

PUBLIC DISCLOSURE

(June 6, 2005)

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**PENNSYLVANIA STATE BANK
RSSD ID - 1391415
CAMP HILL, PENNSYLVANIA**

**FEDERAL RESERVE BANK OF PHILADELPHIA
PHILADELPHIA, PENNSYLVANIA**

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 Reserve Bank of Philadelphia concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING

Pennsylvania State Bank is rated **SATISFACTORY**.

Major factors contributing to this rating include:

- reasonable loan-to-deposit ratio given the bank's size, financial condition, and assessment area credit needs;
- substantial majority of loans inside the bank's assessment areas;
- excellent penetration throughout the assessment area, including low- and moderate-income geographies, for HMDA loans and reasonable penetration for small business loans; and
- reasonable penetration among both borrowers of different income levels and businesses of different sizes.

DESCRIPTION OF INSTITUTION

Pennsylvania State Bank (Pennsylvania State), headquartered in Camp Hill, Cumberland County, Pennsylvania, is a state-chartered member bank that was acquired by Sterling Financial Corporation, Lancaster, Pennsylvania as of December 4, 2004. Through six offices in central Pennsylvania, four in Cumberland County and two in Dauphin County, the full-service commercial bank offers a variety of consumer and commercial banking services. Pennsylvania State offers ATMs at all of its branches that are linked with the MAC, JEANIE, and PLUS networks.

One Cumberland County office is in a moderate-income geography in Carlisle, one is in a middle-income geography in Mechanicsburg, and two are in upper-income geographies in Camp Hill and Enola, Pennsylvania. Both Dauphin County offices are located in middle-income geographies in Harrisburg, Pennsylvania. One of the Dauphin County branches was opened in December, 2003.

LOANS

As of March 30, 2005, Pennsylvania State reported \$244.7 million in total assets of which \$159,803 or 65% were loans. The composition of the bank's loan portfolio as of March 30, 2005 is presented in the following table:

LOANS	\$(000's)	%
Construction & Land Development	11,527	7.2
Open-End Loans Secured by Residential Properties	8,182	5.1
Closed-End Secured by Residential Property	29,571	18.5
Secured by Farmland	762	0.5
Secured by Multifamily Residential Property	9,551	6.0
Commercial Mortgages	77,288	48.4
Commercial and Industrial	16,417	10.3
Consumer Installment	1,206	0.8
Other (including Leases)	5,299	3.2
TOTAL	159,803	100

DEPOSITS

According to the FDIC's Statement of Deposits as of June 2004, Manufacturers and Traders Trust Company, a super-regional bank headquartered in Buffalo, NY, holds 15.5% of area deposits in Pennsylvania State's Harrisburg assessment area. Waypoint Bank, Harrisburg, PA (now Sovereign Bank) holds 15.4% of area deposits; PNC Bank NA, Pittsburgh, PA 11.7%; and Citizens Bank of Pennsylvania, Philadelphia, PA holds 9.4%. Local competitors include Commerce Bank NA, Harrisburg, PA; Fulton Bank, Lancaster, PA; and Community Banks, Millersburg, PA. There are 32 financial institutions with a total of 220 branches in the assessment area. Pennsylvania State, with six branches as of June 30, 2004, is 11th overall, with almost 2% of deposit market share.

The bank's asset size and financial condition indicate that it has the ability to effectively meet the credit needs of its assessment area. There are no legal or other impediments that would hamper the bank's ability to meet community credit needs.

DESCRIPTION OF ASSESSMENT AREA

For purposes of CRA and this written evaluation, geographies and family income levels are categorized and defined as follows:

- low-income geographies and families have a median family income less than 50% of the MSA median family income
- moderate-income geographies and families have a median family income from 50% to less than 80% of the MSA median family income
- middle-income geographies and families have a median family income from 80% to less than 120% of the MSA median family income
- upper-income geographies and families have a median family income equal to or greater than 120% of the MSA median family income

All other demographic indices and statistics presented throughout this evaluation are based on 2000 U.S. Census data unless otherwise noted.

During the time period covered by this evaluation, the Census geography changed as a result of the 2000 Census and resulting changes in the Office of Management and Budget (OMB) MSA designations.

Pennsylvania State's Harrisburg assessment area underwent significant changes to its configuration from the 1990 Census to the 2000 Census, increasing by a net of 15 geographies (Cumberland County gained 11 geographies, Dauphin County gained four and lost two, the assessment area portion of York County gained two, and the Perry County geography remained the same). Cumberland County's new geographies were created in the area immediately west of the Susquehanna River referred to locally as the West Shore.

