



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

March 31, 2003

### Community Reinvestment Act **Performance Evaluation**

Commerce Bank/Delaware, National Association  
Charter Number: 23558

2502 Marsh Rd  
Wilmington, DE 19810

#### Office of the Comptroller of the Currency

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Chicago, IL 60605-1073

**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 **Outstanding**.

The following table indicates the performance level of **Commerce Bank/Delaware, National Association** (CBDE) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Commerce Bank/Delaware, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- An excellent level of lending in the assessment area (AA).
- Adequate geographic distribution of home mortgage loans and a good geographic distribution of small loans to businesses.
- Good distribution of loans by income level of borrower, given the demographics of the AA.
- Community development lending had a positive impact on the lending test.
- CBDE has an excellent volume of investments in its AA.
- Service delivery systems are readily accessible to geographies and individuals of different income levels.
- Personnel provide a relatively high level of community development services when considering strong competition in the AA.

## Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

**Geography:** A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

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

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

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

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

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

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

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

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

Commerce Bank/Delaware, National Association (CBDE) is an intrastate bank headquartered in Wilmington, Delaware, with total assets of \$226 million and tier one capital of \$17.6 million as of December 31, 2002. The bank was chartered in December 1999 and this is its first CRA evaluation. CBDE is a wholly owned subsidiary of Commerce Bancorp, Inc. (Bancorp), a \$16.4 billion multi-bank holding company, located in Cherry Hill, New Jersey. In addition to CBDE, the Bancorp operates three other national banks and a state chartered bank, Commerce Bank N.A, Commerce Bank/Pennsylvania N.A., Commerce Bank/Shore N.A., and Commerce Bank/North.

CBDE offers a wide range of traditional banking products and services for its retail and commercial customers. The bank prides itself on its convenient banking hours and service-oriented approach to banking. The bank's focus has been on commercial and small business financing (including commercial real estate), real estate development lending, and home equity lending.

Net loans represents 31% of total assets. CBDE has experienced very strong growth in both loans and deposits since commencing operations. However, deposit growth has exceeded net loan growth, leaving the institution with a relatively low level of loans in relation to total assets. Deposit growth for 2001 was 100% versus loan growth of 81%. Deposit growth for 2002 was 42% versus loan growth of 41%. The loan portfolio consists primarily of real estate loans. Forty-three percent of the portfolio is made up of residential real estate loans with another thirty-two percent in commercial real estate loans. Commercial loans represent seven percent and consumer loans five percent. The remainder of the portfolio consists of construction, municipal, lease financing, and all other loans.

The bank's single assessment area (AA) is the Wilmington-Newark, DE MA #9160 consisting of New Castle County in its entirety. Within the AA, the bank has six branches and seven ATMs. Since its creation in 1999, CBDE has experienced rapid growth and has been able to fund its operations primarily through local core deposits. There are no legal, financial or other factors that impede the bank's ability to meet the credit needs of the AA.

Management requested that we consider loans made by the national bank affiliates within CBDE's AA for the Lending Test. These loans were not included in the Lending Test evaluation of these affiliate banks. Management also requested that we include specific community development services provided by an affiliate bank and the holding company for the Service Test. The activities between the affiliates do not inappropriately influence an assessment of the bank's capacity or ability to lend or invest in its community.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for all HMDA-related loan products and small loans to businesses was January 1, 2000 to December 31, 2002. The evaluation period for community development loans, investments, and services was January 1, 2000 to March 31, 2003. The bank did not originate any farm loans. As a result, Tables 7 and 12 were eliminated. An analysis of the one multifamily home mortgage loan is not meaningful.

### Data Integrity

We conducted data integrity reviews in 2001 and 2002. During these reviews, we analyzed a sample of home mortgage loans and small loans to businesses to ensure the accuracy of data upon which we relied for our evaluation of the bank's performance under the Community Reinvestment Act. We compared information in publicly filed data to information in the bank's loan files to determine accuracy. This review revealed that the publicly available information was accurate and reliable. We also evaluated the processes that the bank employs to ensure the accuracy of this data. We sampled community development loans, investments, and services to determine that they qualified under the regulatory criteria for community development. We made some minor adjustments to this data and included only those items that met the definition of community development.

