

PUBLIC DISCLOSURE

January 9, 2012

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Community Bank of Bergen County
RSSD No. 275509**

**18 Railroad Avenue
Rochelle Park, New Jersey 07662**

**FEDERAL RESERVE BANK OF NEW YORK
33 LIBERTY STREET
NEW YORK, N.Y. 10045**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

Institution's CRA Rating BB1

Description of Institution BB1

Description of the Bank's Assessment Area..... BB2

Scope of Examination.....BB2

Performance Context BB3

Conclusions With Respect to Performance Criteria BB4

Fair Lending or Other Illegal Credit Practices Review.....BB11

Appendices

 CRA Appendix A: Glossary BB12

 CRA Appendix B: 2010 Aggregate Comparison Table BB14

 CRA Appendix C: 2010 Consumer Loan Distribution Table..... BB15

 CRA Appendix D: Map of Assessment AreaBB16

INSTITUTION RATING

Community Bank of Bergen County (“CBBC”) is rated Satisfactory.

Major factors supporting the rating are:

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

DESCRIPTION OF INSTITUTION

CBBC is a full-service, retail-oriented financial institution headquartered in the borough of Maywood in Bergen County, New Jersey. CBBC operates four full-service branches, all in Bergen County, which include branches in Maywood, Rochelle Park, Fair Lawn, and Garfield.

CBBC is not owned by a holding company nor is it affiliated with any other financial institution. CBBC’s market is highly competitive, with branches of numerous local, regional and multinational banks, mortgage companies, and other financial institutions operating in its assessment area. CBBC’s primary bank competitors include Hudson City Savings Bank, Bank of America NA, TD Bank NA, Valley National Bank, JP Morgan Chase Bank NA, Wells Fargo Bank NA, and PNC Bank National Association.

According to the FDIC’s Deposit Market Share Report as of June 30, 2010, CBBC had less than a 1% share of all deposits in its assessment area (Bergen and Passaic Counties) ranking 25th out of 59 banks.

CBBC offers a variety of deposit and loan products to consumers and businesses. As of December 31, 2011, CBBC’s total assets were \$310 million, with total deposits of \$282 million and gross total loans of \$220 million.

The following table shows the composition of CBBC’s loan portfolio according to the Consolidated Reports of Condition and Income.

| Loan Portfolio Summary | | |
|----------------------------------------------------------------|----------------------------------|-------------------------|
| LOAN TYPE | DOLLAR AMOUNT* (‘000s) | PERCENT OF TOTAL |
| Commercial / Industrial & Non Farm Non Residential Real Estate | 66,841 | 30% |
| Construction & Land Development | 13,583 | 6% |
| Secured by 1-4 Family Residential Real Estate | 133,168 | 61% |
| Multifamily | 4,500 | 2% |
| Consumer | 2,284 | 1% |
| Other | 29 | 0% |
| Total Gross Loans and Leases | 220,405 | 100% |

*Data as of December 31, 2011

There are no financial or legal impediments preventing CBBC from serving the credit needs of its assessment area. CBBC received a satisfactory rating at the prior CRA examination, dated February 22, 2010, conducted by the Federal Reserve Bank of New York.

DESCRIPTION OF THE BANK’S ASSESSMENT AREA

CBBC’s assessment area consists of all of Bergen and Passaic Counties in New Jersey, which is part of the New York-White Plains-Wayne, NY-NJ Metropolitan Division (MD 35644). The assessment area is in compliance with the requirements of Section 228.41 of Regulation BB.

A map illustrating CBBC’s assessment area is in Appendix C.

SCOPE OF EXAMINATION

CBBC was examined using the Federal Financial Institutions Examination Council’s (“FFIEC”) Interagency CRA Examination Procedures for Intermediate Small Institutions, which consists of the small bank lending test and a community development test. Retail loan products evaluated include home purchase, refinance, and home improvement loans reported under the Home Mortgage Disclosure Act (“HMDA”) and a sample of 61 small business loans and 80 consumer loans. The loan samples were selected using the Board of Governors’ sampling procedures and the integrity of the loan data was verified as part of the onsite exam. In addition, examiners reviewed community development loans, qualified investments, and community development services.

CBBC’s HMDA-related, consumer and small business lending performance was evaluated from January 1, 2009 through December 31, 2010, while community development activities were evaluated from January 1, 2009 through December 31, 2011, in accordance with FFIEC examination procedures.

