



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

**November 2, 2008**

# **Community Reinvestment Act Performance Evaluation**

**Chase Bank USA, N.A.  
Charter Number: 23160**

**200 White Clay Center Drive  
Newark, DE 19711**

**Office of the Comptroller of the Currency**

**Large Bank Supervision  
250 E Street, SW  
Mail Stop 6-1  
Washington, DC 20219**

**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 **Chase Bank USA, N.A.** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Chase Bank USA, N.A. 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:

- Excellent level of community development services through active employee participation in community organizations and programs, often in leadership roles. Many of these services are highly responsive to identified needs of the assessment area (AA).
- Excellent responsiveness to community development needs in the AA as well as the statewide and broader regional areas through qualified investments and grants. Overall, Chase USA made approximately \$290 million in investments and grants in the current period while \$232 million in prior period investments remain outstanding. These amounts represent nearly \$100 million more in investments by the Bank as compared to the evaluation period for the prior examination.
- In addition to the Bank’s investments in the AA and throughout the State of Delaware, the bank also invested in states making up its broader regional area that includes its AA. Current period investments totaled nearly \$80 million while prior period investments, totaling nearly \$60 million, continue to have a positive impact in the broader regional area with the potential to benefit the AA.
- Because Chase USA adequately met the community development investment needs in its AA, additional consideration was given to investment activities benefiting the broader regional area with no potential to benefit the AA. An additional \$163 million in current period investments and \$123 million in prior period investments were made in a broader regional area with no potential benefit to the specific AA. Many of these are investments in low-income housing tax credit projects. Affordable, low-income housing is an identified need both within the AA and the Bank’s broader regional area.
- Excellent distribution of home mortgage loans and adequate distribution of small loans

to businesses throughout the AA, including low- and moderate-income (LMI) geographies.

- Excellent home mortgage lending to borrowers of different income levels, including LMI borrowers.
- Good community development lending that is responsive to the community development needs of the AA as well as the broader statewide and regional areas. Proceeds from these loans were used to finance the construction of affordable housing units for LMI families and schools that primarily cater to LMI students from distressed school districts. In addition, funds were used to create programs for job training, early childhood development, and HIV/aids care for LMI individuals. This lending was considered, but was not strong enough to appreciably impact the overall lending test rating.
- In addition to the Bank's community development lending in the AA and throughout the State of Delaware, the bank also lent in states making up its broader regional area that includes its AA. Community development lending in the broader regional area with the potential to benefit the AA totaled nearly \$140 million. An additional \$126 million in community development lending was made in a broader regional area with no potential benefit to the specific 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.

**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 (CD):** 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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 delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for pre-approval and loans for manufactured housing.

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

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

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

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

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

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

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

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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

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

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

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

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

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

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If

an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

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

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

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

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

## Description of Institution

Chase Bank USA, N.A. (Chase USA or the Bank) is an \$87 billion intrastate bank with \$9.8 billion in net Tier 1 capital. The Bank is headquartered in Newark, DE. The Bank does not operate any branch locations accessible to the public. The main banking facility is only available to Bank employees. The Bank also operates a branch in the Cayman Islands. The Bank is a wholly owned indirect subsidiary of JPMorgan Chase and Company (JPMCC), a \$2.3 trillion international banking company headquartered in New York, NY. JPMCC has offices and operations in more than 50 countries. JPMCC's other principal banking subsidiary is JPMorgan Chase Bank, N.A. (JPMCB). At the Bank's request, we considered the activities of several of Chase USA's affiliates when evaluating its CRA performance. These affiliates include: JPMCB, First Chicago Leasing Corporation, Banc One Community Development Corporation, FNBC Leasing Corporation, Chase Community Development Corporation, and The J.P. Morgan Chase Foundation. All financial information is as of September 30, 2008, unless otherwise stated.

The Bank, along with Bank affiliates, offers a variety of consumer products, such as: credit cards, residential mortgages, home equity loans and lines of credit, unsecured lines of credit, and auto loans. Small business and small farm lending is incidental to the Bank's business strategy and consists mainly of business credit cards and indirect business auto loans. Net loans represent 66.1% of total assets.

The Bank's primary business strategy is that of a nationwide credit card lender. Chase USA is one of the largest credit card issuers in the United States and, specifically, the largest issuer of general purpose credit cards. With this business strategy, the Bank places emphasis on community development investment, lending, and services in its AA and broader regional area in order to meet the credit needs of the area. All mortgage loans are originated or purchased and held by affiliates of Chase USA.

All community development (CD) loan and investment originations are performed by affiliates of Chase USA for the benefit of the Bank and its affiliates. CD loans and investments are originated by JPMCB, First Chicago Leasing Corporation, Banc One Community Development Corporation, FNBC Leasing Corporation, and Chase Community Development Corporation. Grants on behalf of Chase USA are made by The J.P. Morgan Chase Foundation.

Since Chase USA's one banking office is not open to the general public, a majority of the Bank's deposits come from JPMCB and other affiliates. Additionally, the Bank has foreign deposits housed in a Cayman Islands branch for corporate customers. At September 30, 2008, these foreign deposits comprised approximately less than 1% of total deposits and are not FDIC insured. By comparison, at the time of the last evaluation in January 2006, approximately 30.8% of deposits were foreign deposits. The impact these deposits have on the Bank's lending and investment capacity was considered in the analysis of CD loans and investments.

Other than a bank strategy that focuses on nationwide credit card lending, there are no known legal, financial, or other factors impeding Chase USA's ability to help meet the credit needs of its AA.

The Bank received an “Outstanding” rating at its last CRA examination dated January 9, 2006.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We reviewed home mortgage and small business loans for the time period October 1, 2005, through September 30, 2008. The Bank originated only one multi-family loan during the evaluation period. As a result of this low volume, this product was not analyzed. The Bank originated only two small farm loans during this evaluation period. Small farm lending is incidental to the Bank’s business strategy and is not a primary loan product. Therefore, due to the low number of small farm loans, we did not analyze this product during the review.