### Selection of Areas for Full-Scope Review

CBDE has only one AA. This area received a full-scope review.

### Ratings

The bank's overall rating is based on the full-scope review. For the lending test, we placed slightly more weight on home mortgage loans as they represented a larger volume of loans when compared to small loans to businesses.

### Other

We conducted two community contacts during this evaluation and reviewed two contacts made during 2002. These contacts helped us to determine the perceived credit and community development needs of the assessment area and performance of various financial institutions in the assessment area. Refer to the Market Profile in Appendix B for additional information.

### Fair Lending Review

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



## Conclusions with Respect to Performance Tests

### LENDING TEST

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

The bank's performance under the Lending Test is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Wilmington-Newark, DE MA #9160 is good.

#### Lending Activity

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

Lending activity reflects excellent responsiveness to the credit needs of the AA in relation to the bank's deposit market share. CBDE operates in a very competitive market. The bank has made good progress given the relative short time it has been competing in the market. During the evaluation period, CBDE originated 799 home mortgage and small loans to businesses totaling \$96 million. By number of loans, two-thirds of the originations were for home mortgage products. Among the home loan originations, approximately 32% were for home purchase, 30% were for home improvement, and 38% were for home refinance.

In the AA, CBDE ranked 19<sup>th</sup> out of 35 banks with a 0.27% deposit market share based on June 30, 2002 FDIC Summary of Deposits. While this appears very low, the top five banks dominate the market and have a combined deposit market share of 79%. These banks are large national and regional banking companies. CBDE ranked approximately 35<sup>th</sup> in overall mortgage lending with a 0.65% market share. The AA is very competitive with 360 lenders.

Based on 2001 HMDA aggregate data, CBDE ranked 7<sup>th</sup> out of 86 lenders in home improvement loans with 2.81% of the market share. This is excellent when compared to the bank's deposit market share. This is especially true given that two local lenders dominate this loan product with over 40% of the market share. Using the same data, CBDE ranked 34<sup>th</sup> out of 267 lenders in home purchase loan originations with 0.42% of the market share. For home mortgage refinance loans, the bank is ranked 43<sup>rd</sup> out of 283 lenders with an overall market share of 0.43%. The bank faces very strong competition in the mortgage product market with many large banking and mortgage companies competing for market share in their AA.

Based on 2001 CRA aggregate data on small loans to businesses, CBDE ranked 19<sup>th</sup> with a 1% market share for all reporting lenders. This performance is excellent in light of competition from large lenders that provide small business credit cards. This is also excellent when compared to their deposit market share.

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

The overall distribution of loans by income level of the geography is adequate.

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

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Overall, the bank's geographic distribution of home loans is adequate.

The geographic distribution analysis of home mortgage loans is based primarily on the distribution of loans in moderate-income geographies given the low percentage of owner-occupied units in low-income geographies.

CBDE's geographic distribution of home purchase loans is adequate. The percentage of lending in the moderate-income geographies is below the percentage of owner-occupied housing in these geographies. The bank did not make any loans in low-income tracts. The market share in moderate-income geographies slightly exceeds the bank's overall market share.

CBDE's geographic distribution of home improvement loans is adequate. The percentage of lending is below the percentage of owner-occupied housing in low-income geographies and well below in moderate-income geographies. In low-income geographies, the bank did not have any market share. In moderate-income geographies, the bank's market share exceeds its overall market share.

CBDE's geographic distribution of home refinance loans is adequate. The percentage of lending in both low-and moderate-income geographies is well below the percentage of owner-occupied housing in these geographies. In low-income geographies, the bank's market share exceeds its overall market share. In moderate-income geographies, the bank's market share is below its overall market share.

