

LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

Univest National Bank and Trust Co.
Charter Number: 2333

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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.

Description of Institution

Univest National Bank and Trust Co. (UNB) is a wholly owned subsidiary of Univest Corporation of PA (Univest), a one-bank holding company headquartered in Souderton, PA. UNB has defined one assessment area (AA) including portions of Montgomery and Bucks Counties. This assessment area meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income areas (LMI). For additional information on UNB's assessment area, see Market Profile – Demographic Information Tables in Appendix B.

At June 30, 2003, UNB had total assets of \$1.5 billion and Tier 1 capital of \$113 million. The current financial operation of UNB includes the January 2003 merger of Pennview Savings Bank (PSB) into Union National Bank and Trust Company. Both institutions were wholly owned banking subsidiaries of Univest. As a result of this merger, the bank's name changed to Univest National Bank. Subsequently, UNB acquired First County Bank (FCB), a state-chartered bank located in Doylestown, PA during May 2003. At the time of their respective merger/acquisitions, PSB and FCB each had 4 branch locations and total assets of \$120 million and \$135 million, respectively. UNB's merger activity had no impact on the level of low- and moderate-income census tracts (CT) within the AA.

UNB is primarily a commercial lender. However, recent strategic activity including mergers/acquisitions has increased the bank's retail presence throughout the AA. Competition within the bank's AA is strong with branches of national, regional and community financial institutions as well as local saving banks and credit unions vying for the same customer base. For additional Information on the products and services offered by UNB, please refer to the bank's CRA file.

UNB's performance was rated "Outstanding" at the CRA examination in March 2000.

Evaluation Period

The evaluation period for the lending test for HMDA and Small business loans activity covered the period January 1, 2000 to December 31, 2002. UNB did not report any agricultural or multi-family loan originations, as these lending products are not business lines of the bank.

Community Development (CD) loans, qualified investments and service activities originated by UNB during the period of March 21, 2000 through August 31, 2003 were considered. Any qualified investments originated during prior periods and still outstanding at July 31, 2003 were given appropriate consideration. Our conclusions related to community development loans and qualified investments were based on the number and dollar amounts made during the evaluation period. In addition, we considered the level of innovation, complexity, responsiveness to community credit needs and the degree to which these instruments are not routinely provided by private investors.

Scope of the Evaluation

Overall CRA Rating

Institution's CRA Rating: This institution is rated “**Outstanding**”.

The following table indicates the performance level of **Univest National Bank and Trust Company** with respect to the lending, investment, and service tests:

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

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

The bank's primary lending products are real estate mortgages and small business loans. These product lines as well as the bank's level of community development lending weighed heavily in the assessment of UNB's performance under the Lending Test. This assessment considered the primary credit needs of the bank's AA (i.e. affordable housing, small business lending), the opportunities to lend in low-and moderate-income geographies, competition and economic factors.

The major factors that support this overall rating and conclusions with respect to performance tests:

Lending

Refer to Table 1 through 13 in appendix D for facts and data used to evaluate the bank's lending.

UNB's performance under the Lending test within its AA is rated “Outstanding” as the bank reflects very good responsiveness to community credit needs. This conclusion is based upon the bank's ability to address the AA's primary credit needs within the overall volume of HMDA, small business, and community development lending activity originated during the review period. Loan originations during the evaluation period reflect 53% home mortgages, 46% small business, and 1% community development

loans. Additionally, home mortgage products originated during the evaluation period reflected, 52% home improvement, 37% refinance, and 10% home purchase. Given the strong competition, limited opportunities to lend and the sluggish economical environment outstanding during the evaluation, the bank's overall lending performance addressed the AA's primary needs.

