



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

Public Disclosure

July 17, 2006

Community Reinvestment Act  
**Performance Evaluation**

Sun National Bank  
Charter Number: 18606

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Office of the Comptroller of the Currency

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**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

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

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

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	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 major factors that support this rating include:

- SNB’s lending activity is good, given the bank’s size, resources, and competition in the bank’s major markets.
- Overall geographic distribution of loans is good.
- Overall borrower distribution of loans is good.
- A substantial majority of SNB’s loans were originated in the assessment area.
- Overall, SNB has made a good level of qualified investments
- Service delivery systems are accessible to geographies and individuals of different income levels
- SNB provides a good level of community development services.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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

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

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

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5

million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

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

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

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

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

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

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

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

## Description of Institution

Sun National Bank (SNB), chartered and headquartered in Vineland, New Jersey, is a \$3.2 billion interstate community bank offering a wide array of loan and deposit products within their New Jersey, Pennsylvania, and Delaware markets. SNB is a wholly owned subsidiary of Sun Bancorp Inc. ("Bancorp"), a one-bank holding company.

SNB has three wholly owned subsidiaries: 2020 Properties LLC., which holds certain loans, judgments, real estate and other assets acquired in satisfaction of debts previously contracted by the bank, Sun Financial Services LLC, which is engaged in life and insurance annuity sales, and Medvine Inc., a holding company for SNB's investment securities. Subsidiary activities are not considered in this evaluation and do not impact the bank's capacity for community reinvestment.

The bank continues to expand through internal growth and acquisitions. In December 2003, SNB acquired eight New York Community Bank branches and converted them to Sun National Bank branches. These branches are located in Atlantic County, New Jersey. In July 2004, SNB acquired Community Bancorp of New Jersey (CBNJ), a \$374 million community bank with eight branches and one remote branch located in Monmouth County, New Jersey. In January 2006, SNB acquired Advantage Bank of New Jersey, a \$166 million community bank with three branches located in Somerset County, New Jersey and two branches located in Hunterdon County, New Jersey. These acquisitions, combined with the opening of five branches, the closing of five branches, and the consolidation of seventeen branches increased SNB's branch network from 75 to 80. The branch changes occurred within the bank's designated assessment area; therefore, SNB did not change their designated assessment area during the evaluation period. The branch activities are fully discussed in the Service Test section of this Evaluation.

SNB remains a community bank with a primary focus on serving the retail and commercial needs of its markets. During the evaluation period, SNB was designated a Preferred Lender in the New Jersey, Philadelphia, Pennsylvania, and Delaware area by the U.S. Small Business Administration (SBA). As a result, SNB has the authority in approving and closing SBA loan applications and offering businesses SBA Express loans. In 2005, SNB provided small business owners throughout New Jersey with 112 SBA loans worth \$18.4 million. This places SNB in the top ten SBA lenders in New Jersey. In addition, Thomas Bracken, president and chief executive officer of Sun Bancorp, Inc., was named the recipient of the U.S. Small Business Administration's 2006 Financial Services Champion of the Year Award.

As of June 30, 2006, net loans totaled \$2.3 billion or 72% of total assets. The loan portfolio is broken down as follows: commercial real estate loans total \$1.2 billion or 53%, commercial and industrial loans total \$416 million or 18%, residential real estate loans total \$403 million or 18%, construction and development loans total \$173 million or 8%, consumer loans total \$44 million or 2%, and all other loans \$38 million or 1%. Net tier 1 capital was \$248 million as of June 30, 2006.

Competition is intense within the major markets that the bank operates. SNB competes with several local, large regional and multinational institutions and mortgage companies for both mortgage and small business lending opportunities to the low- and moderate-income

individuals and geographies throughout the banks assessment area. SNB's primary competitors include Wachovia Bank National Association, Fleet National Bank, Sovereign Bank, Merrill Lynch Bank and Trust Company, PNC Bank and Commerce Bank, National Association.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AA.

SNB was rated "Satisfactory" at its last CRA evaluation dated April 14, 2002.

Community credit needs and opportunities are discussed in the respective Market profiles in Appendix C.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for the Lending Test, with the exception of community development (CD) loans, is based on two distinct time periods: January 1, 2003 through December 31, 2003 (2003 Evaluation Period) and January 1, 2004 through December 31, 2005 (2004-2005 Evaluation Period). Both the 2003 Evaluation Period and the 2004-2005 Evaluation Period use the Census 2000 demographic information. However, the 2004-2005 Evaluation Period is evaluated using the revised Metropolitan Statistical Areas (MSA) boundaries as defined by the U.S. Office of Management and Budget (OMB). Due to the significant changes in the boundaries and in the demographic information between the two time periods, the loan data was analyzed separately.

Conclusions regarding the bank's lending performance are based small business and HMDA reportable loans from January 1, 2003 through December 31, 2005. There were a minimal number of small loans to farms. Therefore, an analysis would not be meaningful and was not performed. Similarly, there were a minimal number of multifamily loans. Therefore, an analysis would not be meaningful and was not performed. The Lending Tables for both small loans to farms and multifamily loans have been eliminated.

For the CD Loans, Investment, and Service Tests, the evaluation period is April 15, 2003 through July 17, 2006. The Investment Test included a review of investments, grants, and donations made in the bank's AAs that meet the definition of community development. Any qualified investments originated in prior periods and still outstanding at July 17, 2006 were given appropriate consideration. The Service Test included a review of retail and community development services provided in the bank's AAs. The bank's investments and retail services were evaluated using Census 2000 demographic data and the revised MSA boundaries.

### Data Integrity

SNB's publicly files information for Home Mortgage Disclosure Act (HMDA) reportable loans and small loans to businesses were tested for accuracy. Results of this testing evidenced the data is sufficiently accurate for purposes of this CRA evaluation.

Community Development (CD) loans, investments and services submitted by management were also verified to ensure that they met the regulatory definition for community development.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope reviews. Refer to the "Scope" section under the New Jersey State Rating for details regarding how the areas were selected.

Every Multistate metropolitan area in which the bank has branches in more than one state received at least one full-scope review. Refer to the "Scope" section under the Multistate metropolitan area for details regarding how the areas were selected.

## Ratings

The bank's overall rating is a blend of the Multistate metropolitan area rating and the New Jersey state rating. The New Jersey state rating was more heavily weighted in arriving at the overall rating since that is where a majority of the bank's overall lending activities, deposits, and branches are located.

The Multistate metropolitan area rating and the state rating are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each for details regarding how the areas were weighted in arriving at the overall rating.

The Lending Test was more heavily weighted than the Investment or Service Test. SNB's record of originating small loans to businesses was more heavily weighted than its record of originating residential mortgage loans because approximately 53% of the number and 67% of the dollar amount of all loans originated during the evaluation period were small loans to business. In regards to home mortgage lending, we placed more weight on home refinance lending than home purchase and home improvement lending. Home refinance lending accounted for 48% of the number and 56% of the dollar amount of all home mortgage originations.

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.

Our conclusions regarding the community development services were based on the number of services performed, the number of people providing services, and the type of services performed.

## Fair Lending Review

We found no evidence of illegal discrimination or other illegal credit practices inconsistent with helping to meet community credit needs.

## **Multistate Metropolitan Area Rating**

### **Philadelphia-Camden-Wilmington Multistate Metropolitan Area**

**CRA rating for the Philadelphia-Camden-Wilmington Multistate Metropolitan Area<sup>1</sup>:**

**Satisfactory**

**The lending test is rated: High Satisfactory**

**The investment test is rated: Low Satisfactory**

**The service test is rated: High Satisfactory**

The major factors that support this rating include:

- SNB's lending activity is good, given the bank's size, resources, and competition in the bank's major markets.
- Overall geographic distribution of loans is good.
- Overall borrower distribution of loans is good.
- Community development investments reflect an adequate responsiveness to the needs of the various assessment areas.
- Service delivery systems are accessible to geographies and individuals of different income levels.
- Bank management and employees provide a good level of community development services.

### **Description of Institution's Operations in Philadelphia-Camden-Wilmington Multistate Metropolitan Area**

Based on the revised boundaries, SNB has three assessment areas within the Philadelphia-Camden-Wilmington Multistate Metropolitan Area. The following highlights the profiles of each of the AAs for the 2004-2005 Evaluation Period.

Refer to the market profile within the Philadelphia-Camden-Wilmington Multistate Metropolitan Area in appendix C for detailed demographics and other performance context information for the full-scope Camden MD.

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<sup>1</sup> This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

**Camden MD**

There are a total of 318 census tracts within this MD, including 19 low-income tracts and 49 moderate-income tracts. As of the 2000 Census, the Camden MD had a total population of 1.2 million. The 2004 weighted average median family income for the area is \$73,400. Owner-occupied housing units comprise 71 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 3 percent and 9 percent, respectively. Approximately 7 percent of households are below the poverty level.

There are a total of 12 branches located in the Camden MD, accounting for 52 percent of the total number of branches in the MSA. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 11<sup>th</sup> out of 392 institutions with a 1.98 percent market share. Banks with higher market share include Commerce Bank, NA, Bank of America, NA, Wachovia Bank, NA, and PNC Bank, NA.

**Wilmington MD**

There are a total of 151 census tracts within this MD, including 12 low-income tracts and 28 moderate-income census tracts. As of the 2000 Census, the Wilmington MD had a total population of 565 thousand. The 2004 weighted average median family income for the area is \$69,700. Owner occupied housing units comprise 67 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 2 percent and 15 percent, respectively. Approximately 8 percent of households are below the poverty level.

There are 10 branches in the Wilmington MD, which accounts for 43 percent of the branches in the MSA. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 19<sup>th</sup> out of 216 institutions with a 0.14% percent market share. Banks ranked ahead of SNB include ING FSB, MBNA America Bank, NA, Chase Bank USA, NA, Lehman Brothers Bank, FSB, and Wilmington Trust Company.

**Philadelphia MD**

There are a total of 381 census tracts within this MD, including 109 low-income tracts and 140 moderate-income census tracts. As of the 2000 Census, the Philadelphia MD had a total population of 1.5 million. The 2004 weighted average median family income for the area is \$66,300. Owner occupied housing units comprise 53 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 23 percent and 44 percent, respectively. Approximately 22 percent of households are below the poverty level.

There is 1 branch in the Philadelphia MD, which accounts for 4 percent of the branches in the MSA. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranked 51<sup>st</sup> out of 404 institutions with a .03 percent market share. Banks ranked ahead of SNB include Wachovia Bank, NA, Citizens Bank, NA, Sovereign Bank, NA, PNC Bank, NA, and Bank of America, NA.

## **Scope of Evaluation in the Philadelphia-Camden-Wilmington Multistate Metropolitan Area**

### **Philadelphia Multistate Metropolitan Area (6160) 2003 Evaluation Period**

For the 2003 Evaluation Period, the Philadelphia Multistate Metropolitan Area (6160) included Burlington, Camden, Gloucester, and Salem Counties in New Jersey and Philadelphia County in Pennsylvania. During the 2003 Evaluation Period, New Castle County, Delaware was the Wilmington-Newark, DE MSA (8480). Prior to the 2004 OMB changes, SNB would have received a Philadelphia Multistate rating and a separate Delaware State Rating. For this review, a full scope analysis was completed on the Philadelphia Multistate Metropolitan Area (6160) and a limited scope analysis was completed on the Wilmington-Newark, DE MSA (8480).

### **Philadelphia-Camden-Wilmington Multistate Metropolitan Area (37980) 2004-2005 Evaluation Period**

As a result of the OMB changes, which became effective in 2004, the former Multistate Metropolitan Area changed. Additionally, the OMB established newly defined areas called Metropolitan Divisions (MDs).

SNB's 2004-2005 Multistate Metropolitan Area contains the following three MDs, which are considered separate AAs and are analyzed separately.

- The Camden MD (15804), which includes all of Burlington, Camden, and Gloucester Counties in New Jersey.
- The Philadelphia MD (37964), which includes only Philadelphia County in Pennsylvania.
- The Wilmington MD (48864), which includes all of New Castle County in Delaware and all of Salem County in New Jersey.

For every Multistate Metropolitan area in which the bank has branches in more than one state, at least one full-scope review must be performed. The bank's overall Multistate Rating is a blend of the three MDs.

The Camden MD (15804) was selected for the full scope review. In the Multistate Metropolitan Area, approximately 70% of bank deposits, approximately 70% of home mortgage lending, and approximately 67% of small loans to businesses were originated in this MD.

The Philadelphia MD (37964) was selected for limited scope review. In the Multistate Metropolitan Area, approximately 2% of deposits, 4% of the bank's home mortgage lending, and approximately 13% of small loans to businesses were originated in this MD.

The Wilmington MD (48864) was selected for limited scope review. In the Multistate Metropolitan Area, approximately 28% of deposits, 26% of home mortgage lending, and approximately 20% of small loans to businesses were originated in this MD.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the Philadelphia-Camden-Wilmington MSA is "High Satisfactory". Based on a full-scope review, the bank's performance in the Camden MD is good.

#### Lending Activity

Refer to Tables 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's lending activity.

#### **Philadelphia Multistate Metropolitan Area (6160) – 2003 Evaluation Period**

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

SNB's mortgage lending penetration was good in the Philadelphia MSA when taking into consideration the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this AA.

The bank's lending levels reflect good responsiveness to the credit needs of the community. Approximately 26% of all home mortgage loans and approximately 22% of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 57% were home refinance loans, 24% were home improvement loans, and 20% were home purchase loans.

Based on the former boundaries and the 2003 market share data for all mortgage data, SNB ranked 115 out of 715 mortgage lenders with a market share of .13%. Based on this same 2003 HMDA aggregate data, SNB ranked 124 out of 622 lenders in the AA with a .11% market share in home refinance lending, 29 out of 199 lenders in the AA with a .53% market share in home improvement lending, and 110 out of 516 lenders in the AA with a .09% market share in home purchase lending.

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

Based upon the 2003 CRA aggregating data, SNB ranked 26 out of 158 lenders with a market share of .33%. Although this is below the bank's deposit market share, SNB's performance is considered good when considering the dominance of large lenders who originate small loans to businesses.

#### **Philadelphia-Camden-Wilmington Multistate Metropolitan Area—Camden MD (15804) 2004-2005 Evaluation Period**

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

SNB's mortgage lending penetration is good considering the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this MD.