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

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of loans to small businesses is excellent. The percentage of loans in low-income geographies in the AA substantially exceeds the percentage of businesses within those geographies. The percentage of loans in moderate-income geographies is below the percentage of businesses within these geographies. The bank's market share in low-income geographies is well above, and in moderate-income geographies exceeds the bank's overall market share.

## **Lending Gap Analysis**

We reviewed the geographic distribution of loans and 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, CBDE originated a substantial majority (86%) of its loans in the AA. The bank originated 84% of its HMDA loans and 89% of its small loans to businesses in the AA. This analysis included all reportable loans originated by CBDE only, and does not include extensions of credit by affiliates.

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

The distribution of loans by income level of the borrower is good based on the performance of both the home mortgage lending and small business lending.

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

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The bank's distribution of loans by borrower income level is good, given the demographics and competition in the AA. The distribution of mortgage loans to moderate-income borrowers is excellent for all three HMDA loan products. The distribution of loans to low-income borrowers is generally weaker. The cost of housing in relation to income makes it difficult for a low-income borrower to qualify for a loan using standard underwriting.

Recent economic data provided indicates that the median home price in New Castle County was \$150,000 at year-end 2002. Based on the updated HUD median family income, a low-income borrower earns less than \$37,950. Using standard underwriting formulas, it is difficult for individuals with incomes at those levels to accumulate the necessary down payments and meet the monthly payments for principal, interest, taxes, and insurance. We considered this as a potential barrier for low-income borrowers in our analysis of home loan products.

The borrower distribution of home purchase lending is good. The percentage of lending to low-income borrowers is substantially below the percentage of low-income families. The bank's market share to low-income borrowers is below its overall market share. The percentage of lending to moderate-income borrowers substantially exceeds the percentage of moderate-income families. The bank's market share for lending to moderate-income borrowers meets its overall market share.

The borrower distribution of home improvement lending is good. The percentage of lending to low-income borrowers is below the percentage of low-income families in the AA. The bank's market share of loans to low-income families is slightly below its overall market share in the AA. The percentage of lending to moderate-income borrowers substantially exceeds the percentage of such families in the AA. The market share for moderate-income borrowers meets its overall market share.

The borrower distribution of home refinance lending is good. The percentage of the bank's lending to low-income borrowers is significantly below the percentage of low-income families. The percentage of lending to moderate-income borrowers exceeds the percentage of moderate-income families. The market share of loans made to low-income borrowers is below the bank's overall market share while the market share to moderate-income borrowers exceeds the overall market share.

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

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The bank's distribution of loans to businesses based on business size is adequate. Although the percentage of the bank's small loans to small businesses (businesses with gross annual revenues of \$1 million or less) is below the percentage of small businesses in the AA, almost 63% of the bank's small loans to businesses, regardless of revenue size, were for \$100 thousand or less, and nearly 22% of loans were between \$100 thousand and \$250 thousand. The bank's market share of small loans to small businesses exceeds the bank's overall market share of small loans to businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending.

Community development lending has a positive impact on the overall lending rating.

CBDE originated four loans in the AA totaling \$1.6 million during the evaluation period. The community development loans were for the purpose of providing affordable housing for low- or moderate-income individuals, community services targeted to low- or moderate-income individuals, and for activities that revitalize or stabilize low- or moderate-income geographies.

The bank also participated in a \$2.3 million loan in the Dover area with several statewide housing organizations that serve a broader geographic area. We gave full credit to this loan in our analysis because CBDE has adequately met the community credit needs within its AA and because this loan was done in conjunction with organizations that serve statewide LMI housing needs.

### **Product Innovation and Flexibility**

Product innovation and flexibility had a neutral impact on the lending test. CBDE offers two flexible home loan mortgage products. The First-Step program is for first-time, low- and moderate-income homebuyers. This program includes a below market, 30 year fixed rate loan featuring no points, no private mortgage insurance (PMI) for low-income applicants, 97% loan to value, and flexible underwriting criteria. During the evaluation period, CBDE made further revisions to the program including property eligibility and eliminating PMI for low- and moderate-income borrowers purchasing in low- and moderate-income geographies. CBDE originated 10 loans under this program during the evaluation period.

