNB's performance in the SNJAA. Each PMSA was analyzed separately due to the different demographics in each of the PMSAs. NNB does not have any branches in the Atlantic-Cape May PMSA. However, the western portion of Atlantic County of the Atlantic-Cape May PMSA is considered part of the assessment area as it is contiguous to the other two PMSAs and branches in the other two PMSAs are close to Atlantic County.

We placed more weight on the bank's performance in the NJ portion of the Philadelphia PMSA, 6160, and the Vineland-Milville-Bridgeton PMSA, 8760. Ninety percent of the NNB's lending activity and all of its branch offices and deposits are



located in these two PMSAs. The weighting is based on the significance of these two PMSAs to NNB.

Slightly more weight was given to the NJ portion of the Philadelphia PMSA. The majority, 66%, of NNB's branch offices and deposits are located in the New Jersey portion of the Philadelphia PMSA, 6160.

No branch offices are located in the Atlantic-Cape May PMSA, 0560. Less than 10% of the bank's lending activity is in the Atlantic-Cape May PMSA.

When determining conclusions for the Lending Test, home mortgage products were weighted more heavily than small loans to businesses. As noted previously, NNB's lending focus is real estate home purchase mortgage and home equity loans. Therefore, the Lending Test places greater weight on the level of home mortgage lending. Refer to Appendix A for areas receiving full-scope reviews.

## **Other**

Recent contacts with community organizations in the Bank's SNJAA include the following: a Regional Community Development Corporation that supports the creation of affordable housing and community services; a Community Development Financial Institution, that is engaged in a variety of community development activities that encompass Southern and Central New Jersey; a Community Based Development Organization providing services to a micro loan fund that targets Southern and Central New Jersey; a Community Development Corporation that supports organizations in the creation of affordable housing and economic development throughout New Jersey; and also a Community Development Financial Institution which provides loans and technical assistance to facilitate affordable housing, small business and economic development in New Jersey. Based on these contacts, the SNJAA has the following needs, which we considered in our evaluation of NNB's performance under the Lending, Investment and Service Tests:

- technical support, entrepreneurial training, credit counseling, deposits products tailored to the non-bankable population and increased awareness of loan programs for start-up and small businesses;
- affordable rental and single family housing, especially in urban areas with high concentrations of low- and moderate-income populations; and
- affordable home mortgage products targeted to low- and moderate-income individuals.

## **Fair Lending Review**

An analysis of the most current year's HMDA, and small business lending data, public comments, and consumer complaint information was performed according to the OCC's risk based fair lending approach. Based on an analysis of the information, the OCC decided that a comprehensive fair lending examination would not be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending examination was performed in 1998.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

NNB's performance under the Lending Test is rated "Low Satisfactory." Based on a full-scope review, the Bank's performance in the SNJAA is adequate. In the individual PMSAs, the Bank's performance is good in Atlantic-Cape May, and adequate in Vineland-Millville-Bridgeton and the New Jersey portion of Philadelphia.

#### Lending Activity

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

NNB had a combined 6.4% deposit market share in the Vineland-Millville-Bridgeton and the New Jersey portion of Philadelphia PMSAs as of June 30, 1999. On a county level, the largest deposit market share is in Gloucester County (7%), while Cumberland County, which comprises the Vineland-Millville-Bridgeton PMSA, has a deposit market share of 6%. NNB has the sixth largest market share of deposits in both Gloucester and Cumberland Counties. No deposit market share data is available for the Atlantic-Cape May PMSA since NNB does not have any branches in this PMSA. Our analysis of lending market share to deposit market share is based on the bank's deposit market share in the Vineland-Millville-Bridgeton and the New Jersey portion of the Philadelphia PMSAs.

NNB's lending activity is adequate in the SNJAA based upon the activity in the two PMSAs with deposit market share information. The Bank's lending activity is considered good in the Vineland-Millville-Bridgeton PMSA due to market share of home improvement loans, and is considered adequate in the New Jersey portion of the Philadelphia and Atlantic-Cape May PMSAs.

During the evaluation period, NNB originated 938 reportable Home Mortgage Disclosure Act loans within the SNJAA for approximately \$49 million. In addition, NNB originated 840 small loans to businesses within the assessment area for approximately \$78 million. In the SNJAA, 53% of the number of loans originated/purchased during the evaluation period were home mortgage loans, and 47% were comprised of small loans to businesses. A majority of these home mortgage loans (52%) were in the New Jersey portion of the Philadelphia PMSA, while the majority of small loans to businesses (47%) were in the Vineland-Millville-Bridgeton PMSA. The lowest volume of home mortgage loans and small loans to businesses was in the Atlantic-Cape May PMSA at 9% for both.

Among home mortgage loan originations/purchases in the SNJAA, 20% were for home purchase, 44% were for home mortgage refinance and 36% were for home improvement.

Based on 1998 HMDA aggregate data, NNB is ranked 6<sup>th</sup> in its assessment area for home improvement loans with an overall market share in the SNJAA of 4%. This is good in comparison to the combined deposit market share of 6.4% when the strong competition in the bank's trade area is considered. In the Vineland-Millville-Bridgeton PMSA, NNB is ranked 3<sup>rd</sup> with an overall market share of 8%. The bank is ranked 7<sup>th</sup> in the SNJAA for the home improvement loans in the New Jersey portion of the Philadelphia and Atlantic-Cape May PMSAs with a market share of 3% and 4.6%, respectively.

Based on 1998 HMDA aggregate data, NNB is ranked 20th out of 242 mortgage lenders in its assessment area for home purchase mortgages with an overall market share in the SNJAA of 1%. Home purchase mortgages comprised 20% of the bank's home mortgage loan originations, with 186 loans. Competition is very strong with numerous mortgage companies involved in home purchase lending in the SNJAA. In the Vineland-Millville-Bridgeton PMSA, NNB is ranked 9th with an overall market share of 2.6%. The bank is ranked 30th in the SNJAA for the home purchase mortgages in the New Jersey portion of the Philadelphia PMSA with a market share of 1% and 21st in Atlantic-Cape May PMSA with a market share of 1.3%.

Based on 1998 HMDA aggregate data, NNB is ranked 11<sup>th</sup> out of 269 mortgage lenders in its assessment area for home refinance loans with an overall market share in the SNJAA of 2%. Competition comes from large regional banks, local community banks and mortgage companies. In the Vineland-Millville-Bridgeton PMSA, NNB is ranked 7th with an overall market share of 3%. The bank is ranked 14th in the SNJAA for the home refinance loans in the New Jersey portion of the Philadelphia PMSA with a market share of 1.6% and 17th in Atlantic-Cape May PMSA with a market share of 1.6%.