The bank's lending levels reflect good responsiveness to the credit needs of the community. Approximately 24% of all home mortgage loans and approximately 19% of small loans to businesses were originated in the Camden MD. Among home mortgage loan originations, approximately 39% were home improvement loans, 32% were home refinance loans, and 28% were home purchase loans.

Based on the revised boundaries and the 2004 market share data, SNB ranks 97 out of 571 in the Camden MD with a market share of .19% in all home mortgage lending. The 2004 HMDA aggregate data indicates SNB ranked 26 out of 221 lenders in the AA with a .85% market share in home improvement lending, SNB ranked 129 out of 458 lenders in the AA with a .12% market share in home refinance lending, and SNB ranked 91 out of 444 lenders in the AA with a .14% market share in home purchase lending.

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

Based upon the 2004 CRA aggregating data, SNB ranked 21 out of 100 lenders with a market share of .67%. SNB's performance in originating small loans to businesses is considered good.

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

The overall geographic distribution of home mortgage loans is good considering the strong competition from significantly larger institutions and the limited opportunities for lending in low- and moderate-income geographies. The overall geographic distribution of small loans to businesses is adequate.

During the 2003 Evaluation Period, home mortgage lending opportunities were limited given that only 14 percent of owner-occupied units were located in low-income geographies and only 26 percent of owner-occupied units were located in moderate-income geographies. Similarly, only 18 percent of businesses were located in low-income geographies and only 25 percent of businesses were located in moderate-income geographies.

During the 2004-2005 Evaluation Period, home mortgage lending opportunities were limited in the Camden MD given that only 3 percent of owner-occupied units were located in low-income geographies and only 9 percent of owner-occupied units were located in moderate-income geographies. Similarly, only 6 percent of businesses were located in low-income geographies and only 15 percent of businesses were located in moderate-income geographies.

Further, SNB is competing against larger nationwide and regional institutions for these limited lending opportunities.

### **Philadelphia Multistate Metropolitan Area (6160) – 2003 Evaluation Period**

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

Tables 2, 3, and 4 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

**Home Purchase Lending**

The geographic distribution of home purchase loans is adequate when considering SNB only originated a total of 56 home purchase loans in 2003 and 9 of these were originated in moderate-income geographies. SNB did not originate home purchase loans in low-income geographies. The percentage of lending in the moderate-income geographies was lower than the percentage of owner occupied housing in these geographies. SNB's market share in moderate-income tracts is near to its overall market share.

**Home Improvement Lending**

The geographic distribution of home improvement lending is adequate when considering SNB only originated a total of 68 home improvement loans in 2003. One loan was originated in a low-income tract and seven were originated in moderate-income tracts. The percentage of lending in both low- and moderate-income geographies was significantly lower than the percentage of owner-occupied housing in these geographies. SNB's market share in low-income tracts is somewhat lower than its overall market share and SNB's market share in moderate-income tracts is near to its overall market share.

**Home Refinance Lending**

The geographic distribution of home refinance lending is poor. The percentage of lending in both low- and moderate-income geographies was significantly lower than the percentage of owner occupied housing in these geographies. SNB's market share in both low-and- moderate income tracts is lower than its overall market share.

***Small Loans to Businesses***

Table 6 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

Geographic distribution of small loans to businesses is poor. The percentage of small loans to businesses in both low- and moderate-income geographies is significantly lower than the percentage of businesses in these geographies. SNB's market share of small loans to businesses is lower than its overall market share in low-income geographies and is somewhat lower than its overall market share in moderate-income geographies.

**Philadelphia-Camden-Wilmington Multistate Metropolitan Area—Camden MD (15804)  
2004-2005 Evaluation Period*****Home Mortgage Loans***

Refer to Tables 2, 3, and 4 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

**Home Purchase Lending**

The geographic distribution of home purchase loans is good. There were no home purchase loan originations in low-income geographies. The percentage of lending in the moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts exceeds its overall market share.

### **Home Improvement Lending**

The geographic distribution of home improvement loans is good. There were no home improvement loan originations in low-income geographies. The percentage of lending in the moderate-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts exceeds its overall market share. SNB ranked 19 out 90 lenders within the Camden MD in home-improvement lending in moderate-income geographies.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is good. The percentage of lending in low-income geographies is near to the percentage of owner-occupied housing in these geographies. The percentage of lending in the moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income geographies exceeds its overall market share. SNB's market share in moderate-income tracts is near to its overall market share.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses is good. The percentage of small loans to businesses in low-income geographies is near to the percentage of businesses in these geographies, and the percentage of small loans to businesses in moderate-income geographies is near to the percentage of businesses in these geographies. SNB's market share of small loans to businesses exceeds its overall market share in low-income geographies and is near to its overall market share in moderate-income geographies.

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

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

### ***Inside/Outside Ratio***

This portion of the evaluation was performed at the bank level. During the evaluation period, SNB originated a substantial majority of its loans in the combined AAs. During the evaluation period 91% of the number and 86% of the dollar amount of HMDA originations were within the bank's combined assessment area. The number and dollar amount of loans originated in the AAs during the evaluation period by product types are as follows: 78% of the number and 77% of the dollar amount of home purchase loans, 99% of the number and 99% of the dollar amount of home improvement loans, 94% of the number and 91% of the dollar amount of home refinance loans. Regarding small loans to businesses, 92% of the number and 87% of the dollar amount of total originations were within the combined AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

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

The overall distribution of home mortgage loans by income level of the borrower is good. The borrower distribution of small loans to businesses is adequate.

In our analysis, we considered the lack of affordability for a low-income individual or family to purchase a home. This lack of affordability limits the opportunities for home purchase, home improvement, and home refinance lending to low-income individuals or families.

For the 2003 Evaluation Period, the average median housing value for the Philadelphia MSA (6160) was \$91 thousand and a low-income individual or family earned less than \$34,100. Further, 16% of the households within the AA were below the poverty level and are considered very low-income.

For the 2004-2005 Evaluation Period, the average median housing value for the Camden MD (15804) was \$121 thousand and a low-income individual or family earned less than \$36,700. The poverty level for this MD was 7%.

### **Philadelphia Multistate Metropolitan Area (6160) – 2003 Evaluation Period**

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

Tables 8, 9, and 10 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

#### **Home Purchase Lending**

Borrower distribution of home purchase loans is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for each low-and moderate-income borrowers is near to its overall market share.

#### **Home Improvement Lending**

Borrower distribution of home improvement loans is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. SNB's market share for each low-and moderate-income borrowers is near to its overall market share. According to the 2004 market share data, SNB is ranked 34 out of 107 lenders in lending to low-income borrowers and is ranked 42 out of 116 lenders in lending to moderate-income borrowers.

#### **Home Refinance Lending**

Borrower distribution of home refinance loans is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the

percentage of moderate-income families in the AA. SNB's market share for each low- and moderate-income borrowers is near to its overall market share.

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

Table 11 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 60% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

## **Philadelphia-Camden-Wilmington Multistate Metropolitan Area—Camden MD (15804) 2004-2005 Evaluation Period**

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

Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is excellent. The percentage of loans originated to low-income borrowers exceeds the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds to its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share. According to the 2004 market share data, SNB is ranked 36 out of 76 lenders in lending to low-income borrowers and is ranked 67 out of 267 lenders in lending to moderate-income borrowers.

### **Home Improvement Lending**

Borrower distribution of home improvement loans is good. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share. According to the 2004 market share data, SNB is ranked 21 out of 96 lenders in lending to low-income borrowers and is ranked 26 out of 136 lenders in lending to moderate-income borrowers.

### **Home Refinance Lending**

Borrower distribution of home refinance loans is good. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The

percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for each low- and moderate-income borrowers is near to its overall market share.

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

Refer to Table 11 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 64% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans.

Community development loans had a neutral impact on the lending test for the Camden MD and the Philadelphia MD because there were no community development loan originations in these MDs.

Community development lending had a positive impact on the lending test for the Wilmington MD. SNB originated eighteen small business loans for a total of \$2.1 million in the Wilmington MD that have community development purposes and have not been included in the small business loan data.

Twelve of the loans for a total of \$502 thousand were originated to a multibank community development corporation whose purpose is to serve as a vehicle for community revitalization through the financing of, and investment in, housing and related activities designed to address the needs of low- and moderate-income persons and areas.

A \$100 thousand loan was originated to a non profit organization whose mission is bringing professional arts training and education to the community, with an emphasis on serving low-income families.

Four loans totaling \$670 thousand were originated to a non profit organization whose mission is to provide affordable housing in Wilmington, Delaware.

One loan totaling \$860 thousand was originated to a partnership whose mission is to develop, construct, own, maintain, and operate low-income housing for the elderly and disabled in New Castle County, Delaware.

## **Product Innovation and Flexibility**

In September 2004, SNB introduced a Home Repair Program for low- and moderate-income families. This program is designed to meet the home repair needs for families with low- to moderate-income levels. The program offers secured and unsecured loans to qualified low- and moderate-income families at reduced rates, flexible terms, and no fees. Since the program's inception, SNB made two loans for a total of \$5,000 under this program.

SNB also has two affordable home mortgage loan programs. The Sun Keys program offers qualified borrowers a 30 year fixed-interest rate as well as a discount from .5% to 1.0% off of the market's current interest rate. The Sun Promise program offers eligible borrowers a 30 year fixed-interest rate and \$1,000 towards the down payment and closing costs. During the Evaluation Period, SNB made 30 loans for a total of \$3,310,025.

In addition, 25 loans for a total of \$3,390,632 were referred and originated under the New Jersey Housing and Mortgage Finance Agency (NJHMFA) or the Federal Housing Administration (FHA) loan programs. These loans were not originated or reported under SNB's mortgage data; however, SNB is being recognized for assisting these low- and moderate-income families in obtaining home mortgage financing.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the Wilmington MD is stronger than the bank's overall "High Satisfactory" performance under the lending test in the Camden MD. SNB's performance in lending to low-and-moderate income geographies was stronger, and SNB's Community Development lending in the Wilmington MD had a positive impact on the overall lending rating. The bank's performance under the lending test in the Philadelphia MD is weaker than the bank's overall "High Satisfactory" performance under the lending test in the Camden MD. However, there were only a minimal number of loans originated in the Philadelphia MD and SNB has a limited presence in the Philadelphia MD.

Refer to the Tables 1 through 11 in the multistate section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the Philadelphia-Camden-Wilmington Multistate Metropolitan Area is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Camden, MD is adequate

Statewide and regional investments, grants, and donations were considered, in their entirety, in the MD they had potential to benefit. In cases where the investment, grant, or donation benefited more than one MD, the investment was considered, in its entirety, to benefit the MD designated by management. The prior period investments that were previously allocated are also considered to benefit the MD designated by management.

Refer to Table 14 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### **Philadelphia-Camden-Wilmington Multistate Metropolitan Area—Camden MD (15804)**

SNB has an adequate level of qualified investments and grants and exhibited an adequate level of responsiveness to meeting the identified needs of the area. Investment opportunities do exist but there is competition for these opportunities.

During the evaluation period, a total of \$1.2 million in funds were dispersed in this MD. SNB invested in one mortgage-backed security (MBS) totaling \$1.1 million. The sixteen mortgages collateralizing this MSB were originated to low- and moderate-income families in Burlington, Camden, and Middlesex counties. This MBS benefits a broader statewide/regional area and management designated this investment to the Camden MD. This investment will be reflected on the Statewide/Regional Investment line in the investment tables.

SNB made six grants and donations for a total of \$27 thousand to four organizations that provide economic development, affordable housing, and community services to low- and moderate-income individuals. Four of these donations for a total of \$25 thousand are reflected on the Statewide/Regional Investment line in the investment tables.

### Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Wilmington MD is stronger than the bank's overall "Low Satisfactory" performance. The stronger performance is a result of a higher level of investments in relation to the bank's loan and deposit market share in this AA. The Philadelphia MD, the bank's performance is weaker than the bank's overall performance. The bank's weaker performance is due to the limited presence in this AA and the bank is competing with institutions with a stronger presence in the MD for investment opportunities. The weaker performance has a minimal impact on the overall investment test rating.

Refer to the Table 14 in of appendix D for the facts and data that support these conclusions.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the Camden-Philadelphia-Wilmington Multistate Metropolitan Area is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Camden MD is good.

### Retail Banking Services

Refer to Table 15 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

SNB's delivery systems are accessible to geographies and individuals of different income levels in the Camden MD. SNB operates 12 of its 80 branches within the Camden MD. Of these 12 branches, none were located in low-income geographies, one was located in a moderate-income geography, ten were located in middle-income geographies, and one was located in an upper-income geography.

As a percentage of the total number of branches, 0% of the branches were located in low-income geographies where 6% of the population resides, and 8.33% of the branches were located in moderate-income geographies where 12.38% of the population resides. Consequently, the distribution of SNB's branches in low- and moderate-income geographies is below the percentage of the population residing in such geographies.

Although there is only one branch office physically located in a moderate-income geography, SNB does have three branches that are physically located in middle-income geographies but are in close proximity to four moderate-income geographies.

During the evaluation period, SNB acquired three branches as part of the New York Community Bank acquisition that took place in December 2003. In addition, SNB consolidated four branches, opened one branch, and closed one branch in this AA. Two of the acquired branches were located in middle-income tracts and one was located in an upper-income tract. One of the consolidated branches was located in a moderate-income geography and the other three were located in middle-income geographies. There was one branch opened in a middle-income geography. The branch openings and closings have generally not adversely impacted the accessibility of services to low- and moderate-income individuals or geographies.

The bank's services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies or low- and moderate-income individuals. All of the branches have extended hours of operation at least one day a week. All of the branches have Saturday hours and five of the branches have Sunday morning hours. Seven of the branches offer drive-through services and six locations are equipped with ATMs. A full line of traditional banking products and services are offered at all branches.

The bank offers alternative delivery systems in the form of ATMs, telephone and Internet banking. However, no weight was placed on these services because a determination of the volume of use in low- and moderate-income geographies and by low- and moderate-income individuals is unavailable.

## **Community Development Services**

SNB provides a good level of CD services within the Camden MD. Bank management and employees provided their financial and technical expertise through their involvement in several qualified community organizations, and through their participation in several small business workshops and seminars. The community development services are responsive to the community development needs in the assessment area. Their community development services enhanced small business and economic development as well as enhanced services targeted to low- and moderate-income individuals and families. The following is a list of CD services that were provided in the Camden MD during the evaluation period.

One employee serves on the Board of Trustees of a local organization that provides services to low- and moderate-income individuals and families. This employee provides financial expertise as a member of the organization's finance sub-committee.