The Helping Hand home improvement loan program is offered to low- and moderate-income homeowners. This product is available either as a secured or unsecured loan, with a term of one to fifteen years. The secured loan allows for a 100% loan to value ratio. Origination numbers were not available for review.

## **INVESTMENT TEST**

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

The bank's performance under the Investment Test is rated "Outstanding." Based on a full-scope review, the bank's performance in the Wilmington-Newark, DE MA #9160 is excellent.

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

Investment opportunities are available within the AA, but competition for investments is strong with a large number of regional banks and institutions competing for the same CRA investment opportunities. CBDE made 21 investments and qualifying charitable donations totaling \$5.4 million during the evaluation period. The investments that provide direct benefit to the Wilmington-Newark MA total \$2.7 million. A total of \$37 thousand was for qualifying charitable donations.

The following are examples of the major investments:

- CBDE made two investments totaling \$2 million in bonds. The bonds helped to finance below market rate mortgages to low- and moderate-income first time homebuyers in the AA.
- CBDE made two investments totaling \$650,000 in two loan funds. The two funds support revitalization efforts within a targeted redevelopment zone and affordable housing.

As the bank has adequately addressed the needs of its AA, we gave additional credit for a \$2.7 million investment that benefits an area adjacent to the bank's AA. CBDE purchased a bond issued for the construction of a 60-unit apartment complex in Dover. All residents of the complex must have income below 60% of the area median family income to qualify.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "Outstanding." Based on a full-scope review, the bank's performance in the Wilmington-Newark, DE MA #9160 is excellent.

### **Retail Banking Services**

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

CBDE's service delivery systems are accessible to geographies and individuals of different income levels in the AA. The bank's record of opening or closing branches is good and shows good responsiveness. During the evaluation period, CBDE opened six branches in Newark, Wilmington, and the surrounding suburbs. There were no branch closings. The bank has ATMs in each office and one additional ATM located in the Wilmington area.

One branch is located in a low-income geography on the edge of the downtown business district near a residential neighborhood. CBDE prides itself on its convenient hours and follows its corporate advertising of offering 78 hours of retail banking per week. Although this branch does not have Sunday hours or a drive-up facility, it does have longer lobby hours than the other branches. The Sunday hours were discontinued when the bank determined it had few Sunday customers. The branch site cannot accommodate a drive-up facility. Services and products offered at all locations are identical.

CBDE offers alternative delivery systems in the form of bank-by-phone, loan-by-phone, and Internet banking. In evaluating the bank's services, no significant weight was given to these systems since the bank does not track how well these services reach low- and moderate-income individuals and geographies.

## **Community Development Services**

CBDE personnel provide a relatively high level of community development services in light of the strong competition the bank faces in this market. While there are many opportunities, there are some very large, nationally based financial institutions in this market competing for the same community development opportunities. CBDE is a much smaller bank in comparison. Community development services have been provided by staff of affiliates Commerce Bank, NA (CBNA) or Commerce Bank Pennsylvania (CB/PA). Activities conducted by the affiliates have had a direct benefit for the Wilmington MA and have not been considered in the evaluations of the other banks.

CBDE personnel are involved in five community development organizations. Four of the five involve either housing for low- or moderate-income people or economic development efforts. The other organization is a charter school located in the inner city-Wilmington low-income area. An officer of the bank is on the Board of this school. These organizations all directly benefit the assessment area.

CBNA is involved in the Federal Home Loan Bank of New York (FHLBNY) Affordable Housing Program. With assistance from this affiliate, CBDE was able to help sponsor an application to this organization for a \$1.3 million grant to support the renovation and expansion of a homeless shelter at the Central YMCA Of Wilmington. The grant was one of the largest ever extended by the FHLBNY and provided gap financing for the project. The project supported the renovation of 140 units of existing housing for homeless men and the construction of an additional 40 units of housing. Central YMCA is the city's main provider of homeless shelter and works to bring these homeless people back into the mainstream of society.