The West Shore has always been considered a bedroom community for Harrisburg and it grew tremendously from 1990 to 2000. The population of Cumberland County grew by 18,417, with a great majority in the West Shore area. Dauphin County gained 13,985 new residents, in spite of losing population in the city of Harrisburg. New geographies were created in the areas immediately east of Harrisburg, as development in the county reached into formerly rural areas, and the two lost geographies denote a decrease in population within the city limits. The eight geographies in the northwestern portion of York County also gained population and two additional geographies were created as a result.

Pennsylvania State's Harrisburg assessment area consists of Cumberland and Dauphin Counties in their entirety, one contiguous geography in Perry County, and ten in York County. The assessment area contains 5 low-income geographies, all located in Harrisburg, Dauphin County, and 25 moderate-income geographies located in Harrisburg, Steelton, Highspire, Lykens, and Tower City in Dauphin County, and White Hill, Carlisle, Shippensburg, and Newville in Cumberland County. Because the majority of the assessment area is located in the Harrisburg-Carlisle (HC) MSA, these demographics are used for this analysis.

In 2004, Pennsylvania State opened a loan production office in Cleona, Lebanon County. As a result, Lebanon County will be reviewed as a separate assessment area for 2004 only. According to the 2004 OMB designations of 2000 Census data, this assessment area comprises 29 geographies, 4 (14%) of which are designated as moderate-income, 21 (72%) middle-income and 4 (14%) upper-income. There are no low-income geographies in the Lebanon County assessment area.

All the loans used for this evaluation were reviewed using 2000 Census figures, however, due to the changes in the Harrisburg-Lebanon-Carlisle (HLC) MSA in 2004, the demographics used to evaluate 2003 and 2004 HMDA data are somewhat different. Because the changes involve the elimination of Lebanon County from the MSA, only middle- and upper-income geography designations were revised. As a result, 2004 designations can be employed to evaluate both 2003 and 2004 HMDA data. The median family incomes are based on Housing and Urban Development (HUD) figures from 2004.

Pennsylvania State Bank Assessment Area Demographics Harrisburg-Carlisle, PA MSA 2004 OMB								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	5	4.4	4,145	3.0	1,558	37.6	23,529	16.9
Moderate-income	25	22.1	18,771	13.5	2,160	11.5	25,840	18.6
Middle-income	62	54.9	83,992	60.4	3,228	3.8	33,579	24.2
Upper-income	21	18.6	32,046	23.1	669	2.1	56,006	40.3
Total Assessment Area	113	100.0	138,954	100.0	7,615	5.5	138,954	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	7,671	2,193	1.5	28.6	4,245	55.3	1,233	16.1
Moderate-income	37,591	17,598	12.1	46.8	15,973	42.5	4,020	10.7
Middle-income	129,833	90,288	61.9	69.5	33,004	25.4	6,541	5.0
Upper-income	45,650	35,737	24.5	78.3	8,180	17.9	1,733	3.8
Total Assessment Area	220,745	145,816	100.0	66.1	61,402	27.8	13,527	6.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	409	2.1	339	2.1	36	2.0	34	3.1
Moderate-income	2,823	14.7	2,320	14.2	250	13.6	253	22.7
Middle-income	12,170	63.2	10,346	63.5	1,159	62.7	665	59.7
Upper-income	3,847	20.0	3,286	20.2	400	21.7	161	14.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	19,249	100.0	16,291	100.0	1,845	100.0	1,113	100.0
	Percentage of Total Businesses:			84.6		9.6		5.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	1	0.2	0	0.0	1	25.0	0	0.0
Moderate-income	15	2.3	15	2.3	0	0.0	0	0.0
Middle-income	542	84.0	539	84.1	3	75.0	0	0.0
Upper-income	87	13.5	87	13.6	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	645	100.00	641	100.0	4	100.0	0	0.0
	Percentage of Total :			99.4		0.6		0.0

MEDIAN FAMILY INCOME

According to 2000 Census Bureau statistics, the median family income for the Harrisburg assessment area was \$53,811, somewhat higher than the statewide median of \$49,184, and the MSA median at \$52,829. Of the total number of families in the assessment area, 36% are designated as low- and moderate-income, with 72% of these families living in middle- and upper-income geographies where housing costs have skyrocketed during the evaluation period and are well beyond the means of most low- and moderate-income families.