One employee provides financial expertise by serving on the affordable housing committee and the commercial real estate committee of a local community development financial institution. The mission of this organization is to alleviate poverty, provide affordable housing for low- and moderate-income individuals and revitalize low- and moderate-income neighborhoods.

One employee serves on the loan committee for a local non-profit partnership whose mission is to encourage growth and stability of the small business sector in the distressed areas located within the Camden MD.

Several employees participated in four small business workshops and seminars during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the service test in the Philadelphia MD is weaker than the bank's overall "High Satisfactory" performance under the service test in the Camden-Philadelphia-Wilmington Multistate Metropolitan Area. There is only one branch in this MD, making delivery systems inaccessible to a portion of the assessment area. The bank's performance under the service test in the Wilmington MD is not inconsistent with the bank's overall "High Satisfactory" performance under the service test in the Camden-Philadelphia-Wilmington Multistate Metropolitan Area.

Refer to Table 15 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

## State Rating

### State of New Jersey

#### CRA Rating for New Jersey<sup>2</sup>: Satisfactory

The lending test is rated: High Satisfactory

The investment test is rated: High Satisfactory

The service test is rated: High Satisfactory

The major factors that support this rating include:

- SNB's lending activity is good, given the bank's size, resources, and competition in the bank's major markets.
- Overall geographic distribution of loans is good.
- Overall borrower distribution of loans is good.
- Overall, community development investments reflect a good responsiveness to the needs of the various assessment areas.
- Service delivery systems are accessible to geographies and individuals of different income levels.
- Overall, bank management and employees provide a good level of community development services.

### Description of Institution's Operations in New Jersey

Based on the revised boundaries, there are a total of six assessment areas within the state of New Jersey. The following highlights the profiles of each of the AAs for the 2004-2005 Evaluation Period.

Refer to the market profiles for the state of New Jersey in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

**Edison, NJ MD (20764) – 2004-2005 Evaluation Period**

There are a total of 405 census tracts within this MD, including 20 low-income tracts and 78 moderate-income tracts. As of the 2000 Census, there was a total population of 1.8 million. The 2004 HUD adjusted median family income for the area is \$82,800. Owner-occupied housing units comprise 69 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 4 and 16 percent, respectively. Approximately 6 percent of households are below the poverty level.

There are a total of 24 branches in the Edison MD, accounting for 42% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 15 out of 732 lenders in the Edison MD with a 1.27% market share. Banks that rank above SNB include Merrill Lynch Bank and Trust Company, Wachovia Bank, NA, Bank of America, NA, PNC Bank, NA, and Commerce Bank, NA.

**Atlantic City, NJ MSA (12100) – 2004-2005 Evaluation Period**

There are a total of 63 census tracts within this MSA, including 4 low-income tracts and 11 moderate-income tracts. As of the 2000 Census, there was a total population of 252,552. The 2004 HUD adjusted median family income for the area is \$61,300. Owner-occupied housing units comprise 55 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 1 and 10 percent, respectively. Approximately 10 percent of households are below the poverty level.

There are a total of 11 branches in the Atlantic City MSA, accounting for 19% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 3<sup>rd</sup> out of 88 lenders in the Atlantic City MSA with a 9.20% market share. Bank of America ranks 1<sup>st</sup> with a 17.05% market share and Commerce Bank, NA ranks 2<sup>nd</sup> with a market share of 9.09%.

**Vineland-Millville-Bridgeton, NJ MSA (47220) – 2004-2005 Evaluation Period**

There are a total of 34 census tracts within this MSA, including 2 low-income tracts and 7 moderate-income tracts. As of the 2000 Census, there was a total population of 146,438. The 2004 HUD adjusted median family income for the area is \$53,700. Owner-occupied housing units comprise 63 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 2 and 10 percent, respectively. Approximately 14 percent of households are below the poverty level.

There are a total of 6 branches in this AA, accounting for 11% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 1<sup>st</sup> out of 48 lenders in the Vineland-Millville-Bridgeton MSA with a 21.30% market share.

**Ocean City, NJ MSA (36140) – 2004-2005 Evaluation Period**

There are a total of 13 census tracts within this MSA, with no low-income tracts and six moderate-income tracts. As of the 2000 Census, there was a total population of 102,326. The 2004 HUD adjusted median family income for the area is \$61,100. Owner-occupied housing units comprise 34 percent of total housing units. There are no low-income geographies within this MSA. Approximately 21 percent of owner-occupied units are located within moderate-income geographies. Approximately 8 percent of households are below the poverty level.

There are a total of 6 branches in this MSA, accounting for 11% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 9<sup>th</sup> out of 56 lenders in the Ocean City MSA with an 7.17% market share. Banks that rank above SNB include Sturdy Savings Bank, PNC Bank, NA, Commerce Bank, NA, Bank of America, NA.

### **Trenton-Ewing, NJ MSA (45940) – 2004-2005 Evaluation Period**

There are a total of 73 census tracts within this MSA, including 13 low-income tracts and 12 moderate-income tracts. As of the 2000 Census, there was a total population of 351,761. The 2004 HUD adjusted average median family income for the area is \$80,800. Owner-occupied housing units comprise 63 percent of total housing units. Owner-occupied units located within low-and-moderate income geographies are 6 and 13 percent, respectively. Approximately 9 percent of households are below the poverty level.

There are a total of 7 branches in the Trenton-Ewing MSA, accounting for 12% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 10<sup>th</sup> out of 151 lenders in the Trenton-Ewing MSA with a 2.20% market share. Banks that rank above SNB include Wachovia Bank, NA, Yardville NB, PNC Bank, NA, Sovereign Bank, Bank of America, NA and Commerce Bank, NA.

### **Newark –Union, NJ MSA (35084) – 2004-2005 Evaluation Period**

There are a total of 26 census tracts within this MSA. There are no low-income tracts and there is only one moderate-income tract. As of the 2000 Census, there was a total population of 121,981. The 2004 HUD adjusted average median family income for the area is \$81,000. Owner-occupied housing units comprise 81 percent of total housing units. Only 2 % of owner-occupied units are located within moderate income geographies. Approximately 3 percent of households are below the poverty level.

There are a total of 3 branches in the Newark-Union MD, accounting for 5% of the total branches in the state of New Jersey. Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 14<sup>th</sup> out of 57 lenders in the Newark-Union MD with a 0.92% market share. Some of the banks that rank above SNB include Commerce Bank, NA, PNC Bank, NA, Bank of America, NA, and Wachovia Bank, NA.

## **Scope of Evaluation in New Jersey**

The bank's overall State of New Jersey rating is based primarily on the results of those areas that received full-scope reviews.

### **State of New Jersey - 2003 Evaluation Period:**

During 2003, SNB had the following AAs in the State of New Jersey:

- The Atlantic-Cape May MSA (0560), which included all of Atlantic and Cape May Counties in New Jersey. A full-scope analysis was performed for this MSA.
- The Vineland-Millville-Bridgeton MSA (8760), which included all of Cumberland County in New Jersey. A full-scope analysis was performed for this MSA.

- The Monmouth-Ocean MSA (5190), which included all of Monmouth and Ocean Counties in New Jersey. A full-scope analysis was performed for this MSA.
- The Middlesex-Somerset-Hunterdon MSA (5015), which included all of Hunterdon and Somerset Counties and a portion of Middlesex County. A full-scope analysis was performed for this MSA.
- The Trenton MSA (8480), which included all of Mercer County. A limited-scope analysis was performed for this MSA.

**State of New Jersey – 2004-2005 Evaluation Period:**

As a result of the OMB changes, which became effective in 2004, SNB's assessment areas have changed. SNB's newly defined AAs in the State of New Jersey are:

- The Edison MD (20764), which is a subset of the larger New York-Northern New Jersey-Long Island MSA (35620), and includes all of Monmouth, Ocean, and Somerset Counties in New Jersey and a portion of Middlesex County in New Jersey.
- The Atlantic City MSA (12100), which includes all of Atlantic County, New Jersey.
- The Vineland-Millville-Bridgeton MSA (47220), which includes all of Cumberland County, New Jersey.
- The Ocean City MSA (36140), which includes all of Cape May County, New Jersey.
- The Trenton-Ewing MSA (45940), which includes all of Mercer County
- The Newark-Union MD (35084), which is a subset of the larger New York-Northern New Jersey-Long Island MSA (35620) and includes only Hunterdon County in New Jersey.

The Edison MD (20764) was selected for a full scope review. In the state of New Jersey, approximately 35% of bank deposits, approximately 31% of home mortgage lending, and approximately 47% of small loans to businesses were originated in this MD. This MD received slightly more weight than the other MDs and MSAs.

The Atlantic City MSA (12100) was selected for a full scope review. In the state of New Jersey, approximately 22% of bank deposits, approximately 24% of home mortgage lending, and approximately 19% of small loans to businesses were originated in this MSA.

The Vineland-Millville-Bridgeton MSA (47220) was selected for a full scope review. In the state of New Jersey, approximately 21% of bank deposits, approximately 23% of home mortgage lending, and approximately 15% of small loans to businesses were originated in this MSA.

The Ocean City MSA (36140) was selected for limited scope review. In the state of New Jersey, approximately 9% of the bank's deposits, approximately 12% of home mortgage lending, and 10% of small loans to businesses were originated in this MSA.

The Trenton-Ewing MSA (45940) was selected for limited scope review. In the state of New Jersey, approximately 11% of the bank's deposits, approximately 9% of home mortgage lending, and 8% of small loans to businesses were originated in this MSA.

The Newark-Union MD (35084) was selected for limited scope review. In the state of New Jersey, approximately 1% of the bank's deposits, 1% of home mortgage lending, and less than 1% of small loans to businesses were originated in this MD.

Refer to the table in Appendix A for more information.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New Jersey is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Edison MSA, the Atlantic City MSA, and the Vineland-Millville-Bridgeton MSA is good.

### Lending Activity

Refer to Table 1 Lending Volume in the state of New Jersey section of appendix D for the facts and data used to evaluate the bank's lending activity.

#### **Middlesex-Somerset-Hunterdon, NJ (5015) – 2003 Evaluation Period**

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

SNB's mortgage lending penetration was adequate in the Middlesex-Somerset-Hunterdon MSA when taking into consideration the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this AA.

The bank's lending levels reflect an adequate responsiveness to the credit needs of the community. Approximately 4 percent of all home mortgage loans and approximately 6 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 76% were home refinance loans, 10% were home improvement loans, and 15% were home purchase loans.

Based on the former boundaries and the 2003 market share data for all mortgage data, SNB ranked 200 out of 594 mortgage lenders with a market share of .04%. Based on this same 2003 HMDA aggregate data, SNB ranked 192 out of 539 lenders in the AA with a .04% market share in home refinance lending, 65 out of 130 lenders in the AA with a .15% market share in home improvement lending, and 194 out of 402 lenders in the AA with a .03% market share in home purchase lending.

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

Based upon the 2003 CRA aggregating data, SNB ranked 33 out of 142 lenders with a market share of .14%. Although this is below the bank's deposit market share, SNB's performance was good considering the dominance of large lenders who originate small loans to businesses.

#### **Monmouth-Ocean, NJ (5190) – 2003 Evaluation Period**

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

SNB's mortgage lending penetration was good in the Monmouth-Ocean MSA.

The bank's lending levels reflect a good responsiveness to the credit needs of the community. Approximately 18 percent of all home mortgage loans and approximately 18 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations,

approximately 66% were home refinance loans, 21% were home improvement loans, and 14% were home purchase loans.

Based on the former boundaries and the 2003 market share data for all mortgage data, SNB ranked 107 out of 633 mortgage lenders with a market share of .12%. Based on this same 2003 HMDA aggregate data, SNB ranked 119 out of 149 lenders in the AA with a .11% market share in home refinance lending, 25 out of 149 lenders in the AA with a .73% market share in home improvement lending, and 122 out of 441 lenders in the AA with a .08% market share in home purchase lending.

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

Based upon the 2003 CRA aggregating data, SNB ranked 21 out of 122 lenders with a market share of .39%. Although this is below the bank's deposit market share, SNB's performance was good when considering the dominance of large lenders who originate small loans to businesses.

## **Atlantic-Cape May, NJ (0560) – 2003 Evaluation Period**

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

SNB's mortgage lending penetration was excellent in the Atlantic-Cape May MSA.

The bank's lending levels reflect excellent responsiveness to the credit needs of the community. Approximately 21 percent of all home mortgage loans and approximately 28 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 56% were home refinance loans, 28% were home improvement loans, and 17% were home purchase loans.

Based on the former boundaries and the 2003 market share data for all mortgage data, SNB ranked 43 out of 518 mortgage lenders with a market share of .44%. Based on this same 2003 HMDA aggregate data, SNB ranked 45 out of 441 lenders in the AA with a .37% market share in home refinance lending, 7 out of 96 lenders in the AA with a 3.40% market share in home improvement lending, and 58 out of 518 lenders in the AA with a .44% market share in home purchase lending.

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

Based upon the 2003 CRA aggregating data, SNB ranked 12 out of 84 lenders with a market share of 2.10%. SNB's performance is considered excellent.

## **Vineland-Millville-Bridgeton, NJ (8760) – 2003 Evaluation Period**

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

SNB's mortgage lending penetration was excellent in the Vineland-Millville-Bridgeton MSA.

The bank's lending levels reflect excellent responsiveness to the credit needs of the community. Approximately 14 percent of all home mortgage loans and approximately 14 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 58% were home refinance loans, 20% were home improvement loans, and 22% were home purchase loans.

Based on the former boundaries and the 2003 market share data for all mortgage data, SNB ranked 14 out of 256 mortgage lenders with a market share of 1.78%. Based on this same 2003 HMDA aggregate data, SNB ranked 17 out of 218 lenders in the AA with a 1.63% market share in home refinance lending, 8 out of 57 lenders in the AA with a 5.64 % market share in home improvement lending, and 21 out of 150 lenders in the AA with a 1.28 % market share in home purchase lending.

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

Based upon the 2003 CRA aggregating data, SNB ranked 9 out of 47 lenders with a market share of 3.89%. SNB's performance is considered excellent.

## **Edison, NJ MD (20764) – 2004-2005 Evaluation Period**

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

SNB's mortgage lending penetration was adequate in the Edison MSA when taking into consideration the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this AA.

The bank's lending levels reflect an adequate responsiveness to the credit needs of the community. Approximately 20 percent of all home mortgage loans and approximately 33 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 35% were home refinance loans, 35% were home improvement loans, and 30% were home purchase loans.