CB/PA recently became involved in the Federal Home Loan Bank of Pittsburgh's Homebuyer Equity Fund program. The program provides matching funds for down payment assistance for low- and moderate-income first time homebuyers. CBDE participates through the affiliate. The program matches three-to-one up to a maximum of \$4,000 for down payment or closing costs. Bank personnel recently received training on the program and now are available to assist non-profit organizations with training on the loan product and individual customers. No loans have been originated, but the local non-profits have begun offering the product.

## 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): 01-01-00 to 12-31-02 Investment and Service Tests and CD Loans: 01-01-00 to 03-31-03	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Commerce Bank Delaware, National Association (CBDE) Wilmington, DE	HMDA loans, small business, community development loans, investments, services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Commerce Bank Pennsylvania, NA (CB/PA)	Affiliate	CD Service for FEHB Pittsburgh, Homebuyer Equity Fund, HMDA and small business loans
Commerce Bank, NA (CBNA)	Affiliate	CD Service for FEHB NY, Affordable Housing Grant Program, HMDA and small business loans
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Wilmington-Newark, DE MA #9160	Full-Scope	None



# Appendix B: Market Profiles for Full-Scope Areas

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

Wilmington-Newark, DE MA #9160.....	2
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**Wilmington-Newark, DE MA #9160**

Demographic Information for Full-Scope Area: Wilmington-Newark, DE MA #9160						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	120	7.50	19.17	50.83	20.83	1.67
Population by Geography	441,946	3.86	16.80	53.87	25.47	0.00
Owner-Occupied Housing by Geography	112,040	1.76	14.19	55.36	28.69	0.00
Businesses by Geography	25,579	12.60	16.02	45.93	25.29	0.16
Farms by Geography	483	1.45	14.29	55.28	28.99	0.00
Family Distribution by Income Level	115,305	16.57	18.39	26.46	38.58	0.00
Distribution of Low- and Moderate- Income Families throughout AA Geographies	40,313	7.41	26.02	55.00	11.56	0.00
Median Family Income	\$44,332	Median Housing Value		\$150,000		
HUD Adjusted Median Family Income for 2002	\$75,900	Unemployment Rate		3.6%		
Households Below the Poverty Level	7.61%					

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

Sources: 1990 U.S. Census. 2002 HUD updated MFI. December 2002 Bureau of Labor Statistics unemployment. 2002 National Association of Realtors housing information.

CBDE has one assessment area in the State of Delaware. It consists of the entire Wilmington-Newark, DE Metropolitan Area #9160. The MA consists exclusively of New Castle County which is in the northern third of the state. This is the most heavily populated county in the state with approximately two-thirds of the state's population. The county is bordered on the east by the Delaware River which opens into the Atlantic Ocean. The Port of Wilmington is a major East Coast seaport with excellent access to the Interstate highway system, an extensive rail network, and the nearby Philadelphia International Airport. Wilmington is the largest city in the state. Wilmington is in the northern part of New Castle County immediately south of the suburban Philadelphia area. The other large city in the assessment area, Newark, is the home of the University of Delaware with approximately 16,000 undergraduate students. The assessment area meets the requirements of the regulation and does not exclude any low- or moderate-income areas.

CBDE has six offices in the assessment area, primarily in the greater Wilmington area and its suburbs or in Newark. The bank has ATMs in each office plus an additional ATM in a separate location. One office is located in a low-income tract on the edge of the downtown business district.

The greater Wilmington area is considered a "corporate capital" because many national corporations are either based there or have been incorporated there to take advantage of Delaware's liberal tax structure. Numerous banks or other financial institutions relocated to the area following the Financial Center Development Act of 1981. This was legislation that liberalized laws governing banks operating within the state.

The area has historically had a strong connection to the chemical, pharmaceutical, and petroleum industries. These companies were the major employers in the area and played a significant role in the area's socio-economic structure. As these companies downsized in the mid-1980's, the growth of the financial services industry helped to lessen the impact of the job losses. Currently, the financial services industry is the largest private sector source of employment followed by healthcare and education. The 3.6% unemployment rate at the end of 2002 was considerably lower than the national unemployment rate, which hit 6% at year-end. Unemployment information was obtained from the Bureau of Labor Statistics website.