No market share data is available for small loans to businesses and farms since the bank was not required to report these loans until 1999, No farm loans were reported in the evaluation period.

Competition in the bank's trade area is strong, and includes branches of interstate regional banking companies, several large local commercial banks, local community banks and mortgage companies. Three direct competitors (Summit, Commerce Bank, and Minotola National Bank) all ranked higher than NNB for all mortgage related products.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of NNB's home mortgage loans and small loans to businesses reflects adequate penetration throughout the SNJAA. In the individual PMSAs, geographic distribution is excellent in Atlantic-Cape May, good in Vineland-Millville-Bridgeton and adequate in the New Jersey portion of Philadelphia.

### ***Home Mortgage Loans***

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

The geographic distribution of home mortgage loans is adequate in the SNJAA, and as follows in the individual PMSAs: Atlantic-Cape May - excellent; Vineland-Millville-Bridgeton, and, New Jersey portion of Philadelphia - adequate. The following analysis compares for each home mortgage loan type (i.e., home purchase, home improvement and refinance) the percentage of NNB's lending in moderate-income geographies to the portion of owner-occupied units in these respective income geographies. Also, for each loan type, the Bank's market share within moderate-income geographies is compared to the Bank's overall market share.

An analysis of NNB's distribution of home mortgage loans and market share for low-income geographies is not meaningful and will not be discussed except for mortgage refinance loans in the Vineland-Millville-Bridgeton PMSA. There are no low-income geographies the Atlantic-Cape May PMSA and in the New Jersey portion of the Philadelphia PMSA, and only one in the Vineland-Millville-Bridgeton PMSA. Lending opportunities are very limited in the one low-income geography in the Vineland-Millville-Bridgeton PMSA. There are only 202 housing units in that geography with only twenty-two owner occupied units. The remaining units are renter occupied (85%) or vacant (5%). Given that the Bank has a very small market share for mortgage loans in the New Jersey portion of the Philadelphia PMSA, a market share comparison is not meaningful and will not be discussed.

Home purchase loan geographic distribution is adequate in the SNJAA, with the distribution as follows in the individual PMSAs: Atlantic-Cape May - excellent; Vineland-Millville-Bridgeton - good; and New Jersey portion of Philadelphia - adequate.

In the Atlantic-Cape May PMSA, the percentage of home purchase loans made in moderate-income geographies significantly exceeds the percentage of owner-occupied units in moderate-income geographies.

In the Vineland-Millville-Bridgeton PMSAs, the percentage of home purchase loans made in moderate-income geographies is near the percentage of owner-occupied housing units that are within those geographies.

In the New Jersey portion of the Philadelphia PMSA, no home purchase loans were made in moderate-income geographies. This is considered adequate performance when considering the limited opportunities and strong competition for home purchase loans in the three moderate-income geographies. Approximately 3,000 or 4.80% of the 61,788 owner-occupied units are located in the moderate-income geographies. Additionally, NNB's branches are located in the more rural eastern section of Gloucester County while the three moderate-income geographies are in the more urban western portion of Gloucester County.

In 1998, in the Atlantic-Cape May PMSA, NNB's market share for home purchase loans in moderate-income geographies significantly exceeds its overall market share. In the Vineland-Millville-Bridgeton PMSA, the Bank's market share in the moderate-income

geographies substantially meets its overall market share.

Home improvement loan geographic distribution is adequate in the SNJAA. For the individual PMSAs, loan geographic distribution is excellent in Atlantic-Cape May PMSA, good in Vineland-Millville-Bridgeton PMSAs, and adequate in the New Jersey portion of the Philadelphia PMSA.

In the Atlantic-Cape May PMSA, the percentage of home improvement loans made in moderate-income geographies substantially exceeds the percentage of owner-occupied housing units that are within those geographies

In the Vineland-Millville-Bridgeton PMSA, the percentage of home improvement loans made in moderate-income geographies is near the percentage of owner occupied units within those geographies.

In the New Jersey portion of the Philadelphia PMSA, the portion of home improvement loans made in moderate-income geographies is below the portion of owner-occupied housing units in the respective geographies. However, this is considered adequate performance when considering the limited opportunities for home improvement loans in moderate-income geographies. Refer to the explanation under home purchase loans for the New Jersey portion of the Philadelphia PMSA.

In 1998, NNB's market share for home improvement loans in moderate-income geographies substantially exceeds its overall market share in the Atlantic-Cape May PMSA and substantially meets the market share for the Vineland-Millville-Bridgeton PMSA.

Refinance loan geographic distribution is adequate in the SNJAA. In the individual PMSAs, refinance loan geographic distribution is excellent in the Atlantic-Cape May PMSA, adequate in Vineland-Millville-Bridgeton PMSA, and poor in the New Jersey portion of the Philadelphia PMSA.

In the Atlantic-Cape May PMSA, the percentage of refinance loans made in moderate-income geographies substantially exceeds the percentage of owner-occupied housing units that are within those geographies.

In the Vineland-Millville-Bridgeton PMSA the percentage of refinance loans in the one low-income geography substantially exceeds the percentage of owner-occupied units in that geography. Less than one-percent, or 324 of 32,300 owner occupied units are located in these geographies. The percentage of refinance loans in the moderate-income geographies is significantly below the percentage of owner-occupied units in those geographies.

In the NJ portion of the Philadelphia PMSA, the percentage of refinance loans made in moderate-income geographies is significantly below the percentage of owner occupied units in these geographies.

In 1998, NNB's market share for refinance loans in moderate-income geographies in the

Atlantic-Cape May PMSA and in the one low-income geography for the Vineland-Millville-Bridgeton PMSA substantially exceeds its overall market share. NNB's market share for refinance loans in moderate-income geographies is below its overall market share in the Vineland-Millville-Bridgeton PMSA.

### ***Small Loans to Businesses***

Refer to Table 5 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 geographic distribution of small loans to businesses is adequate in the SNJAA. In the individual PMSAs, NNB's performance is excellent in the Atlantic-Cape May PMSA, adequate in the Vineland-Millville-Bridgeton PMSA, and poor in the New Jersey portion of the Philadelphia PMSA. The following analysis compares the portion of NNB's small loans to businesses in moderate-income geographies to the portion of businesses in those respective income geographies. The analysis for low-income geographies was limited to the Vineland-Millville-Bridgeton PMSA since that PMSA is the only one with a low-income geography in the SNJAA.