Based on the revised boundaries and the 2004 market share data, SNB ranked 148 out of 640 mortgage lenders with a market share of .09% in all home mortgage lending. Based on this same 2004 HMDA aggregate data, SNB ranked 182 out of 513 lenders in the AA with a .06% market share in home refinance lending, 39 out of 230 lenders in the AA with a .46% market share in home improvement lending, and 160 out of 507 lenders in the AA with a .06% market share in home purchase lending.

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

Based upon the 2004 CRA aggregating data, SNB ranked 19 out of 160 lenders with a market share of .49%. SNB's performance is good considering the dominance of large lenders who originate small loans to businesses.

## **Atlantic City, NJ MSA (12100) – 2004-2005 Evaluation Period**

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

SNB's mortgage lending penetration was good in the Atlantic City MSA when taking into consideration the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this AA.

The bank's lending levels reflect a good responsiveness to the credit needs of the community. Approximately 16 percent of all home mortgage loans and approximately 14 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations,

approximately 38% were home refinance loans, 36% were home improvement loans, and 26% were home purchase loans.

Based on the revised boundaries and the 2004 market share data, SNB ranked 40 out of 414 mortgage lenders with a market share of .56% in all mortgage loan products. Based on this same 2004 HMDA aggregate data, SNB ranked 47 out of 325 lenders in the AA with a .46% market share in home refinance lending, 12 out of 113 lenders in the AA with a 2.53% market share in home improvement lending, and 53 out of 311 lenders in the AA with a .33% market share in home purchase lending.

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

Based upon the 2004 CRA aggregating data, SNB ranked 13 out of 59 lenders with a market share of 2.43%. SNB's performance is considered excellent when considering the dominance of large lenders who originate small loans to businesses.

## **Vineland-Millville-Bridgeton, NJ MSA (47220) – 2004-2005 Evaluation Period**

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

SNB's mortgage lending penetration was excellent in the Vineland-Millville-Bridgeton MSA when taking into consideration the strong competition from nationwide lenders who are active in this area and the bank's limited presence in this AA.

The bank's lending levels reflect an excellent responsiveness to the credit needs of the community. Approximately 15 percent of all home mortgage loans and approximately 11 percent of small loans to businesses were originated in this MSA. Among home mortgage loan originations, approximately 40% were home refinance loans, 33% were home improvement loans, and 27% were home purchase loans.

Based on the revised boundaries and the 2004 market share data for all mortgage data, SNB ranked 22 out of 278 mortgage lenders with a market share of 1.20%. Based on this same 2004 HMDA aggregate data, SNB ranked 30 out of 225 lenders in the AA with a .78% market share in home refinance lending, 8 out of 72 lenders in the AA with a 4.63% market share in home improvement lending, and 28 out of 186 lenders in the AA with a .91% market share in home purchase lending.

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

Based upon the 2004 CRA aggregating data, SNB ranked 8 out of 42 lenders with a market share of 3.99%. SNB's performance is considered excellent.

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

The overall geographic distribution of home mortgage loans is good considering the strong competition from significantly larger institutions and the limited opportunities for lending in low- and moderate-income geographies. The overall geographic distribution of small loans to businesses is good.

**Middlesex-Somerset-Hunterdon, NJ (5015) – 2003 Evaluation Period*****Home Mortgage Loans***

Tables 2, 3, and 4 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

**Home Purchase Lending**

There were only six home purchase loans originated during 2003 in this AA. An analysis would not be meaningful and was not performed.

**Home Improvement Lending**

There were only four home improvement loans originated during 2003 in this AA. An analysis would not be meaningful and was not performed.

**Home Refinance Lending**

The geographic distribution of home refinance lending is good. There were no home refinance loans originated in low-income geographies. The percentage of lending in moderate-income geographies was near to the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts is near to its overall market share.

***Small Loans to Businesses***

Table 6 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

Geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses in low-income geographies is near to the percentage of businesses in these geographies. There were no small loans to business originations in moderate-income geographies. SNB's market share of small loans to businesses is near to its overall market share in low-income geographies.

**Monmouth-Ocean, NJ (5190) – 2003 Evaluation Period*****Home Mortgage Loans***

Tables 2, 3, and 4 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

**Home Purchase Lending**

The geographic distribution of home purchase loans is excellent. The percentage of lending in each the low- and moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income tracts exceeds its overall market share and SNB's market share in moderate-income tracts is near to its overall market share.

**Home Improvement Lending**

The geographic distribution of home improvement loans is excellent. There were no home improvement loan originations in low-income geographies. The percentage of lending in the moderate-income geographies significantly exceeds the percentage of owner-occupied housing in these geographies. According to the 2003 market share data, SNB is ranked 12 out

of 90 lenders in lending to moderate-income geographies. SNB's market share in moderate-income tracts exceeds its overall market share.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is good. The percentage of lending in low-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income tracts is near to its overall market share. SNB's market share in moderate-income tracts exceeds its overall market share.

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

Table 6 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

Geographic distribution of small loans to businesses is excellent. There were no small loans to business originations in low-income geographies. The percentage of small loans to businesses in moderate-income geographies exceeded the percentage of businesses in those geographies. SNB's market share in moderate-income tracts exceeds its overall market share.

## **Atlantic-Cape May, NJ (0560) – 2003 Evaluation Period**

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

Tables 2, 3, and 4 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

### **Home Purchase Lending**

The geographic distribution of home purchase loans is good. Only .65% of owner-occupied housing is located in low-income geographies; therefore, an analysis would not be meaningful and was not performed. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts is near to its overall market share. According to the 2003 market share data, SNB is ranked 55 out of 185 lenders and has a .30% market share in home purchase lending in moderate-income geographies

### **Home Improvement Lending**

The geographic distribution of home improvement loans is adequate. Only .65% of owner-occupied housing is located in low-income geographies; therefore, an analysis would not be meaningful and was not performed. The percentage of lending in moderate-income geographies is lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts is somewhat lower than its overall market share; however, SNB ranks 11 out of 42 lenders and has a 1.93% market share in home improvement lending in moderate-income geographies.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is adequate. Only .65% of owner-occupied housing is located in low-income geographies; therefore, an analysis would not be meaningful and was not performed. The percentage of lending in moderate-income

geographies is lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts is near to its overall market share

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

Table 6 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

Geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses in each low- and moderate-income geographies exceeds the percentage of businesses in those geographies. SNB's market share in each low- and moderate-income tracts exceeds its overall market share.

## **Vineland-Millville-Bridgeton, NJ (8760) – 2003 Evaluation Period**

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

Tables 2, 3, and 4 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

### **Home Purchase Lending**

The geographic distribution of home purchase loans is adequate. There were no home purchase loan originations in low-income geographies. The percentage of lending in moderate-income geographies is lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts is somewhat lower than its overall market share.

### **Home Improvement Lending**

The geographic distribution of home improvement loans is excellent. There were no home improvement loan originations in low-income geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income tracts exceeds its overall market share. According to the 2003 market data, SNB is ranked 5 out of 17 lenders with a 9.62% market share in home improvement lending in moderate-income tracts.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is good. The percentage of lending in low-income geographies is near to the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies is near to the percentage of owner-occupied housing in these geographies. SNB's market share in low-income tracts exceeds its overall market share and SNB's market share in moderate-income tracts is near to its overall market share. SNB is ranked 12 out 22 lenders in home refinance lending in low-income tracts and 18 out of 105 lenders in moderate-income geographies.

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

Table 6 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

Geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses in low-income geographies exceeds the percentage of businesses in

those geographies and the percentage of small loans to businesses in moderate-income geographies is near to the percentage of businesses in those geographies. SNB's market share in each low- and moderate-income tracts exceeds its overall market share.

## **Edison, NJ MD (20764) – 2004-2005 Evaluation Period**

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

Refer to Tables 2, 3, 4, and 5 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### **Home Purchase Lending**

The geographic distribution of home purchase loans is excellent. The percentage of lending in each low- and moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income geographies exceeds its overall market share. SNB's market share in moderate-income geographies is near to its overall market share.

### **Home Improvement Lending**

The geographic distribution of home improvement lending is good. The percentage of lending in low-income geographies is lower than the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income geographies is near to its overall market share. SNB's market share in moderate-income geographies exceeds its overall market share.

### **Home Refinance Lending**

The geographic distribution of home refinance lending is good. The percentage of lending in low-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in each low- and moderate-income geographies is near to its overall market share.

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

Refer to Table 6 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses is excellent . The percentage of small loans to businesses in low-income geographies somewhat lower than the percentage of businesses in those geographies and the percentage of small loans to businesses in moderate-income geographies exceeds the percentage of businesses in those geographies. SNB's market share in low-income tracts is near to its overall market share and SNB's market share in moderate-income tracts exceeds its overall market share.

## **Atlantic City, NJ MSA (12100) – 2004-2005 Evaluation Period**

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

Refer to Tables 2, 3, 4, and 5 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### **Home Purchase Lending**

The geographic distribution of home purchase loans is adequate. There were no loans originated in low-income geographies. The percentage of lending in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income geographies is somewhat lower than its overall market share.

### **Home Improvement Lending**

The geographic distribution of home improvement loans is excellent. The percentage of lending in low-income geographies exceeds the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. SNB's market share in low-income geographies exceeds its overall market share. In fact, SNB ranked 1<sup>st</sup> out of 11 lenders with a 15.38% market share in lending in low-income geographies. SNB's market share in moderate-income geographies is near to its overall market share. SNB ranked 12 out of 38 lenders with a 3.03% market share in lending in moderate-income geographies.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is adequate. There were no loans originated in low-income geographies. The percentage of lending in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income geographies is near to its overall market share.

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

Refer to Table 6 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses is good. The percentage of small loans to businesses in each low-and moderate-income geographies is near to the percentage of businesses in those geographies. SNB's market share in each low-and moderate-income tracts exceeds its overall market share.

## **Vineland-Millville-Bridgeton, NJ MSA (47220) – 2004-2005 Evaluation Period**

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

Refer to Tables 2, 3, 4, and 5 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### **Home Purchase Lending**

The geographic distribution of home purchase loans is adequate. The percentage of lending in low-income geographies is near to the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing in these geographies. SNB's market share in low-income tracts is lower than its overall market share and SNB's market share in moderate-income tracts is somewhat lower than its overall market share.

### **Home Improvement Lending**

The geographic distribution of home improvement lending is excellent. There were no loan originations in low-income geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in moderate-income geographies exceeds its overall market share. SNB is ranked 5 out of 29 lenders with a 6.73% market share in lending in moderate-income geographies.

### **Home Refinance Lending**

The geographic distribution of home refinance loans is good. The percentage of lending in low-income geographies is near to the percentage of owner-occupied housing in these geographies. The percentage of lending in moderate-income geographies exceeds the percentage of owner-occupied housing in these geographies. SNB's market share in low-income geographies exceeds its overall market share and SNB's market share in moderate-income geographies is near to its overall market share.

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

Refer to Table 6 in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses in low-income geographies is near to the percentage of businesses in those geographies and the percentage of small loans to businesses in moderate-income geographies is lower than the percentage of businesses in those geographies. SNB's market share in low-income tracts exceeds its overall market share and SNB's market share in moderate-income tracts is somewhat lower than its overall market share.

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

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

### ***Inside/Outside Ratio***

This portion of the evaluation was performed at the bank level. During the evaluation period, SNB originated a substantial majority of its loans in the combined AAs. During the evaluation period 91% of the number and 86% of the dollar amount of HMDA originations were within the

bank's combined assessment area. The number and dollar amount of loans originated in the AAs during the evaluation period by product types are as follows: 78% of the number and 77% of the dollar amount of home purchase loans, 99% of the number and 99% of the dollar amount of home improvement loans, 94% of the number and 91% of the dollar amount of home refinance loans. Regarding small loans to businesses, 92% of the number and 87% of the dollar amount of total originations were within the combined AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

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

The overall distribution of home mortgage loans by income level of the borrower is good. The borrower distribution of small loans to businesses is adequate.

In our analysis, we considered the lack of affordability for a low-income individual or family to purchase a home. This lack of affordability limits the opportunities for home purchase, home improvement, and home refinance lending to low-income individuals or families.

### **Middlesex-Somerset-Hunterdon, NJ (5015) – 2003 Evaluation Period**

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

Tables 8, 9, and 10 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

#### **Home Purchase Lending**

There were only six home purchase loans originated during 2003 in this AA. An analysis would not be meaningful and was not performed.

#### **Home Improvement Lending**

There were only four home improvement loans originated during 2003 in this AA. An analysis would not be meaningful and was not performed.

#### **Home Refinance Lending**

Borrower distribution of home refinance lending is adequate. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is near to its overall market share and SNB's market share for moderate-income borrowers equals its overall market share.

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

Table 11 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

The distribution of small loans to businesses is adequate. The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is significantly lower

than the percentage of businesses in the AA. SNB's market share of lending to small businesses is somewhat lower than its overall market share. The distribution by size of loan shows that approximately 73% of the loan originations are for \$100,000 or less.

## **Monmouth-Ocean, NJ (5190) – 2003 Evaluation Period**

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

Tables 8, 9, and 10 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is good. The percentage of loans originated to low-income borrowers exceeds the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share.

### **Home Improvement Lending**

Borrower distribution of home improvement lending is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is near to its overall market share and SNB's market share for moderate-income borrowers exceeds its overall market share. According to the 2003 market share data, SNB is ranked 26 out of 57 lenders with a market share of .56% in lending to low-income families and is ranked 19 out of 93 lenders with a 1.10% market share in lending to moderate-income families.

### **Home Refinance Lending**

Borrower distribution of home refinance lending is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for each low- and moderate-income borrowers is near to its overall market share.

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

Table 11 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of

lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 52% of the loan originations are for \$100,000 or less.

## **Atlantic-Cape May, NJ (0560) – 2003 Evaluation Period**

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

Tables 8, 9, and 10 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low- and moderate-income borrowers is near to its overall market share.

### **Home Improvement Lending**

Borrower distribution of home improvement lending is excellent. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for each low- and moderate-income borrowers exceeds its overall market share. According to the 2003 market share data, SNB ranks 9 out of 20 lenders in lending to low-income borrowers and is ranked 6 out of 49 in lending to moderate-income borrowers.

