

PUBLIC DISCLOSURE

October 24, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Interchange Bank
RSSD No. 3506**

**Park 80 West/Plaza Two
Saddle Brook, New Jersey 07663**

**Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045**

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

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INSTITUTION RATING

INSTITUTION'S CRA RATING: Interchange Bank is rated "**SATISFACTORY.**"

The following table indicates the performance level of the institution with respect to the lending, investment and service tests.

PERFORMANCE LEVELS	INTERCHANGE BANK PERFORMANCE TESTS		
	Lending Test	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors supporting the rating include:

- The volume and dollar amount of lending activity demonstrated adequate responsiveness to home mortgage and small business credit needs in the bank's assessment area.
- The overall distribution of loans across geographies of different income levels was good.
- The distribution of loans among borrowers of different income levels and businesses of different sizes was good.
- The bank had an excellent level of community development lending.
- The bank made a significant level of qualified community development investments and grants.
- Delivery systems were accessible to essentially all portions of the assessment area.

DESCRIPTION OF INSTITUTION*

Total assets	\$1.5 billion
Net loans & leases	\$924 million
Total deposits	\$1.2 billion
Number of branches	29
Headquarters	Saddle Brook, NJ
Bank holding company	Interchange Financial Services Corporation

*As of December 31, 2004

Interchange Bank (“Interchange”) is a full-service, retail bank that offers a full line of deposit and loan products and services to consumers and small and medium-sized businesses.

In May 2003, Bridge View Bancorp (parent of Bridge View Bank (“BVB”) was acquired by Interchange Financial Services Corporation, and BVB was merged into Interchange. At the time of the purchase, BVB had \$259 million in deposits and 11 branches, all in Bergen County. This increased Interchange’s branch total to 29 and improved their deposit market share in Bergen County from 10th to 7th place, according to the June 30, 2004 Federal Deposit Insurance Corporation (“FDIC”) deposit market share report.

Interchange’s assessment area consists of Bergen County, New Jersey and has not changed since the prior examination. Bergen County is part of the New York-Wayne-White Plains, NY-NJ Metropolitan Division (MD 35644). The assessment area is in compliance with the requirements of Section 228.41 of Regulation BB.

Interchange received an overall rating of “satisfactory” during its previous CRA examination, conducted as of October 20, 2003. There are no financial or legal factors that would prevent Interchange from fulfilling its responsibility under CRA.

SCOPE OF EXAMINATION

Procedures

A full review was conducted of Interchange’s assessment area performance using the Federal Financial Institutions Examination Council’s Interagency *CRA Procedures for Large Retail Financial Institutions*.

Products

Home purchase, home improvement, refinance, small business and other loans qualifying as community development loans were analyzed. The mortgage loans were reported under HMDA and the small business loans were reported under CRA.

Interchange also extends some multifamily loans although they were not reviewed because the bank's retail product strategies resulted in low volumes that would not effect the overall conclusions. Multifamily loans qualifying as community development loans were considered in the evaluation of community development lending.

Examination Period

The evaluation covers Interchange's performance between January 1, 2003 and December 31, 2004.

Lending Distribution Analysis

Because of changes in CRA and HMDA reporting requirements, a separate analysis of 2003 and 2004 data was conducted for the evaluation of geographic and borrower distribution. In accordance with the reporting requirements, 2003 loans were reported and evaluated using the metropolitan area definitions issued by the Office of Management and Budget ("OMB") in effect through December 31, 2003. Loans originated during 2004 were reported and analyzed using the new OMB metropolitan area definitions which became effective January 1, 2004.

The analysis focused on 2004 lending performance since it reflects the most current reporting requirements and was the most recent year that aggregate HMDA and small business data were available. Only loans in Interchange's assessment area were included in the analysis of geographic and borrower distribution.

To evaluate the geographic distribution of loans for 2004 originations, a review of maps detailing the distribution of 2004 HMDA-related and small business loans was conducted since there were no low- and moderate- income ("LMI") geographies under the 2004 OMB definitions.

However, there were moderate-income ("MI") geographies in the bank's assessment area under the 2003 OMB definitions. For 2003 HMDA-related loans, the proportion of HMDA-related loan originations in MI geographies was compared with the proportion of owner occupied units located in MI and non-MI geographies. For 2003 small business loans, the analysis compared the proportion of loan originations with the proportion of businesses located in MI and non-MI geographies as reported by 2003 Dun and Bradstreet Data.