Examiners conducted interviews with two community development organizations in order to gain an understanding of local credit needs.

PERFORMANCE CONTEXT

The following demographic and economic information was obtained from publicly available sources that include the U.S. Department of Commerce's Bureau of Census, the U.S. Department of Labor, and the National Association of Realtors.

Demographic Characteristics

Bergen County is a growing area. According to the 2000 Census, the county's total population is almost 900,000. Bergen County is also one of New Jersey's most densely populated counties, as it represents approximately 10% of the state's total population. It is characterized as a mix of urban and dense suburban areas. The largest cities in Bergen County are Fort Lee and Hackensack. Passaic County borders Bergen County, and the primary cities in Passaic County include Passaic, Paterson, and Hawthorne. The total population of Passaic County according to the 2000 Census was 489,049.

Bergen and Passaic Counties have significant senior citizen populations. The 2000 Census reports that 15% of Bergen County residents and 12% of Passaic County residents are age 65 or older, as compared to the population of residents 65 or older in the State of New Jersey, which is 13%. Older populations are less likely to need home purchase mortgages. Community contacts discussed the substantial senior presence in the counties, and noted that despite the affluence in Bergen County, some seniors have lower fixed incomes.

Income Characteristics

Between 2006 and 2010, the average median household income in Bergen County was slightly over \$81,708. HUD reported that the 2010 estimated median family income ("MFI") of Bergen and Passaic Counties was \$92,200, showing a modest increase from \$91,200 in 2009. According to community contacts, while Bergen County is affluent, and while it does not have any low- or moderate-income ("LMI") census tracts, there are pockets of poverty and a large number of low- and moderate-income individuals reside throughout the county.

Passaic County is less affluent than Bergen County. According to the U.S. Census Bureau, between 2006 and 2010, Passaic County's average median household income was \$54,944. There are 31 LMI tracts in Passaic County.

Housing Characteristics

Housing costs are expensive in Bergen and Passaic Counties, as they are overall in MD 35644. The National Association of Realtors reports the median sales price of existing single family homes for the New York-White Plains-Wayne NY-NJ Metropolitan Division was \$450,000 in 2010, up slightly from \$437,200 in 2009. Bergen County has a much higher median housing value of \$475,900 in 2009, compared with \$373,100 for Passaic County in 2009 according to city-data.com.

Rents are also high in Bergen County. The 2000 Census reports that Bergen County’s median gross monthly rent is \$872, compared to \$747 for Passaic County. The median gross monthly rent for New Jersey, overall, was \$751. City-data.com notes the median rent in 2009 was \$1,165 per month in Bergen County and \$936 per month in Passaic County. The high rents pose housing affordability difficulties for LMI individuals.

Housing in Bergen County tends to be old. The 2000 Census reports that 61% of the housing stock in Bergen County was built before 1960, indicating a need for home improvement loans. The 2000 Census report shows that 37% of housing stock in Passaic County was built before 1960.

Labor, Employment and Economic Characteristics

Unemployment in Bergen County is low, overall, compared with the State of New Jersey as shown in the table to the right. Passaic County’s unemployment rate is much higher than the State’s unemployment rate. Both counties experienced increased levels of unemployment in 2009 and 2010 due to the deepening economic recession, reducing overall lending opportunities.

| U.S. DEPARTMENT OF LABOR ANNUAL UNEMPLOYMENT RATES | | |
|---------------------------------------------------------------|-------------|-------------|
| Area | 2009 | 2010 |
| Bergen County | 7.8% | 8.1% |
| Passaic County | 11.0% | 11.3% |
| State of New Jersey | 9.0% | 9.6% |

See the following table on the next page for additional assessment area details.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

CBBC’s overall record of meeting the credit needs of its assessment area through lending performance is satisfactory. The institution originated a substantial majority of loans within its assessment area and its loan-to-deposit ratio was reasonable. The overall distribution of loans to borrowers of different incomes and businesses of difference sizes was excellent. Geographic distribution of HMDA-related and small business loans represented reasonable penetration among geographies of different income levels.

Loan-to-Deposit Ratio

CBBC’s loan-to-deposit ratio was reasonable given CBBC’s size, financial condition, and the credit needs of its assessment area. CBBC’s average loan-to-deposit ratio for the eight most recent quarters ending December 31, 2010, was 79%, based on information contained in its Consolidated Report of Condition and Income. This ratio was slightly below the national peer average of 82% and was also slightly below the average ratio of 83% for seven similarly-situated banks located in the assessment area during the same time period.