Market share information is based on the 1998 Aggregate Small Business Data. NNB started reporting loans to small businesses in 1999 as the Bank was considered a small bank for the Community Reinvestment Act during 1998. Therefore, market share is unavailable and is not discussed.

In the Atlantic-Cape May PMSA, the percentage of small loans to businesses made in moderate-income geographies substantially exceeds the percentage of businesses in those geographies.

In the Vineland-Millville-Bridgeton PMSA, the percentage of small loans to businesses in low-income geographies is near the percentage of businesses in those geographies. The percentage of small loans to businesses in moderate-income geographies is below the percentage of businesses that are within those geographies.

In the New Jersey portion of the Philadelphia PMSA, the percentage of small loans to businesses in moderate-income geographies is substantially below the percentage of businesses that are within those geographies.

### ***Small Loans to Farms***

NNB did not originate small loans to farms during the evaluation period.

### ***Lending Gap Analysis***

Reports detailing NNB's lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans, focusing on low- and moderate-income geographies. No unexplained conspicuous gaps were identified.

***Inside/Outside Ratio***

A substantial majority of the home mortgage loans, small loans to businesses and CD loans originated/purchased by NNB over the evaluation period were within the SNJAA.

Eighty-seven percent of the Bank's home mortgage loans, seventy-eight percent of the small loans to businesses and one hundred percent of CD loans were within its assessment areas.

**Distribution of Loans by Income Level of the Borrower**

The borrower distribution of NNB's home mortgage loans and small loans to businesses reflects a good dispersion among borrowers of different income levels throughout the SNJAA. The borrower distribution of home mortgage loans and small loans to businesses by borrower income level is good in the New Jersey portion of the Philadelphia and Atlantic-Cape May PMSAs, and adequate in the Vineland-Millville-Bridgeton PMSA.

***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 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 following analysis compares for each home mortgage loan type (i.e., home purchase, home improvement and refinance) the portion of NNB's lending to low-income and moderate-income borrowers to the portion of families in those respective income categories. Also, for each loan type, the Bank's market share for low- and moderate-income borrowers is compared to the Bank's overall market share. Given that the Bank has a very small market share for home purchase loans to low-income individuals in the Atlantic-Cape May and Vineland-Millville-Bridgeton PMSAs, a market share comparison for those areas is not meaningful and is not discussed for those locations for home purchase loans.

Home purchase loan distribution by borrower income level is good in the SNJAA, as well as the Atlantic-Cape May PMSA and the New Jersey portion of the Philadelphia PMSA, and adequate in the Vineland-Millville-Bridgeton PMSA.

In the Atlantic-Cape May PMSA, and the New Jersey portion of the Philadelphia PMSA, the portion of home purchase loans made to moderate-income borrowers significantly exceeds the percentage of families that are moderate-income. For the Vineland-Millville-Bridgeton PMSAs, the portion of home purchase loans made to moderate-income borrowers is near to the percentage of families that are moderate-income.

The percentage of NNB's home purchase lending to low-income borrowers is below the percentage of families that are low-income in all the PMSAs. However, this



performance is considered adequate to good since it is difficult for a low-income person to afford a home, in the assessment area, based on income and housing costs, as discussed below:

In the Atlantic-Cape May PMSA, the updated median family income is \$49,500, a low-income person has income of less than \$24,750. The median cost of housing is \$107 thousand, based on 1990 census data. Additionally, 9% of the households in the assessment area are below the poverty level. The bank' lending volume to low-income borrowers is considered good in this PMSA.

In the Vineland-Millville-Bridgeton PMSA, the updated median family income is \$47,200, a low-income person has income of less than \$23,600. The cost of housing is approximately \$74,000, based on 1990 census data. Additionally, 13% of households in the assessment area are below the poverty level. NNB's performance in lending to low-income borrowers in this PMSA is considered adequate.

In the New Jersey portion of the Philadelphia PMSA, the updated median family income is \$57,800, a low-income person has income of less than \$28,900. The cost of housing is approximately \$99,000, based on 1990 census data. Additionally, 7% of households in the assessment area are below the poverty level. The bank's performance in lending to low-income borrowers in this PMSA is considered good.

For 1998, NNB's market share in the New Jersey portion of the Philadelphia PMSA for home purchase loans to low-income and moderate-income borrowers exceeds its overall market share for home purchase loans. NNB's market shares for home purchase loans to moderate-income borrowers exceeds its overall market share for home purchase loans in the Atlantic-Cape May PMSA, and substantially meets its overall market share in the Vineland-Millville-Bridgeton PMSA.

Home improvement loan distribution by borrower income level is good in the SNJAA. Performance in the PMSAs is as follows: excellent in the New Jersey portion of the Philadelphia PMSA, good in the Atlantic-Cape May PMSA and adequate in the Vineland-Millville-Bridgeton PMSA.

In the NJ portion of the Philadelphia PMSA, the percentage of lending to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The percentage of lending to low-income borrowers is near the percentage of low-income families in the assessment area. Performance is good when considering that the housing cost compared to the median family income of a low-income family, as discussed under home purchase lending above, also impacts home-improvement lending. The affordability to purchase a home limits the opportunities for home-improvement loans for low-income borrowers in the PMSA.

In the Atlantic-Cape May PMSA, the percentage of lending to moderate-income borrowers substantially exceeds the percentage of families that are moderate income. The percentage of lending to low-income borrowers is substantially below the percentage of low-income families. However, performance is adequate when considering the housing cost compared to the median family income of a low-income family discussed under home purchase lending. The affordability to purchase a home limits the opportunities for home-improvement loans for low-income borrowers in the

## PMSA.

In the Vineland-Millville-Bridgeton PMSA, the percentage of home improvement loans to moderate-income borrowers is below the percentage of families that are moderate-income. The percentage of lending to low-income borrowers is substantially below the percentage of families that are low-income. However, lending to low-income borrowers is adequate when considering the housing cost compared to the median family income of a low-income family discussed under home purchase lending. The affordability to purchase a home limits the opportunities for home-improvement loans for low-income borrowers in the PMSA.

For 1998, NNB's market share for home improvement loans for low-income borrowers in the New Jersey portion of the Philadelphia PMSA and moderate-income borrowers in the Atlantic-Cape May PMSA substantially exceeds the Bank's overall market share for home improvement loans. The Bank's market share for home improvement loans for moderate-income borrowers in the New Jersey portion of the Philadelphia PMSA and low-income borrowers in the Vineland-Millville-Bridgeton PMSA exceeds the overall market share. The Bank's market share for home improvement loans for moderate-income borrowers in the Vineland-Millville-Bridgeton PMSA is below the overall market share.