To analyze the borrower characteristics of HMDA-related loans, the proportion of originations to LMI borrowers was compared with the proportion of LMI families in the assessment area. Income estimates from the U.S. Department of Housing and Urban Development ("HUD") were used to categorize borrower income. HUD-adjusted median family income figures for 2003 were used to categorize borrower income level for 2003 loans and 2004 HUD-adjusted median family income data were used to categorize 2004 loans.

For small business loans, the proportion of loans to borrowers with gross annual revenues ("GAR") of \$1 million or less was compared with the proportion of such businesses as reported by Dun and Bradstreet. An analysis of the dollar amount of small business loans was also

conducted, focusing on credit extensions under \$100,000, which are seen as especially responsive to the needs of smaller businesses.

Interchange's HMDA-related and small business loan performance was also compared with the aggregate of all lenders in Interchange's assessment area subject to HMDA and/or CRA small business loan reporting. For both HMDA-related and small business lending, 2004 lending patterns were compared with the 2004 aggregate and 2003 lending patterns were compared with the 2003 aggregate.

In deriving the overall conclusions for the borrower and geographic distribution aspects of the lending tests, products were weighted by volume.

Examiners also contacted two community development organizations in order to gain an understanding of local credit needs.

PERFORMANCE CONTEXT

The following demographic and economic information was obtained from publicly available sources that include the U.S. Department of Commerce's Bureau of Census, 2000, the U.S. Department of Labor ("DOL"), the National Association of Realtors, and the Federal Reserve Bank of New York Bergen-Passaic District Profile-October 2004.

Demographic Characteristics

Bergen County is a growing area. According to the 2000 Census, the county's population has increased over 7% since the 1990 Census, to almost 900 thousand, and constitutes approximately 11% of the state's population. Bergen is one of New Jersey's most densely populated counties, and can be characterized as a mix of urban and dense suburban. The largest cities in the county are Fort Lee and Hackensack.

Bergen County has a significant senior citizen population. The 2000 Census reports that 15% of the county is 65 or older, as compared to 13% in the state. An older population is more likely to rely on fixed incomes and less likely to need home purchase mortgages. This was confirmed by community contacts who noted that there is a substantial senior presence in the county, some with limited means.

Income Characteristics

Bergen County is also one of New Jersey's most affluent areas and is ranked 25th nationally for adjusted gross income according to 2003 Federal tax returns. As described above, Bergen County is part of the New York – Wayne – White Plains Metropolitan Division, which HUD reports has a 2004 estimated median family income ("MFI") of \$57,000. The 2003 HUD MFI for the Bergen-Passaic New Jersey PMSA was \$78,800. This income decline between 2003 and 2004 reflects a data reporting and classification change, not a true decline of the area's income levels.

As shown in Exhibit 1 on page BB6, there are no LMI tracts in Bergen County using 2004 data. However, under the OMB metropolitan area definitions in effect for 2003, there were 23 MI tracts.

Housing Characteristics

Housing costs are expensive in Bergen County as well as the overall metropolitan area. The National Association of Realtors reports the median sales price of existing single family homes for the New York – Wayne – White Plains Metropolitan Division at nearly \$437 thousand for 2004 up 14% from \$383 thousand in 2003. These costs are prohibitively expensive for families in the LMI range and reflect an affordable housing need in the assessment area.

Rents are also high in Bergen County. The 2000 Census reports that Bergen County had a median gross monthly rent of \$872, compared to \$751 for New Jersey. Community contacts noted that current rents are approximately \$1,200 a month and are difficult for LMI borrowers to afford. In addition community contacts noted that the high appreciation of housing hampers Bergen County renters' efforts to save sufficient funds for closing costs and a down payment.

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

Labor, Employment and Economic Characteristics

Unemployment in the Bergen County assessment area is low and declining as shown in the table to the right. Most employment is in management and professional related occupations and in the service sector.