### **Home Refinance Lending**

Borrower distribution of home refinance lending is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share. SNB ranks 27 out of 145 lenders in lending to low-income borrowers and is ranked 46 out of 219 lenders in lending to moderate-income borrowers.

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

Table 11 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan

shows that approximately 59% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

## **Vineland-Millville-Bridgeton, NJ (8760) – 2003 Evaluation Period**

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

Tables 8, 9, and 10 have been excluded for the 2003 Evaluation Period. We elected not to include the tables for this time period to keep the report to a reasonable size.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is lower than its overall market share. SNB's market share for moderate-income borrowers exceeds its overall market share. According to the 2003 market data, SNB is ranked 27 out of 40 lenders in lending to low-income borrowers and is ranked 10 out of 64 lenders in lending to moderate-income borrowers.

### **Home Improvement Lending**

Borrower distribution of home improvement lending is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share and SNB's market share for moderate-income borrowers is somewhat lower than its overall market share. SNB ranks 6 out of 16 lenders in lending to low-income borrowers with a 6.98% and is ranked 9 out of 18 lenders in lending to moderate-income borrowers with a 5.13% market share.

### **Home Refinance Lending**

Borrower distribution of home refinance lending is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share and SNB's market share for moderate-income borrowers is near to its overall market share. SNB ranks 6 out of 59 lenders with a 3.36% market share in lending to low-income borrowers.

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

Table 11 has been excluded for the 2003 Evaluation Period. We elected not to include the table for this time period to keep the report to a reasonable size.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 61% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

## **Edison, NJ MD (20764) – 2004-2005 Evaluation Period**

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

Refer to Tables 8, 9 and 10 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is excellent. The percentage of loans originated to low-income borrowers exceeds the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share.

### **Home Improvement Lending**

Borrower distribution of home improvement lending is good. The percentage of loans originated to low-income borrowers is near to the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share and SNB's market share for moderate-income borrowers is near to its overall market share.

### **Home Refinance Lending**

Borrower distribution of home refinance lending is good. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is near to its overall market share and SNB's market share for moderate-income borrowers equals its overall market share.

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

Refer to Table 11 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses is near to its overall market share. The distribution by size of loan shows that approximately 59% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

## **Atlantic City, NJ MSA (12100) – 2004-2005 Evaluation Period**

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

Refer to Tables 8, 9 and 10 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Home Purchase Lending**

Borrower distribution of home purchase loans is good. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is lower than to its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share.

### **Home Improvement Lending**

Borrower distribution of home improvement lending is excellent. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers exceeds its overall market share. SNB is ranked 6 out of 30 lenders with a 6.25% market share in lending to low-income families. SNB's market share for moderate-income borrowers exceeds its overall market share. SNB is ranked 8 out of 58 lenders with a 3.14% market share in lending to moderate-income borrowers.

### **Home Refinance Lending**

Borrower distribution of home refinance lending is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers somewhat lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is lower than its overall market share and SNB's market share for moderate-income borrowers is near to its overall market share.

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

Refer to Table 11 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of small loans to businesses is adequate when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 67% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

### **Vineland-Millville-Bridgeton, NJ MSA (47220) – 2004-2005 Evaluation Period**

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

Refer to Tables 8, 9 and 10 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

#### **Home Purchase Lending**

Borrower distribution of home purchase loans is good. The percentage of loans originated to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is near to its overall market share. SNB's market share for moderate-income borrowers is near to its overall market share.

#### **Home Improvement Lending**

Borrower distribution of home improvement lending is excellent. The percentage of loans originated to low-income borrowers significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is near to its overall market share and SNB's market share for moderate-income borrowers exceeds its overall market share. According to the 2004 market share data, SNB is ranked 8 out of 23 lenders with a 4.65% market share in lending to low-income borrowers and is ranked 3 out of 32 lenders with a 9.40% market share in lending to moderate-income borrowers.

#### **Home Refinance Lending**

Borrower distribution of home refinance lending is adequate. The percentage of loans originated to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans originated to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. SNB's market share for low-income borrowers is lower than its overall market share and SNB's market share for moderate-income borrowers is somewhat lower than its overall market share.

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

Refer to Table 11 in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of small loans to businesses is good when considering the distribution by size of loan and the strong competition from larger, nationwide lenders that offer small business credit cards.

The percentage of small loans to businesses (businesses with gross annual revenues of \$1 million or less) is lower than the percentage of businesses in the AA. SNB's market share of lending to small businesses exceeds its overall market share. The distribution by size of loan shows that approximately 70% of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of New Jersey section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

#### **Atlantic City, NJ MSA (12100) – 2004-2005 Evaluation Period**

Community development loans had a positive impact on the lending test. SNB originated one small business loan for \$450 thousand that has community development purposes and was not included in the small business loan data. The \$450 thousand loan was to finance improvements and equipment for a new supermarket located in a moderate-income census tract and surrounded by eight additional low-and moderate-income geographies.

#### **Vineland-Millville-Bridgeton, NJ MSA (47220) – 2004-2005 Evaluation Period**

Community development loans had a positive impact on the lending test. SNB originated three small business loans for a total of \$1,456 million in the Vineland-Millville-Bridgeton, NJ MSA that have community development purposes and were not included in the small business loan data. These three loans were originated to a non-profit, federally designated Community Action Program for Cumberland, Gloucester, and Salem Counties who assists low- and moderate-income residents through a variety of programs, primarily child care services. There is one loan for \$400 thousand that serves as a line of credit, there is a \$488 thousand term loan, and there is a \$568 thousand non revolving construction loan made for the purpose of constructing an eight lot subdivision. This is a subsidized housing project for moderate-income families.

### **Product Innovation and Flexibility**

All of the products described earlier under the Multistate section of this PE are available in the State of New Jersey AAs.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the Trenton-Ewing MSA and the Ocean City MSA is not inconsistent with the bank's overall "High Satisfactory" performance in the state of New Jersey. The bank's performance under the lending test in the Newark-Union MD is weaker than the bank's overall "High Satisfactory" performance in the state of New Jersey because of the very limited number of loan originations. The weaker performance had very minimal impact on the overall lending rating.

Refer to the Tables 1 through 13 in the state of New Jersey section of appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

The bank's performance under the investment test in New Jersey is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Edison, NJ MD is excellent. The bank's performance in the Atlantic City, NJ MSA is adequate. The bank's performance in the Vineland-Millville-Bridgeton, NJ MSA is poor.

Statewide and regional investments, grants, and donations were considered, in their entirety, in the MD they had potential to benefit. In cases where the investment, grant, or donation benefited more than one MD, the investment was considered, in its entirety, to benefit the MD designated by management. The prior period investments that were previously allocated are also considered to benefit the MD designated by management.

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

### **Edison, NJ MD (20764)**

SNB has an excellent level of qualified investments and grants and exhibits an excellent responsiveness to meeting the identified needs of the area. There are opportunities for CD investments in the AA.

During the evaluation period, a total of \$26 million in funds were dispersed and/or outstanding in this AA. SNB invested in nine mortgage-backed securities (MBS) totaling \$19 million. Each of these investments was collateralized with pools of residential mortgages originated to low- and moderate-income borrowers. These investments benefited a broader statewide/regional area. Management designated these investments to the Edison, NJ MD. These investments will be reflected on the statewide/regional investment line in the investment tables.

There are also eight prior period investments with a current book value of \$7 million. All eight of these investments were mortgage-backed securities that were collateralized with pools of residential mortgages originated to low- and moderate-income borrowers. Seven of these investments for a total of \$6 million are reflected on the statewide/regional investment line in the investment tables.

SNB made five grants and donations for a total of \$14 thousand to four organizations that provide community services to low- and moderate-income individuals. One grant for a total of \$5 thousand is reflected on the statewide/regional investment line in the investment tables.

### **Atlantic City, NJ MSA (12100)**

SNB has an adequate level of qualified investments and grants and exhibits an adequate responsiveness to meeting the identified needs of the area. Opportunities for CD investments do exist in this AA.

During the Evaluation Period, a total of \$1.5 million in funds were dispersed in this AA. SNB made two qualifying investments totaling \$1.3 million. SNB investment in one mortgage-backed security totaling \$1 million. This investment was collateralized with pools of residential mortgages originated to low- and moderate-income borrowers. The investment benefited a broader statewide/regional area. Management designated this investment to the Atlantic City, NJ MSA. The investment will be reflected on the statewide/regional investment line in the investment tables.

In addition, SNB made a \$250 thousand equity investment in a non-profit partnership whose primary purpose is to encourage the growth and stability of the small business sector in the distressed areas of Atlantic City. The investment will be reflected on the statewide/regional investment line in the investment tables.

SNB made ten grants and donations totaling \$132 thousand to seven organizations that provide economic development and community services to low- and moderate-income individuals and areas. Two of the donations for a total of \$30 thousand will be reflected on the statewide/regional investment line in the investment tables.

### **Vineland-Millville-Bridgeton, NJ MSA (47220)**

SNB has a poor level of qualified investments and grants and exhibits a poor responsiveness to meeting the identified needs of the area. While there are opportunities for CD investments in this AA, there is competition for these investments.

During the evaluation period, a total of \$20 thousand in funds were dispersed in this AA. There were no current or prior period investments that benefited this MSA. SNB did make eight grants and donations totaling \$20 thousand to five organizations that provide economic development, affordable housing, and community services to low- and moderate-income individuals.

### **Statewide/Broader Regional Area**

SNB made one grant for a total of \$43 thousand that did not benefit any of the bank's assessment areas but did benefit a broader regional area.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the investment test in the Newark-Union MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the investment test in the state of New Jersey. The bank's performance under the investment test in the Ocean City MSA and in the Trenton-Ewing MSA is weaker than the bank's overall performance in the state. There were no investments, donations, or grants in the Ocean City, NJ MSA. However, prior to the 2004 OMB changes, this MSA would have been part of the Atlantic-Ocean City MSA and not a separate MSA. The bank's weaker performance in the Ocean City, NJ MSA had some impact on the bank's overall investment test rating. There were minimal investments, donations, and grants in the Trenton-Ewing MSA. The bank's weaker performance had some impact on the overall investment test rating.

Refer to the Table 14 in the state of New Jersey section of appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

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

The bank's performance under the service test in New Jersey is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Edison, NJ MD, the Atlantic City, NJ MD, and the Vineland-Millville-Bridgeton, NJ MSA is good.

### **Retail Banking Services**

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

#### **Edison, NJ MD (20764)**

SNB's delivery systems are accessible to geographies and individuals of different income levels in the Edison, NJ MD. SNB operates 24 of its 80 branches within this MD. Of these branches, none were in low-income geographies, four were in moderate-income geographies, twelve were in middle-income geographies, and eight were in upper-income geographies.

As a percentage of the total number of branches, 0% of the branches were located in low-income geographies where 4.16% of the population resides, and 16.67% of the branches were

located in moderate-income geographies where 17.73% of the population resides. Consequently, the distribution of SNB's branches in low-income geographies is below the percentage of the population residing in such geographies, and the distribution of SNB's branches in moderate-income geographies is somewhat lower than the percentage of the population residing in such geographies.

Although there are no branches in low-income areas and the distribution of branches in moderate-income areas is somewhat lower than the population residing there, SNB has approximately six middle- and upper-income branches that are close to at least twelve low- and moderate-income geographies. These middle- and upper-income branches allow delivery systems to be accessible to essentially all portions of the MD.

During the evaluation period, SNB acquired eleven branches. Nine of these branches were acquired as part of the Community Bancorp of New Jersey acquisition that took place in 2004. The other two branches were acquired as part of the Advantage Bank of NJ acquisition that took place in January of 2006. Two of the branches were located in moderate-income geographies, two of the branches were located in middle-income geographies, and seven of the branches were located in upper-income geographies. In addition, SNB consolidated four branches, closed three branches, and opened three new branches in this MD. Three of the consolidated branches were located in middle-income tracts, and one was located in a moderate-income geography. Two of the closed branches were located in middle-income geographies and one was located in an upper-income geography. One of the new branches was located in a middle-income geography and two of the new branches were located in upper-income geographies. The branch acquisitions, consolidations, opening, and closings have not adversely affected the accessibility of services to low- and moderate-income individuals or geographies.

The bank's services do not vary in a way that inconveniences certain low- and moderate-income geographies or low- and moderate-income individuals. A full line of traditional banking products and services are offered at all branches. All of the branches have extended hours of operations at least one day per week. All of the branches have Saturday morning hours. Eight of the branches have Sunday morning hours. All but one branch has drive-through services. All branches are equipped with ATMs. In addition, an offsite ATM is located at Centra State Medical.

The bank offers alternative delivery systems in the form of ATMs, telephone, and Internet banking. However, no weight was placed on these services because a determination of the volume of use in low- and moderate-income geographies and by low- and moderate-income individuals is unavailable.

### **Atlantic City, NJ MSA (12100)**

SNB's delivery systems are accessible to essentially all geographies and individuals of different income levels in the Atlantic City, NJ MSA. SNB operates 11 of its 80 branches within this MSA. Of these branches, two were located in low-income geographies, none were in moderate-income geographies, six were located in middle-income geographies, and three were located in upper-income geographies.

As a percentage of the total number of branches, 18.18% of the branches were located in low-income geographies where 4.31% of the population resides, and 0% of the branches were located in moderate-income geographies where 16.09% of the population resides. Consequently, the distribution of SNB's branches in low-income geographies exceeds the percentage of the population residing in such geographies, and the distribution of branches in moderate-income geographies is significantly lower than the percentage of the population residing in such geographies.

Although there are no branch offices physically located in moderate-income geographies, SNB does have one branch located in a middle-income geography that is in close proximity to four moderate-income geographies.

During the evaluation period, SNB acquired five branches as part of the New York Community Bank acquisition that took place in December 2003. One of these branches was located in a low-income geography, two were located in middle-income geographies, and two were located in upper-income geographies. In addition, SNB consolidated two branches; both of the branches were located in middle-income geographies. The branch acquisitions and consolidations improved the accessibility of services in low- income geographies and to low- and moderate-income individuals.

The bank's services do not vary in a way that inconveniences portions of the assessment area, particularly low- and moderate-income geographies or individuals. A full line of traditional banking products and services are offered at all branches. Nine of the branches have extended hours at least one day per week. The two branches that do not have extended hours are located in low-income geographies; however, these two branches are in close proximity to a middle-income branch that has extended hours. Ten of the branches have Saturday hours. The one branch without Saturday hours is located in a low-income geography; however, the other low-income branch and the close middle-income branch offer Saturday hours. One upper-income branch has Sunday morning hours. Seven of the branches offer drive-through services. Two of the four branches that do not have drive-through services are located in low-income geographies. One of these low-income branches did have a drive thru but it had to be eliminated due to an adjacent casino parking facility. All branches are equipped with ATMs. In addition, offsite ATMs are located at the Atlantic City Convention Center, Boardwalk Hall, and Sea Oaks Country Club.