Home refinance loan distribution by borrower income level is adequate in the SNJAA as well as in the Atlantic-Cape May and Vineland-Millville-Bridgeton PMSAs. Performance for home refinance distribution by borrower income level is good for the New Jersey portion of the Philadelphia PMSA.

The percentage of refinance loans made to low-income borrowers in all three PMSAs is substantially below the percentage of families that are low-income. Performance is adequate in the Atlantic-Cape May and Vineland-Milville-Bridgeton PMSAs. Performance is good in the New Jersey portion of the Philadelphia PMSA. In arriving at our conclusions we considered the housing cost in the PMSAs compared to the median family income of a low-income family and the percentage of households below under the poverty level, as discussed under home purchase lending above, which impacts refinance lending. The affordability of housing for low-income borrowers limits the opportunities for refinance loans.

For the New Jersey portion of the Philadelphia PMSA, the percentage of refinance loans to moderate-income borrowers exceeds the percentage of families that are moderate income. In both the Atlantic-Cape May and Vineland-Millville-Bridgeton PMSAs, the percentage of refinance loans to moderate-income borrowers is below the percentage of families that are moderate-income.

For the New Jersey portion of the Philadelphia PMSA, the Bank's market share for refinance loans to low- and moderate-income borrowers substantially exceeds the Bank's overall market share for refinance loans in that PMSA. NNB's market share in the Atlantic-Cape May PMSA for refinance loans to low-income borrowers exceeds while refinance loans to moderate-income borrowers substantially meets the Bank's overall market share for refinance loans. NNB's market share in the Vineland-Millville-

Bridgeton PMSA for refinance loans to moderate- income borrowers exceeds the Bank's overall market share while the market share to low-income borrowers is substantially below the Bank's overall market share.

### ***Small Loans to Businesses***

Refer to Table 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the Bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses is good in the SNJAA, and as follows for the individual PMSAs: good in New Jersey portion of Philadelphia and Vineland-Millville-Bridgeton and adequate in Atlantic-Cape May. The following analysis compares the portion of NNB's small loans that are to small businesses (businesses with revenues of \$1 million or less) to the portion of businesses that are small.

Market share information is based on the 1998 Aggregate Small Business Data. NNB only started reporting loans to small businesses in 1999 as the Bank was considered a small bank for the Community Reinvestment Act during 1998. Therefore, market share is unavailable and is not discussed.

The percentage of NNB's small loans made to small businesses in both the New Jersey portion of the Philadelphia and Vineland-Millville-Bridgeton PMSAs substantially meets the percentage of businesses that are small. The percentage of NNB's small loans made to small businesses in the Atlantic-Cape May PMSA is below the percentage of businesses that are small. The portion of loans that are \$100,000 or less substantially meets the portion of businesses that are small in all three PMSAs.

### ***Small Loans to Farms***

NNB did not originate small loans to farms during the evaluation period.

### **Community Development Lending**

Refer to Table 1 in Appendix C for the facts and data used to evaluate NNB's level of community development (CD) lending.

CD lending had a neutral impact on the Lending Test conclusions for the SNJAA, and for the Vineland-Millville-Bridgeton and New Jersey portion of the Philadelphia PMSAs. NNB has made an adequate level of community development loans.

During the evaluation period, NNB originated two CD loans totaling \$500 thousand in the SNJAA. One of the CD loans was originated in the Vineland-Millville-Bridgeton PMSA and one in the New Jersey portion of the Philadelphia PMSA. These CD loans are responsive to the affordable housing and community services needs of low- and moderate-income individuals in the assessment area. The following is a description of the CD loans.

NNB extended a \$250 thousand line of credit for purchase and renovation of a new halfway house in Vineland. The borrower is a not-for-profit organization providing community services for recovering drug and alcohol addicted low- and moderate-income individuals.

NNB originated a \$250 thousand line of credit for working capital purposes to a not-for-profit organization. The organization primarily serves low-income individuals recovering from alcoholic and substance abuse by providing residential and outpatient treatment.

NNB also originated home mortgage and small loans to businesses that had community development characteristics. These loans were considered in the evaluation of home mortgage and small loans to businesses.

### **Product Innovation and Flexibility**

Product innovation and flexibility has a neutral impact on the Lending Test conclusions for the SNJAA, and the individual PMSAs.

NNB makes limited use of an innovative and/or flexible home mortgage practice throughout its assessment areas, especially to low- and moderate-income areas and individuals. The loans extended under these programs were HMDA reportable and, therefore, considered previously in this evaluation. The following is a brief description of the Bank's involvement in an innovative/flexible loan program.

NNB participates in the 2000 Home Buyers program administered by the New Jersey Housing and Mortgage Finance Agency. This residential mortgage program assists individuals in becoming "First Time Home Buyers." The loan program is flexible, allowing for below market rates and points, reduced application fees, and flexible underwriting. The program allows for a maximum 97% Loan-to-Value (LTV) with mortgage insurance required for LTVs over 80%. NNB closed a total of five loans for \$434 thousand during the evaluation period for this program, three loans for \$277 thousand in 1999 and two loans for \$157 thousand in 2000.

## **INVESTMENT TEST**

NNB's performance under the Investment Test is rated "Low Satisfactory" based on the limited types of qualified investment opportunities, and strong competition for these types of investments in the assessment area

We determined through community contacts and our internal research that opportunities for qualified investments in the Bank's assessment area are limited to mortgage-backed securities, affordable housing bonds, micro loan funds, and qualified grants.

Refer to Table 12 in Appendix C for the facts and data used to evaluate the Bank's level of qualified investments.

The current period and prior period investments were all made in the Vineland-Milville-Bridgeton PMSA, 8760. No investments were made in the New Jersey portion of the Philadelphia PMSA, 6160, or the Atlantic County PMSA 0560.

Prior to the evaluation period (December 23, 1991), NNB purchased a \$200 thousand par value New Jersey Rental Housing Revenue Bond from the New Jersey Housing Finance Agency (HFA). HFA's purpose is to increase the supply of safe, decent and affordable multifamily housing for the low- and moderate-income citizens of New Jersey. HFA covers a statewide area that includes the bank's assessment area. The bond continues to have an impact on the assessment area. The book value as of October 5, 2000 was \$60 thousand.