HOUSING

The Harrisburg assessment area contains 220,745 housing units, 66% of which are owner-occupied. Single family units comprise 72% of the housing units, while two-to-four family units comprise 9%, mobile homes 6%, and multi-family units 13%. The median housing value is \$108,301. There is a large variation in housing values in the assessment area, with a median value of \$45,575 in low-income geographies, \$69,765 in moderate-income geographies, \$106,322 in middle-income geographies, and \$141,911 in upper-income geographies. The median gross rent is \$563 per month. The median age of housing stock is 35 years, although there is a large disparity within the assessment area with the median age of homes in low- and moderate-income geographies at 52 and 55 years, respectively. This is much higher than the median age of 33 and 23 years in middle- and upper-income geographies, respectively.

The distribution of owner-occupied housing units throughout the assessment area is used as a proxy for loan demand when evaluating a bank's performance. Given the fact that only 20% of the total number of housing units in the assessment area are in low- and moderate-income geographies (with 59% in middle-income geographies, and the remaining 21% of the units in upper-income geographies), the demand for loans in the low- and moderate-income areas could be rather low. The demographics table on page 4 shows the distribution of owner-occupied housing units among the various geography types within the assessment area.

ECONOMIC CHARACTERISTICS

Most of Pennsylvania State's Harrisburg assessment area is located in the HC MSA, and as Harrisburg is the capital of Pennsylvania, the economy is closely tied to the state's fiscal health. All sectors of the economy are growing except for manufacturing and information services, and state government has been able to continue to hire due to an unexpected increase in tax revenue brought about by improved job creation and a stronger retail base in the state overall. The largest employers in the MSA include government, especially state government, Hershey Foods, Pennsylvania Blue Shield/Highmark, Penn State Milton S. Hershey Medical Center, Pinnacle Health, Naval Support Activity, US Army War College, Tyco Electronics, Giant Foods, and Wal-Mart.

Home prices in the assessment area have increased dramatically during the evaluation period, following trends in both Pennsylvania and the United States as a whole.

According to the Pennsylvania Association of Realtors figures, average prices in the South central Region (which includes Bedford, Cambria, Blair, Fulton, Huntington, Franklin, Mifflin, Juniata, Perry, Cumberland, Adams, York, Lancaster, Lebanon, and Dauphin Counties) increased from \$131,000 in the second quarter of 2000, to a high of \$189,900 in the fourth quarter of 2004.

Average prices have dropped a bit in 2005, indicating a slight slowdown, but affordability remains a problem for low- and moderate-income families, especially since 72% of them live in middle- and upper-income geographies where homes tend to be newer and pricier. Recent community contacts made during this evaluation indicate that funding for affordable multi-family housing and the rehabilitation of the many older homes in the area is needed.

As of April 2005, all of the counties except Cumberland experienced a slight drop in seasonally unadjusted¹ unemployment rates from their levels the year before, as did the rates in Pennsylvania and the United States overall. The following table details unemployment rates for the area.

Location	April 2005	April 2004
Cumberland County	3.4	2.8
Dauphin County	3.8	4.1
Perry County	3.7	4.0
York County	3.9	4.5
Lebanon County	3.1	3.8
Harrisburg-Carlisle MSA	3.6	3.5
Pennsylvania	4.6	5.2
United States	4.9	5.4

Competition for mortgage loans in the area is intense; 2003 HMDA data for the Harrisburg assessment area, the latest year for which data is available, indicates that there were a total of 434 HMDA reporters originating 51,649 loans. According to the 2003 HMDA statistics, Waypoint Bank originated the most HMDA loans among commercial banks in the area, ranking second overall with 5% of the market. Citizens Bank of Pennsylvania is the next local or regional bank, ranking ninth overall with 3% of the market, and PNC Bank NA ranked eleventh with 3%. Pennsylvania State, with its business banking focus, ranked 17th overall with 50 HMDA loans in 2003 (0.01% of the market). The largest lenders in the assessment area were specialized nationwide lenders, including Members First FCU, Countrywide Home Loans, Chase Manhattan Mortgage, ABN Amro Mortgage Group, Washington Mutual Bank, and Wells Fargo Home Mortgage. Combined, these lenders made 23% of the total HMDA loans.

Competition is also keen for small business loans, with 83 lenders reporting 14,121 loans in 2003. Over half of these loans were originated by specialized and business credit cards lenders. PNC Bank, NA had 5% of the market, Farmers First Bank 3.5%, Manufacturers and Traders TC 3.4%, and Commerce Bank Harrisburg, NA 3.1%. As a small bank, Pennsylvania State does not report small business lending, so its loans are not included in this data.

¹Seasonally unadjusted unemployment rates were used for comparison purposes.