Assessment Area Demographics

Assessment Area : MD 35644 - Bergen & Passaic Counties

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | |
|------------------------------|----------------------------------------|-----------------------------------------------|--------------------------|-------------------------|----------------------------------------------------|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 7 | 2.8 | 4,746 | 1.3 | 1,667 | 35.1 | 43,961 | 12.3 |
| Moderate-income | 24 | 9.7 | 28,734 | 8.1 | 5,830 | 20.3 | 43,782 | 12.3 |
| Middle-income | 52 | 21.0 | 72,046 | 20.2 | 5,688 | 7.9 | 59,245 | 16.6 |
| Upper-income | 164 | 66.1 | 251,153 | 70.4 | 6,115 | 2.4 | 209,691 | 58.8 |
| Unknown-income | 1 | 0.4 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 248 | 100.0 | 356,679 | 100.0 | 19,300 | 5.4 | 356,679 | 100.0 |
| | Housing | Housing Types by Tract | | | | | | |
| | Units by Tract | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 7,627 | 524 | 0.2 | 6.9 | 6,569 | 86.1 | 534 | 7.0 |
| Moderate-income | 38,719 | 8,933 | 2.9 | 23.1 | 27,891 | 72.0 | 1,895 | 4.9 |
| Middle-income | 113,260 | 45,066 | 14.4 | 39.8 | 64,350 | 56.8 | 3,844 | 3.4 |
| Upper-income | 350,262 | 258,885 | 82.6 | 73.9 | 82,455 | 23.5 | 8,922 | 2.5 |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 509,868 | 313,408 | 100.0 | 61.5 | 181,265 | 35.6 | 15,195 | 3.0 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | |
| Low-income | 1,255 | 1.6 | 1,047 | 1.5 | 92 | 1.5 | 116 | 2.6 |
| Moderate-income | 4,002 | 5.0 | 3,430 | 5.0 | 311 | 5.2 | 261 | 5.8 |
| Middle-income | 15,744 | 19.8 | 13,547 | 19.6 | 1,352 | 22.6 | 845 | 18.9 |
| Upper-income | 58,599 | 73.6 | 51,119 | 73.9 | 4,230 | 70.6 | 3,250 | 72.6 |
| Unknown-income | 67 | 0.1 | 54 | 0.1 | 7 | 0.1 | 6 | 0.1 |
| Total Assessment Area | 79,667 | 100.0 | 69,197 | 100.0 | 5,992 | 100.0 | 4,478 | 100.0 |
| | Percentage of Total Businesses: | | | 86.9 | | 7.5 | | 5.6 |

Based on 2000 Census Information.

Lending in the Assessment Area

CBBC originated a substantial majority of its loans, 86% by number, and 78% by dollar amount, overall, in its assessment areas. For each loan category, CBBC originated 84% of its HMDA-related loans, 90% of its consumer loans, and 92% of its small business loans by number, within its assessment areas, as shown in the following table:

| Lending Inside and Outside the Assessment Area | | | | | | | | |
|------------------------------------------------|------------|-----------|---------------|-----------|-----------|-----------|---------------|-----------|
| Loan Type | Inside | | | | Outside | | | |
| | # | % | \$ ('000s) | % | # | % | \$ ('000s) | % |
| Home Purchase | 43 | 63 | 16,304 | 62 | 25 | 37 | 9,850 | 38 |
| Refinancings | 90 | 93 | 16,062 | 84 | 7 | 7 | 3,122 | 16 |
| Home Improvement | 58 | 92 | 4,611 | 95 | 5 | 8 | 244 | 5 |
| Multifamily | 3 | 75 | 1,410 | 81 | 1 | 25 | 332 | 19 |
| Total HMDA | 194 | 84 | 38,387 | 74 | 38 | 16 | 13,548 | 26 |
| Consumer | 72 | 90 | 5,615 | 89 | 8 | 10 | 692 | 11 |
| Small Business | 56 | 92 | 15,114 | 88 | 5 | 8 | 2,025 | 12 |
| All Loans | 322 | 86 | 59,116 | 78 | 51 | 14 | 16,265 | 22 |

Distribution by Borrower Income and Revenue Size of Business

Lending performance in the assessment area relating to borrower distribution was excellent overall, and reflected excellent penetration among individuals of different income levels (including LMI) and businesses of different sizes. Opportunities to lend in the assessment area were limited by the cost of housing, as community contacts indicated that housing affordability is a key issue in this assessment area. The median sales price for homes in Bergen and Passaic Counties exceeded median family income by 10 times for a low-income borrower and by 6 times for a moderate-income borrower.