- UNB's lending activity within its assessment area is good. Based upon 2000 HMDA aggregate data, the bank ranks 17th out of 446 lenders with a market share of 1.51%. Institutions ranked above UNB include larger regional banks and branches of several national mortgage companies. Based upon this same data, UNB ranked 2nd and 24th in home improvement and refinance lending with market shares of 9% and 1.1%, respectively. Market share data for home mortgage purchase activity was insignificant. UNB is ranked fourth within its AA with a deposit share of 9%.
- An analysis of the geographic distribution of HMDA related loans is not meaningful as the AA configuration includes only 5 moderate-income census tracts (3%) and zero low-income census tracts. Only 2% of owner-occupied housing units are located within moderate-income census tracts. Opportunities to lend within moderate-income geographies are minimized by overall size of these areas and strong competition from other banking institutions.
- The geographic distribution of small business lending activity is adequate. Based upon the limited number of moderate-income census tracts, opportunities are limited and competition from other financial institutions is strong.
- Ninety percent of HMDA reportable and ninety-three percent of small business originations during the evaluation period were made inside the AA, which is considered excellent.
- UNB distribution of loans by income is excellent. Our analysis indicated that the overall lending to low-and moderate- income borrowers is impacted by the affordability of home ownership in the AA. Additionally, the lack of affordability for a low-income person to purchase a home limits the opportunities for refinance and home improvement lending to this segment of the market. Based upon HUD's 2002 updated Median Family income, a low-income person earns less than \$31,650. The median home price in the AA is 147,482. During the evaluation period, the level of lending to low-income borrowers for home purchases and refinance of 6.5% and 5.1% respectively, ranked slightly below the level of low-income borrowers (10.2) within the AA. Home improvement loans originated during the evaluation approximated the level of low-income borrowers within the AA. Lending to moderate-income families is excellent as the bank's level for home purchase (18%), home improvement (21%) and refinances (17%), exceeded the level of moderate-income families (16%) within the AA.
- The distribution of small business loans was adequate. Loans to businesses with revenues of 1 million or less represented 43% of the bank's reportable loans ranking below the 56% of area businesses that had revenues \$1 million or less. During the

evaluation period, increased competition within the AA and the declining economy impacted the bank's ability to maintain small business lending levels produced during the prior evaluation period.

- UNB's Community development lending activity positively impacted the bank's rating. Through the bank's in-depth participation with a multi-bank community development corporation (CDC) and direct lending to organizations serving low- and moderate-income individuals and families within the AA, the bank displayed excellent responsiveness to the needs of its community. UNB participated in 16 loans (CDC), and directly originated 19 community development loans totaling \$1.757 million.

UNB continued its lead role in the administration and lending activities of a multi-bank CDC (14 banks). Various members of the bank's staff were partially or wholly involved in the CDC's day-to-day operations to support its ongoing mission. Their involvement included business development, credit administration, management and administration, and board membership. Due to the successful operation of the CDC, a second loan fund was initiated in September 2002. Current binding loan commitments from all banks total \$5.1 million. UNB's portion of this binding commitment is approximately \$500 thousand (9.8%)

During the evaluation period, The CDC approved commitments for 10 affordable housing projects (8 non-profits, 2 investors) totaling approximately \$3.3 million. These loans were used to create 179 units of low- and moderate- income housing. The CDC also originated 6 loans totaling \$1.8 million for organization providing social, health and education services to low- and moderate-income residents of the AA. UNB's portion of these outstanding balances totaled \$ 542 thousand, which is included on table 1 in appendix C.

In addition to its CDC involvement, UNB directly originated 19 community development loans totaling \$1.2 million to 7 different organizations serving low- and moderate-income individuals and families residing within the AA. The purpose of these loans included the working capital, mortgage financing and real estate improvements, and the acquisition of equipment property for non-profit organizations providing social, health, vocational training, financial counseling and housing services within the AA.

Investments

UNB's performance for the investment test is rated " High Satisfactory." In evaluating the bank volume of investments, we considered community development opportunities in the AA as well as the capacity for the local infrastructure to create qualified investments.

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

Overall investment opportunities in the AA are limited. The majority of investments for UNB are in the form of grants and donations to non-profit and community based organizations that serve housing, small business and various community service needs of the low- and moderate-income families and individuals residing within the AA. The availability of tax credit projects is limited and infrequent in number. Additionally, the competition for tax credit projects is strong as private investors and larger banking institutions vie for the limited quantity available in the marketplace.

As of the examination date, UNB has a good level of qualified investments and grants. The current level of investment reflects a good level of responsiveness to the needs of its AA. The types and dollar amounts of qualified investments made during the evaluation period are as follows:

1. Equity Investments	\$ 1,440,127
2. Grants and Donations	\$ 780,121
3. Property Donation	\$ 28,475
4. CDC investment	<u>\$ 24,000</u>
	\$ 2,272,723

1. Equity investments include the outstanding balance (\$1,037,825) of a tax credit project originated during the evaluation period and the remaining balances of two previously reported tax-credit projects (\$402,302). During the evaluation period, UNB participated in a 100-unit senior citizen housing project located in Bucks County, PA.
2. Community grants and qualifying donations totaling \$780,121 were given to 127 organizations for the support of affordable housing, social services, education, employment and small business initiatives benefiting low- and moderate families and/or individuals throughout the AA.
3. Furnishings and equipment provided to various community-based, non-profit organizations that provide community services to low- and moderate families and/or individuals through the AA.
4. UNB continues to participate in the Community Lenders Community Development Corporation (CLCDC), a non-profit organization established to finance low- and moderate-income housing and community development in Montgomery and Bucks County. UNB was the lead bank in organizing this CDC.