Qualifying CD loans, investments, and grants from January 9, 2006, through November 2, 2008, were considered in this evaluation. All qualified investments originated in prior periods and still outstanding at November 2, 2008, were also considered.

Our evaluation of services included analyzing the one banking office for the availability and effectiveness of delivering retail-banking services. However, we placed the most weight on the Bank’s CD services in determining the overall Service Test rating. This is due to the fact that the banking office only provides services to Bank employees and is not accessible to the general public. This analysis covered the period from January 9, 2006, to November 2, 2008.

### **Data Integrity**

As part of this CRA evaluation, Chase USA’s publicly filed information on home mortgage loans and small loans to businesses and farms was tested for accuracy. The data we reviewed was collected and reported by the Bank over the assessment period. The testing indicated no substantive inaccuracies in this data. Therefore, the conclusion was that the home mortgage loans and small loans to businesses and farms data could be relied on for this evaluation. Additionally, CD loans, investments, and services made or provided during the evaluation period were reviewed to determine its eligibility for consideration. A substantial majority of these activities were found to meet the definition of community development. Those not meeting the definition were not included in our analysis or the tables in this report. Finally, the Bank’s process of collecting and reporting home mortgage and small business loan data, along with CD activities was reviewed for appropriateness. No substantive deficiencies were found in these processes.

### **Selection of Areas for Full-Scope Review**

Chase USA has only one AA consisting of New Castle County (NCC), Delaware. This area received a full-scope review for this examination.

## Ratings

The bank's overall rating is based primarily on the area that received a full-scope review. When determining conclusions for the Lending Test, home mortgage loans were weighted more heavily than small loans to businesses. This is due to home mortgage loans representing a larger dollar volume of the Bank's lending during the evaluation period in the Bank's AA. Within the home mortgage loan category, home purchase and home refinance loans were weighted about evenly. These loan types accounted for 53% and 44% of the total HMDA lending volume, respectively. Community development loans were also considered.

## Other

We conducted two community contact interviews during our examination. Furthermore we considered information received from other contacts made with the OCC. These contacts included discussions with the executive directors of two community-based organizations. One organization specializes in affordable housing programs and the other is a community development financial institution. Both organizations include NCC in their service area. The contacts were generally complimentary of the financial institutions in the area, including Chase USA. They stated the Bank is a good partner, is very involved in the local community, and strives to meet the credit needs of the area. Please see the Community Contacts and Credit Needs section of Appendix B for more information on the community development needs of the area.

## Fair Lending or Other Illegal Credit Practices Review

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

## 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 NCC, Delaware AA is good.

The major factors in reaching our conclusion on the Bank's overall performance under the lending test are as follows:

- Chase USA exhibits good responsiveness to credit needs in its AA taking into account the number and amount of home mortgage loan originations in comparison to the Bank's size, resources, its presence in the AA, and AA needs.
- Overall, the bank has an excellent distribution of home mortgage loans to borrowers of different income levels, including LMI borrowers.
- The distribution of home mortgage loans throughout the AA is excellent. This includes mortgage loans originated or purchased by Chase USA in the LMI geographies.
- The distribution of small loans to businesses is adequate throughout the AA, including LMI geographies.
- The Bank's CD lending has a positive impact on Chase USA's lending performance. However, this lending was not strong enough to impact the overall lending test rating.

#### Lending Activity<sup>1</sup>

The volume of bank lending in its AA is good, taking into consideration the Bank's strategic focus and lack of branches. Chase USA is a significant mortgage lender in the area as evidenced by its market share ranking and has extended an adequate level of small loans to businesses.

Overall, in the evaluation period, home mortgage loans represent 43% of total reportable loan volume in numbers and 92% of the dollars lent. Small loans to businesses and CD loans made up a substantial majority of the remaining loans in the evaluation period.

Home purchase loans represent 53% and home refinance loans represent 44% of total home mortgage loan origination volume. Loans for home improvement comprise less than three percent of these loans. A substantial majority of the loans for home improvement are made using home equity loan products, which the Bank opted not to report under the HMDA.

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<sup>1</sup> Refer to Tables 1 Lending Volume and 1 Other Products in appendix C for the facts and data used to evaluate the bank's lending activity.

According to June 30, 2008 FDIC deposit market share information, Chase USA ranked second in NCC with a market share of 24.2%. A federally chartered institution in NCC ranked first with a 45.9% market share. As discussed earlier, a majority of the Bank's deposits are obtained from affiliates and, therefore, are derived from outside of the AA. In overall home mortgage lending, Chase USA ranked fourth in the evaluation period with a market share of 6.1%. There were nearly 300 reporting institutions in the AA during the evaluation period.

In home purchase lending for the evaluation period, Chase USA ranked fourth among all lenders originating in the AA. The Bank's market share was 8.0%. In the evaluation period, the top three lenders originated over one-third of the home purchase loans. Competition in the AA is strong, with approximately 270 lenders originating or purchasing home purchase loans.

Similar to home purchase loans, Chase USA ranked third in home refinance lending in the evaluation period with a market share of 5.4%. Also similar to home purchase loans, competition for home refinance loans is strong in the AA, with approximately 300 lenders. In the evaluation period, the top three lenders originated nearly one-fourth of the home refinance loans.

For home improvement lending in the period, Chase USA ranked 21<sup>st</sup> with a 1.4% market share. As mentioned earlier, most home improvement loans are originated through products that are not reported.

Based on 2007 aggregate small business lending data, the Bank ranked 3<sup>rd</sup> with a 14.8% market share. The top three lenders had a combined market share of over 60.0%. Similar to Chase USA, these lenders are nationwide credit card issuers, making a substantial majority of their loans through small business credit cards.

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

The Bank's geographic distribution of home mortgage loans is excellent, taking into consideration AA demographics and competition. As discussed in the Market Profile section, less than 2% of the AA's owner-occupied housing units are in low-income CTs. Accordingly, we gave greater consideration to lending in moderate-income tracts. Also, according to 2007 market share data, over 300 lending institutions originated mortgage loans in NCC.

As mentioned in the Scope of Evaluation section, the Bank originated only one multifamily loan, as well as only two small farm loans during the evaluation period. Consequently, a meaningful geographic distribution analysis of these loan products for the evaluation period could not be performed.

