



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

November 6, 2002

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**City National Bank Of New Jersey
Charter Number 16142**

**900 Broad St
Newark, NJ 07102**

**Comptroller of the Currency
New York Metro Field Office
830 Morris Turnpike, Second Floor
Short Hills, NJ 07078**

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

TABLE OF CONTENTS

Overall CRA Rating	1
Description of the Institution	1
Description of the Assessment Areas	2
Scope of the Evaluation	3
Conclusions With Respect To Performance Criteria	3
State Ratings	
New Jersey	7
New York	11

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **City National Bank of New Jersey in Newark, New Jersey** as prepared by **The Comptroller of the Currency**, the institution's supervisory agency, as of **November 6, 2002**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

INSTITUTION'S CRA RATING

This institution is rated **“Outstanding”**. The bank’s overall rating is a blend of the ratings for the state of New Jersey and the state of New York. The results of the New Jersey conclusions are weighted more heavily because of the relatively short length of time the bank has been in the New York area and because the significant majority of the lending is in the New Jersey market. The conclusions that contributed to the overall rating are:

- Lending to businesses of different sizes and borrowers of different incomes reflects excellent penetration.
- The geographic distribution of small business and residential loans within the assessment areas is excellent.
- The bank’s loan to deposit ratio is reasonable.
- Lending within the assessment area meets the standards for satisfactory performance.

DESCRIPTION OF INSTITUTION

City National Bank of New Jersey (CNB), minority owned and managed, is a \$215 million interstate community bank. It is a wholly owned subsidiary of City National Bancshares Corporation. CNB is the only subsidiary of the holding company. The bank was created in 1973 to serve urban areas with significant minority populations.

The bank has eight locations with the main office located in Newark, New Jersey (Essex County). There are five branches in New Jersey and three branches in New York. At the last examination, the bank had two branches in Newark and one in Hackensack, New Jersey (Bergen County). In April of 1998, the bank opened a de novo branch in Paterson, New Jersey (Passaic County) and in May 2000, the bank purchased a branch from Carver Federal Savings Bank in Roosevelt, New York (Nassau County). In June 2001, the bank purchased another branch from Carver Federal in the East New York section of Brooklyn, New York (Kings County). In

addition, in June 2001, the bank reopened their Springfield Avenue Branch in Newark, which was closed originally in 1991. Lastly, in September 2002, the bank opened a de novo branch in Hempstead, New York (Nassau County), which is located near the Roosevelt branch. All the branches, except for the Hackensack office, are located in low- and moderate-income communities with significant minority populations.

As of September 30, 2002, CNB reported total assets of \$215 million. The balance sheet reflects \$102 million in loans and \$184 million in deposits. The loan portfolio is comprised of \$75 million commercial loans (75%), \$23 million in mortgage related products (23%) and \$2 million in installment loans (2%). As of September 30, 2002, CNB reported Tier 1 capital of \$14 million. There are no legal, financial or other factors impeding CNB's ability to help meet the credit needs of its communities.

The bank maintains status as a Community Development Financial Institution (CDFI), which was awarded to the bank in March 2000 and expires in March 2003. CDFIs are specialized financial institutions that work in market niches that have not been adequately served by traditional financial institutions. Other financial institutions receive CRA investment credit by maintaining deposits at CDFIs. The bank is currently in the process of reapplying for this designation.

A full range of credit products is available to the public with particular emphasis on commercial lending and more specifically on church lending and small business loans. Additionally, CNB participates in several lines of credit to Fortune 500 companies. The last CRA examination of CNB was performed by the Office of the Comptroller of the Currency in June 1997. The bank received a satisfactory rating.

DESCRIPTION OF ASSESSMENT AREAS

CNB has designated two AAs. The first AA is the New Jersey AA (NJAA) that consists of the entire counties of Bergen, Passaic and Essex Counties. The other AA is the New York AA (NYAA). The NYAA encompasses the entire counties of Kings, Queens and Nassau Counties. Both AAs are part of the New York/New Jersey/Connecticut Consolidated Metropolitan Statistical Area (CMSA).