NNB provided qualified grants totaling \$14 thousand to five community organizations within the SNJAA. Most of the not-for-profit organizations operate services that promote community development in low- and moderate-income areas for low-income and moderate-income individuals. Another not-for-profit serves the housing needs of low- and moderate-income individuals.

## **SERVICE TEST**

The Bank's performance under the Service Test is rated "High Satisfactory." Based on a full-scope review, NNB's overall performance in the SNJAA is good. Performance within the SNJAA PMSAs is as follows: good in the Vineland-Milville-Bridgeton and the New Jersey portion of the Philadelphia PMSAs. NNB does not have any branch offices in the Atlantic-Cape May PMSA. Conclusions and the rating for the Service Test are primarily based on the bank's performance in the Vineland-Milville-Bridgeton and the New Jersey portion of the Philadelphia PMSAs.

## Retail Banking Services

Refer to Table 13 in Appendix C for the facts and data used to evaluate the distribution of NNB's branch delivery system and branch openings and closings. NNB's service delivery systems are accessible to individuals and geographies of different income levels in its assessment area. Accessibility is good in the Vineland-Millville-Bridgeton PMSA, and Gloucester County, in the New Jersey portion of the Philadelphia PMSA. While there are no branches in the western Atlantic County portion of the Atlantic-Cape May PMSA, branches in the other PMSAs border the Atlantic-Cape May PMSA and provide reasonable accessibility to the geographies.

In the Vineland-Millville-Bridgeton PMSA, the percentage of NNB's branches within low-income geographies significantly exceeds the percentage of the SNJAA population living in these geographies. While there are no branches located within the moderate-income geographies, the one branch located in the low-income geography is close to two of the six moderate-income geographies in the Vineland-Millville-Bridgeton PMSA. Additionally, the opening of a branch office, scheduled for the first quarter of 2001, will improve the accessibility of its delivery system to moderate-income geographies. The branch will be located in the Vineland-Millville-Bridgeton PMSA, and will be within three miles of the remaining four moderate-income geographies in Bridgeton, New Jersey. The planning procedures for opening this office were in process during the evaluation period.

In the Gloucester County, New Jersey portion of the Philadelphia PMSA, there are no low-income geographies. While none of the six NNB branch's in Gloucester County is located in the three moderate-income geographies, the branches are close to two of the three moderate-income geographies within Gloucester County. In addition, only 6.45% of the county's population resides within those geographies.

One branch, in Sewell, NJ, was opened during the evaluation period in upper-income geography in Gloucester County. Two of the three moderate-income geographies (67%) in the Gloucester County are approximately within 5 miles of the new branch.

The relocation of a branch in a low-income geography improved the accessibility of delivery systems within that low-income geography. The one branch in the Vineland-Millville-Bridgeton PMSAs low-income geography was moved across the street. The move improved the accessibility to services. Management expanded the delivery services by adding a drive-through and ATM facility.

NNB operates six ATMs in the SNJAA. Within the individual PMSAs, ATMs are distributed as follows: Vineland-Millville-Bridgeton - two, and Gloucester County of the New Jersey portion of Philadelphia - four. One ATM is located in the only low-income geography in the assessment area, which is in the Vineland-Millville-Bridgeton PMSA.

The Bank conducted a geographic analysis of their branches and ATM locations in the SNJAA. This analysis further supports the accessibility of NNB's service delivery systems. In the SNJAA, the Bank determined that three (27%) low- and moderate-income geographies are located within a one-mile radius of all branches. Similarly, three (27%) low- and moderate-income geographies are within a one-mile radius of all ATMs. When the analysis is expanded, four (36%) and six (55%) low- and moderate-income geographies are within three and five miles, respectively, of all branches. Four (36%) and six (55%) low- and moderate-income geographies are within three and five miles, respectively, of all ATMs. These ratios will improve dramatically with the opening of the new branch in the first quarter 2001, which will be located within a reasonable distance of four moderate-income geographies in the Bridgeton area.

NNB's hours and services offered throughout the SNJAA are good and tailored to meet the convenience and needs of the assessment area. Hours and services do not materially vary in the assessment area, including the availability of loan officers for all loan products, and are comparable among locations regardless of the income level of the geography. Banking hours and services provided Monday through Friday are supplemented by Saturday hours at all branches. There were no material changes made to branch hours during this evaluation period.

NNB offers a no minimum balance checking account, "Nifty-Fifty", to senior citizens over fifty years of age, including those who are low- and moderate-income, which allows these individuals to maintain regular checking accounts without fees. There is no other maintenance or check writing fees associated with this particular account.

NNB offers the New Jersey Consumer Checking Account (NJCCA). The targeted markets for this product are consumers who are young, low- to moderate-income individuals or elderly on fixed incomes. NJCCA offers a low minimum maintenance balance of \$1 before the \$3 monthly service charge is assessed. A minimum deposit of \$50 is required to open the NJCCA.

In addition, NNB offers the "Children Savings Program" in order to encourage savings for children. Bank personnel have made presentations about the program at local schools including those schools in low- and moderate-income geographies and for children in low- and moderate-income families. The program promotes savings through the use of coin books with \$5 in coins contained in each book. The Bank will match the child's \$5 and deposit \$10 into the account. There are no service charges

NNB offers other delivery services as described below. However, no weight was placed on those other delivery services because a determination of the volume of use in low- and moderate-income geographies and by low- and moderate-income individuals is unavailable. These other delivery services include Bank-by-Mail and Bank-by-Telephone.

In addition, NNB offers Internet Banking services, which were introduced on September 1, 2000. A depositor can review transaction history and make monetary transfers between NNB's accounts.

NNB received approval during the evaluation period to offer Electronic Transfer Accounts (ETAs). ETAs accept electronic Federal benefit, wage, salary and retirement

payments and require no minimum balance. The maximum price is \$3 per month. NNB will begin to offer ETAs to eligible recipients on November 1, 2000

## **Community Development Services**

NNB provides an adequate level of community development services within its SNJAA, and in the Vineland-Millville-Bridgeton and the New Jersey portion of Philadelphia PMSAs. Bank employees were engaged in five organizations/programs providing technical and financial assistance that benefits low- and moderate-income individuals. Community development services are responsive to the identified needs regarding loan programs for start-up small businesses.

The following are the community development services provided by NNB employees in the SNJAA.

### Vineland-Millville-Bridgeton PMSA

- A member of the Board of Directors is Chairman of the Fund Drive Committee for a not-for-profit organization, which provides community services to low- and moderate-income individuals. The member assists in fund raising activities, including soliciting.
- A member of Bank management made a presentation on the importance of good credit and how it affects a bank's lending decisions to a class of low- to moderate-income students.
- Two employees of the Bank presented NNB's Children Savings Program to primarily low- and moderate-income students.