Home Purchase Loans

CBBC's distribution of home purchase loans to LMI borrowers was good. As shown in Exhibit 1, while CBBC did not make any home purchase loans to low-income borrowers it made 9% of its home purchase loans to moderate-income borrowers. Twelve percent of families in the assessment area are of low-income and 12% are of moderate-income. Opportunities for home purchase lending to LMI borrowers are negatively impacted by the price of housing and affordability to LMI borrowers, as well as by the adverse economic conditions occurring during the examination period. The challenges to home purchase lending to low income borrowers are confirmed by the performance of the market aggregate, which made less than one percent (.5%) of its home purchase loans to low-income borrowers in 2010.

| Exhibit I Distribution of Loans in Assessment Area <i>By Borrower Income Level</i> January 1, 2009 - December 31, 2010 HMDA and Consumer Loans | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------|---------------------------|------------|
| Loan Products | Low-Income Borrowers | | Moderate-Income Borrowers | |
| | Number of Loans | Percentage | Number of Loans | Percentage |
| Home Purchase | 0 | 0% | 4 | 9% |
| Refinance | 12 | 13% | 11 | 12% |
| Home Improvement | 6 | 10% | 10 | 17% |
| Consumer | 16 | 22% | 12 | 17% |

Refinance Loans

CBBC's distribution of refinance loans to LMI borrowers was excellent based on excellent penetration in lending to both low- and moderate-income borrowers. As shown in Exhibit 1, CBBC made 13% of its refinance loans low-income borrowers and 12% of its refinance loans to moderate-income borrowers. The demographics indicate that twelve percent of families in the assessment area are of low-income and 12% are of moderate-income.

Home Improvement Loans

CBBC's distribution of home improvement loans to LMI borrowers was excellent based on good performance in lending to low-income borrowers and excellent performance in lending to moderate-income borrowers. As shown in Exhibit 1, CBBC made 10% of its home improvement loans to low-income borrowers and 17% of its home improvement loans to moderate-income borrowers. Twelve percent of families in the assessment area are of low-income and 12% are of moderate-income.

Consumer Loans

CBBC's distribution of consumer loans to LMI borrowers was excellent based on excellent performance in lending to both low- and moderate-income borrowers. As shown in Exhibit 1, CBBC made 22% of its consumer loans to low-income borrowers and 17% of its consumer loans to moderate-income borrowers. Demographics show that 16% of households in the assessment area are of low-income, while 12% are of moderate-income.

Small Business Loans

The level of lending to small businesses was excellent. As shown in Exhibit 2, during 2009 and 2010 CBBC made 82% of its small business loans to businesses with GAR of \$ 1 million or less, compared to 87% of business establishments in the MSA with GAR of \$1 million or less. Performance was significantly above the aggregate which, in 2010, made 24% of its small business loans to businesses with GAR of \$1 million or less. During the review period, 36% of CBBC’s total small business loans were in amounts of \$100,000 or less. The average size of small business loans was \$270,000. Loans in smaller amounts are responsive to the needs of small businesses.

| Exhibit II Distribution of Loans in Assessment Area <i>By Size of Business</i> January 1, 2009 – December 31, 2010 Small Business Loans | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------------------------------|-----------------------------------------|
| Type | Number of Loans | Percentage | Loans in Amounts less than \$100m | Average Small Business Loan Size (000s) |
| GAR \$1 million or less | 56 | 82% | 36% | \$270 |

Geographic Distribution of Loans

CBBC’s geographic distribution of loans reflects overall reasonable dispersion throughout the assessment area. HMDA-related and consumer lending performance was poor, while small business performance was excellent. Opportunities to lend in low-income census tracts were limited particularly in low-income census tracts as less than 1% of owner-occupied housing units or only 524 were located in low-income census tracts and 3% were in moderate-income census tracts. This performance context consideration is confirmed by the performance of the aggregate, which in 2010 made less than 1% of its HMDA-related lending in low-income census tracts and only 2% of its HMDA-related lending in moderate-income census tracts. Additionally, 35% of the families residing in low-income census tracts and 20% of the families residing in moderate-income tracts have incomes below the poverty level, further limiting lending opportunities. Lending opportunities are also reduced for smaller banks in the assessment area due to the presence of many large financial institutions.