## ***Home Mortgage Loans<sup>2</sup>***

### Home Purchase

The geographic distribution of home purchase loans within the AA for the evaluation period is excellent. The percentage of Bank loans in both the LMI census tracts exceeded the percentage of owner-occupied housing units. Additionally, Chase USA ranked third among all institutions originating at least one home purchase loan in both the LMI CTs, according to 2007 market share data. Chase USA, with a market share of 8.0%, ranked 4<sup>th</sup> out of over 270 lenders originating or purchasing a home purchase loan in NCC in 2007. The Bank's market share percentages were 9.0% in the moderate-income CTs and 8.6% in the low-income CTs.

### Home Refinance

The geographic distribution of home refinance loans in the evaluation period is excellent. According to 2007 market share data, Chase USA ranked second in the low-income CTs and third in the moderate-income CTs among all lenders who originated at least one refinance loan in those respective CTs. While the Bank's lending performance in the low-income tracts was slightly below the demographic characteristics, its market share in these tracts exceeded its overall market share. In the moderate-income tracts, both the Bank's lending performance and market share exceeded the demographic characteristics and overall market share.

### Home Improvement

Though this is not considered a significant product for Chase USA, its home improvement loan geographic distribution for the evaluation period is adequate. Performance in low-income geographies exceeded the demographic by just over two times, while the bank's performance was somewhat below the demographic in moderate-income geographies. The Bank's market share in these tracts, however, did not exceed its overall home improvement loan market share, according to 2007 market share data. In both the LMI tracts, the Bank's market share was below the overall market share.

## ***Small Loans to Businesses<sup>3</sup>***

Chase USA's geographic distribution of small loans to businesses is considered adequate for the evaluation period. As mentioned previously, small loans to business lending is not primary to the Bank's business strategy in the AA. As such, marketing of these loan products is very limited.

For the evaluation period, the Bank's lending performance in the moderate-income tracts was near the demographic characteristics. The market share in these tracts was also below the Bank's overall small loans to businesses market share. Nonetheless, the bank was ranked third in market share for moderate-income tracts against the top two competing lenders who

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

<sup>3</sup> 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.

command nearly 42% of the moderate-income market. Lending in the low-income tracts remained significantly below the demographic characteristics of the area. However, considering that the top two competing lenders in these low-income tracts command nearly 46% of the market share and with the top four lenders totaling over 60% of the market share, the Bank's performance is considered adequate given that the Bank was ranked fifth.

## **Lending Gap Analysis**

We completed a lending gap analysis for the Bank's AA. We note that Chase USA originated home mortgage and small business loans throughout its AA, including geographies with the highest level of LMI borrowers and small businesses. No conspicuous lending gaps were identified.

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

The analysis of the Bank's lending inside and outside of its AA was performed at the bank level. Additionally, information used in the analysis includes bank originations and purchases only and not extensions of credit by affiliates that are being considered under the other performance criteria.

During the evaluation period, Chase USA originated a low volume of loans within its AA. Less than one percent in number and two percent in dollar amount of HMDA and small loans to businesses were originated in the AA. This level of activity reflects the Bank's strategic focus as a nationwide credit card lender and its lack of retail branches in the AA. Because of this focus, minimal weight was given to this analysis.

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

### ***Home Mortgage Loans<sup>4</sup>***

Overall, Chase USA's distribution of home mortgage loans by borrower income level is excellent. Except for home improvement loans, which are not a primary mortgage product for the Bank, Chase USA ranked among the top four lending institutions in lending to LMI borrowers for the evaluation period. As discussed in the Market Profile section, approximately 8% of the households in the AA are below the poverty level. Also, based on the average income of low-income families and the relatively high median housing cost, it would be difficult for these families to afford a house in the AA.

### **Home Purchase**

The Bank's distribution of home purchase loans by borrower income level in the evaluation period is excellent. In the moderate-income category, the Bank's performance far exceeded the borrower characteristics. The percentage of loans to moderate-income borrowers was nearly double the percentage of families in this income category. The percentage of loans to low-income borrowers was somewhat below the percentage of families in this income

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<sup>4</sup> 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.

category. This performance, however, is considered good when taking into consideration the percentage of families living below the poverty level and difficulty of low-income borrowers affording a home in the AA. In the low-income category, the next ranked institution was over three percentage points behind Chase USA. When compared to other lending institutions with at least one home purchase loan origination in the AA, Chase USA ranked third in both the LMI categories and significantly exceeded its overall home purchase market share.

### Home Refinance

For the evaluation period, the Bank's distribution of home refinance loans by borrower income category is excellent. While the percentage of Chase USA loans to low-income borrowers is well below the percentage of families in this income category, its market share in this category exceeds the overall home refinance market share. This performance is considered good when taking in to consideration the percentage of families below the poverty level and difficulty of low-income borrowers in affording a home in the AA. Chase USA's lending performance for moderate-income borrowers considerably exceeded the borrower characteristics. The Bank's market share in this income category was slightly below its overall home refinance market share. Chase USA was ranked third and fourth among all lending institutions originating at least one home refinance loan to LMI borrowers, respectively.

### Home Improvement

Though this is not considered a significant product for Chase USA, its home improvement lending to LMI borrowers in the evaluation period is good. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of families in this income category. While the Bank's lending performance to low-income borrowers was below the demographic characteristics of the area, it is considered good. This is taking the factors affecting low-income borrowers discussed above into consideration. The Bank's market share was below its overall market share for low-income borrowers, but just slightly below that for moderate-income borrowers.

### ***Small Loans to Businesses***<sup>5</sup>

As discussed in the Description of Institution section, small business lending is incidental to the Bank's business strategy and is not a primary loan product. Moreover, Chase USA does not routinely collect income information for small loans to businesses. A substantial majority of these loans are business credit card or indirect business auto loans, for which revenue information is not available. For the evaluation period, nearly all of the small loans to businesses did not have revenue information available. Therefore, an analysis of this data would not be meaningful.

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<sup>5</sup> 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.