The bank offers alternative delivery systems in the form of ATMs, telephone, and Internet banking. However, no weight was placed on these services because a determination of the volume of use in low- and moderate-income geographies and by low- and moderate-income individuals is unavailable.

### **Vineland-Millville-Bridgeton, NJ MSA (47220)**

SNB's delivery systems are readily accessible to geographies and individuals of different income levels in the Vineland-Millville-Bridgeton, NJ MSA. SNB operates 6 of its 80 branches within this MSA. Of these 6 branches, one was located in a low-income geography, three were located in moderate-income geographies, one was located in a middle-income geography, and one was located in an upper-income geography.

As a percentage of the total number of branches, 16.67% of the branches were located in low-income geographies where 5.07% of the population resides, and 50% of the branches were located in moderate-income geographies where 17.50% of the population resides. Consequently, the distribution of SNB's branches in low- and moderate-income geographies exceeds the percentage of the population residing in such geographies.

During the evaluation period, SNB consolidate two branches. One was located in a moderate-income geography and one was located in an upper-income geography. In addition, SNB opened a new branch in an upper-income geography. The branch openings and closing have generally not adversely impacted the accessibility of services to low- and moderate-income individuals or geographies.

The bank's services do not vary in a way that inconveniences certain low- and moderate-income geographies or individuals. A full line of traditional banking products and services are offered at all branches. All of the branches have extended hours of operations at least one day per week. All of the branches have Saturday morning hours. One branch, located in an upper-income geography, has Sunday morning hours. Five of the branches are equipped with ATMs. In addition, offsite ATMs are located at SNB's Corporate Office, Vineland Municipal Court, and Vineland Municipal Building.

The bank offers alternative delivery systems in the form of ATMs, telephone, and Internet banking. However, no weight was placed on these services because a determination of the volume of use in low- and moderate-income geographies and by low- and moderate-income individuals is unavailable.

## **Community Development Services**

### **Edison, NJ MD (20764)**

SNB provides an adequate level of CD services within the Edison, NJ MD. Bank management and employees provided their financial and technical expertise by participating in several small business workshops and seminars. The community development services are responsive to the community development needs in the assessment area.

### **Atlantic City, NJ MSA (12100)**

SNB provides an adequate level of CD services within the Atlantic City, NJ MSA. Bank management and employees provided their financial and technical expertise through their involvement with one qualified community organization, and through their participation in several small business workshops and seminars. The community development services are responsive to the community development needs in the assessment area. The following highlights the major services provided:

- One bank employee provides financial expertise to one qualified community organizations. This employee provides financial expertise by serving on the Board of local organization whose primary mission is to provide community services to low- and moderate-income individuals and families.

- Several employees participated in two small business workshops and seminars during the evaluation period

### **Vineland-Millville-Bridgeton, NJ MSA (47220)**

- SNB provides adequate level of CD services within the Vineland-Millville-Bridgeton, NJ MSA. Bank management and employees provided their financial and technical expertise through their involvement with qualified community organizations, and through their participation in small business workshops, panels, and seminars. The community development services are responsive to the community development needs in the assessment area. The following highlights the major services provided:
- The president and chief executive officer of Sun Bancorp, Inc. provides financial and technical expertise through his participation in two qualified community development organizations. One organization promotes economic development. The other is a non-profit consortium of business, labor, government and academic leaders dedicated to creating jobs, improving the economy and protecting the environment by improving the state's infrastructure and enabling it to meet the needs of a growing New Jersey.
- Several employees participated in three small business seminars.
- Several employees participated in a televised program titled "Starting Your Own Business"

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the service test in the Trenton-Ewing MSA, the Ocean City MSA, and the Newark-Union MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the service test in New Jersey.

Refer to Table 15 in the state of New Jersey section of appendix D for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): 01/01/03 to 12/31/05 Investment and Service Tests and CD Loans: 04/15/03 to 07/17/06	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Sun National Bank (SNB) Vineland, NJ	Home Mortgages (Home Purchase, Home Improvement, Home Refinance), Small Loans to Businesses, CD Loans, Qualified Investments and Qualified Services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA-37980 Camden, NJ MD - 15804 Philadelphia, PA MD - 37964 Wilmington, DE-MD-NJ MD - 48864  State of New Jersey Atlantic City, NJ MSA 12100 Ocean City, NJ MSA 36140 Vineland-Millville-Bridgeton, NJ MSA – 47220 Trenton-Ewing, NJ MSA – 45940  New York-Northern New Jersey-Long Island, NY-NJ-PA MSA – 35620 Edison, NJ MD – 20764 Newark-Union, NJ MD – 35084	Full Scope Limited Scope Limited Scope  Full Scope Limited Scope Full Scope  Limited Scope  Full Scope Limited Scope	2003: 2000 demographics  2004-2005: 2000 demographics & revised MSA boundaries

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

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RATINGS Sun National Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Sun National Bank	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, MSA 37980	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
New Jersey	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

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

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

### Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, MSA 37980 Camden, NJ MD-15804

Demographic Information for Full-Scope Area: Camden, NJ MD - 15804						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	318	5.97	15.41	57.23	19.81	1.57
Population by Geography	1,186,999	6.00	12.38	59.47	22.13	0.02
Owner-Occupied Housing by Geography	321,9889	3.02	9.38	62.69	24.91	0.00
Businesses by Geography	62,932	3.80	10.87	56.51	28.47	0.35
Farms by Geography	1,492	0.67	6.97	58.11	34.25	0.00
Family Distribution by Income Level	310,492	18.85	18.50	24.62	38.03	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	115,960	11.14	18.71	57.92	12.24	0.00
Median Family Income HUD Adjusted Median Family Income for 2004 Households Below the Poverty Level	= \$62,302 = \$73,400 = 7%	Median Housing Value Unemployment Rate				= \$121,422 = 5.1%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2004 HUD updated MFI.

In 2004, the OMB redefined the boundaries of several MSAs and also established newly defined areas called Metropolitan Divisions (MDs) based on the 2000 census. The bank's AA in this multistate MD consists of all of Burlington, Camden, and Gloucester counties in New Jersey. The Camden, NJ MD (15804) is a subset of the larger Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, MSA (37980). Under the pre-2004 boundaries, these counties were part of the Philadelphia Multistate MSA 6160. The AA complies with the CRA guidelines and does not arbitrarily exclude LMI geographies.

According to the 2000 U.S. Census Data, there are 318 census tracts in this AA. There are 19 low-income tracts, 49 moderate-income tracts, 182 middle-income tracts, 63 upper-income tracts, and 5 that have not been assigned an income classification.

The 2000 U.S. Census Data reported the total population of the assessment area at 1,186,999. This population was comprised of 431,163 households and 310,492 families. There are 456,044 housing units, of which, 85% were one to four family units and 26% were rental units. Owner-occupied housing is 71%, rental-occupied housing is 24%, and vacant housing is 6%. The median housing cost is \$121,422.

The median family income was \$64,651 and the HUD updated MSA median family income is \$73,400. Approximately 7% of the households are below poverty. Approximately 19% of the families in the AA are low-income, 18% are moderate-income, 25% are middle-income, and 38% are upper-income.

Based on the housing values and the median family income, there is lack of affordability for a low-income individual or family to purchase a home. According to the above, the average median housing value is \$121,422, and a low-income individual or family earns less than \$36,700.

According to the 2004 Business Geodemographics, there are a total of 59,632 businesses and 1,426 farms. Approximately 4% of the businesses are located in low-income tracts, 11% are located in moderate-income tracts, 56% are located in middle-income tracts, and 28% are located in upper-income tracts. Approximately 66% of the businesses reporting have revenues less than \$1 million and approximately 70% of the businesses and farms reporting have less than 10 employees.

There are a total of 12 branches located in the Camden MD, accounting for 52% of the total number of branches within the multistate MSA. All of the branches have extended hours of operation at least one day a week. All of the branches have Saturday hours and five of the branches have Sunday morning hours. Seven of the branches offer drive-through services and six locations are equipped with ATMs. A full line of traditional banking products and services are offered at all branches.

Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 11<sup>th</sup> out of 392 institutions in the Camden MD with a 3.32 percent market share. Competition for both loans and deposits is strong in this MD, particularly from larger regional and multistate financial institutions. According to the June 30, 2005 deposit data, major competitors are: Commerce Bank, NA (11.22%), Bank of America, NA (10.97%), Wachovia Bank, NA (11.22%), and PNC Bank, NA (10.20%).

Camden is one of the poorest cities in the U.S. Camden is part of the government designated Philadelphia-Camden Bi-State Empowerment Zone. The Empowerment Zone initiative is a federally funded program that offers federal tax incentives to companies operating within the Zone. The city of Camden is also part of the Urban Enterprise Zone Program enacted by the state of New Jersey to revitalize the state's most distressed urban communities through the creation of public and private investment within these communities. The Camden Urban Enterprise Zone provides incentives for businesses to open or relocate to Camden, including sales tax exemptions and reductions, corporate tax credits, and subsidized unemployment insurance cost. In addition, the U.S. Department of Housing and Urban Development (HUD) has designated Camden as an urban "Renewal Community". Businesses operating within the Renewal Community are offered federal tax incentives and financing to spur economic development and job growth.

The city of Camden is the industrial and commercial center of the AA. Some of the larger employers in the MD are America's PEO, Inc., Cooper Health Systems, Our Lady of Lourdes Medical Center, and Campbell Soup.

The unemployment rate, as of August 2006, for the Camden MD is 5.1%, compared to the national unemployment rate of 4.7%.

Based on OCC community contacts made and reviewed, there are opportunities for banks to provide community development lending, investments, and services. We concluded the primary needs of the area are funding for small and start-up businesses along with support for affordable housing development.

**State of New Jersey  
Atlantic City, NJ MSA-12100**

Demographic Information for Full-Scope Area: Atlantic City, NJ MSA – 12100						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	63	6.35	17.46	57.14	17.46	1.59
Population by Geography	252,552	4.31	16.09	61.29	17.52	0.80
Owner-Occupied Housing by Geography	63,040	0.98	9.67	66.07	23.25	0.04
Businesses by Geography	14,603	6.57	14.59	58.86	19.95	0.02
Farms by Geography	391	0.51	4.35	78.26	16.88	0.00
Family Distribution by Income Level	63,431	19.29	18.27	23.34	39.11	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	23,820	7.59	22.30	58.17	11.95	0.00
Median Family Income		Median Housing Value				
HUD Adjusted Median Family Income for 2004	= \$51,769	Unemployment Rate			= \$120,946	
Households Below the Poverty Level	= \$61,300				= 5.7%	
	= 10					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2004 HUD updated MFI.

Prior to 2004, Atlantic County, NJ and Cape May County, NJ were combined under the Atlantic-Cape May, NJ MSA (0560). As a result of the 2004 OMB changes, two separate and new MSAs were created. The new Atlantic City, NJ MSA (12100) is comprised of all of Atlantic County, NJ, and the new Ocean City, NJ MSA (36140) is comprised of all of Cape May County, NJ. For the purposes of this evaluation, the Ocean City, NJ MSA received a limited scope review and the demographics are not discussed. The Atlantic City, NJ MSA received a full scope review and the following demographics represent only the Atlantic City, NJ MSA (12100). The AA complies with the CRA guidelines and does not arbitrarily exclude LMI geographies.

According to the 2000 U.S. Census Data, there are a total of 63 census tracts in this AA. There are 4 low-income tracts, 11 moderate-income tracts, 36 middle-income tracts, 11 upper-income tracts, and one has not been assigned an income classification.

The 2000 U.S. Census data reported the total population of the AA at 252,552. This population was comprised of 95,025 households, and 63,431 families. There are a total of 114,090 housing units, of which, 78% were one to four family units and 31% were rental units. Owner-occupied housing is 55%, rental occupied units were 28%, and vacant housing was 17%. The median housing cost is \$120,946.

The median family income was \$52,243 and the HUD updated median family income is \$61,300. Approximately 10% of households are below poverty. Approximately 19% of the

families in the AA are low-income, 18% are moderate-income, 23% are middle-income, and 39% are upper-income.

Based on the housing values and the median family income, there is a lack of affordability for a low-income individual or family to purchase a home. According to the above, the average median housing value is \$120,946, and a low-income individual or family earns less than \$30,650.

According to the 2004 Business Geodemographics, there are a total of 14,075 business and 373 farms. Approximately 7% are located in low-income tracts, 13% are located in moderate-income tracts, 60% are located in middle-income tracts, and 19% are located in upper-income tracts. Approximately 66% of the businesses reporting have revenues less than \$1 million and approximately 70% report less than 10 employees.

There are a total of 11 branches in the Atlantic City MSA, accounting for 19% of the total branches in the state of New Jersey. A full line of traditional banking products and services are offered at all branches. Nine of the branches have extended hours at least one day per week. Ten of the branches have Saturday hours. One branch has Sunday morning hours. Seven of the branches offer drive-through services. All branches are equipped with ATMs. In addition, offsite ATMs are located at the Atlantic City Convention Center, Boardwalk Hall, and Sea Oaks Country Club.

Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 3 out of 88 lenders in the Atlantic City MSA with a 12.50 percent market share. According to the June 30, 2005 deposit data, major competitors are: Bank of America, who ranks 1st with a 17.05% market share and Commerce Bank, NA, who ranks 2<sup>nd</sup> with a market share of 9.09%.

Atlantic City's economy is primarily driven by casinos and tourism. The largest employers in Atlantic County are Atlantic City Hilton Casino Resort, Bally's Atlantic City, Borgata Casino Hotel & Spa, and Caesars.

The unemployment rate, as of August 2006, was 5.7%, which is higher than the national unemployment rate of 4.7%.

Based on OCC community contacts made and reviewed, there are opportunities for banks to provide community development lending, services, and investments. In particular, there is a need for education on managing credit and debt, affordable mortgages, and small business loans.