U.S. DOL ANNUAL UNEMPLOYMENT RATES		
Area	2004	2003
Bergen County	3.2%	4.2%
State of New Jersey	3.9%	5.0%

EXHIBIT 1								
Assessment Area Demographics								
Bergen County, NJ – 2004 Census Data								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	21,317	9.0
Moderate-income	0	0.0	0	0.0	0	0.0	24,936	10.6
Middle-income	32	19.6	43,036	18.2	3,118	7.2	37,079	15.7
Upper-income	131	80.4	193,188	81.8	4,874	2.5	152,892	64.7
Total Assessment Area	163	100.0	236,224	100.0	7,992	3.4	236,224	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	69,789	25,584	11.5	36.7	41,858	60.0	2,347	3.4
Upper-income	270,031	196,653	88.5	72.8	66,722	24.7	6,656	2.5
Total Assessment Area	339,820	222,237	100.0	65.4	108,580	32.0	9,003	2.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	9,312	20.3	7,718	20.1	1,228	20.8	366	22.8
Upper-income	36,599	79.7	30,668	79.9	4,690	79.2	1,241	77.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	45,911	100.0	38,386	100.0	5,918	100.0	1,607	100.0
	Percentage of Total Businesses:			83.6		12.9		3.5

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Interchange's performance under the lending test was rated high satisfactory. The tables in Appendix B, starting on page BB15 contain the data used to evaluate the bank's lending; lending activity is depicted in Table 1, geographic distribution in Tables 2-5 and borrower characteristics are depicted in Tables 6-9.

Lending Activity: Interchange's responsiveness to the retail credit needs of its assessment area was adequate. The following table summarizes the bank's lending activity during the examination period. Lending Activity analysis is based on the bank's credit extensions within its assessment area of Bergen County.

Exhibit 2								
Interchange Bank								
Lending Inside and Outside the Assessment Area								
January 1, 2003 – December 31, 2004								
	Inside Assessment Area				Outside Assessment Area			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Home Purchase	74	57	19,281	60	56	43	12,782	40
Refinancing	694	74	95,103	70	248	26	41,665	30
Home Improvement	268	81	24,904	82	61	19	5,407	18
Total HMDA-related	1036	74	139,288	70	365	26	59,854	30
Small Business	350	64	57,571	49	201	36	60,494	51
TOTAL LOANS	1,386	71	\$196,859	62	566	29	\$120,348	38

Assessment Area Concentration: As shown in Exhibit 2, above, just 71% of overall loans were extended within Interchange's assessment area of Bergen County. Home purchase lending was the credit type with the lowest proportion of loans inside the assessment area, with just 57% of originations in the assessment area. This represents a decrease from the prior examination when 81% of all loans and 73% of home purchases were originated within the bank's assessment area.

During the exam period, the overall number of HMDA-related loan originations increased by 30% compared to the last examination period (January 1, 2001-December 31, 2002). Comparing the same time periods, originations by the aggregate of all HMDA reporters increased 45%. Interchange's small business lending volume increased by 89% as compared to the aggregate which increased 23%.

The number of home purchase loans made by Interchange was low, with only 74 loans extended

in the assessment area during the two-year evaluation period. Growth in home purchase lending also lagged the aggregate, with an increase of originations of 6% compared to the aggregate's increase of 46%.

The bank grew significantly during the examination period, mostly due to the acquisition of BVB in May 2003. The bank's deposit market share in Bergen County increased from 2.85% on June 30, 2002 to 3.83% on June 30, 2004. In addition, the bank's asset size grew 60%, from \$936 million at last examination to \$1.5 Billion as of December 31, 2004.

In 2004, Interchange ranked 19th for total HMDA originations and 22nd for total small business originations in Bergen County. In comparison, Interchange was ranked 7 out of 45 Bergen County banks in deposit market share.

Geographic Distribution: The overall geographic distribution of HMDA-related and small business loans was good.

Because there were no LMI geographies in Bergen County according to the OMB definitions in effect in 2004, a review of maps detailing the geographic distribution of loans in middle- and upper- income geographies was conducted. Loans were generally well dispersed with no significant lending gaps.

Since moderate-income geographies existed in the assessment area under the OMB definitions in effect for 2003, an analysis was conducted comparing loan penetration in MI geographies to appropriate demographic data as well as aggregate lending patterns. This 2003 analysis revealed that the overall geographic distribution of HMDA-related and small business loans reflected good loan penetration in MI geographies in the bank's assessment area.

Home Purchase Loans

Interchange's distribution of home purchase loans in moderate-income geographies was good. Interchange extended 7.1% of loans in MI geographies compared to 8% of owner-occupied units and 10.5% of aggregate originations located in MI geographies.

Refinance Loans

The distribution of refinancings in moderate-income geographies was good. Interchange originated 7.6% of its refinance loans in MI census tracts, compared to 8% of owner occupied units and 7.4% of aggregate originations located in MI geographies.