Using 1990 census information, the total population of the combined AAs is approximately 7.6 million people. The population of minorities makes up 44% of that number. A total of 2,260 census tracts make up the two assessment areas, of which 201 are low-income tracts (9%), 425 are moderate-income tracts (19%), 987 are middle-income tracts (44%), 559 are upper-income tracts (25%) and 88 census tracts reported no income (3%). Small businesses (businesses with revenues less than \$1 million) make up 84% of the total businesses in the combined AAs and of this number only 5% of the businesses are in low-income geographies and 16% of the businesses are in moderate-income geographies. The distribution of families in the AA is 13% low-income, 19% moderate-income, 45% middle-income and 23% upper-income. The availability of owner-occupied housing is limited in the low- and moderate-income census tracts with 2% and 11% housing available respectively.

The AAs meets regulatory guidelines and do not arbitrarily exclude low- or moderate-income areas. Refer to the state ratings pages for a detailed description of each assessment area.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

Scope of Examination

The CRA evaluation of City National Bank of New Jersey covers the period of July 1, 1997 to September 30, 2002. Our review covered a sample of commercial loans and all home purchase and refinancing loans that were originated during this period. Loans to individuals were not reviewed as they represent only a small portion of the bank’s lending activity. We used the bank’s HMDA Loan Application Register (LAR) and a sample of 54 commercial loans totaling \$17.4 million, representing the entire review period, to determine the bank’s lending performance.

Loan-to-Deposit Ratio

CNB’s average loan to deposit ratio is considered reasonable in view of the high level of municipal and federal deposits as discussed below. The twenty-one quarters average loan to deposit ratio was 52%. Three institutions considered peers based on similar branch locations with similar business strategies have an average loan to deposit ratio of 58% over the same time-period. A significant mitigant of the loan to deposit ratio is the fact approximately one third of their deposit base is comprised of federal and municipal funds. The towns that have CNB branches support the bank by depositing municipal funds. The bank’s CDFI standing brings in significant federal deposits. Additionally, the municipal funds require investments be pledged against the balances which may limit available funds for lending.

Lending in Assessment Area

A majority of the home purchase and refinancing loans and small business loans originated during the evaluation period were within the AAs. CNB meets the standard for satisfactory performance for lending in the AAs. An analysis of the loan data disclosed that, by number, 64% of home purchase loans, 62% of refinancings and 67% of the small business loans were originated in the AAs. The following table is an analysis of the distribution of home purchase; refinance loans and small business loans.

Table 1 – Lending in the Assessment Areas						
	Number of Loans			Dollars of Loans		
	Inside	Outside	Total	Inside	Outside	Total
	#	#	#	\$(000)	\$(000)	\$(000)
Home purchase	72	41	113	8,143	5,596	13,739
Refinances	49	30	79	5,970	3,875	9,845

Small Business	36	18	54	9,453	7,913	17,366
Totals	157	89	246	23,566	17384	40,950
Percentage	64	36	100	58	42	100

Source: loan sample, Bank's HMDA LAR

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of loans reflects, given the demographics of the AAs, excellent penetration among individuals of different income levels and businesses of different sizes.

Home Purchase and Home Refinance Loans

The level of home mortgage loans originated to low-income borrowers is less than the percentage of low-income families in the combines AAs. The bank made 15% of their home purchase loans and 12% of their refinance loans to low-income borrowers. Low-income families make up 23% of the AAs population. However, when considering the affordability of housing in the CMSA, this performance is good. The current median cost of housing in the New Jersey/New York City/Long Island area is \$304 thousand. The HUD updated median family income for 2001 is \$69 thousand. This means that a low-income person earns less than \$35,000. Based on these statistics, it would be difficult for a low-income individual to purchase housing in the AAs.

The level of home purchase and home refinance loans to moderate-income borrowers is excellent. Thirty-three percent of the bank's home purchase and home refinance loans in the combined AAs were made to moderate-income families, who make up 18% of the AAs population.