**State of New Jersey  
Edison, NJ MD-20764**

Demographic Information for Full-Scope Area: Edison, NJ MD – 20764						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	405	4.94	19.26	49.38	25.93	0.49
Population by Geography	1,791,293	4.16	17.73	49.12	28.98	0.00
Owner-Occupied Housing by Geography	508,233	3.94	15.84	48.91	31.31	0.00
Businesses by Geography	108,438	2.88	13.90	49.28	33.93	0.01
Farms by Geography	2,821	0.89	9.54	51.54	38.04	0.00
Family Distribution by Income Level	472,358	19.05	18.49	22.39	40.07	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	177,336	8.49	26.78	49.54	15.19	0.00
Median Family Income HUD Adjusted Median Family Income for 2004 Households Below the Poverty Level	= \$69,978 = \$82,800 = 6%	Median Housing Value Unemployment Rate				= \$185,629 = 4.6%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2004 HUD updated MFI.

In 2004, the OMB redefined the boundaries of several MSAs and also established newly defined areas called Metropolitan Divisions (MDs) based on the 2000 census. These changes created a new Edison, NJ MD (20764), which is a subset of the larger New York-Northern New Jersey-Long Island, NY-NJ-PA MSA (35620). The Edison, NJ MD consists of all of Monmouth, Ocean, and Somerset Counties in New Jersey and a portion of Middlesex County in New Jersey. During the course of the examination, management reconfigured and added several census tracts in Middlesex County to meet the requirements of the regulation. The AA now complies with the CRA guidelines and does not arbitrarily exclude LMI geographies. Prior to the 2004 OMB changes, Monmouth and Ocean Counties, NJ made up the entire Monmouth-Ocean, NJ MSA (5190), and Somerset and Middlesex Counties were part of the former Middlesex-Somerset-Hunterdon, NJ MSA (5015).

According to the 2000 U.S. Census Data, there are a total of 405 census tracts in this AA. There are 20 low-income tracts, 78 moderate-income tracts, 200 middle-income tracts, 105 upper-income tracts, and 2 that have not been assigned an income classification.

The 2000 U.S. Census Data reported the total population of the AA at 1,791,296. This population was comprised of 666,674 households and 472,358 families. There are 738,305 housing units, of which, 86% were one to four family units and 23% were rental units. Owner-occupied housing is 69%, rental-occupied housing is 21%, and vacant housing is 10%. The median housing cost is \$185,629.

The median family income was \$74,870 and the HUD updated MSA median family income is \$82,800. Approximately 6% of the households are below poverty. Approximately 19% of families in the AA are low-income, 18% are moderate-income, 22% are middle-income, and 40% are upper-income.

Based on the housing values and the median family income, there is a lack of affordability for a low-income individual or family to purchase a home. According to the above, the average median housing value is \$185,629, and a low-income individual or family earns less than \$41,400.

According to the 2004 Business Geodemographics, there are a total of 102,313 businesses and 2,684 farms in the AA. Approximately 3% of the businesses are located in low-income geographies, 14% are located in moderate-income geographies, 50% are located in middle-income geographies, and 33% are located in upper-income geographies. Approximately 68% of the businesses reporting have revenues of less than \$1 million and approximately 72% of the businesses and farms reporting have less than 10 employees.

There are a total of 24 branches in the Edison MD, accounting for 42% of the total branches in the state of New Jersey. A full line of traditional banking products and services are offered at all branches. All of the branches have extended hours of operations at least one day per week. All of the branches have Saturday morning hours. Eight of the branches have Sunday morning hours. All but one branch has drive-through services. All branches are equipped with ATMs. In addition, an offsite ATM is located at Centra State Medical.

Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 15 out of 732 lenders in the Edison MD with a 2.60 percent market share. Competition for loans and deposits is intense in this MD. Banks that rank above SNB include Merrill Lynch Bank and Trust Company, Wachovia Bank, NA, Bank of America, NA, PNC Bank, NA, and Commerce Bank, NA.

Some of the major employers include Meridian Health System, Bristol-Myers, and Merrill Lynch & Company.

The unemployment rate as of August, 2006 was 4.6%, slightly lower than the national unemployment rate of 4.7%,

Based on OCC community contacts made and reviewed, there are opportunities for banks to provide community development lending, services, and investments. According to the community contacts, there are pockets of poverty within the Edison, NJ MD, and there are opportunities for financial institutions to assist in meeting the needs of the community. In particular, there is a need for affordable housing, first time home-buyer education, first time home buyer loan programs, home repair loans, loans to non-profits so they can make needed repairs to their facilities and continue operations, small business seminars, and access to capital for businesses trying to expand.

**State of New Jersey  
Vineland-Millville-Bridgeton, NJ MSA 47220**

Demographic Information for Full-Scope Area: Vineland-Millville-Bridgeton, NJ MSA - 47220						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	34	5.88	20.59	44.12	20.59	8.82
Population by Geography	146,438	5.07	17.50	54.11	23.32	0.00
Owner-Occupied Housing by Geography	33,392	1.56	10.01	59.09	29.35	0.00
Businesses by Geography	6,045	8.35	18.40	44.93	28.32	0.00
Farms by Geography	234	0.85	4.27	46.15	48.72	0.00
Family Distribution by Income Level	35,373	21.78	17.56	20.35	40.31	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,915	5.12	23.84	55.33	15.70	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2004	= \$45,377					
Households Below the Poverty Level	= 14%					
			Median Housing Value			= \$87,791
			Unemployment Rate			= 7%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2004 HUD updated MFI.

The 2004 OMB changes did not impact the Vineland-Millville-Bridgeton, NJ MSA (47220). This MSA consists entirely of Cumberland County, NJ. The AA complies with the CRA guidelines and does not arbitrarily exclude LMI geographies.

According to the 2000 U.S. Census Data, there are a total of 34 census tracts in this AA. There are 2 low-income tracts, 7 moderate-income tracts, 15 middle-income tracts, 7 upper-income tracts, and 2 that have not been assigned an income classification.

The 2000 U.S. Census Data reported the total population of the AA at 146,438. This population was comprised of 49,096 households, and 35,272 families. There are 52,863 housing units, of which, 88% are one to four family units, and 32% were rental units. Owner-occupied housing is 63%, rental-occupied housing is 30%, and vacant housing is 7%. The median housing cost is \$87,791.

The median family income was \$46,212, and the HUD updated MSA median family income is \$53,700. Approximately 14% of the households are below poverty level. Approximately 22% of the families in the AA are low-income, 18% are moderate-income, 20% are middle-income, and 40% are upper-income.

There is a lack of affordability for a low-income individual or family to purchase a home. While the median housing value is only \$87,791, a low-income individual or family earns less than \$26,850.

According to the 2004 Business Geodemographics, there are a total of 5,876 businesses and 234 farms in the AA. Approximately 8% of the businesses are located in low-income tracts, 19% are located in moderate-income tracts, 44% are located in middle-income tracts, and 28% are located in upper-income tracts. Approximately 66% of the businesses reporting have revenues of less than \$1 million and approximately 69.12% of the businesses and farms reporting have less than 10 employees.

There are a total of 6 branches in this AA, accounting for 11% of the total branches in the state of New Jersey. A full line of traditional banking products and services are offered at all branches. All of the branches have extended hours of operations at least one day per week. All of the branches have Saturday morning hours. One branch, located in an upper-income geography, has Sunday morning hours. Five of the branches are equipped with ATMs. In addition, offsite ATMs are located at SNB's Corporate Office, Vineland Municipal Court, and Vineland Municipal Building.

Based on the June 30, 2005 FDIC Summary of Deposits, SNB ranks 1<sup>st</sup> out of 48 lenders in the Vineland-Millville-Bridgeton MSA with a 10.42 percent market share.

During January of 1999, Cumberland County was awarded an "Empowerment Zone" (EZ) designation by the federal government. An EZ is an area considered in need of economic assistance. The Vineland Urban Enterprise Zone (UEZ) was created to assist in the revitalization of the City of Vineland through business retention and expansion programs financed by the New Jersey Zone Assistance Fund.

Major employers include South Jersey Hospital System, Durand Glass Manufacturing Company, Alcan, Clement Pappas Co., Inc., and The Glass Group.

The unemployment rate as of August, 2006 was 7.0%, compared to the national unemployment rate of 4.7%.

Based on OCC community contacts made and reviewed, there are opportunities for banks to provide community development lending, services, and investments. In particular, there is a need for small business loans, funding for start-up businesses, affordable housing, and educating people on credit and debt.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of 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: (1) 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; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As 12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of

the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Tables of Performance Data**

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**Multistate Metropolitan Area(s) Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, MSA-37980.....D5**

**State of New Jersey.....D16**

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980												
Evaluation Period: 01/01/04 to 12/31/05												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Camden, NJ MD 15804	68.45	354	25,827	412	67,144	2	300	0	0	768	93,271	69.53
<b>Limited Review:</b>												
Philadelphia, PA MD 37964	8.91	20	4,492	79	7,967	1	45	0	0	100	12,504	2.20
Wilmington, DE-MD-NJ, MD 48864	22.64	129	8,520	122	14,706	3	104	18	2,132	272	25,462	28.27

\* Loan Data as of *December 31, 2005*. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is 4/15/03 to 7/17/06.

\*\*\* Deposit Data as of June 30, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980				
Evaluation Period: 1/1/04 to 12/31/05																
MA/Assessment Area:	Total Home Purchase 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	Over All	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Camden, NJ MD 15804	99	73.88	3.02	0.00	9.38	17.17	62.69	72.73	24.91	10.10	0.14	0.00	0.21	0.16	0.04	
<b>Limited Review:</b>																
Philadelphia, PA MD 37964	8	5.97	23.30	0.00	43.70	12.50	28.82	12.50	4.18	75.00	0.01	0.00	0.01	0.00	0.15	
Wilmington, DE-MD-NJ, MD 48864	27	20.15	1.80	0.00	14.52	25.93	54.85	66.67	28.83	7.41	0.07	0.00	0.10	0.10	0.00	

\* Based on 2004 Peer Mortgage Data

\*\* 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 2000 Census information.

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

Geographic Distribution: HOME IMPROVEMENT		Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980													
Evaluation Period: 01/01/04 to 12/31/05															
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Camden, NJ MD 15804	137	71.73	3.02	0.00	9.38	8.03	62.69	72.99	24.91	18.98	0.85	0.00	1.08	0.93	0.65
<b>Limited Review:</b>															
Philadelphia, PA MD 37964	1	0.52	23.30	0.00	43.70	100.00	28.82	0.00	4.18	0.00	0.00	0.00	0.00	0.00	0.00
Wilmington, DE-MD-NJ, MD 48864	53	27.75	1.80	7.55	14.52	24.53	54.85	56.60	28.83	11.32	0.42	1.32	0.92	0.44	0.00

\* Based on 2004 Peer Mortgage Data: Eastern 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 2000 Census information.

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980												
Evaluation Period: 01/01/04 to 12/31/05															
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Camden, NJ MD 15804	112	66.67	3.02	2.68	9.38	13.39	62.69	66.07	24.91	17.86	0.12	0.30	0.15	0.11	0.10
<b>Limited Review:</b>															
Philadelphia, PA MD 37964	7	4.17	23.30	14.29	43.70	28.57	28.82	0.00	4.18	57.14	0.01	0.00	0.00	0.00	0.21
Wilmington, DE-MD-NJ, MD 48864	49	29.17	1.80	4.08	14.52	18.37	54.85	69.39	28.83	8.16	0.09	0.27	0.15	0.11	0.00

\* Based on 2004 Peer Mortgage Data: Eastern 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 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980				
Evaluation Period: 01/01/04 to 12/31/05																
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	
<b>Full Review:</b>																
Camden, NJ MD 1580	412	67.21	3.72	2.91	11.47	11.89	56.38	28.07	28.07	28.88	0.67	0.85	0.71	0.63	0.77	
<b>Limited Review:</b>																
Philadelphia, PA MD 37964	79	12.89	25.87	26.58	35.62	45.57	24.68	18.99	12.34	8.86	0.07	0.07	0.08	0.03	0.12	
Wilmington, DE-MD-N MD 48864	122	19.90	14.43	12.30	14.85	17.21	45.16	50.00	25.49	20.49	0.46	1.08	0.58	0.47	0.28	

\*\* 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 2004.

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

Borrower Distribution: HOME PURCHASE Evaluation Period: 01/01/04 to 12/31/05		Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980													
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****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Camden, NJ MD 15804	99	73.88	18.85	26.26	18.50	46.46	24.62	15.15	38.03	12.12	0.16	0.60	0.24	0.09	0.05
<b>Limited Review:</b>															
Philadelphia, PA MD 37964	8	5.97	38.71	0.00	21.29	25.00	18.78	12.50	21.23	62.50	0.02	0.00	0.01	0.02	0.03
Wilmington, DE-MD-NJ, MD 48864	27	20.15	19.03	16.00	17.76	40.00	23.68	24.00	39.54	20.00	0.07	0.00	0.10	0.10	0.04

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT Evaluation Period: 01/01/04 to 12/31/05												Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980				
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****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Camden, NJ MD 15804	137	71.73	18.85	11.36	18.50	25.76	24.62	31.06	38.03	31.82	0.86	1.01	0.84	1.03	0.67	
<b>Limited Review:</b>																
Philadelphia, PA MD 37964	1	0.52	38.71	0.00	21.29	0.00	18.78	0.00	21.23	100.00	0.00	0.00	0.00	0.00	0.00	
Wilmington, DE-MD-NJ, MD 48864	53	27.75	19.03	14.00	17.76	32.00	23.68	28.00	39.54	26.00	0.44	0.61	0.42	0.37	0.44	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.2% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980				
Evaluation Period: 01/01/04 to 12/31/05																
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****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Camden, NJ MD 15804	112	66.67	18.85	14.02	18.50	27.10	24.62	21.50	38.03	37.38	0.13	0.20	0.17	0.07	0.13	
<b>Limited Review:</b>																
Philadelphia, PA MD 37964	7	4.17	38.71	14.29	21.29	14.29	18.78	0.00	21.23	71.43	0.01	0.02	0.01	0.00	0.03	
Wilmington, DE-MD-NJ, MD 48864	49	29.17	19.03	17.02	17.76	21.28	23.68	27.66	39.54	34.04	0.10	0.05	0.06	0.11	0.14	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.2% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980					
Evaluation Period: 01/01/04 to 12/31/05									
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
<b>Full Review:</b>									
Camden, NJ MD 15804	412	67.21	65.87	30.58	63.59	15.78	20.63	0.67	0.74
<b>Limited Review:</b>									
Philadelphia, PA MD 37964	79	12.89	58.52	13.92	88.61	3.80	7.59	0.07	0.04
Wilmington, DE-MD-NJ, MD 48864	122	19.90	63.71	26.23	72.95	18.03	9.02	0.46	0.33

\* Based on 2004 Peer Small Business Data: US.