Home Improvement Loans

Interchange's distribution of home improvement loans in moderate-income geographies was adequate. The bank originated 2.1% of its home improvement loans in MI geographies, compared to 8% of owner occupied units and 7.7% of aggregate loans located in MI

geographies. This conclusion takes into account limited lending opportunities as evidenced by the aggregate performance which made only 215 loans in MI geographies.

Small Business Loans

The overall geographic distribution of small business loans across moderate-income geographies was excellent. The bank extended 23.5% of its loans in MI geographies compared to 15.5% of businesses and 15.6% of aggregate loans located in MI geographies.

Distribution by Borrower Income and Revenue Size of the Business: The overall distribution of loans among borrowers of different income levels and businesses of different sizes was good based on good distribution of HMDA-related loans to moderate-income borrowers, adequate distribution of HMDA-related loans to low-income borrowers and good distribution of loans to small businesses. The analysis of lending to low-income borrowers considers the high housing costs, making homeownership unaffordable to most low-income borrowers in the assessment area.

The following tables summarize the bank’s performance with respect to low- and moderate-income borrowers:

2004 HMDA-RELATED LENDING TO MODERATE-INCOME BORROWERS		
Loan Product	Interchange Performance	Aggregate Comparison
Home Purchase	Excellent	Significantly Above
Refinance	Good	Significantly Above
Home Improvement	Good	Above

2004 HMDA- RELATED LENDING TO LOW-INCOME BORROWERS		
Loan Product	Interchange Performance	Aggregate Comparison
Home Purchase	Adequate	Significantly Above
Refinance	Adequate	Significantly Above
Home Improvement	Poor	Below

Lending to Businesses of Different Sizes

The distribution of loans to businesses of different sizes was good when considering the proportion of loans to borrowers with GAR of \$1 million or less as well as the proportion of loans extended in the amount of \$100 thousand or less. Lending to businesses with GAR of \$1 million or less was significantly above the aggregate and lending in amounts of \$100,000 or less was below the aggregate.

Community Development Lending: The bank's community development lending performance was excellent and totaled nearly \$11 million. As depicted in the chart to the right, the majority of loan dollars targeted affordable housing of which \$5 million was for community service activities targeted to LMI individuals.

Community development lending was responsive to local credit needs. Community organizations contacted during the examination indicated that affordable housing is a pressing need in the area.

Examples of community development loans included:

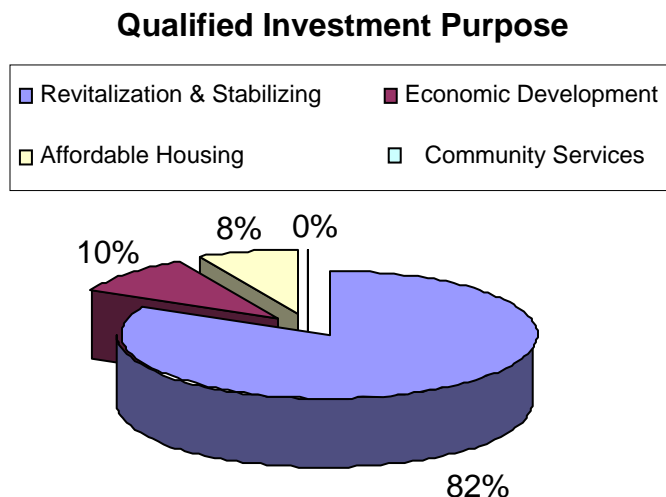
- Two commercial mortgage loans totaling over \$1.3 million to a non-profit real estate developer of affordable housing. These loans were used for a Section 8 assisted buildings in Bergen County
- A \$3.7 million renewal and increase in existing mortgage to a multi-use property with a hospital on the first two floors and 34 units of affordable housing apartments on higher floors. This loan was outside the bank's assessment area but in adjoining Passaic County. There are limited opportunities to lend within the assessment area itself which Interchange has adequately addressed, allowing consideration for loans in surrounding areas.



INVESTMENT TEST

Interchange's performance under the investment test is rated high satisfactory. Qualified investments totaled \$8.1 million, including \$6.7 million in new investments.

As depicted in the chart at the right, a large portion of investments were for projects to revitalize and stabilize local communities. These were comprised of municipal bond anticipation notes for areas that were classified as moderate-income geographies under the OMB definitions in effect during the beginning of the examination period. The total also includes an economic development bond, and affordable housing investments.