Table 4 – Borrower Distribution of Residential Real Estate Loans in the Assessment Areas								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of Number	% of AA families	% of Number	% of AA families	% of Number	% of AA families	% of Number	% of AA families
Home purchase	15	23	33	18	24	21	15	38
Refinance	12	23	33	18	20	21	35	38

Source: Bank's HMDA LAR, 1990 U.S. Census data, 9 home purchase loans (13%) with no borrower income

Small Business Loans

As shown in the table below, the percentage of CNB's small loans to small businesses (businesses with gross annual revenue's of \$1 million or less) significantly exceeds the percentage of small businesses in both AAs. The bank made 81% of their sampled commercial loans to small businesses while small businesses comprise 67% of the total businesses in the AAs. This performance is excellent when considering the strong competition for these type loans in the AAs, as discussed on the state ratings pages.

Table 5 – Distribution of Small Business Loans by Borrower Size in the Assessment Areas			
Total Number of Loans in AAs	Number of Small Business Loans in AAs	% of Number	% of businesses with revenues less than \$1 million
36	29	81	67

Source: Loan Sample, Dun and Bradstreet 2002 data

Geographic Distribution of Loans

CNB's geographic distribution of loans reflects excellent dispersion throughout the combined AAs. The bank's branches are all located in low- or moderate-income geographies, which provides ready access to the customers and small businesses that use their products and services.

Home Purchase and Home Refinance Loans

In the combined AAs, CNB's distribution of home purchase and home refinance loans is excellent. HMDA distribution in low- and moderate-income census tracts significantly exceeds the level of owner occupied housing in those census tracts. As reflected in the table below, the bank made 21% of their home purchase loans and 14% of their refinance loans in low-income geographies where only 2% of the AAs housing stock is available as owner-occupied. In the moderate-income geographies, the bank made 44% and 41% of their home purchase and refinance loans where only 11% of the housing is owner-occupied.

Table 2 – Geographic Distribution of Residential Real Estate Loans in the Assessment Areas								
Geography Income Level	Low		Moderate		Middle		Upper	
	% of Number	% of owner Occupied units	% of Number	% of owner occupied units	% of Number	% of owner occupied units	% of Number	% of owner occupied units
Home purchase	21	2	44	11	31	53	4	34
Refinance	14	2	41	11	29	53	16	34

Source: Bank's HMDA LAR, 1990 U.S. Census data

Small Business Loans

As noted in the table below, the loans made in low-and moderate-income census tracts significantly exceed the portion of businesses in those census tracts. The bank made 45% and 33% of their sampled small business loans in low- and moderate-income census tracts respectively. Only 5% and 16% of the small businesses in the AAs are located in these geographies.

Table 3 – Geographic Distribution of Small Business Loans in the Assessment Areas
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Geography Income Level	Low		Moderate		Middle		Upper	
	% of Number	% of businesses						
Small Business Loans	45	5	33	16	19	50	3	29

Sources: Loan Sample and Dun & Bradstreet 2002 data

Responses to Complaints

CNB has not received any CRA related consumer complaints covering the review period with respect to the bank's lending performance in its assessment area.

Fair Lending Review

An analysis of HMDA, consumer complaint information and public comments was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted with the CRA evaluation. The latest comprehensive fair lending exam was performed in August 2001. No violations of the substantive provisions of the anti-discrimination laws and regulations were identified.

State Ratings

CRA Rating for New Jersey: *Outstanding*

- The geographic distribution of lending is excellent.
- The bank exhibits a good record of lending to borrowers of different income levels and to small businesses.

Description of the New Jersey Assessment Area (NJAA)

The NJAA has five branches, which includes the bank's head office. The AA consists of 528 contiguous census tracts in Bergen, Passaic, and Essex Counties. The AA contains all of the Bergen-Passaic Metropolitan Statistical Area (MSA 0875) and only Essex County in the Newark MSA 5680. Seventy-nine of the tracts are designated as low-income (15%), 118 as moderate-income tracts (22%), 174 as middle-income tracts (33%), 108 as upper-income tracts (20%) and 49 with no income designation (10%). The total population of the AA is approximately 2.1 million people. The demographics of the two MSAs are homogeneous. The 1990 median family income (MFI) is \$52,266 and the 2001 HUD updated MFI is \$78,900. The breakdown of families within the AA shows 22% low-income, 19% moderate-income, 23% middle-income and 36% upper-income. In the NJAA, 2% and 16% of the total owner occupied housing is located respectively in low- and moderate-income geographies. Seventy-eight percent of the businesses in the NJAA are small businesses with revenues under \$1 million of which 8% of the businesses are located in low-income tracts and 16% are located in moderate-income tracts.