Home Purchase Loans

CBBC’s home purchase lending performance was reasonable. This conclusion considers the demographics and performance context issues relating to housing affordability in the assessment area. CBBC made one home purchase loan, or 2% of its home purchase loans, in a low-income census tract and 2 home purchase loans, or 5% of its home purchase loans, in a moderate-income census tract, while less than 1% of all owner-occupied housing units were located in low-income tracts, and 3% of owner-occupied units were located in moderate-income tracts.

Refine Refinance Loans

CBBC’s refinance lending performance was poor. CBBC did not make any refinance loans in LMI census tracts. However, less than 1% of all owner-occupied housing units are located in low-income tracts and only 3% of owner-occupied units are located in moderate-income tracts, indicating limited lending opportunities particularly in low-income census tracts. Evidence of limited opportunities for refinance lending in low-income census tracts is also reflected in the performance of the market aggregate. In 2010 the aggregate made only 21, or less than 1% of its refinance loans in low-income census tracts. The aggregate made 280 or 1% of its refinance loans in moderate-income census tracts.

Home Improvement Loans

CBBC’s home improvement lending performance was poor. CBBC did not make any home-improvement loans in LMI census tracts. However, less than 1% of all owner-occupied housing units were located in low-income tracts and only 3% of owner-occupied units were located in moderate-income tracts. Opportunities for home improvement lending were limited, as indicated by the performance of the market aggregate. In 2010, the aggregate made only 2 home improvement loans (less than 1%) in low-income census tracts and only 20 home improvement loans (1%) in moderate-income census tracts.

Exhibit III
Distribution of Loans in Assessment Area
By Tract Income Level
January 1, 2009 - December 31, 2010
HMDA, Consumer Loans and Small Business

| Loan Products | Low-Income Tracts | | Moderate-Income Tracts | |
|------------------|-------------------|------------|------------------------|------------|
| | Number of Loans | Percentage | Number of Loans | Percentage |
| Home Purchase | 1 | 2% | 2 | 5% |
| Refinance | 0 | 0% | 0 | 0% |
| Home Improvement | 0 | 0% | 0 | 0% |
| Consumer | 0 | 0% | 1 | 1% |
| Small Business | 3 | 5% | 4 | 7% |

Consumer Loans

Consumer lending performance was overall poor. CBBC made one or 1% of its consumer loans in a moderate-income tract but did not make any consumer loans in low-income tracts. One percent of all households reside in low-income tracts while 7% of households reside in moderate-income tracts. Opportunities for consumer lending were limited, however, as 35% of families residing in low-income tracts and 20% of families residing in moderate-income tracts have incomes below the poverty level, reducing opportunities for consumer lending activity in those geographies.

Small Business Loans

Small business lending performance was excellent. CBBC made 3 or 5% of its small business loans in low-income census tracts and 4 or 7% of its small business loans in moderate-income census tracts, compared to 2% and 5% of business establishments located in low- and moderate-income census tracts, respectively.

RESPONSE TO COMPLAINTS

CBBC received no complaints relating to the institution's CRA performance. Since the previous examination, there were no CRA-related complaints filed with the Federal Reserve Bank of New York.

COMMUNITY DEVELOPMENT TEST

CBBC became an intermediate small bank effective with this examination. Thus, this is the first time that CBBC's community development activity is being evaluated. CBBC's community development performance demonstrates reasonable responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering CBBC's capacity and the need and availability of such opportunities for community development in CBBC's assessment area. During the examination period, CBBC's community development loans and qualified investments benefiting its assessment area totaled \$889,107. Sixty-three percent of CBBC's loans and investments supported affordable housing initiatives throughout its assessment area and 37% targeted community service activities.

Examples of community development loans and investments include:

- A \$560,000 loan to refurbish a 19 unit multi-family property in a low-income census tract in the City of Passaic, New Jersey. Rents are affordable to LMI families.
- A \$75,000 line of credit to a Boys and Girls club to assist in cash flow issues caused by improvements to the club's facilities. The club serves a largely LMI clientele.

- A \$250,000 investment in the Senior Housing Crime Prevention Foundation. The foundation has earmarked investments in LMI senior housing projects and nursing homes in Bergen and Passaic Counties to support CBBC's investments.
- \$3,100 in contributions to organizations providing relief in designated disaster areas in Passaic County as a result of flooding caused by Hurricane Irene.