SCOPE OF EXAMINATION

The evaluation of Pennsylvania State's CRA performance covered the period from May 2000 through May 2005. The evaluation included an analysis of the bank's:

- loan-to-deposit ratio;
- volume of loans extended inside and outside of the bank's assessment area;
- geographic distribution of loans within a given assessment area, with particular emphasis on lending penetration in low- and moderate-income geographies; and
- extent of lending to borrowers of different incomes, especially low- and moderate-income borrowers, and businesses of different sizes, especially small businesses.

Loan products evaluated included HMDA loans and small business loans. Pennsylvania State's 2003 and 2004 HMDA data was evaluated. The bank reported a total of 130 loans during that time period. Since the bank's HMDA lending in 2000, 2001 and 2002 reflected very similar performance, it was not included in the analysis. However, details of this lending can be found in Appendix A. A sample of 72 of the bank's 202 commercial loans originated in 2004 was also reviewed.

Written documentation of interviews conducted with community representatives and prepared by the Federal Reserve and other regulatory agencies were reviewed during the course of the evaluation.

To conduct the evaluation of the geographic distribution of loans, geographies are classified on the basis of 2004 OMB classifications of 2000 U.S. Census data. Determination of the distribution of loans to borrowers of different income levels is based on 2004 adjusted median family income data made available by HUD.

LOAN-TO-DEPOSIT RATIO

A financial institution's loan-to-deposit ratio compares the institution's aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of an institution's lending volume relative to its capacity to lend, and is derived by adding the quarterly loan-to-deposit ratios and dividing the total by the number of quarters.

Pennsylvania State's loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. The bank maintained a satisfactory loan-to-deposit ratio, averaging 90.50% over the past 20 quarters of operation and above the peer group average ratio of 78.06%.² This average ratio is the same as that of the previous CRA evaluation, showing stable, predictable growth in both loans and deposits. The table on the following page shows Pennsylvania State's quarterly loan-to-deposit ratios for the 17 quarters since the bank's previous evaluation, along with the average loan-to-deposit ratio for the same period.

² Pennsylvania State's national peer group consists of all insured commercial banks having assets between \$100 million and \$300 million, with three or more full service offices and located in a metropolitan area.

Pennsylvania State Bank's Historical Loan-to-Deposit Ratios			
AS OF DATE	NET LOANS (THOUSANDS)	TOTAL DEPOSITS (THOUSANDS)	RATIO
03/31/2005	158,111	150,502	105.06
12/31/2004	152,695	156,243	97.73
09/30/2004	148,567	163,136	91.07
06/30/2004	142,941	162,033	88.22
03/31/2004	134,391	153,151	87.75
12/31/2003	131,692	152,988	86.26
09/30/2003	129,226	139,511	92.63
06/30/2003	131,168	141,838	92.48
03/31/2003	123,934	139,290	88.98
12/31/2002	122,722	135,663	90.46
09/30/2002	120,634	134,894	89.43
06/30/2002	120,715	141,243	85.47
03/31/2002	113,371	133,940	84.64
12/31/2001	113,582	129,062	88.01
09/30/2001	112,246	123,785	90.68
06/30/2001	106,860	121,151	88.20
03/31/2001	105,706	115,536	91.49
Quarterly Loan-to-Deposit Ratio Average Since Previous Evaluation			90.50

Source: The Uniform Bank Performance Report prepared by the Federal Deposit Insurance Corporation for use by Federal regulators.

LENDING IN ASSESSMENT AREAS

An analysis was performed to determine the volume of loans extended inside and outside of the bank's assessment areas as delineated for purposes of CRA, the results of which indicate that a substantial majority of the bank's loans were inside the assessment areas. Analysis consisted of an evaluation of the bank's 2003 and 2004 HMDA loans, as well as a sample of the bank's 2004 commercial loans. There were 118 HMDA loans originated in the assessment area aggregating over \$20 million. The commercial loan sample included 72 loans (out of a total of 202), of which 66 loans aggregating almost \$14 million were inside the assessment areas.

For home mortgage loans, 90.8% of originations and 92.0% of total dollars extended in the review period were within the bank's assessment areas. For small business loans, 91.7% of originations and 94.2% of total dollars were within the bank's assessment areas. The following table depicts the volume of loans extended inside and outside of the bank's assessment areas.