## Community Development Lending<sup>6</sup>

Overall, CD lending is good, but was not strong enough to impact the lending test rating.

CD lending is responsive to the needs in the AA. When considering the significant competition from several well-established limited purpose financial institutions located throughout Delaware, the bank adequately met the CD loan needs in its AA and the statewide area that has the potential to benefit the AA. We then gave consideration to CD loan activity in the bank's broader regional area for lending that has potential to benefit the AA and to a lesser extent the wider regional area with no potential to benefit the AA.

During the evaluation period, Chase USA and its affiliates originated CD loans totaling \$16.6 million within the AA; this is nearly double the amount of CD loans covered by the evaluation period for the prior examination. As a result of these efforts, nearly 80 affordable housing units were created. Further, Chase USA issued a letter of credit with a CD purpose totaling nearly \$4.6 million. Letters of credit are considered as other loan data and listed in Table 1 - Other Loan Products.

The Bank has continued to be responsive in addressing the community development needs in its communities. Several of these CD loans illustrate leadership and responsiveness.

### CD Loans in the AA

In July 2007, the Bank provided a three-year, \$4.0 million community development loan to a municipality. The loan has been used by the municipality in partnership with a non-profit organization to develop for-sale housing affordable to LMI families in Wilmington, Delaware.

The Bank has a long-standing relationship with the organization, providing loans, grants, and technical assistance. In addition, a Chase USA senior officer serves on the organization's Board of Directors. This is a 501(c)(3) organization established in 1989 by the municipality to increase homeownership, improve the quality of housing in the City, and subsidize the construction and renovation of affordable housing. The organization collaborates with select private, non-profit, and governmental entities to increase the housing stock in the municipality by promoting the renovation and/or rehabilitation of existing homes and limited construction of new homes in strategically selected areas. To date, this funding has been used for a nineteen and sixteen unit affordable housing projects within the municipality.

### CD Loans in the Statewide Area Benefiting the Assessment Area

During the evaluation period, the Bank originated CD loans totaling \$13.2million within the statewide area with the potential to benefit the AA focusing on affordable housing. Further, Chase USA issued a letter of credit with a CD purpose for \$300 thousand. Letters of credit are considered as other loan data and listed in Table 1 - Other Loan Products.

In March 2007, Chase USA closed a \$5.0 million loan in the Delaware-state sponsored housing loan fund pool. Proceeds of the facility will be used to fund loans to nonprofit and for-

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<sup>6</sup> 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.

profit developers for the development of affordable rental housing for LMI individuals, families and the elderly, in the State of Delaware. The sponsoring entity is a multi-bank, community development consortium with thirty-seven Delaware-based members. (Chase USA is its largest member with over \$80 million in loans and investments.) Chase USA has a long-standing relationship and is actively involved with the entity. Chase USA senior officers serve as members on the organization's Board of Directors and various committees. The group's mission is to serve as a vehicle for community revitalization by taking direct action through the financing of, and investments in, housing and related activities designed to address the needs of LMI persons and communities.

In June 2006, Chase USA closed a \$5.0 million share in a \$32.4 million multi-participant, community development loan to a community development financial institution (CDFI) in support of its Fresh Food Financing Initiative, an innovative program designed to increase the number of supermarkets and grocery stores in LMI communities in the Mid-Atlantic region, with a focus on Pennsylvania, New Jersey, and Delaware. This loan was renewed in June 2008. The loan was used to provide financing to supermarket operators and developers that plan to operate where infrastructure costs and credit needs cannot be filled solely by conventional financial institutions. By increasing the number of food stores in underserved communities, the initiative provided families with a wide variety of affordable, nutritious food choices while creating jobs and revitalizing neighborhoods. The loan was used for land/other real estate acquisition, predevelopment costs, construction, rehabilitation, leasehold improvements, machinery/equipment financing, inventory purchases, and working capital. The mission of this CDFI is to create wealth and economic opportunity for LMI areas and individuals in the Mid-Atlantic region. This CDFI lends to not-for-profit organizations, for-profit corporations and general or limited partnerships, involved in affordable housing development, community services, small business lending, and workforce services. Chase USA has a longstanding relationship with this CDFI and an affiliate.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews<sup>7</sup>**

The bank's performance under the investment test is rated "Outstanding." Based on a full-scope review, the bank's performance in the NCC, Delaware AA is excellent.

Investment levels have increased significantly since the prior evaluation period, and the bank has been responsive to the community development needs of the AA and its broader statewide area. The NCC AA contains over half of the state's population and housing units and, as such, is the focus of most of the community development efforts undertaken by statewide organizations. Therefore, the investments identified as being in the statewide area with the potential to benefit the AA have been considered with nearly as much emphasis as those investments located exclusively in NCC.

In NCC, there continues to be strong competition for CD investments from large credit card banks and a significant number of financial institutions. As a result of the recession, the number of available opportunities for qualified investments declined during the second half of

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<sup>7</sup> Refer to Table 14 in Appendix C for the facts and data used to evaluate the Bank's level of qualified investments.

the evaluation period, while the competition for these opportunities remained relatively stable. Nonetheless, Chase USA and its affiliates made qualified investments and grants totaling more than \$6 million during the evaluation period in the AA; this amount is nearly double the amount invested during the evaluation period for the prior evaluation.

In addition, we considered the ongoing positive impact that investments made prior to the current evaluation period had within the AA. The remaining balance of these prior period investments was nearly \$9 million. This is nearly triple the amount of qualifying investments as compared to the prior evaluation. A majority of these investments have been in Low-Income Housing Tax Credit (LIHTC) projects that target affordable housing units for LMI residents, which shows an excellent responsiveness to the main identified need in the AA as well as the broader statewide and regional areas.

Listed below are qualified investments or grants that were considered to be highly responsive to community development needs or where bank management was innovative or took a leadership role.