### Gloucester County - New Jersey portion of Philadelphia PMSA

- Two employees addressed a group of individuals owning, or planning to own, small businesses about NNB's lending to small businesses.
- One employee of the Bank presented NNB's Children Savings Program to primarily low- and moderate-income students.
- A member of Bank management acts as a Treasurer and also serves as a member of the Board for a not-for-profit organization, which provides community services to low- and moderate-income individuals. The officer contributes accounting and bookkeeping services to the organization and also organizes fund raising opportunities.



## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term ΔFull-Scope) and those that received a less comprehensive review (designated by the term ΔLimited-Scope).

<b>Time Period Reviewed</b>	Lending Test: October 1, 1998 to June 30, 2000 Investment Test: September 10, 1998 to October 5, 2000 Service Test: September 10, 1998 to October 5, 2000	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Newfield National Bank (NNB) Newfield, New Jersey	home mortgage, small loans to businesses, community development loans and qualified investments.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b> <b>Products Reviewed</b>	
FNBN Investment Corp.	NNB Subsidiary      Qualified Investments	
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b> <b>Other Information</b>	
Southern New Jersey (SNJAA): Vineland - Millville - Bridgeton PMSA #8760 Western Atlantic County - Part of Atlantic/Cape May      PMSA #0560 Gloucester County - part of Philadelphia, PA- NJ      PMSA #6160	Full-scope Full-scope Full-scope	

## Appendix B: Market Profiles for Full-Scope Areas

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### Table of Contents

#### Market Profiles for Areas Receiving Full-Scope Reviews

Vineland-Millville-Bridgeton PMSA .....	B-2
Atlantic-Cape May PMSA .....	B-4
Philadelphia, PA-NJ PMSA .....	B-6

## Vineland-Millville-Bridgeton PMSA

Demographic Information for Full-Scope Area: Vineland-Millville-Bridgeton PMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	29	3.45	20.69	62.07	13.79	0.00
Population by Geography	138,053	0.40	17.22	65.83	16.55	0.00
Owner-Occupied Housing by Geography	32,299	0.07	10.48	71.46	17.99	0.00
Businesses by Geography	4,386	7.89	16.26	60.37	15.48	0.00
Farms by Geography	209	1.44	2.87	84.69	11.00	0.00
Family Distribution by Income Level	35,383	21.12	17.29	22.82	38.77	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,591	0.69	25.38	61.95	11.98	0.00
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$34,571 = \$47,200 = 13.04%	Median Housing Value Unemployment Rate				= \$73,639 = 4.59%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The Vineland-Millville-Bridgeton PMSA (VMB-PMSA) consists of Cumberland County in its entirety. This area is located in the southwest region of New Jersey and is comprised of 29 census tracts. The majority of census tracts are located in Vineland (33%), Millville (17%) and Bridgeton (20%), as these cities present the principal centers of population (approx. 75%) and commerce in Cumberland County. While Bridgeton is more developed, Vineland and Millville have rural areas and open spaces as well as developed core areas. The VMB-PMSA is comprised of one low-income (3%), six moderate-income (21%), eighteen middle-income (62%) and four upper-income census tracts. The one low-income, and two of the six moderate-income census tracts are located in Vineland. The remaining moderate-income tracts are located in Bridgeton.

The VMB-PMSA has a total population of approximately 138,000, with total families and households of 35,383 and 47,259, respectively. Approximately 21% of the families are low-income, 17% moderate-income, 23% middle-income, and 39% upper-income. The median family income is \$34,571 with a HUD adjusted median family income of \$47,200. Households below the property level are 13.04%. There are 50,294 housing units within the VMB-PMSA, of which 64% are owner occupied, 30% rental occupied and 6% vacant. The median housing value for the VMB-PMSA is \$73,639.

Employment within the VMB-PMSA is centered within the glass, agriculture, textile and retail service industries. Unemployment for this area is 4.59% on a consolidated basis,

however, unemployment in Vineland approximates 9%, which ranks among the highest in the state of New Jersey. The area economy continues to benefit from commercial development throughout Cumberland County. In addition the VMB-PMSA is designated as an Empowerment Zone. It is anticipated that approximately \$250 million of federal funding will be directed to this area for economic development.

The needs for the VMB-PMSA are primarily housing related, including single family housing rehabilitation, home buyer assistance, rental assistance, rental rehabilitation, affordable housing construction in low- and moderate-income areas. There is also the need for economic development and assistance to support small business development, infrastructure improvement, lead paint abatement, and job creation for low-income individuals.

Competition in the VMB-PMSA area is strong, and includes branches of interstate regional banking companies, local community banks and mortgage companies. Two direct competitors (Summit and Minotola National Bank) all ranked higher than NNB for overall mortgage related products.

## Atlantic County PMSA

Demographic Information for Full-Scope Area: Western Atlantic County portion of Atlantic/Cape May PMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	12	0.00	8.33	91.67	0.00	0.00
Population by Geography	49,899	0.00	8.90	91.10	0.00	0.00
Owner-Occupied Housing by Geography	13,571	0.00	8.35	91.65	0.00	0.00
Businesses by Geography	2,178	0.00	6.66	93.34	0.00	0.00
Farms by Geography	131	0.00	3.05	96.95	0.00	0.00
Family Distribution by Income Level	13,328	17.56	19.70	26.07	36.67	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	4,967	0.00	11.66	88.34	0.00	0.00
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$39,034 = \$49,500 = 9.41%	Median Housing Value Unemployment Rate				= \$107,025 = 3.93%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 U.S. Census, and 2000 HUD updated MFI.

NNB’s assessment area within the Atlantic/Cape May PMSA (A/CM-PMSA) consists of the western census tracts of Atlantic County (WAC). NNB does not have any branches in the Atlantic-Cape May PMSA. However, WAC is considered part of the assessment area as it is contiguous to the other two PMSAs, and branches in the other two PMSAs are close to WAC. The dividing line for the assessment area is the Great Egg Harbor River in the southeast, and then follows Route 50 northeast to the Burlington County border. NNB only has limited lending and deposit activity in the eastern portion of Atlantic County and the exclusion of those census tracts does not arbitrarily exclude low- or moderate-income geographies. Loans and deposits in the eastern portion of Atlantic County represented a low 1.28% and 0.35% of total loans and deposits, respectively at August 31, 2000. The western part of Atlantic County is comprised of No low-income (0%), one moderate-income (8%), eleven middle-income (92%), and No upper-income (0%) geographies.