Pennsylvania State Bank Lending Inside and Outside Assessment Areas 2003 And 2004								
	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Home Improvement	23	95.8	\$1,384	97.5	1	4.2	\$35	2.5
Home Purchase	41	87.2	\$9,273	93.7	6	12.	\$628	6.3
Multi-Family Housing	8	88.9	\$1,661	72.8	1	11.	\$620	27.
Refinancing	46	92.0	\$8,363	94.2	4	8.0	\$513	5.8
Total HMDA Loans	118	90.8	\$20,681	92.0	12	9.2	\$1,796	8.0
Small Business Loans	66	91.7	\$14,583	94.2	6	8.3	\$902	5.8
TOTAL LOANS	184	91.1	\$35,264	92.9	18	8.9	\$2,698	7.1

FULL REVIEW ASSESMENT AREA CONCLUSIONS: HARRISBURG

GEOGRAPHIC DISTRIBUTION OF LENDING

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among different geographies within the assessment area. The analysis reflects excellent penetration throughout the assessment area, including low- and moderate-income geographies, for HMDA loans, and reasonable penetration for small business loans.

HOME MORTGAGE LENDING

The percentage of owner-occupied housing units contained within designated geographies is used as a proxy to estimate demand for residential mortgage lending within such geographies. A lower level of owner-occupied units limits the bank's lending opportunities in these geographies. Bank lending levels are considered excellent, with 7% of the loans made in low-income geographies and 24% in moderate-income geographies. These numbers are particularly noteworthy considering both Pennsylvania State's business loan focus and the high price of housing in the assessment area.

Pennsylvania State Bank Harrisburg Assessment Area 2003 and 2004 HMDA Loans Geographic Distribution					
Geography Type	Number of Loans	Percent of Loans	Number of Owner-Occupied Units in 2004	Percent of Owner-Occupied Units	Percent of Loans / Percent of Units
Low-income	8	7	2,193	2	3.50
Moderate-income	27	24	17,598	12	2.00
Middle-income	46	41	90,288	62	0.66
Upper-income	32	28	35,737	24	1.16
All Borrowers	113	100%	145,816	100%	1.00

Geographic Distribution in Relations to Market Performance

Pennsylvania State's home mortgage lending was compared to all lenders operating in the assessment area. While 14% of all owner-occupied housing units are located in low- and moderate-income geographies, only 11% of HMDA loans originated in the assessment area in 2003³ were located in these geographies. The following table illustrates Pennsylvania State's excellent distribution of HMDA loans in both low- and moderate-income geographies, significantly surpassing both the owner-occupied proxy and 2003 aggregate lending.

Pennsylvania State Bank Harrisburg Assessment Area HMDA Geographic Distribution Compared to Market HMDA Distribution		
Type of Geography	% of Pa State 2003 and 2004 HMDA Loans	% of 2003 Aggregate HMDA Loans
Low-income	7	1
Moderate-income	24	10
Middle-income	41	55
Upper-income	28	34
Total	100%	100%

Small Business Lending

An analysis of the geographic distribution of small business loans was conducted to determine the dispersion of these loans among different geographies within the bank's assessment area. An evaluation of a sample of Pennsylvania State's commercial loans originated in 2004 determined that the bank's performance was reasonable, with 7% of loans originated to businesses in the assessment area's low-income geographies and 10% in moderate-income geographies.

Business demographics reveal that 2% and 14% of small businesses are located in the assessment area's low- and moderate-income geographies, respectively. Moreover, Pennsylvania State's performance is also impressive when compared to the aggregate lending of CRA small business reporters in the assessment area, including specialized and business credit card lenders. These lenders originated only 1% and 12% of loans in the low- and moderate-income geographies, respectively.

³2003 is the latest year for which aggregate HMDA data is available.

Pennsylvania State Bank Harrisburg Assessment Area 2004 Commercial Loan Sample Geographic Distribution					
Geography Type	Number of Loans	Percent of Loans	Number of Small Businesses in 2004	Percent of Small Businesses	Percent of Loans / Percent of Small Businesses
Low-income	4	7	339	2	3.5
Moderate-income	6	10	2,320	14	0.71
Middle-income	42	69	10,346	64	1.07
Upper-income	9	14	3,286	20	0.70
Total	61	100%	16,291	100%	1.00

Pennsylvania State Bank Harrisburg Assessment Area Commercial Loan Sample Geographic Distribution Compared to Market CRA Small Business Distribution		
Type of Geography	% of Pennsylvania State 2004 Commercial Loan Sample	% of 2003 Aggregate Small Business Loans⁴
Low-income	7	1
Moderate-income	10	12
Middle-income	69	58
Upper-income	14	26
Total	100%	100%

DISTRIBUTION OF LENDING TO BORROWERS OF DIFFERENT INCOMES AND BUSINESSES OF DIFFERENT SIZES

An analysis of home mortgage and small business lending data was conducted in conjunction with a review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and businesses of different sizes.

This analysis reflects the bank’s reasonable penetration among both borrowers of different income levels and businesses of different sizes.

⁴ Percentages do not total 100% because the geography type was unknown for 3% of the aggregate loans.