During this review, we held discussions with members of two community organizations to obtain their perspectives on local credit needs, community development needs, related opportunities, and the performance of financial institutions in the area in meeting those needs. We also reviewed records of two similar contacts with community members that were made during 2002. Based on these meetings and other sources, community development needs include: affordable housing for low- and moderate-income households, particularly the elderly and disabled on fixed incomes; affordable home purchase and home improvement loans for low- and moderate-income borrowers; counseling and education on homeownership, credit and personal finances; affordable loans and start-up capital for small businesses; and financing for redevelopment efforts in low- and moderate-income areas.

There is a good level of community development investment, loan, and service opportunities available in the area. There is, however, considerable competition from many of the financial institutions for these community development opportunities. Some examples of opportunities include low-income housing tax credit programs; mortgage revenue bonds; mortgage-backed securities; venture capital funds; community development corporations; community development financial institutions; and programs administered by the Federal Home Loan Bank, Delaware State Housing Authority, Delaware Economic Development Office, and numerous non-profit and for-profit community development organizations. The City of Wilmington has a Neighborhood Planning Council that works with residents, local agencies, and government officials on local issues. One of its objectives is to develop the overall plan for neighborhood revitalization. Many of the projects that this organization oversees meet a community development purpose. The city also has an Enterprise Community. It has identified four main strategies - job training, economic development, strong families, and supportive communities. It wants to reduce unemployment, increase business activity, increase the number of residents that own their own businesses, and increase retail services within the area. The 2002 annual report from this group says that since 9/11, there has been more difficulty in obtaining funds for its projects.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

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

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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

**Table 1. Lending Volume**

LENDING VOLUME		Geography: DELAWARE						Evaluation Period: January 1, 2000 TO December 31, 2002				
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Wilmington-Newark MA #9160	100.00	526	58,867	273	36,926	0	0	4	1,625	803	97,420	100.00
Broader Regional Area	0	0	0	0	0	0	0	1	2,350	1	2,350	0

- \* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.
- \*\* The evaluation period for Community Development Loans is From January 01, 2000 to March 31, 2003.
- \*\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Other Products**

LENDING VOLUME		Geography: DELAWARE						Evaluation Period: January 1, 2000 TO December 31, 2002						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
Wilmington-Newark MA #9160	100.00	8	796	8	796	0	0	0	0	0	0	0	0	100.00

- \* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.
- \*\* The evaluation period for Optional Product Line(s) is From January 01, 2000 to December 31, 2002.
- \*\*\* Deposit Data as of June 30, 2002. 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: DELAWARE								Evaluation Period: January 1, 2000 TO December 31, 2002					
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 ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Wilmington-Newark MA #9160	168	100.00	1.76	0.00	14.19	11.90	55.36	47.62	28.69	40.48	0.42	0.00	0.50	0.36	0.51

\* Based on 2001 Peer Mortgage Data: Northeast Region.

\*\* Home Purchase loans originated and purchased in the MA/AA as a percentage of all Home Purchase loans to businesses originated and purchased in the rated area.

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: DELAWARE								Evaluation Period: January 1, 2000 TO December 31, 2002					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Wilmington-Newark MA #9160	158	100.00	1.76	0.63	14.19	10.13	55.36	58.86	28.69	30.38	2.81	0.00	3.37	2.67	2.97

\* Based on 2001 Peer Mortgage Data: Northeast Region.

\*\* Home Improvement loans originated and purchased in the MA/AA as a percentage of all Home Improvement loans originated and purchased in the rated area.

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



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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: DELAWARE				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans	% Owner Occ Units ***	% CBDE Loans						
<b>Full Review:</b>																
Wilmington-Newark MA #9160	199	100.00	1.76	1.01	14.19	8.54	55.36	43.22	28.69	47.23	0.43	0.54	0.20	0.43	0.49	

\* Based on 2001 Peer Mortgage Data: Northeast Region

\*\* Home Mortgage Refinance loans originated and purchased in the MA/AA as a percentage of all Home Mortgage Refinance loans originated and purchased in the rated area.