Regarding community development services in CBBC's assessment area, officers and employees provided professional services to local organizations that provide affordable housing, promote economic development, and provide community services to LMI individuals.

Bank officers serve on the boards and committees of at least four community development organizations. Examples follow.

- One CBBC officer serves as a member of the board of directors for an organization dedicated to providing affordable housing for LMI individuals.
- One CBBC officer serves as a member of the board of directors for an organization promoting economic development in an area that includes the low- and moderate-income areas in the city of Paterson.
- One CBBC officer serves on the fund raising committee on an organization that assists individuals with disabilities.
- One CBBC officer serves as chairman of the services committee of an organization whose goal is to enhance the quality of life for low- and moderate-income individuals in the City of Paterson.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

CBBC is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices was identified as being inconsistent with helping to meet the credit needs of the assessment area

CRA APPENDIX A GLOSSARY

Census tract: 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 statistical 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: All agencies have adopted the following language. 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; or loans, investments or services that (i) Support, enable or facilitate projects or activities that meet eligible uses" criteria described in Section 2301c of the Housing and Economic Recovery Act of 2008 ("HERA"), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Urban and Development in accordance with the Neighborhood Stabilization program ("NSP"); (ii) Are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by the grantees; (iii) Benefit low-, moderate- and middle-income individuals and geographies in the bank's assessment area(s) or geographies outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Development Financial Institution ("CDFI"): A CDFI is an organization that has been certified by the U.S. Treasury as a provider of loans and services that assist specially funded institutions that revitalize LMI areas and assist LMI persons.

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

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

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

Home Mortgage Disclosure Act (“HMDA”): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

Household: A household consists of all persons who occupy a housing unit. Persons not living in households are classified as living in group quarters.

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

Metropolitan Area (“MA”): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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

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

Small loan(s) to business (es): A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (“Call Report”) and the Thrift Financial Reporting (“TFR”) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