Employment within the WAC is centered in the government and retail trade. In addition, the area features pockets of commercial businesses and farming. Unemployment for the WAC is 2.92%. The median family income for WAC is \$39,034 with a HUD adjusted median family income of \$49,500. Households below the property level are 9.41%.

The WAC has a total population of approximately 50,000, with total families and

households of 13,328 and 17,348, respectively. Approximately 17% of the families are low-income, 20% are moderate-income, 26% are middle-income, and 37% are upper-income. There are 18,393 housing units within the WAC of which 74% are owner occupied units, 20% rental occupied units and 6% vacant. The median housing for the WAC is \$107,025.

The needs for the WAC are primarily housing related, including single family purchase and housing rehabilitation. There is also the need for economic development and assistance to support small business development, infrastructure improvement, and job creation for low-income individuals.

Competition in the bank's WAC trade area is strong, and includes branches of interstate regional banking companies, several large local commercial banks, local community banks and mortgage companies. Three direct competitors (Summit, Commerce Bank, and Minotola National Bank) all ranked higher than NNB for all mortgage related products.

## Gloucester County Portion of Philadelphia, PA-NJ PMSA

Demographic Information for Full-Scope Area: Gloucester County portion of Philadelphia, PA-NJ PMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	58	0.00	5.17	72.41	22.41	0.00
Population by Geography	230,064	0.00	6.45	68.68	24.87	0.00
Owner-Occupied Housing by Geography	61,788	0.00	4.80	69.69	25.51	0.00
Businesses by Geography	8,701	0.00	10.26	65.79	23.95	0.00
Farms by Geography	351	0.00	1.14	68.66	30.20	0.00
Family Distribution by Income Level	61,292	15.66	17.33	26.48	40.53	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	20,216	0.00	10.19	73.16	16.65	0.00
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$41,908 = \$57,800 = 6.66%	Median Housing Value Unemployment Rate				= \$99,212 = 3.72

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 U.S. Census and 2000 HUD updated MFI.

The Bank’s market consists of Gloucester County (GC) in the New Jersey portion of the Philadelphia, PA-NJ PMSA. This area consists of fifty-eight census tracts configured as zero low-income (0%), three moderate-income (5%), forty-two middle-income (72%), and thirteen upper-income (22%).

The landscape of the Gloucester County assessment area ranges from urban concentrations and suburban bedroom communities to rural/agricultural locations. The local economy is diverse as employment opportunities can be found in the various manufacturing, agriculture, retail, healthcare, and professional industries based within this area. Unemployment for the assessment area is 3.72%.

The assessment area has a total population of 230,064 with 61,292 families and 78,729 households. The median family income is \$41,908 in the assessment area with a HUD adjusted median family income of \$57,800. Households below the property level are 6.66%. Approximately 16% of the families in the assessment area are low-income, 17% moderate-income, 26% middle-income, and 41% upper-income.

There are 82,459 housing units within GC of which 75% are owner occupied, 21% rental occupied and 4% vacant. The median value of housing for the assessment area is \$99,212.

The needs for the assessment area are primarily housing related, community development, infrastructure improvement and job creation.

Competition in the bank's GC trade area is strong, and includes branches of interstate regional banking companies, several large local commercial banks, savings banks, local community banks and mortgage companies. Three direct competitors (Summit, Commerce Bank, and Bank of Gloucester County) all ranked higher than NNB for all mortgage related products



## Appendix C: Tables of Performance Data

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### 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; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; 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 MSA/assessment area.

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 MSA/assessment area.
- 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 rank and 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 Refinance Loans** - See Table 2.
- Table 5. 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 rank and market share information based on the most recent aggregate market data available.
- Table 6. 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 and size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.

- Table 7. 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 MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 7.
- Table 10. 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. The table also compares the banks percentage distribution with the percentage of loans originated and purchased by all other small business reporters in the bank's AA to businesses with revenues of \$1 million or less and is based on the most recent aggregate market data available. 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 11. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) 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. The table also compares the banks percentage distribution with the percentage of loans originated and purchased by all other small farm reporters in the bank's AA to farms with revenues of \$1 million or less and is based on the most recent aggregate market data available. 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 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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 have been reported on

schedule RC-L of the Call Reports as an off-balance sheet item.

**Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

**Table 14. 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 the population 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 MSA/assessment area.

**Table 1. Lending Volume**

LENDING VOLUME												
Evaluation Period: 10/01/1998 TO 06/30/2000												
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Scope</b>												
Atlanta	0.00	89	5,279	73	7,181	0	0	0	0	162	12,460	9.79
<b>PMSA 0560</b>												
NJ portion Philadelphia -	65.67	488	24,622	366	34,050	0	0	1	250	855	58,922	46.33
Vineland-Millville-Bridgeton -	34.33	361	19,465	401	36,131	0	0	1	250	763	55,846	43.88

\* Deposit Data as of June 30, 1999

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% 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	#	% of Total**
<b>Full Scope</b>																
Atlanta	0.00	0.00	8.35	33.33	91.65	66.67	0.00	0.00	32	0.97	0.00	7.69	0.59	0.00	18	9.68
<b>PMSA 0560</b>																
NJ portion Philadelphia - P	0.00	0.00	4.80	0.00	69.69	89.16	25.51	10.84	39	0.64	0.00	0.00	0.83	0.29	83	44.62
Vineland-Millville-Bridgeton P	0.07	0.00	10.48	8.24	71.46	56.47	17.99	35.29	13	2.07	0.00	1.52	1.93	2.82	85	45.70

\* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% 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	#	% of Total**
<b>Full Scope</b>																
PMSA 0560	0.00	0.00	8.35	35.48	91.65	64.52	0.00	0.00	7	5.86	0.00	31.25	4.38	0.00	31	9.23
NJ portion Philadelphia - P	0.00	0.00	4.80	1.10	69.69	95.58	25.51	3.31	6	3.52	0.00	1.56	5.11	0.47	181	53.87
Vineland-Millville-Bridgeton P	0.07	0.00	10.48	9.68	71.46	67.74	17.99	22.58	3	9.67	0.00	6.90	10.63	9.17	124	36.90

\* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% 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	#	% of Total**
<b>Full Scope</b>																
Atlanta	0.00	0.00	8.35	35.00	91.65	65.00	0.00	0.00	15	1.61	0.00	8.82	1.21	0.00	40	9.62
PMSA 0560 NJ portion Philadelphia - P	0.00	0.00	4.80	0.89	69.69	91.96	25.51	7.14	17	1.60	0.00	0.00	2.33	0.24	224	53.85
Vineland-Millville-Bridgeton P	0.07	0.66	10.48	1.97	71.46	67.11	17.99	30.26	5	2.97	8.33	0.77	3.05	3.65	152	36.54

\* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

**Table 5. Geographic Distribution: Small Loans to Businesses**

Geographic Distribution: SMALL BUSINESS																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
<b>Full Scope</b>																
PMSA 0560	0.00	0.00	6.66	30.14	93.34	69.86	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	73	8.69
NJ portion Philadelphia - P	0.00	0.00	10.26	2.73	65.79	91.26	23.95	6.01	0	0.00	0.00	0.00	0.00	0.00	366	43.57
Vineland-Millville-Bridgeton P	7.89	5.24	16.26	9.48	60.37	50.37	15.48	34.91	0	0.00	0.00	0.00	0.00	0.00	401	47.74

\* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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



**Table 6. Geographic Distribution: Small Loans to Farms**

Geographic Distribution: SMALL FARM																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
<b>Full Scope</b>																
Atlanta	0.00	0.00	3.05	0.00	96.95	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
PMSA 0560 NJ portion Philadelphia - P	0.00	0.00	1.14	0.00	68.66	0.00	30.20	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Vineland-Millville-Bridgeton P	1.44	0.00	2.87	0.00	84.69	0.00	11.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00

\* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

**Table 7. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HMDA HOME PURCHASE																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
<b>Full Scope</b>																
Atlanta	17.56	5.56	19.70	22.22	26.07	11.11	36.67	61.11	32	0.97	0.00	1.38	0.62	2.09	18	9.68
<b>PMSA 0560</b>																
NJ portion Philadelphia - P	15.66	8.43	17.33	27.71	26.48	28.92	40.53	31.33	39	0.64	0.80	1.09	0.61	0.71	83	44.62
Vineland-Millville-Bridgeton F	21.12	2.35	17.29	15.29	22.82	34.12	38.77	45.88	13	2.07	0.00	1.53	3.13	3.17	85	45.70

\* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

\*\* As a percentage of loans with borrower income information available.

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

**Table 8. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
<b>Full Scope</b>																
Atlanta	17.56	3.23	19.70	25.81	26.07	22.58	36.67	48.39	7	5.86	0.00	8.47	5.71	6.40	31	9.23
PMSA 0560 NJ portion Philadelphia -	15.66	12.71	17.33	19.89	26.48	29.28	40.53	30.39	6	3.52	6.41	4.11	3.80	1.84	181	53.87
Vineland-Millville-Bridgeton	21.12	10.48	17.29	11.29	22.82	25.00	38.77	50.81	3	9.67	10.87	4.17	9.20	12.45	124	36.90

\* Based on XXXX Aggregate HMDA Data only. Market rank is for all income categories combined.

\*\* As a percentage of loans with borrower income information available. No information was available for XX% of loans originated by BANK.

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

**Table 9. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE																
Evaluation Period: 10/01/1998 TO 06/30/2000																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
<b>Full Scope</b>																
Atlanta	17.56	2.50	19.70	10.00	26.07	32.50	36.67	45.00	15	1.61	1.69	1.23	1.37	2.66	40	9.62
PMSA 0560 NJ portion Philadelphia - P	15.66	6.70	17.33	20.98	26.48	29.02	40.53	33.93	17	1.60	2.88	2.33	1.87	1.33	224	53.85
Vineland-Millville-Bridgeton P	21.12	3.29	17.29	11.84	22.82	25.00	38.77	48.68	5	2.97	0.91	3.29	2.77	3.46	152	36.54

\* Based on XXXX Aggregate HMDA Data only. Market rank is for all income categories combined.

\*\* As a percentage of loans with borrower income information available. No information was available for XX% of loans originated by BANK.

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

**Table 10. Borrower Distribution: Small Loans to Businesses**

Borrower Distribution: SMALL BUSINESS									
Evaluation Period: 10/01/1998 TO 06/30/2000									
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% Bank Loans***	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
<b>Full Scope</b>									
Atlanta	85.81	64.38	71.23	20.55	8.22	0.00	0.00	73	8.69
<b>PMSA 0560</b>									
NJ portion Philadelphia - P	85.75	71.86	75.96	15.30	8.74	0.00	0.00	366	43.57
Vineland-Millville-Bridgeton - P	84.95	73.57	75.81	16.96	7.23	0.00	0.00	401	47.74

\* The market consists of all other Small Business reporters in BANK's assessment area and is based on 1998 Aggregate Small Business Data Only

\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses.

\*\*\* 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 XX% of small loans to businesses originated and purchased by the bank.

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

**Table11. Borrower Distribution: Small Loans to Farms**

Borrower Distribution: SMALL FARM									
Evaluation Period: 10/01/1998 TO 06/30/2000									
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% Bank Loans***	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
<b>Full Scope</b>									
Atlanti	89.31	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
<b>PMSA 0560</b>									
NJ portion Philadelphia - P	92.59	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Vineland-Millville-Bridgeton - P	92.82	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00

\* The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1998 Aggregate Small Business Data Only

\*\* Farms with revenues of \$1 million or less as a percentage of all farms.

\*\*\* As a percentage of loans with borrower income information available.

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

**Table 12. Qualified Investments**

QUALIFIED INVESTMENTS									
Evaluation Period: 9/10/1998 TO 10/5/2000									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Scope</b>									
Atlanta	0	0	0	0	0	0	0.00	0	0
<b>PMSA 0560</b>									
NJ portion Philadelphia - P	0	0	0	0	0	0	0.00	0	0
Vineland-Millville-Bridgeton P	1	60	13	14	14	74	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

\*\* "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

**Table13. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Evaluation Period: 9/10/1998 TO 10/5/2000																	
MSA/Assessment Area	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in MSA/AA	# of Bank Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Scope</b>																	
Atlanta	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0	0.00	8.90	91.10	0.00
<b>PMSA 0560</b>																	
NJ portion Philadelphia - P	0.00	6	66.67	0.00	0.00	0.0083.0	17.00	0	1.00	0	0	0	1.00	0.00	6.45	68.68	24.87
Vineland-Millville-Bridgeton P	34.33	0	0.00	0.00	0.00	0.00	67.00	0	0	0	0	0	0	0.40	17.22	65.83	16.55

\* The percentage of the population in the MSA/AA that resides in these geographies.