Chase USA provided a \$500 thousand grant to a housing partnership (HP), which demonstrated excellent responsiveness to the need for affordable, low-income housing. The HP collaborates with select private, non-profit and governmental entities to increase and improve the City of Wilmington's housing stock by promoting renovation and construction of homes in strategically selected and underserved areas to develop affordable housing in low-income communities in the City of Wilmington. The funds went towards a single family development project transforming a very poor community in Wilmington. Plans called for the construction of nineteen homes and the rehabilitation of five others. The project started with the HP's acquisition of a single corner property at one of the most problematic corners in the City of Wilmington. The HP subsequently was able to purchase contiguous properties in this low-income community, and the project would now revitalize the entire block. This community was determined to be "at risk" due to its low homeownership rate (33%), high poverty rate (18%), and vacancy rate (13%). This project will allow this area of the city to rise in many census related categories and begin to stabilize with additional assistance over time. A Chase USA employee serves on the HP's Board of Directors, thereby demonstrating leadership.

The Bank provided \$375 thousand to an organization that serves LMI households state-wide by developing and maintaining affordable housing and preparing individuals and families for successful homeownership. This demonstrates excellent responsiveness to the identified need for affordable housing. A project in the AA developed eighteen new affordable homeownership units in an area targeted for revitalization. As mentioned in the Service Test section, a Chase USA officer also serves as Treasurer of the Board of Directors and as a member of the organization's New Housing Development Committee.

The Bank provided a \$258 thousand grant to a CDFI to support small business loans, targeting low-income communities in New Castle County. This investment demonstrates excellent responsiveness to the need for affordable loans and start-up capital for small businesses.

Chase USA provided \$200 thousand to a community development corporation in Wilmington. This investment demonstrates excellent responsiveness to the need for affordable housing for LMI families. The funds were specifically for a homeownership community revitalization initiative which had two strategies: home improvements and homeownership opportunities for

new affordable homes. This project was a community revitalization initiative located in the Brownsfield section of Wilmington. The transformation of this site included ten new affordable townhouses for ten families, whose household income was 80% or less, coupled with a home improvement grant for low-income owner occupied households in the surrounding community. The corporation is designed to increase the rate of homeownership and provide additional homeownership for LMI families.

The Bank provided a \$163 thousand grant to a community center to support an innovative four-year job training and a placement program for LMI individuals. This investment demonstrates excellent responsiveness to the identified need in the NCC AA for the development of employable skills for livable wage careers. A Chase USA employee serves on this organization's Board of Directors, thereby demonstrating leadership.

The bank provided \$100 thousand in grants to fund community services offered by a neighborhood housing group in Wilmington. This investment demonstrates excellent responsiveness to several identified community development needs, such as affordable housing as well as credit and personal finance counseling. The grant helped to fund the following programs: housing counseling, lifelines, and an education and employment program. Programs offered are designed to assist LMI individuals and families with safe, affordable homes, and financial stability. The mission of the lifelines program is to improve the quality of life for emancipated foster care youth terming out of the foster care system by providing transitional and permanent housing, case management, outreach, counseling, financial, educational, and employment support services to complement their own efforts in transitioning to healthy, independent adult living. Comprehensive services provided, in addition to housing, include education and training endeavors, financial education, medication management, employment placement assistance, and general life skills instruction. The education and employment program serves the neediest, most at-risk youth in Delaware, aged 16-21 who are low-income, lacking a high school education, unemployed with limited to no employment history. The target population these programs serve are TANF (Temporary Assistance to Needy Families, formerly AFDC) and Food Stamp recipients, Section 8 housing clients and at risk youth and young adults. A Chase USA employee serves on this organization's Board of Directors, thereby demonstrating leadership.

An innovative program in which the Bank continues to serve in a leadership role is the "Live near Your Work Program." This program is a cooperative partnership between the State of Delaware, local jurisdictions and employers to provide financial assistance to employees with incomes between 60% and 80% of the area median income in purchasing first time homes near their place of employment. Chase USA and another financial institution worked jointly with three local non-profit organizations in Wilmington to develop the program and provide the necessary financial support for this program to be offered to their employees. The program not only provides thousands of dollars in matching funds from both the State and the employers to the homebuyer, but it also assists the non-profits in retaining employees. Employee retention has been a challenge as staff positions with non-profits often are not highly compensated. Additionally, the program supports Wilmington's mission of increasing homeownership rates in some of its most distressed neighborhoods. Chase's contribution totaled \$15 thousand. These funds will assist the non-profit organization provide down-payment assistance to eligible employees live near their employer.

Moreover, the Bank also made investments and grants of over \$41million in the statewide area with the potential to benefit the AA during the evaluation period. In addition, we considered the ongoing positive impact that investments made prior to the current evaluation period had within the statewide area. The remaining balance on these investments was nearly \$40 million. These qualified investments include grants and donations totaling nearly \$8 million extended in the statewide area to organizations involved in qualified community development activities.

In 2006 through 2008, the Bank purchased \$18 million in single family mortgage revenue bonds. The Bank ranks as the second largest local financial services investor in the past three years, demonstrating a leadership role in responding to the need for affordable housing. The proceeds from the sale of these bonds financed below market interest rate mortgages for LMI first-time home buyers throughout Delaware, including the Bank's AA.

The Bank made a \$7.5 million equity investment in a housing fund, thereby demonstrating excellent responsiveness to the need for low-income housing projects. The housing equity fund provides equity investment opportunities in low-income housing projects that qualify throughout the State of Delaware for federal low-income housing tax credit (LIHTC). The fund is the leading tax credit syndicator in Delaware and is the leading statewide consortium for affordable housing and community revitalization programs. A Chase USA employee serves on this fund's Board of Directors, thereby demonstrating leadership.

Chase USA provided a \$7.5 million LIHTC investment in apartments, which will provide affordable housing to low-income families earning less than 60% of the Area Median Income. This investment demonstrates excellent responsiveness to the community development need of preserving existing LIHTC units. In addition to the substantial rehabilitation of the 132 two bedroom and three bedroom units at the property, a new community room will be built on site providing a laundry facility, computer room, management office and common areas that will host an after school program. Chase USA also serves in a leadership capacity on the Board of the group sponsoring the after school program. The bank's investment in the apartments preserves critical affordable housing in the City of Dover, which is approximately 50 miles from Wilmington.