SERVICE TEST

The bank's performance under the service test is rated high satisfactory.

Retail Services: Interchange's services are accessible to essentially all portions of the assessment area. As of the examination date, the bank operated 29 branches in Bergen County. Since there were no LMI geographies in the bank's assessment area according to the OMB definitions in effect for 2004, a map review was conducted which showed that branch locations are generally well distributed throughout the assessment area.

Since there were moderate-income geographies using the OMB metropolitan area definitions in effect for 2003, a separate analysis was conducted of the distribution of branches in moderate-income areas as of December 31, 2003. Branch distribution was compared to the proportion of the population located in such areas. Fourteen percent of Interchange's branches (4/29) were located in MI areas as compared to 15% of Bergen County's population residing in MI areas.

Alternate delivery systems did not materially impact the accessibility of bank systems for LMI individuals or geographies. Interchange has Automated Teller Machines ("ATMs") at all of its branches. The bank offers Internet and telephone banking services. Neither is targeted to LMI customers.

Changes in branch locations did not adversely affect the accessibility of the bank's delivery systems. In 2003, Interchange added 11 branches in Bergen County from its acquisition of Bridge View Bank. Two, or 18%, of the new branches were located in moderate-income census tracts. Also, in 2004, one branch was opened and one branch was closed in Teaneck. Both branches were located in upper-income geographies.

All branches provide similar products and services. Extended or weekend hours are available at all branches.

Community Development Services: Interchange provided an adequate level of community development services. Bank officers participated in three residential mortgage fairs to first time homebuyers. The bank also provided assistance in completing a Federal Home Loan Bank application to a local community development organization that provides housing and services to low-income families and seniors. In addition, bank representatives participate in six community development organizations on an on-going basis.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices, including the Equal Credit Opportunity Act and the Fair Housing Act, was identified as being inconsistent with helping to meet community credit needs.

CRA APPENDIX A

GLOSSARY

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 metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

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

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.

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

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

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

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

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

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

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

Metropolitan Statistical Area (“MSA”): A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

Metropolitan Division: A county or group of counties within a **Metropolitan Statistical Area** that contains a population of at least 2.5 million and represents an employment center(s) associated through commuting ties.

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

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

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

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

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

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

CRA APPENDIX B

CRA CORE TABLES

Table 1. Lending Volume

Geography: BERGEN COUNTY, NEW JERSEY					Evaluation Period: January 1, 2004-December 31, 2004				
Assessment Area	Home Mortgage		Small Loans to Businesses		Community Development Loans*		Total Reported Loans*		
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:									
Assessment area total	556	84,360	197	32,720	14	10,600	767	127,680	

(*) Time period for community development loans is January 1, 2003-December 31, 2004

Table 2. Geographic Distribution of Home Purchase Loans

Geography: BERGEN COUNTY, NEW JERSEY					Evaluation Period: January 1, 2004-December 31, 2004									
Assessment Area	Total HP Loans		Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	Low	Mod	Mid	Upper
Full Review:														
Assessment are total	46	100.00	0.00	0.00	0.00	0.00	11.51	13.04	88.49	86.96	0.00	0.00	16.72	83.28

(*) Based on 2004 Aggregate HMDA Data only.

(**) Percentage of owner-occupied units is number of owner-occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geography: BERGEN COUNTY, NEW JERSEY														Evaluation Period: JANUARY 1, 2004, TO DECEMBER 31, 2004	
Assessment Area	Total HI Loans		Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *				
	#	% of Total*	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	Low	Mod	Mid	Upper	
Full Review:															
Assessment area total	173	100.0	00.0	0.00	0.00	0.00	11.51	14.45	88.49	85.55	0.00	0.00	13.93	86.07	

(*) Based on 2004 Aggregate HMDA Data only.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geography: BERGEN COUNTY, NEW JERSEY														Evaluation Period: JANUARY 1, 2004, TO DECEMBER 31, 2004	
Assessment Area	Total Refinance Loans		Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *				
	#	% of Total*	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	% Owner-Occupied Units**	% Bank Loans	Low	Mod	Mid	Upper	
Full Review:															
Assessment area total	337	100.0	00.0	0.00	0.00	0.00	11.51	11.28	88.49	88.72	0.00	0.00	15.06	84.94	

(*) Based on 2004 Aggregate HMDA Data only.