Services

This evaluation considered the asset size of UNB, its branch delivery system in relation to the size of the AA, and volume of low- and moderate-income geographies contained within this delineation.

UNB AA contains no low-income and five (2.4%) moderate-income census tracts. Approximately 3% of the AA population is located in moderate-income tracts. Further analysis reveals that only 8% of low and 5% of moderate-income households reside within these five moderate-income census tracts. The majority of the AA's low- and moderate individuals and families live in the geographies where the bank's branches are located. Although there are no UNB branch locations within moderate-income geographies, branch locations are situated adjacent to the main business districts and main thoroughfares utilized by low- and moderate-income individuals. The moderate census tracts are primarily centered (4 out of 5) in Norristown, PA. Approximately thirty (30) branches of other banking institutions also serve this area. The one other moderate census tract is located in Warminster, PA. Although UNB does not have a branch in this census tract (less than one square mile in area), it has a branch within this municipality. Approximately sixteen (16) branches of other financial institutions also serve this area.

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

UNB's performance in their AA under the Services Test is rated "Outstanding."

- UNB's delivery systems are readily accessible to geographies and individuals of different income levels in its assessment area. The bank's distribution of the thirty-two (32) full service, two (2) limited service, and twelve (12) retirement community locations throughout the AA is adequate. Five of the full service branches are in supermarket locations. Drive-thru and automated teller machines (ATMs) are available at all full service branch locations except two (2). All of the offices offer extended and/or Saturday hours along with consistent products, services and hours as those operated in other census tracts. The bank's branch hours and services do not vary in a way that inconveniences its assessment area, particularly moderate-income geographies and/or low- and moderate-income individuals. The branch locations are primarily tailored to commuting patterns and/or along major commuting thoroughfares.
- During the evaluation period, UNB closed two middle-income branch locations and consolidated two closely situated middle-income offices into one (1 PSB branch & 1 UNB branch).
- UNB offers alternate delivery systems of its retail services including bank by phone and Internet access. These services are accessible to all bank customers, including, low- and moderate-income individuals customers. **We did not place significant weight on these alternate delivery methods when determining our conclusions since management has no method to determine if these services benefit low- and moderate-income geographies or individuals.**

Community Development Services

UNB provides an excellent level of community development services within its assessment area. Bank management and staff are involved in numerous organizations and programs providing a wide array of social, technical and financial assistance to low- and moderate-income individuals and families within the AA. Over 40 members of management and staff have participated in 70 community development activities throughout the AA. Overall, community development services are responsive to the identified needs regarding affordable housing and small businesses. Highlights include:

Affordable Housing

- Several employees served in various capacities (administrative, technical, and fundraising) providing expertise to five affordable housing initiatives within the AA. These activities include the bank's risk manager serving as President of a local affordable housing organization (Community Housing Services) and sponsorship and lobbying efforts to increase community support for housing related issues.
- UNB continues its lead role in the Community Lenders Community Development Corporation (CDCLC), an organization that promotes and facilitates community revitalization through housing and community development activities benefiting low- and moderate-income individuals and geographies. The concept of this organization was previously assessed as complex and innovative.
- The bank also sponsored and participated in three homebuyer seminars during the evaluation period targeted primarily to low- and moderate-income individuals and families. Numerous bank employees serving in various capacities supported these seminars.

Small Business

- Three bank staff members participated in seminars providing assistance and training to small businesses owners and potential start-ups.
- Three bank employees are board members of three local area Chambers of Commerce. These organizations have programs supporting small business initiatives within the AA.

Education

- Numerous members of management and staff participated in nine financial education seminars for low- and moderate- income individuals including school students, foreign immigrants, Boy/Girl scouts, and the elderly.

Fair Lending Review

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

Appendix B Chart: Market Profile - Demographic Information Tables.