## **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 NCC AA is excellent. The bank provides an excellent level of community development services throughout its AA, often taking a leadership role serving as Board and committee members of non-profit organizations.

## Retail Banking Services<sup>8</sup>

Chase USA does not rely on a branch office network to deliver banking services and focuses its efforts on CD services. The Bank has a limited banking facility in the AA, which is for bank employees and is located in a secured lobby of a Chase USA office building in Wilmington. This banking facility is not open to the general public.

Based on the information provided above, Chase USA's retail banking services is not significant to the service test rating.

## Community Development Services

Chase USA provides an excellent level of CD services in its AA and its broader statewide and regional area. The Bank's responsiveness to community development needs in the NCC AA is very positive. This is evident through their partnership with community-based organizations that foster affordable housing by providing financial, educational, and / or technical expertise. Chase USA has worked with government officials, business leaders, and community leaders to evaluate the growing foreclosure epidemic in order to minimize its impact within communities and help develop ways to assist individuals in sustaining homeownership. Representatives from the Chase Home Preservation Office (HPO) conducted loss mitigation seminars to educate non-profit agencies' housing counselors and housing advocates in the foreclosure prevention process.

During the evaluation period, Chase USA and its affiliates provided fifty-three services that benefited approximately forty-six organizations. Bank officers and staff members of Chase USA and its affiliates occupy approximately thirty-three Board of Director/advisory level positions of organizations. These organizations are responsive to the needs of LMI individuals providing affordable housing, homeownership counseling, foreclosure prevention, assistance to small businesses, neighborhood revitalization, financial literacy, and social services.

The information detailed below provides additional insight into the community development services provided during the evaluation period.

Chase USA's affiliate, JPMorgan Chase Bank, demonstrated leadership and was innovative through the Chase HPO's which helps families sustain homeownership. In 2006, the Chase HPO positioned itself as a leader in being the first in Delaware to provide foreclosure prevention training to non-profit agencies' housing counselors and housing advocates that promote affordable housing. The seminars provided the counselors with information about workout options in the mortgage servicing industry to help their constituents sustain homeownership. Approximately twenty-four attendees participated representing eleven local non-profit affordable housing and housing counseling organizations in Delaware including representatives from state and local government agencies.

As a result of this training, the Chase HPO Help Line received a significant number of calls during the evaluation period from various non-profit organizations and/or consumer advocacy groups assisting Chase borrowers in NCC and its broader regional area who were either LMI

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<sup>8</sup> 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.

homeowners. The Chase HPO Help Line provides its toll-free number to not-for-profit organizations as a single point of entry into Chase Home Financing Servicing. Chase HPO staff assists mortgage counselors by working with them on potential resolutions for delinquent homeowners. While not all mortgage defaults can be resolved through workouts, many mortgage problems can be remediated. The Help Line is a dedicated communication avenue for non-profits and community organizations only.

Chase USA's CRA Officer served as a member of the State Bank Commissioners Foreclosure Advisory Committee in 2006. The Reinvestment Fund was commissioned to conduct a study on foreclosures in Delaware, which was used to develop the state's initial response to this issue. The Delaware Mortgage Assistance Program, which provides low interest loans to LMI homeowners to avoid foreclosure, was created as a result of this committee's recommendations.

Chase USA was instrumental in furthering the mission of youth groups in Delaware. The groups are part of a nationwide movement whose mission is to inspire and enable all young people, especially those from disadvantaged circumstances, to realize their full potential as productive, responsible, and caring citizens. The groups offer a variety of recreational, educational, vocational, cultural, and prevention programs. Eighty percent of the children that participate in the programs are from LMI families. In March 2006, Chase USA donated 10 computers and 1 printer and installed a series of software applications. Understanding the need for students to be technologically savvy in order to advance and excel in school and the workplace, several Chase USA employees utilized the group's technology initiative and developed an eight week program to teach children at the group how to use a computer. Since the inception of the programs in the spring of 2008, eighteen students received training. Also, Chase USA employees are actively involved through their service on the Board of Directors and various committees of this organization.

A manager of a Chase USA affiliate served in a leadership capacity in a housing partnership (HP) as a Board member and serving on a task force committee. The City of Wilmington recognized that the HP was effective and maintains an established process for funding redevelopment projects. In 2006, the City transferred its federal allocation/awards process for distributing Community Development Block Grants and HOME (a federal assistance grant provided by the U.S. Department of Housing and Urban Development to create affordable housing exclusively for low-income families) funds to the HP. The committee was charged with managing the transition of the federal allocation process. The Manager assisted the HP staff to ensure proper processes were established between the parties, and reviewed contractual arrangements to ensure HP's interest were covered. The HP was established in 1989 by the City of Wilmington to increase homeownership, improve the quality of housing in the City, subsidized the construction and renovation of affordable housing. The HP collaborates with select private, non-profit and governmental entities to increase the City of Wilmington's housing stock by promoting renovation/rehabilitation of existing homes and limited construction of new homes in strategically selected areas. In 2007, Chase USA's CRA Officer joined the Board of Directors at the conclusion of the manager's term.

Several officers demonstrated leadership through their work with three organizations. One organization provides job training and placement programs to individuals who suffer from disabilities and/or who are disadvantaged. Assistance is provided to their constituents in

making the transition from being unemployed to becoming productive members of their communities.

Another non-profit organization collects and distributes food through member agencies serving low-income families. Also, the organization provides training and empowers underemployed and unemployed individuals to fill needed positions within the food industry. With the assistance of its affiliates, Chase USA partnered with these two organizations to provide a training program that covered a food preparation course, basic job readiness, and life-skills. Upon graduation, a student would be qualified for employment in professional kitchens. As part of the life-skills component, Chase employees delivered their four-part financial education program to the students and to employees of the non-profit. The program included Basics of Banking, Personal Financial Management, and Credit and Debt Management. A total of twenty-three classes were provided with 211 LMI individuals attending.