CRA APPENDIX B

2010 Aggregate Comparison Loan Distribution Table

Assessment Area: MD 35644

| Income Categories | HMDA | | | | | | | | | |
|-------------------------|-----------------|---------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | # | Bank % | Aggregate % | Bank % | Aggregate % | # | Bank % | Aggregate % | Bank % | Aggregate % |
| Home Purchase | | | | | | | | | | |
| Low | 1 | 7.1% | 3.2% | 0.6% | 0.4% | 0 | 0.0% | 0.0% | 0.5% | 0.2% |
| Moderate | 0 | 0.0% | 0.0% | 4.6% | 2.9% | 0 | 0.0% | 0.0% | 6.1% | 3.0% |
| Middle | 1 | 7.1% | 2.5% | 16.0% | 12.2% | 2 | 14.3% | 8.5% | 20.7% | 14.7% |
| Upper | 12 | 85.7% | 94.3% | 78.7% | 84.6% | 10 | 71.4% | 70.9% | 63.2% | 73.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 2 | 14.3% | 20.5% | 9.5% | 9.1% |
| Total | 14 | 100.0% | 100.0% | 100.0% | 100.0% | 14 | 100.0% | 100.0% | 100.0% | 100.0% |
| Refinance | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.1% | 0.0% | 4 | 15.4% | 5.9% | 0.7% | 0.4% |
| Moderate | 0 | 0.0% | 0.0% | 0.9% | 0.7% | 5 | 19.2% | 6.1% | 3.2% | 1.7% |
| Middle | 6 | 23.1% | 25.1% | 9.3% | 7.4% | 3 | 11.5% | 8.3% | 11.6% | 7.9% |
| Upper | 20 | 76.9% | 74.9% | 89.7% | 91.8% | 13 | 50.0% | 78.1% | 69.7% | 75.5% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 3.8% | 1.7% | 14.9% | 14.4% |
| Total | 26 | 100.0% | 100.0% | 100.0% | 100.0% | 26 | 100.0% | 100.0% | 100.0% | 100.0% |
| Home Improvement | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.1% | 0.1% | 2 | 7.7% | 5.9% | 2.5% | 0.6% |
| Moderate | 0 | 0.0% | 0.0% | 1.4% | 0.8% | 6 | 23.1% | 14.0% | 6.7% | 2.8% |
| Middle | 4 | 15.4% | 11.9% | 12.8% | 8.4% | 2 | 7.7% | 12.7% | 15.9% | 10.4% |
| Upper | 22 | 84.6% | 88.1% | 85.6% | 90.7% | 15 | 57.7% | 62.3% | 70.9% | 81.3% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 3.8% | 5.2% | 4.0% | 4.9% |
| Total | 26 | 100.0% | 100.0% | 100.0% | 100.0% | 26 | 100.0% | 100.0% | 100.0% | 100.0% |
| Multi-Family | | | | | | | | | | |
| Low | 1 | 100.0% | 100.0% | 3.5% | 1.8% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 0 | 0.0% | 0.0% | 20.3% | 10.9% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 0 | 0.0% | 0.0% | 44.1% | 42.4% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 0 | 0.0% | 0.0% | 32.2% | 44.9% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| Total | 1 | 100.0% | 100.0% | 100.0% | 100.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| HMDA Totals | | | | | | | | | | |
| Low | 2 | 3.0% | 5.9% | 0.2% | 0.2% | 6 | 9.0% | 2.5% | 0.7% | 0.4% |
| Moderate | 0 | 0.0% | 0.0% | 2.0% | 1.5% | 11 | 16.4% | 3.7% | 4.1% | 2.1% |
| Middle | 11 | 16.4% | 10.1% | 11.4% | 9.4% | 7 | 10.4% | 8.7% | 14.2% | 9.8% |
| Upper | 54 | 80.6% | 84.0% | 86.3% | 88.9% | 38 | 56.7% | 68.6% | 67.7% | 73.6% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 5 | 7.5% | 16.4% | 13.3% | 14.2% |
| Total | 67 | 100.0% | 100.0% | 100.0% | 100.0% | 67 | 100.0% | 100.0% | 100.0% | 100.0% |
| SMALL BUSINESS | | | | | | | | | | |
| By Tract Income | | | | | | | | | | |
| | # | Bank % | Aggregate % | Bank % | Aggregate % | | | | | |
| Low | 1 | 4.8% | 9.3% | 0.8% | 1.1% | | | | | |
| Moderate | 1 | 4.8% | 5.4% | 3.2% | 3.9% | | | | | |
| Middle | 7 | 33.3% | 34.8% | 17.4% | 21.3% | | | | | |
| Upper | 12 | 57.1% | 50.5% | 77.0% | 72.9% | | | | | |
| Unknown | 0 | 0.0% | 0.0% | 0.1% | 0.1% | | | | | |
| Tract Unknown | 0 | 0.0% | 0.0% | 1.6% | 0.8% | | | | | |
| Total | 21 | 100.0% | 100.0% | 100.0% | 100.0% | | | | | |
| By Revenue | | | | | | | | | | |
| \$1 Million or Less | 19 | 90.5% | 92.9% | 23.9% | 32.6% | | | | | |
| By Loan Size | | | | | | | | | | |
| \$100,000 or less | 7 | 33.3% | 3.5% | 94.5% | 38.3% | | | | | |
| \$100,001-\$250,000 | 4 | 19.0% | 13.6% | 2.6% | 14.0% | | | | | |
| \$250,001-\$1 Million | 10 | 47.6% | 82.9% | 2.9% | 47.7% | | | | | |
| Total | 21 | 100.0% | 100.0% | 100.0% | 100.0% | | | | | |

Originations and Purchases for 2010 only

CRA APPENDIX C

2010 Consumer Loan Distribution Table

Assessment Area: MD 35644

| Income Categories | Consumer Loan Totals | | | | | | | |
|-------------------|----------------------|--------|----------|--------|--------------------|--------|----------|--------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| Low | 0 | 0.0% | 0 | 0.0% | 5 | 17.2% | 112 | 3.5% |
| Moderate | 0 | 0.0% | 0 | 0.0% | 5 | 17.2% | 46 | 1.4% |
| Middle | 5 | 17.2% | 376 | 11.7% | 3 | 10.3% | 97 | 3.0% |
| Upper | 24 | 82.8% | 2,827 | 88.3% | 16 | 55.2% | 2,948 | 92.1% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 29 | 100.0% | 3,203 | 100.0% | 29 | 100.0% | 3,203 | 100.0% |

Originations and Purchases for 2010 only

Community Bank of Bergen County

Assessment Area

January 1, 2009 - December 31, 2010

Bergen

Passaic

Miles

0 2 4

Legend

- Zero Income Tracts
- Low Income Tracts
- Moderate Income Tracts
- Assessment Area
- Census Tracts
- Counties
- Branch