The weak labor force growth, high business costs and weak population have created slow economic growth in this AA. Job recovery in the three counties will remain weak over the next 6-18 months with Bergen and Passaic counties recovering sooner than Essex County. In October 2002, the unemployment rate was 5.4% compared to 4.7% at the same time last year. State unemployment is at a comparable 5.3%. Most industries will continue to par down, although there are signs of a turn around in services and trade. Major employers include Linen and Things Corporation and Hackensack Medical Center in Bergen and Passaic Counties and Continental Airlines and Prudential Insurance in Essex County. Leading industries by total employees include hospitals, personal supply services, and miscellaneous business services.

Recently released data on housing prices indicated that Newark alone ranked seventh nationwide in large increases in house prices, up 17% with a median price of \$326,200. It should also be noted Bergen County is the least affordable area in the state. The median home price during the second quarter 2002 increased 25% from the same prior year period to nearly \$339 thousand. Affordability is expected to be a continuing problem going forward due to the area's close proximity to New York City, high incomes, and limited opportunities for development.

Competition in the AA is strong. The bank's major competitors include nationwide mortgage and business lenders, large regional banks, and numerous community banks. According to June 30, 2001, FDIC/OTS Summary of Deposit data in Bergen, Passaic and Essex Counties, Fleet Bank dominates the market with 123 branches and 23% of the market share. Of the 65 financial institutions in this AA, CNB is 33rd with 0.40% of the market share. All of these banks, which

are substantially larger than CNB, provide a greater array of financial services to the public, including retail related products and services. In regards to mortgage lenders, 584 financial institutions and mortgage lenders made HMDA reportable loans in this AA in 2001. CNB had a 0.04% market share of this very competitive industry.

Management indicates that the primary credit needs of the community are small business loans and banking services in the low- and moderate-income areas. Recently conducted community contacts with community organizations confirmed the need for flexible small business lending, in-kind services provided by the banks in the form of an experienced bankers and increased banking services in the community which would give residents more options for banking.

Conclusions with respect to Performance Tests in New Jersey

Geographic Distribution of Loans

CNB’s geographic distribution of loans reflects excellent dispersion in the NJAA.

Home Purchase and Home Refinance Loans

CNB’s geographic distribution of home purchase and home refinance loans exceeds the standards for satisfactory performance and is considered excellent. Based on the table below, the number of loans made in the low- and moderate-income census tracts significantly exceeds available owner-occupied housing. With only 2% of the owner occupied housing in low-income tracts, the bank was able to make 22% of their home purchase loans and 17% of their refinance loans in low- and moderate-income geographies. Fourteen percent of the owner occupied units in the NJAA are in moderate-income tracts; the bank made 46% and 41% of their home purchase and refinance loans in moderate-income geographies.

Table 6 – Geographic Distribution of Residential Real Estate Loans in the NJ AA								
Geography Income Level	Low		Moderate		Middle		Upper	
	% of Number	% of owner Occupied units	% of Number	% of owner occupied units	% of Number	% of owner occupied units	% of Number	% of owner occupied units
Home purchase	22	2	46	14	29	48	3	36
Refinance	17	2	41	14	24	48	17	36

Source: Bank’s HMDA LAR, 1990 U.S. Census data

Small Business Loans

Based on the representative loan sample, the geographic distribution of small business loans is excellent. The bank made 90% of their small business loans to businesses located in low- and moderate-income geographies when in comparison only 24% of the total small businesses in the NJAA are in these geographies.