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UNB AA

Demographic Information for Full Scope Area: UNB AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	156	0.00	3.21	51.92	43.59	1.28
Population by Geography	551,358	0.00	2.86	48.66	47.70	0.78
Owner-Occupied Housing by Geography	145,502	0.00	1.78	46.73	51.49	0.00
Business by Geography	61,360	0.00	3.92	45.27	50.79	0.03
Farms by Geography	1,416	0.00	0.99	49.08	49.93	0.00
Family Distribution by Income Level	146,964	10.22	15.57	25.68	48.53	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	37,903	0.00	5.98	59.62	34.40	0.00
Median Family Income		41,908	Median Housing Value		147,482	
HUD Adjusted Median Family Income for 2002		63,300	Unemployment Rate (1990 US Census)		1.76%	
Households Below Poverty Level		3.84%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

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.
- 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.

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/assessment area. The table also presents data on branch openings and closings in each MA/assessment area.

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LENDING VOLUME												
Geography: UNB												
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002												
MA/Assessment Area (2002):	% 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:												
	100.00	2,092	139,947	1,787	260,377	0	0	35	1,757	3,914	402,081	0.00

Table 1. Lending Volume

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

** The evaluation period for Community Development Loans is From January 01, 2000 to December 31, 2002.

*** Deposit Data as of December 31, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: UNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002						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:																
UNB AA	214	100.00	0.00	0.00	1.78	0.47	46.73	67.76	51.49	31.78	0.30	0.00	0.00	0.43	0.18	

* Based on 2001 Peer Mortgage Data: Northeast Region.

** 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

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Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT															Geography: UNB		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002											
MA/Assessment Area:	Total Home Improvement 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:																												
UNB AA	1,096	100.00	0.00	0.00	1.78	0.00	46.73	71.81	51.49	28.19	9.04	0.00	0.00	13.62	5.00													

^{*} Based on 2001 Peer Mortgage Data: Northeast Region.

^{**} 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 housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: UNB		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
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:																					
UNB AA	782	100.00	0.00	0.00	1.78	0.13	46.73	70.97	51.49	28.90	1.09	0.00	0.00	1.87	0.51						

^{*} Based on 2001 Peer Mortgage Data: Northeast Region.

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

^{***} Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY															
Geography: UNB															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
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:															
UNB AA	0	0.00	0.00	0.00	4.58	0.00	61.26	0.00	34.15	0.00	0.00	0.00	0.00	0.00	

* Based on 2001 Peer Mortgage Data: Northeast Region.

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

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

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Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: UNB		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]										
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp						
Full Review:																					
UNB AA	1,787	100.00	0.00	0.00	3.92	0.11	45.27	65.36	50.79	34.53	1.46	0.00	0.00	2.22	1.03						

^{*} Based on 2001 Peer Small Business Data: US&PR.

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

^{***} Source Data - Dun and Bradstreet (2002).

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Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: UNB															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
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:															
UNB AA	0	0.00	0.00	0.00	0.99	0.00	49.08	0.00	49.93	0.00	0.00	0.00	0.00	0.00	

^{*} Based on 2001 Peer Small Business Data: US&PR.

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

^{***} Source Data - Dun and Bradstreet (2002).

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Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE															Geography: UNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]													
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp									
Full Review:																								
UNB AA	214	100.00	10.22	6.54	15.57	17.76	25.68	33.64	48.53	42.06	0.36	0.14	0.32	0.65	0.25									

^{*} Based on 2001 Peer Mortgage Data: Northeast Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

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

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Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT															Geography: UNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]													
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp									
Full Review:																								
UNB AA	1,096	100.00	10.22	9.97	15.57	21.17	25.68	29.92	48.53	38.95	9.24	13.06	13.06	11.96	6.57									

^{*} Based on 2001 Peer Mortgage Data: Northeast Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 3.01% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

^{****} 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.

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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: UNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]													
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp									
Full Review:																								
UNB AA	782	100.00	10.22	5.12	15.57	17.29	25.68	28.94	48.53	48.66	1.38	2.50	1.72	1.58	1.17									

^{*} Based on 2001 Peer Mortgage Data: Northeast Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 0.13% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

^{****} Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage 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: UNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					
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:									
UNB AA	1,787	100.00	56.00	43.20	64.35	18.19	17.46	1.46	1.77

[†] Based on 2001 Peer Small Business Data: US&PR.

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

^{***} Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 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 3.13% of small loans to businesses originated and purchased by the bank.

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Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: UNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					
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:									
UNB AA	0	0.00	90.25	0.00	0.00	0.00	0.00	0.00	0.00

[†] Based on 2001 Peer Small Business Data: US&PR.

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

^{***} Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 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: UNB		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
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:									
UNB AA	2	402,302	127	1,870,421	129	2,272,723	100	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: UNB																	
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002																	
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:																	
UNB AA	0.00	32	100.	0.00	0.00	76	24	0	2	0	0	2	0	0.00	2.86	48.66	47.70