Borrower Characteristics

The adjusted annual median family incomes for the HC MSA for 2000 through 2004, as reported by HUD, are \$50,300, \$52,400, \$55,400, \$59,600 and \$61,400, respectively. The following table categorizes the dollar amounts recognized as low-, moderate-, middle- and upper-income, predicated upon adjusted median family income measures.

Year	HUD Adjusted Median Family Income	Low Income (<50%)	Moderate Income (50%-less than 80%)	Middle Income (80%-less than 120%)	Upper Income (120% or Greater)
2004	\$61,400	Less than \$30,700	\$30,700--\$49,119	\$49,120--\$73,679	\$73,680 or more
2003	\$59,600	Less than \$29,800	\$29,800--\$47,679	\$47,680--\$71,519	\$71,520 or more
2002	\$55,400	Less than \$27,700	\$27,700--\$44,319	\$44,320--\$66,479	\$66,480 or more
2001	\$52,400	Less than \$26,200	\$26,200--\$41,919	\$41,920--\$62,879	\$62,880 or more
2000	\$50,300	Less than \$25,150	\$25,150--\$40,239	\$40,240--\$60,359	\$60,360 or more

Lending to Borrowers of Different Incomes

The penetration of the bank's home mortgage loans among borrowers of different incomes, including low- and moderate-income borrowers, is reasonable. The percentage of low- and moderate-income families in the assessment area is used as a proxy for the demand for lending. The analysis of the bank's 2003 and 2004 HMDA lending revealed the following borrower income distribution within its assessment area.

Pennsylvania State Bank Harrisburg Assessment Area 2003 and 2004 HMDA Reportable Loans Borrower Income Distribution					
Income Level	Number of Loans	Percent of Loans	Number of Families in 2004	Percent of Families	Percent of Loans / Percent of Families
Low-income	10	12	23,529	17	0.71
Moderate-income	7	9	25,840	19	0.47
Middle-income	13	16	33,579	24	0.67
Upper-income	52	63	56,006	40	1.57
All Borrowers	82 ⁵	100%	138,954	100%	1.00

⁵ Borrower income information was not available for 31 loans.

The next table shows the bank's loan distribution by borrower income compared to that of the market in 2003.

Pennsylvania State Bank Harrisburg Assessment Area Home Mortgage Borrower Income Distribution Compared to Market HMDA Distribution		
Type of Borrower	% of Pennsylvania State's 2003 and 2004 HMDA Loans	% of 2003 Aggregate HMDA Loans
Low-income	9	6
Moderate-income	6	18
Middle-income	12	25
Upper-income	46	36
Borrowers for which income not available	27	15
All Borrowers	100%	100%

The statistics indicate that even though Pennsylvania State's lending to low-income borrowers was below the proxy of the percentage of low-income families in the assessment area, the bank's performance exceeded that of aggregate lenders; however, Pennsylvania State's lending to moderate-income borrowers was well below both the proxy and aggregate lending. Given this fact, combined with the high cost of housing in middle- and upper-income geographies, where 72% of low- and moderate-income families live, the overall lending to low- and moderate-income borrowers was deemed reasonable.

Lending to Businesses of Different Sizes

An analysis of the distribution of loans to businesses determined that the distribution of lending activities among small businesses is consistent with the institution's asset size, lending capacity, and business objectives and reflects a reasonable penetration among business customers of different sizes.

For the purpose of this evaluation, a small business loan is defined as a commercial loan with an origination amount of \$1 million or less. Small business loans are further quantified to identify those loans to businesses with gross annual revenues of \$1 million or less. Schedule RC-C Part II (Loans to Small Farms and Small Businesses) of the bank's Consolidated Reports of Condition and Income as of June 30, 2004, indicates that 76% of the bank's commercial loans were designated as small business loans, as detailed in the chart on the following page.

Pennsylvania State Bank Commercial Loan Portfolio		
	Amount Outstanding As of 6/30/04 (\$000)	Percent
Loans with original amounts of \$100,000 or less	7,623	9
Loans with original amounts of more than \$100,000 through \$250,000	16,492	19
Loans with original amounts of more than \$250,000 through \$1,000,000	41,932	48
Total Small Business Loans	66,047	76
Loans with original amounts of greater than \$1,000,000	20,432	24
Total Commercial Loans	86,479	100%

The following table shows the bank's small business loan originations within the bank's assessment area, derived from a sample of the bank's commercial loans from calendar year 2004. The origination of 36% of loans sampled in amounts of \$100,000 or less reveals a commitment to the credit needs of small businesses in the bank's assessment area.