Also, approximately six sessions of a class titled "Basics of Banking" were conducted for another group's Economic Enrichment Program with 164 individuals in attendance. The group provides programs and services for low-income women and families in an effort to lead them to economic empowerment and self-sufficiency. Programs include small business education, housing counseling, transitional housing, and financial literacy. One of the programs within the Economic Enrichment Program is Financial Literacy Education to help the participants learn about building assets for homeownership, education or business ownership.

Leadership efforts are noted by Chase USA regarding community services through their work with a housing group. This is a community housing development organization engaged in the development of affordable housing, a provider of housing counseling and foreclosure prevention services for LMI individuals and families. A Chase USA officer serves as Treasurer of the Board of Directors and as a member of the New Housing Development Committee. This Officer has played an integral role in the development of the non-profit's 2007 and 2008 budgets and in assisting the Executive Director with planning as the organization has experienced increased overhead expenses and has had to develop strategies to deal with this difficult economic time.

## 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): October 1, 2005 to September 30, 2008 Investment and Service Tests and CD Loans: January 9, 2006 to November 2, 2008	
<b>Financial Institution</b>		<b>Products Reviewed</b>
Chase Bank USA, N.A. (Chase USA) Newark, DE		Home Purchase Loans, Home Improvement Loans, Home Refinance Loans, Small Business Loans, Small Farm Loans, Qualified Community Development Loans and Investments
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
JPMorgan Chase Bank, N.A.	Affiliate	HMDA loans, CD loans, CD investments
First Chicago Leasing Corporation	Affiliate	CD Investments
Banc One Community Development Corporation	Affiliate	CD Investments
FNBC Leasing Corporation	Affiliate	CD Investments
Chase Community Development Corporation	Affiliate	CD Investments
JPMorgan Chase and Company (The J.P. Morgan Chase Foundation)	Affiliate	CD Investments (Grants)
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
New Castle County, Delaware (Part of the Wilmington, DE-MD-NJ Metropolitan Division #48864)	Full-Scope	

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

### New Castle County, DE

Demographic Information for Full Scope Area: New Castle County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	127	7.87	18.11	48.03	25.20	0.79
Population by Geography	500,265	4.17	17.63	50.62	27.58	0.00
Owner-Occupied Housing by Geography	132,493	1.53	14.54	51.24	32.69	0.00
Business by Geography	35,239	15.4	14.6	43.11	26.8	0.07
Farms by Geography	610	3.4	13.1	46.2	37.2	0.00
Family Distribution by Income Level	127,997	18.53	17.33	23.55	40.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	45,905	7.24	26.95	51.40	14.41	0.00
Median Family Income		\$65,664	Median Housing Value			\$138,361
HUD Adjusted Median Family Income for 2008		\$73,900	Unemployment Rate (Bureau of Labor Statistics: September 2008)			4.9%
Households Below Poverty Level		7.95%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Demographic Data Source: 2000 US Census and 2008 HUD updated MFI.  
 Business Demographic Data Source: Dun & Bradstreet 2007 data.

### *Operations within the New Castle County AA*

Chase USA has designated NCC in the Wilmington DE-MD-NJ Metropolitan Division (MD) as its AA. Consistent with its business strategy as a nationwide lender, the Bank does not have any branches or ATMs in the AA. The bank's one banking facility, located in Wilmington, DE, is a bank employee branch only and is not open to the general public

### *Assessment Area Information*

The Bank's designated AA includes all of NCC in Delaware. The AA complies with the CRA guidelines and does not arbitrarily exclude LMI areas. The AA contains 127 census tracts (CTs), one of which is not populated. All of the low-income tracts and eight of the 23 moderate-income tracts are located in the City of Wilmington. NCC is a part of the Wilmington DE-MD-NJ MD.

In addition to the NCC AA, the Bank has designated a broader regional area for community development activities. This area includes the remaining counties in Delaware and the following states: Pennsylvania, Maryland, Washington DC, Virginia, North Carolina, and South Carolina.

### *Demographic Information*

Based on 2000 Census Bureau data, NCC is the most densely populated county in Delaware, containing 500,265 residents or 64% of the state's population. Wilmington and Newark are the largest cities in the state, with populations of 72,664 and 28,547, respectively.

There are a total of 199,521 housing units in NCC, of which ninety-five percent are occupied. One-to-four family units comprise 79% of the total, with multifamily units making up nineteen percent. Sixty-six percent of total units are owner-occupied, and twenty-eight percent are rental. There are 2,024 owner-occupied housing units in the low-income tracts and 19,261 owner-occupied units in the moderate-income tracts. According to 2000 Census data, the average age of housing stock in NCC is forty-one years.

A statewide economic impact study performed in 2003 and funded by Chase USA and two other financial institutions concluded that approximately 13,183 Delaware households live in substandard housing. Additionally, it identified that the greatest demand for affordable rental housing is in NCC.

### *Economy, Major Industries, and Employers*

The economy of NCC and the State of Delaware continues to transition from manufacturing and chemical companies to financial and other service-related industries. Although the state's economy continues to be supported by the chemical and automotive industries, financial and healthcare companies are now a part of the largest private-sector employers. Over the past several years, the State of Delaware and NCC have experienced a lower than national unemployment rate. For September 2008, the unemployment rate for NCC of 4.9% approximates the state rate of 4.7%. This is considerably below the national rate of 6.2% for the same time period. These figures are not seasonally adjusted.

### *Financial Competition*

The Bank is subject to strong competition from a large number of financial institutions, namely commercial banks, large regional banks, credit card/limited purpose banks, and mortgage and finance companies. There are over thirty financial institutions subject to the CRA competing for qualifying community development loans, investments, and services in NCC. Over 300 entities originated or purchased a HMDA loan and over 100 entities originated or purchased a small business or small farm loan in NCC (based on 2007 market share data).

### *Community Contacts and Credit Needs*

Concurrent with this review, we held discussions with two community organizations to acquire their perspectives on community credit and development needs, related opportunities and the performance of financial institutions in helping to meet identified needs. We also reviewed records of contacts with local community groups completed during the past two years. Based on the results of these meetings and other sources, community development needs include the following: affordable housing and mortgage financing for LMI families; pre- and post-purchase homeowner's education; homeownership and rental assistance programs for LMI borrowers; credit and personal finance counseling; home ownership preservation counseling; affordable

loans and start-up capital for small businesses; small business finance and ownership education.