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

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: HOME PURCHASE			Geography: DELAWARE				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% MF Units ***	% CBDE Loans	% MF Units ***	% CBDE Loans	% MF Units ***	% CBDE Loans	% MF Units ***	% CBDE Loans						
<b>Full Review:</b>																
Wilmington-Newark MA #9160	1	100.00	3.80	100.00	18.18	0.00	61.02	0.00	17.00	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2001 Peer Mortgage Data: Northeast Region.

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

\*\*\* Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multi-family units in the area based on 1990 Census information.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: DELAWARE								Evaluation Period: January 1, 2000 TO December 31, 2002					
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses ***	% CBDE Loans	% of Businesses ***	% CBDE Loans	% of Businesses ***	% CBDE Loans	% of Businesses ***	% CBDE Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Wilmington-Newark MA #9160	273	100.00	12.60	17.22	16.02	13.19	45.93	34.07	25.29	35.52	1.13	2.01	1.24	0.79	1.60

\* Based on 2001 Peer Small Business Data: US&PR.

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

\*\*\* Source Data - Dun and Bradstreet (2002).

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

Borrower Distribution: HOME PURCHASE		Geography: DELAWARE								Evaluation Period: January 1, 2000 TO December 31, 2002					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Geography*				
	#	% of Total	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Wilmington-Newark MA #9160	168	100.00	16.57	6.59	18.39	28.74	26.46	30.54	38.58	34.13	0.50	0.32	0.45	0.61	0.56

\* Based on 2001 Peer Mortgage Data: Northeast Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.60% of loans originated and purchased by CBDE.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home Purchase loans originated and purchased in the MA as a percentage of all Home Purchase Loans originated and purchased in the rated area.

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

Borrower Distribution: HOME IMPROVEMENT			Geography: DELAWARE				Evaluation Period: January 1, 2000 TO December 31, 2002									
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Geography*					
	#	% of Total	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Wilmington-Newark MA #9160	158	100.00	16.57	13.92	18.39	24.68	26.46	31.65	38.58	29.75	2.89	2.49	2.75	3.13	3.03	

\* Based on 2001 Peer Mortgage Data: Northeast Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by CBDE.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home Purchase loans originated and purchased in the MA as a percentage of all Home Purchase Loans originated and purchased in the rated area.

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

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: DELAWARE				Evaluation Period: January 1, 2000 TO December 31, 2002									
MA/Assessment Area:	Total Home Mortgage Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Geography*					
	#	% of Total**	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	% Families ***	% CBDE Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Wilmington-Newark MA #9160	199	100.00	16.57	5.13	18.39	22.05	26.46	26.67	38.58	46.15	0.54	0.30	0.58	0.45	0.67	

\* Based on 2001 Peer Mortgage Data: Northeast Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 2.01% of loans originated and purchased by CBDE.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home Purchase loans originated and purchased in the MA as a percentage of all Home Purchase Loans originated and purchased in the rated area.

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: DELAWARE			Evaluation Period: January 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% CBDE 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>									
Wilmington-Newark MA #9160	273	100.00	77.88	67.77	62.64	21.98	15.38	1.13	1.87

\* Based on 2001 Peer Small Business Data: US&PR.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.51% of small loans to businesses originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: DELAWARE			Evaluation Period: January 1, 2000 TO March 31, 2003				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Wilmington-Newark MA #9160	0	0	20	2,736	20	2,736	100.00	0	0
Benefits statewide/regional area not including assessment area	0	0	1	2,662	1	2,662	100.00	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: DELAWARE				Evaluation Period: January 1, 2000 TO March 31, 2003									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of CBDE 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>																	
Wilmington-Newark MA #9160	100.00	6	100	16.67	0.00	66.66	16.67	6	0	+1	0	+4	+1	3.86	16.80	53.87	25.47