Pennsylvania State Bank Harrisburg Assessment Area 2004 Small Business Loans				
	Number	Percent	\$000	Percent
Loans with original amounts of \$100,000 or less	22	36	1,129	8
Loans with original amounts of more than \$100,000 through \$250,000	21	34	3,516	25
Loans with original amounts of more than \$250,000 through \$1,000,000	18	30	9,201	67
Total Small Business Loans	61	100%	13,846	100%

The next table further quantifies the bank's small business lending based upon the annual revenue of the business. Small business loans were analyzed to determine whether they were made to businesses with gross annual revenues of less than \$1 million.

Business demographic data from Dun and Bradstreet revealed that there were 19,249 businesses reporting revenue in the bank's assessment area in 2004, with 16,291 (85%) reporting revenue of less than \$1 million.

Pennsylvania State Bank Harrisburg Assessment Area 2004 Small Business Loans Business Revenues				
	Number	Percent	\$000's	Percent
Loans to businesses with revenues of \$1 million or less	43	77	9,469	78
Loans to businesses with revenues of more than \$1 million	13	23	2,657	22
Total Small Business Loans	56 ⁶	100%	\$12,126	100%

Aggregate data for CRA small business reporters from 2003 (Pennsylvania State is not included, as the bank is not a CRA small business reporter) indicates that only 35% of the loans originated by these reporters were made to businesses with under \$1 million in revenue. The sample of commercial loans evaluated for Pennsylvania State far exceeded that percentage. Of the 56 loans for which revenue was available, 43 (77%) were originated to business with revenues under \$1 million. Moreover, of the 43 loans originated to businesses with gross annual revenues of \$1 million or less, 22 (36%) were extended in amounts less than \$100 thousand.

Pennsylvania State enhances its small business lending performance with its participation as a Small Business Administration (SBA) lender, and six loans with SBA guarantees aggregating \$928 thousand were originated during the evaluation period. Pennsylvania State also closed a loan for \$1.5 million to a startup business in Lebanon County in conjunction with the United States Department of Agriculture (USDA) Rural Development Program.

Pennsylvania State is the only area bank chosen by the Federal Home Loan Bank of Pittsburgh (FHLB of Pittsburgh) to participate in its Banking on Business (BOB) program. Under this program, participating banks make loans to small businesses (defined as firms with less than 50 employees and less than \$10 million in annual receipts) using a combination of their own financing and BOB funds. These loans must be for the start-up or expansion of small businesses. To qualify for consideration for the program, banks must submit a proposal to the FHLB of Pittsburgh, and proposals targeting small businesses in low-income and governmentally-targeted areas are given preference in the selection of participant banks.

⁶There were five loans in the sample for which revenue was not available.

There is a limit of 50% BOB funds per loan originated, and the bank must commit to lend at least 40% of the total loan amount and demonstrate that the loan would not have been granted without the BOB funds. There is a moratorium on interest on BOB funds for the first year, with below-market rates for the remaining term of the loan. Pennsylvania State disbursed a total of \$329,700 in FHLB funds under the program during the evaluation period, and was recognized as “leading the way in small business assistance through BOB” in the FHLB of Pittsburgh’s Affordable Housing Advisory Council 2004 Annual Report.

In summary, the evaluation found that Pennsylvania State’s penetration among borrowers of different income levels and penetration to businesses of different sizes was reasonable.

RESPONSE TO SUBSTANTIATED COMPLAINTS

There were no CRA-related complaints filed against Pennsylvania State during the evaluation period.

COMPLIANCE WITH FAIR LENDING LAWS

No credit practices were identified that violated the substantive provisions of anti-discrimination laws and regulations, including the Equal Credit Opportunity Act (Regulation B), Fair Housing Act, Home Mortgage Disclosure Act (Regulation C), or any relevant agency regulations pertaining to nondiscriminatory treatment of credit applicants.

LIMITED REVIEW ASSESSMENT AREA CONCLUSIONS: LEBANON PA MSA

A limited review of the bank's CRA performance in the Lebanon, PA MSA was conducted. The bank has no branches in Lebanon County; however, in February 2004, Pennsylvania State opened a loan production office (LPO) in Cleona, Lebanon County. This LPO was in operation under the Pennsylvania State name until January 25, 2005, when, subsequent to Pennsylvania State's acquisition by Sterling Financial Corporation, the LPO was transferred to Bank of Lebanon County, a division of Bank of Lancaster County, a Sterling Financial Corporation affiliate.