There are several community development investment, loan, and service opportunities throughout NCC and the state of Delaware, but the large number of financial institutions subject to CRA results in significant competition to participate in them. Various vehicles exist to support community development initiatives including: low-income housing tax credits; mortgage revenue bonds; mortgage-backed securities; venture capital funds; and community development corporations. Additionally, programs administered by the Delaware State Housing Authority and other non-profit and for-profit community development organizations are in place to address the needs of LMI borrowers and small businesses. During the second half of the evaluation period, the number of available opportunities declined because of the economy, while the competition among the large number of financial institutions for these opportunities remained relatively stable.

## 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: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geo-coded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geo-coded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. 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 in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank 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** – Not included in this report. - 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 areas. 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)** – Not included in this report - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

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

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

**Table 1. Lending Volume**

LENDING VOLUME													
Geography: DELAWARE													
Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008													
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***	
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)		
<b>Full Review:</b>													
Wilmington DE-MD-NJ MD	100.00	5,753	1,082,232	7,580	76,130	2	39	5	16,618	13,340	1,175,019	100.00	
Statewide Area with Potential to Benefit the AA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	13,193	2	13,193	N/A	

**Table 1. Other Products**

LENDING VOLUME														
Geography: DELAWARE														
Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008														
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Community Development Letters of Credit**		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 DE-MD-NJ MD	100.00	1	4,574	1	4,574	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100.00
Statewide Area with Potential to Benefit the AA	N/A	1	300	1	300	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 9, 2006 to November 2, 2008.

\*\*\* Deposit Data as of September 30, 2008. 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: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Wilmington DE-MD-NJ MD	3,069	100.00	1.53	2.70	14.54	20.33	51.24	52.04	32.69	24.93	7.98	8.61	8.98	8.00	7.17

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

Geographic Distribution: HOME IMPROVEMENT		Geography: DELAWARE				Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Wilmington DE-MD-NJ MD	161	100.00	1.53	3.11	14.54	9.94	51.24	61.49	32.69	25.47	1.39	0.00	1.08	1.52	1.38

\* Based on 2007 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: DELAWARE				Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Wilmington DE-MD-NJ MD	2,522	100.00	1.53	1.43	14.54	16.89	51.24	54.88	32.69	26.80	5.42	6.80	5.68	5.43	5.12	

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: DELAWARE				Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share (%) by Geography****				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total****	% of Businesses*****	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans						
<b>Full Review:</b>																
Wilmington DE-MD-NJ MD	7,578	100.00	15.41	2.63	14.62	11.02	43.06	47.03	26.77	39.32	14.79	6.33	12.01	15.31	16.34	

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home 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 2000 Census information.

\*\*\*\*Based on 2007 Peer Small Business Data – US and 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 (2007)

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: DELAWARE					Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share (%) by Geography <sup>*</sup>				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans						
<b>Full Review:</b>																
Wilmington DE-MD-NJ MD	2	100.00	3.44	0.00	13.11	0.00	46.23	100.00	37.21	0.00	3.57	0.00	0.00	6.90	0.00	

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

Borrower Distribution: HOME PURCHASE		Geography: DELAWARE					Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008					Market Share <sup>****</sup>				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total <sup>*****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>*****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>*****</sup>	% Families <sup>****</sup>	% BANK Loans <sup>*****</sup>	% Families <sup>****</sup>	% BANK Loans <sup>*****</sup>						
<b>Full Review:</b>																
Wilmington DE-MD-NJ MD	3,069	100.00	18.53	10.93	17.33	33.21	23.55	24.46	40.59	31.39	7.82	8.52	8.34	7.60	7.36	

\* Based on 2007 Peer Small Business Data -- US and PR.

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

\*\*\* Source Data - Dun and Bradstreet (2007).

\*\*\*\* Based on 2007 Peer Mortgage Data (Eastern).

\*\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 14.55% of loans originated and purchased by the bank.

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

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

Borrower Distribution: HOME IMPROVEMENT															Geography: DELAWARE					Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Wilmington DE-MD-NJ MD	161	100.00	18.53	7.64	17.33	20.14	23.55	28.47	40.59	43.75	1.27	0.54	1.13	0.71	2									

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

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: DELAWARE					Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Wilmington DE-MD-NJ MD	2,522	100.00	18.53	9.94	17.33	26.64	23.55	28.93	40.59	34.49	5.11	5.23	4.68	5.68	4.92									

<sup>\*</sup> Based on 2007 Peer Mortgage Data (Eastern).

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 10.60% of loans originated and purchased by the bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: DELAWARE			Evaluation Period: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses with Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Wilmington DE-MD-NJ MD	7,580	100.00	65.23	0.01	99.83	0.09	0.08	14.79	0.00

**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: DELAWARE			EVALUATION PERIOD: OCTOBER 1, 2005 TO SEPTEMBER 30, 2008				
MA/Assessment Area:	Total Small Loans to Farms		Farms with Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Wilmington DE-MD-NJ MD	2	100.00	94.59	0.00	100.00	0.00	0.00	3.57	0.00

\* Based on 2007 Peer Small Business Data -- US and 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 - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. Revenue information was not available for nearly all small loans to businesses originated and purchased by the Bank. The numbers in the table contain only those loans with revenue information, which was only a small percentage of the total portfolio. This information was not used for analysis purposes.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: DELAWARE									
Evaluation Period: JANUARY 9, 2006 TO NOVEMBER 2, 2008									
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 DE-MD-NJ MD	75	8,836	106	6,135	181	14,971	100.00	0	0
Statewide Area with Potential to Benefit the AA	18	39,896	34	40,896	42	80,792	NA	0	0

**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 9, 2006 TO NOVEMBER 2, 2008																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Wilmington DE-MD-NJ MD	100.00	1	100.00	100.00	0.00	0.00	0.00	0	0	0	0	0	0	4.17	17.63	50.62	27.58

\* 'Prior Period Investments' means investments made in a previous 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.