Table 7 – Geographic Distribution of Small Business Loans in the NJ AA								
Geography Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of Number	% of businesses						
Small Business Loans	66	8	24	16	5	44	5	32

Sources: Loan Sample and Dun & Bradstreet 2002 data

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The distribution of loans reflects, given the demographics of the New Jersey AA, reasonable penetration among borrowers with different incomes and businesses of different sizes.

Home Purchase and Home Refinance Loans

Based on the below table, the distribution of loans is good given the cost of housing in northern New Jersey. Fifteen percent and twelve percent of the total number of home purchase and refinance loans were made to low-income borrowers, who make up 22% of the AA's population. A recently released report states that the average cost of a house in Newark and the surrounding areas is \$326,000 and in Bergen and Passaic Counties is \$347,000 and the cost of housing in these areas has increased 48% faster than the residents' income. The HUD updated median family income for 2001 is \$79 thousand. This means that a low-income person earns approximately \$39,000. Based on these statistics, it would be difficult for a low-income individual to purchase housing in the AA.

The number of loans made to moderate-income borrowers greatly exceeds the percentage of moderate-income families. Moderate-income families comprise 19% of the families living in the NJAA. The bank made 35% and 34% of their home purchase and refinance loans to moderate-income borrowers in the NJAA.

Table 8 – Borrower Distribution of Residential Real Estate Loans in the NJ AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of Number	% of AA families	% of Number	% of AA families	% of Number	% of AA families	% of Number	% of AA families
Home purchase	15	22	35	19	25	23	14	36
Refinance	12	22	34	19	15	23	39	36

Source: Bank's HMDA LAR, 1990 U.S. Census data, 8 home purchase loans (11%) with no borrower income

Small Business Lending

In the NJAA, 78% of the businesses are small businesses (gross annual revenues of \$1 million or less). The bank made 76% of their commercial loans to small businesses. As shown by the below table, the percentage of loans originated approximates the percentage of businesses within the geography.

Table 9 – Distribution of Small Business Loans by Borrower Size in the NJ AA			
Total Number of Loans in AAs	Number of Small Business Loans in AAs	% of Number	% of businesses with revenues less than \$1 million
21	16	76	78

Source: Loan Sample, Dun and Bradstreet 2002 data

Community Development Lending

As part of our analysis of the bank's business lending, it was noted that the bank originated five qualified community development loans to businesses and non-profit organizations totaling \$6.4 million. These loans were designed to assist low- and moderate-income families and areas through the creation of affordable housing, schools and community organizations.

Response to Complaints

CNB has not received any CRA related consumer complaints covering the review period with respect to the bank's lending performance in its assessment area.

State Ratings

CRA Rating for New York: *Satisfactory*

- The geographic distribution of lending is reasonable.
- Lending levels to borrowers of different incomes and small businesses is adequate.

Description of the New York Assessment Area

The NYAA consists of Kings, Queens and Nassau Counties in New York State. Kings and Queens Counties are in MSA 5600 and Nassau County is part of MSA 5380. The bank has three branches located in the NYAA. The branches are in the East New York section of Brooklyn (Kings County), Hempstead (Nassau County), and Roosevelt (Nassau County). The bank transacts a considerable portion of its business in Queens County. The AA consists of 1732 contiguous census tracts of which 122 tracts are low-income (7%), 307 tracts are moderate-income (18%), 813 tracts are middle-income (47%), 451 tracts are upper-income (26%) and 39 tract provides no income information (2%). The total population of the AA is approximately 5.5 million people. The 1990 median family income (MFI) is \$42,801 and the 2001 HUD updated MFI is \$63,300. The breakdown of families within the AA shows 23% low-income, 17% moderate-income, 21% middle-income and 39% upper-income. In the NYAA, only 1% and 9% of total owner occupied housing is respectively in low- and moderate-income census tracts. As of the 1990 census, 47% of the population is of minorities. Sixty-three percent of the businesses located in the NYAA are considered small businesses with revenues under \$1 million of which 4% are in low-income census tracts and 16% are in moderate-income tracts.