(**) Percentage of owner-occupied units is number of owner-occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES ("SB")														Geography: NEW JERSEY		Evaluation Period: JANUARY 1, 2004, TO DECEMBER 31, 2004	
Metropolitan Area/ Assessment Area	Total SB Loans		Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*						
	#	% of Total**	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	Low	Mod	Mid	Upper			
Full Review:																	
Assessment area total	197	100.00	0.00	0.00	0.00	0.00	20.28	25.89	79.72	74.11	0.00	0.00	19.34	79.18			

(*) Based on 2004 Aggregate Small Business Data only.

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

(***) Source of DATA- DUN & BRADSTREET

Table 6. Borrower Distribution of Home Purchase Loans

Geography: BERGEN COUNTY, NEW JERSEY														Evaluation Period: JANUARY 1, 2004, TO DECEMBER 31, 2004			
Assessment Area	Total HP Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) *						
	#	% of Total	% Families**	% Bank Loans	% Families**	% Bank Loans	% Families**	% Bank Loans*	% Families**	% Bank Loans	Low	Mod	Mid	Upper			
Full Review:																	
Assessment area total	46	100.0	9.02	6.52	10.56	10.87	15.70	17.39	64.72	60.87	0.34	2.96	9.88	68.26			

(*) Based on 2004 Aggregate HMDA Data only.

(**) Percentage of Families based on the 2000 Census information.

Table 7. Borrower Distribution of Home Improvement Loans

Geography: BERGEN COUNTY, NEW JERSEY														Evaluation Period: JANUARY 1, 2004, TO DECEMBER 31, 2004			
Assessment Area	Total HI Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) *						
	#	% of Total	% Families**	% Bank Loans	% Families**	% Bank Loans	% Families**	% Bank Loans	% Families**	% Bank Loans	Low	Mod	Mid	Upper			
Full Review:																	
Assessment area total	173	100.00	9.02	1.16	10.56	8.67	15.70	19.08	64.72	69.36	2.09	6.37	15.85	71.97			

(*) Based on 2004 Aggregate HMDA Data only.

(**) Percentage of Families is based on the 2000 Census information.

Table 8. Borrower Distribution of Home Mortgage Refinance Loans

Geography: BERGEN COUNTY, NEW JERSEY														Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004			
Assessment Area	Total Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*						
	#	% of Total	% Families**	% Bank Loans	% Families**	% Bank Loans	% Families**	% Bank Loans	% Families**	% Bank Loans	Low	Mod	Mid	Upper			
Full Review:																	
Assessment area total	337	100.00	9.02	2.97	10.56	6.53	15.70	16.91	64.72	70.92	0.63	3.98	13.40	64.24			

(*) Based on 2004 Aggregate HMDA Data only.

(**) Percentage of Families is based on 2000 Census Information.

Table 9. Borrower Distribution of Small Loans to Businesses

Geography: BERGEN COUNTY NEW JERSEY		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004							
Assessment Area	Total Small Business Loans		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data***	
	#	% of Total	% of Businesses*	% Bank Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Revenues \$1 Million or Less
Full Review:									
Assessment area total	197	100.00	83.61	68.53	121	46	30	35,111	11,920

(*) Businesses with revenue of \$1 million or less as a percentage of all businesses. DATA- DUN & BRADSTREET 2004

(**) Small loans to businesses with revenue of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***) Based on 2004 Aggregate Small Business Data only.

Table 10. Qualified Investments





Geography: BERGEN COUNTY, NEW JERSEY		Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2004					
Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments		
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total \$'s
Full Review:							
Assessment area total	2	1,400	11	6,700	13	8,100	100.00

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

Table 11. Distribution of Branch Delivery System and Branch Openings/Closings

GEOGRAPHY: BERGEN COUNTY, NEW JERSEY		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
Assessment Area	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in MSA/AA	# of Bank Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location Of Branches (+ or -)				% of Population within Each Geography			
				L o w	Mod	Mid	Upper			L o w	Mod	Mid	Upper	Low	Mod	Mid	Upper
Full Review:																	
Assessment area total	100.00	29	100.00	0	0	7	22	1	1	0	0	0	0	0.00	0.00	19.70	80.30

Legend

-  2000 Census Tracts
-  Assessment Area
-  Counties
-  Branch

Bergen

Interchange Bank

Assessment Area

January 1, 2004 - December 31, 2004

Miles