\*\* 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 - 2004).

\*\*\*\* 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 49.43 of small loans to businesses originated and purchased by the Bank.

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

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980							
Evaluation Period: 04/15/03 to 7/17/06									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Camden, NJ MD 15804	0	0	2	2	2	2	.10	0	0
<b>Limited Review:</b>									
Philadelphia, PA MD 37964	0	0	2	4	2	4	.19	0	0
Wilmington, DE-MD-NJ, MD 48864	0	0	4	3	4	3	.14	0	0
Statewide	0	0	7	2,092	7	2,092	99.57		

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980																	
Evaluation Period: 04/15/03 to 07/17/06																	
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
<b>Full Review:</b>																	
Camden, NJ MD 15804	69.53%	12	52.17	0.00	8.33	83.33	8.33	4	5	0	-1	-1	+1	6.00	12.38	59.47	22.13
<b>Limited Review:</b>																	
Philadelphia, PA MD 37964	2.20%	1	4.35%	0.00	100	0	0	0	0	0	0	0	0	28.91	41.93	24.90	4.08
Wilmington, DE-MD MD 48864	28.27%	10	43.48	20.00	20.00	50.00	10.00	1	2	-1	0	0	0	4.61	17.50	53.45	24.44

**Table 1. Lending Volume**

LENDING VOLUME												Geography: STATE OF NEW JERSEY
Evaluation Period: 01/01/04 to 12/31/05												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Atlantic City, NJ MSA 1210	21.30	237	21,077	295	46,070	0	0	1	450	533	67,597	22.41
Edison, NJ MD 20764	40.59	298	39,644	715	136,495	1	100	0	0	1,014	176,239	35.24
Vineland-Millville-Bridgeton MSA 47220	18.13	219	17,031	234	31,697	0	0	3	1,456	456	50,184	20.58
<b>Limited Review:</b>												
Newark-Union, NJ MD 350	0.92	14	1,248	9	2,946	0	0	0	0	23	4,194	1.28
Ocean City, NJ MSA 36140	10.41	114	13,556	146	25,515	0	0	0	0	260	39,071	9.16
Trenton-Ewing, NJ MSA 45	8.65	87	13,813	129	18,724	0	0	0	0	216	32,537	11.33

\* Loan Data as of *December 31, 2005*. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is 04/15/03 to 07/17/06

\*\*\* Deposit Data as of June 30, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE Evaluation Period: 01/01/04 to 12/31/05		Geography: STATE OF NEW JERSEY													
MA/Assessment Area:	Total Home Purchase 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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlantic City, NJ MSA 12100	62	23.48	0.98	0.00	9.67	8.06	66.10	72.58	23.26	19.35	0.33	0.00	0.15	0.42	0.21
Edison, NJ MD 20764	87	32.95	3.94	13.79	15.84	17.24	48.91	49.43	31.31	19.54	0.06	0.32	0.07	0.05	0.04
Vineland-Millville-Bridgeton MSA 47220	58	21.97	1.56	1.72	10.01	8.62	59.09	24.14	29.35	65.52	0.91	0.00	0.23	0.32	2.23
<b>Limited Review:</b>															
Newark-Union, NJ MD 35084	2	0.76	0.00	0.00	1.92	0.00	20.05	50.00	78.04	50.00	0.00	0.00	0.00	0.00	0.00
Ocean City, NJ MSA 36140	25	9.47	0.00	0.00	21.44	40.00	50.49	48.00	28.06	12.00	0.22	0.00	0.42	0.19	0.14
Trenton-Ewing, NJ MSA 45940	30	11.36	6.07	0.00	12.82	10.00	38.98	60.00	42.12	30.00	0.14	0.00	0.12	0.23	0.10

\* Based on 2004 Peer Mortgage Data: Eastern 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 2000 Census information.

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

Geographic Distribution: HOME IMPROVEMENT												Geography: STATE OF NEW JERSEY				
Evaluation Period: 01/01/04 to 12/31/05																
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	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	84	27.72	0.98	2.38	9.67	8.33	66.10	79.76	23.26	9.52	2.53	15.38	3.03	2.99	0.71	
Edison, NJ MD 20764	102	33.66	3.94	0.98	15.84	38.24	48.91	38.24	31.31	22.55	0.46	0.53	1.31	0.30	0.35	
Vineland-Millville-Bridget MSA 47220	72	23.76	1.56	0.00	10.01	16.67	59.09	52.78	29.35	30.56	4.63	0.00	6.73	4.72	3.48	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	4	1.32	0.00	0.00	1.92	0.00	20.05	50.00	78.04	50.00	0.26	0.00	0.00	0.60	0.17	
Ocean City, NJ MSA 36140	32	10.56	0.00	0.00	21.44	12.50	50.49	62.50	28.06	25.00	0.96	0.00	0.00	1.31	1.29	
Trenton-Ewing, NJ MSA 45940	9	2.97	6.07	0.00	12.82	11.11	38.98	44.44	42.12	44.44	0.63	0.00	0.50	0.52	0.96	

\* Based on 2004 Peer Mortgage Data: Eastern 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 2000 Census information.

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

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: STATE OF NEW JERSEY				
Evaluation Period: 01/01/04 to 12/31/05																
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	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	89	22.76	0.98	0.00	9.67	6.74	66.10	74.16	23.26	19.10	0.46	0.00	0.52	0.51	0.34	
Edison, NJ MD 20764	104	26.60	3.94	1.92	15.84	34.62	48.91	47.12	31.31	16.35	0.06	0.14	0.12	0.04	0.05	
Vineland-Millville-Bridget MSA 47220	88	22.51	1.56	1.14	10.01	11.36	59.09	52.27	29.35	35.23	0.78	2.13	0.49	0.71	0.95	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	8	2.05	0.00	0.00	1.92	0.00	20.05	87.50	78.04	12.50	0.08	0.00	0.00	0.40	0.00	
Ocean City, NJ MSA 36140	57	14.58	0.00	0.00	21.44	19.30	50.49	56.14	28.06	24.56	0.38	0.00	0.21	0.53	0.30	
Trenton-Ewing, NJ MSA 45940	45	11.51	6.07	6.67	12.82	8.89	38.98	33.33	42.12	51.11	0.23	0.49	0.06	0.15	0.33	

\* Based on 2004 Peer Mortgage Data: Eastern 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 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: STATE OF NEW JERSEY				
Evaluation Period: 01/01/04 to 12/31/05																
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	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	295	19.32	7.34	6.44	13.41	13.90	59.82	60.00	19.23	19.66	2.43	4.78	3.25	2.30	2.31	
Edison, NJ MD 20764	714	46.76	3.00	1.82	14.00	21.01	49.57	51.82	33.40	25.35	0.49	0.31	1.04	0.48	0.34	
Vineland-Millville-Bridg NJ MSA 47220	234	15.32	8.41	8.12	19.42	11.11	44.49	50.43	27.69	30.34	3.99	5.66	2.93	4.02	4.50	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	91	0.59	0.00	0.00	9.16	0.00	17.96	22.22	72.88	77.78	0.07	0.00	0.00	0.20	0.05	
Ocean City, NJ MSA 36140	146	9.56	0.00	0.00	20.37	24.66	56.13	57.53	23.50	17.81	2.04	0.00	2.80	2.17	1.38	
Trenton-Ewing, NJ MSA 45940	129	8.45	11.86	9.30	9.96	10.85	33.93	27.13	44.25	52.71	0.95	1.06	1.10	0.74	1.08	

\* Based on 2004 Peer Small Business Data: US.

\*\* 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 2004.

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

Borrower Distribution: HOME PURCHASE												Geography: STATE OF NEW JERSEY				
Evaluation Period: 01/01/04 to 12/31/05																
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****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	62	23.48	19.29	5.17	18.27	36.21	23.34	24.14	39.11	34.48	0.36	0.00	0.46	0.39	0.34	
Edison, NJ MD 20764	87	32.95	19.05	28.24	18.49	22.35	22.39	12.94	40.07	36.47	0.07	0.46	0.06	0.03	0.04	
Vineland-Millville-Bridget NJ MSA 47220	58	21.97	21.78	10.53	17.56	35.09	20.35	22.81	40.31	31.58	1.11	1.39	1.62	0.74	1.04	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	2	0.76	9.56	0.00	12.76	0.00	21.02	50.00	56.66	50.00	0.00	0.00	0.00	0.00	0.00	
Ocean City, NJ MSA 36140	25	9.47	18.91	13.64	18.76	22.73	21.69	27.27	40.65	36.36	0.24	1.32	0.99	0.61	0.11	
Trenton-Ewing, NJ MSA 45940	30	11.36	20.71	11.11	17.30	33.33	21.40	29.63	40.58	25.93	0.14	0.24	0.16	0.20	0.06	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.95 of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT Evaluation Period: 01/01/04 to 12/31/05												Geography: STATE OF NEW JERSEY				
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****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	84	27.72	19.29	12.50	18.27	22.50	23.34	22.50	39.11	42.50	2.66	6.25	3.14	2.33	2.04	
Edison, NJ MD 20764	102	33.66	19.05	19.59	18.49	28.87	22.39	27.84	40.07	23.71	0.44	0.91	0.55	0.41	0.27	
Vineland-Millville-Bridget NJ MSA 47220	72	23.76	21.78	4.41	17.56	25.00	20.35	30.88	40.31	29.71	4.78	4.65	9.40	5.50	2.59	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	4	1.32	9.56	0.00	12.76	25.00	21.02	50.00	56.66	25.00	0.26	0.00	1.00	0.45	0.00	
Ocean City, NJ MSA 36140	32	10.56	18.91	12.50	18.76	28.13	21.69	21.88	40.65	37.50	1.05	0.00	3.18	0.47	0.72	
Trenton-Ewing, NJ MSA 45940	9	2.97	20.71	11.11	17.30	33.33	21.40	33.33	40.58	22.22	0.66	0.65	0.94	0.57	0.52	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.3% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: STATE OF NEW JERSEY				
Evaluation Period: 01/01/04 to 12/31/05																
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****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlantic City, NJ MSA 12100	89	22.76	19.29	4.82	18.27	12.05	23.34	26.51	39.11	56.63	0.51	0.00	0.32	0.55	0.68	
Edison, NJ MD 20764	104	26.60	19.05	15.46	18.49	21.65	22.39	30.93	40.07	31.96	0.06	0.11	0.06	0.06	0.06	
Vineland-Millville-Bridget NJ MSA 47220	88	22.51	21.78	3.57	17.56	13.10	20.35	28.57	40.31	54.76	0.94	0.00	0.72	0.76	1.33	
<b>Limited Review:</b>																
Newark-Union, NJ MD 35084	8	2.05	9.56	0.00	12.76	12.50	21.02	50.00	56.66	37.50	0.10	0.00	0.14	0.09	0.10	
Ocean City, NJ MSA 36140	57	14.58	18.91	4.00	18.76	12.00	21.69	28.00	40.65	56.00	0.37	0.41	0.24	0.38	0.39	
Trenton-Ewing, NJ MSA 45940	45	11.51	20.71	0.00	17.30	21.95	21.40	31.71	40.58	46.34	0.25	0.00	0.26	0.26	0.29	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 7.2% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 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.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: STATE OF NEW JERSEY					
Evaluation Period: 01/01/04 to 12/31/05									
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
<b>Full Review:</b>									
Atlantic City, NJ MSA 12100	295	19.31	66.06	29.83	67.12	14.24	18.64	2.43	2.73
Edison, NJ MD 20764	715	46.79	68.16	23.08	58.74	16.08	25.17	0.49	0.40
Vineland-Millville-Bridget NJ MSA 47220	234	15.31	66.10	35.04	70.09	16.24	13.68	3.99	5.29
<b>Limited Review:</b>									
Newark-Union, NJ MD 35084	9	0.59	72.74	22.22	55.56	0.00	44.44	0.07	0.00
Ocean City, NJ MSA 36140	146	9.55	69.44	20.55	63.70	15.75	20.55	2.04	1.43
Trenton-Ewing, NJ MSA 45940	129	8.44	64.39	15.50	68.99	14.73	16.28	0.95	0.41

\* Based on 2004 Peer Small Business Data: US.

\*\* 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 – 2004).

\*\*\*\* 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 47.12% of small loans to businesses originated and purchased by the Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: STATE OF NEW JERSEY							
Evaluation Period: 04/15/03 to 07/17/06									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Atlantic City, NJ MSA 12100	0	0	8	102	8	102	.35	0	0
Edison, NJ MD 20764	1	940	4	9	10	949	3.24	0	0
Vineland-Millville-Bridget NJ MSA 47220	0	0	8	20	8	20	.07	0	0
<b>Limited Review:</b>									
Newark-Union, NJ MD 35084	0	0	0	0	0	0	0	0	0
Ocean City, NJ MSA 36140	0	0	0	0	0	0	0	0	0
Trenton-Ewing, NJ MSA 45940	0	0	7	137	7	137	.47	0	0
Statewide	9	6,022	16	22,071	25	28,093	95.88		

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF NEW JERSEY																	
Evaluation Period: 04/15/03 to 07/17/06																	
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
<b>Full Review:</b>																	
Atlantic City, NJ MSA 12100	22.41	11	19.30	18.18	0.00	54.55	27.27	5	2	+1	0	0	+2	4.31	16.09	61.29	17.52
Edison, NJ MD 20764	35.24	24	42.11	0.00	16.67	50.00	33.33	14	7	0	+1	-2	+8	4.16	17.73	49.12	28.98
Vineland-Millville-Bridgeton, NJ MSA 47220	20.58	6	10.53	16.67	50.00	16.67	16.67	1	2	0	-1	0	0	5.07	17.50	54.11	23.32
<b>Limited Review:</b>																	
Newark-Union, NJ MD 35084	1.28	3	5.26	0.00	33.33	33.33	33.33	2	0	0	+1	0	+1	0.00	3.44	19.57	76.99
Ocean City, NJ MSA 36140	9.16	6	10.53	0.00	0.00	83.33	16.67	0	2	0	0	0	-2	0.00	23.79	51.50	24.71
Trenton-Ewing, NJ MSA 45940	11.33	7	12.28	14.29	0.00	28.57	57.14	1	3	0	-1	0	-1	11.94	14.87	35.29	37.37