Since New York is one of the largest cities in the nation, it reflects a widely diversified economy. Per the Bureau of Labor Statistics in October 2002, the unemployment rate for the greater New York City region was 7.2% compared to 6.4% at the same time last year. The Nassau-Suffolk MSA had a much lower rate of 3.7% that was the same as one year ago. New York State unemployment is at 5.6%. The economy remains weak and broad-based job losses continue; the September 11 attacks last year have adversely impacted New York City's economy. Business services, manufacturing and transportation are posting the largest declines. The healthcare industry continues to expand which is supporting the services sector. Overall, the recession has had less impact on employment due to the diversified economy. Major employers include North Shore – Long Island Jewish Health Care Systems, NY Presbyterian Healthcare Network, and Citigroup. Leading industries by total employees include hospitals, government and retail trade.

The NYAA is in a very competitive market in terms of both deposits and lending. According to June 30, 2001 FDIC/OTS Summary of Deposit data in Kings, Queens and Nassau Counties, JP Morgan/Chase Bank, Citibank and GreenPoint Bank dominate the market with 242 branches and 33% of the market share. Of the 62 financial institutions in this AA, CNB is 53rd with 0.03% of the market share. All of these banks, which are substantially larger than CNB, provide a greater array of financial services to the public, including retail related products and services. In regards

to mortgage lenders, 532 financial institutions and mortgage lenders made HMDA reportable loans in this AA in 2001. CNB's 11 originated HMDA loans are minimal when compared with the rest of the market.

A community contact was made with a government representative of the Town of Hempstead. The representative stated the needs of the community were for small business loans and financial education for small business owners and small business entrepreneurs. While affordable housing loans were also important, the more prevalent concern was a lack of affordable housing and the lack of space to construct affordable housing.

Conclusions with Respect to Performance Tests in New York

King and Queens Counties – MSA 5600

The geographic and borrower distribution of loans in MSA 5600 is adequate. CNB has been operating in this MSA for only 16 months. Deposits in the New York branches make up only a minimal portion of the bank's deposit base and the breakdown of loans by state reflects a similar number. The bank is still getting acclimated to the New York environment and intense competition. The presence of one office in an area with over 60 financial institutions and 430 mortgage lenders that provide similar or additional products and services as CNB does not provide easy access into this market.

Geographic Distribution of Loans

Five home purchase and home refinance loans were made in the MSA. Three (60%) of the loans were made in low-income census tracts. One loan each was made in middle- and upper-income geographies.

From our small business loan sample, the bank made two loans (18%) in low-income geographies, six loans (55%) in moderate-income census tracts and three loans (27%) in middle-income census tracts in this MSA.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

Of the five loans made for home purchase and home refinance, one (20%) was made to a low-income borrower, three were made to middle-income borrowers and one to an upper-income borrower.

Of the eleven small business loans, ten loans (91%) were made to businesses with revenues under \$1 million.

Nassau County – MSA 5380

The geographic and borrower distribution in MSA 5380 is adequate. The bank has had one branch in the Town of Roosevelt since May 2000. They have recently added the Hempstead branch in September 2002. As with MSA 5600, the competition is fierce and breaking into this market with only one branch has led to a low volume of lending activity.

Geographic Distribution of Loans

Six home purchase and home refinance loans were made in the MSA. One loan (17%) was made in a low-income census tract, two loans (33%) were made in moderate-income census tracts, and one loan each in middle- and upper-income geographies. One loan was made in a census tract with no income data.

From our small business loan sample, the bank made one loan (25%) in a moderate-income census tract and three loans (75%) in middle-income census tracts in this MSA.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

Of the six loans made for home purchase and home refinance, none were made in low- or moderate-income tracts. Five of the loans were made in moderate-income tracts and one was made to an upper-income borrower.

Of the four small business loans, three loans (75%) were made to businesses with revenues under \$1 million and one was made to a large business.

Community Development Lending

During the examination, it was noted that the bank originated one community development loan totaling \$1.6 million to a church that used the proceeds for the rehabilitation of property to be used for community facilities that serve low- and moderate income families.

Response to Complaints

CNB has not received any CRA related consumer complaints covering the review period with respect to the bank's lending performance in its assessment area.