Lebanon County is a new MSA as of the 2004 OMB designations of the 2000 Census; previously it was part of the Harrisburg-Lebanon-Carlisle PA MSA (currently known as the Harrisburg-Carlisle PA MSA). The MSA comprises Lebanon County in its entirety and consists of 29 geographies, 4 moderate-income, 21 middle-income, and 4 upper-income. There are no low-income geographies in the MSA. Moderate-income geographies are located in the city of Lebanon.

There are 9 banks with a total of 49 branches in the Lebanon MSA. Lebanon Valley Farmer's Bank, with 13 branches in the MSA, holds the largest share of deposits with 35.1%. Wachovia Bank NA, with 7 branches holds 17.4%, and Northwest Savings Bank with 5 branches, holds 13.9%.

The bank originated five HMDA loans aggregating \$631 thousand in the assessment area in 2004. All of the loans were originated in middle-income geographies; two were originated to middle-income borrowers, and three to upper-income borrowers.

There were five small business loans originated in Lebanon County in 2004 totaling \$737 million; four were in a middle-income geography and one in an upper-income geography. Three loans were originated for amounts of \$100,000 or less, and one of these was originated to a business with revenues of \$1 million or less. The bank's performance in this assessment area did not impact the overall rating due to the limited number of loans.

Demographic information related to the Lebanon PA MSA is detailed in the table on the following page.



Pennsylvania State Bank Assessment Area Demographics Lebanon, PA MSA (2004 OMB)								
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	5,492	16.7
Moderate-income	4	13.8	4,919	15.0	723	14.7	6,544	19.9
Middle-income	21	72.4	22,208	67.5	932	4.2	8,292	25.2
Upper-income	4	13.8	5,763	17.5	115	2.0	12,562	38.2
Total Assessment Area	29	100.0	32,890	100.0	1,770	5.4	32,890	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	8,914	4,042	11.9	45.3	4,097	46.0	775	8.7
Middle-income	32,555	23,489	69.4	72.2	7,363	22.6	1,703	5.2
Upper-income	7,851	6,332	18.7	80.7	1,228	15.6	291	3.7
Total Assessment Area	49,320	33,863	100.0	68.7	12,688	25.7	2,769	5.6
	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	654	16.8	566	16.8	57	16.8	31	16.8
Middle-income	2,659	68.2	2,285	67.7	241	71.1	133	71.9
Upper-income	584	15.0	522	15.5	41	12.1	21	11.4
Unknown income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3,897	100.0	3,373	100.0	339	100.0	185	100.0
	Percentage of Total Businesses:			86.6		8.7		4.7
	Total Farms by Tract	Farms 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	3	0.9	3	1.0	0	0.0	0	0.0
Middle-income	270	85.4	264	85.2	6	100.0	0	0.0
Upper-income	43	13.6	43	13.9	0	0.0	0	0.0
Unknown income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	316	100.0	310	100.0	6	100.0	0	0.0
	Percentage of Total Farms:			98.1		1.9		0.0

APPENDIX A: LOAN DISTRIBUTION TABLES

HARRISBURG-LEBANON-CARLISLE PA MSA
LOAN YEARS UP TO 2002

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	2	5.9%	160	4.3%
Moderate	3	8.8%	380	10.3%	2	5.9%	150	4.1%
Middle	20	58.8%	1,966	53.4%	6	17.6%	426	11.6%
Upper	11	32.4%	1,335	36.3%	20	58.8%	2,539	69.0%
Unknown	0	0.0%	0	0.0%	4	11.8%	406	11.0%
Total	34	100.0%	3,681	100.0%	34	100.0%	3,681	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	6	18.2%	496	7.9%
Middle	20	60.6%	4,118	65.7%	6	18.2%	844	13.5%
Upper	13	39.4%	2,149	34.3%	18	54.5%	3,337	53.2%
Unknown	0	0.0%	0	0.0%	3	9.1%	1,590	25.4%
Total	33	100.0%	6,267	100.0%	33	100.0%	6,267	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	3	42.9%	27	12.2%	1	14.3%	110	49.8%
Upper	4	57.1%	194	87.8%	6	85.7%	111	50.2%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	7	100.0%	221	100.0%	7	100.0%	221	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	50.0%	860	84.3%	0	0.0%	0	0.0%
Middle	1	50.0%	160	15.7%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	2	100.0%	1,020	100.0%
Total	2	100.0%	1,020	100.0%	2	100.0%	1,020	100.0%
	HMDA Totals							
Low	0	0.0%	0	0.0%	2	2.6%	160	1.4%
Moderate	4	5.3%	1,240	11.1%	8	10.5%	646	5.8%
Middle	44	57.9%	6,271	56.0%	13	17.2%	1,380	12.3%
Upper	28	36.8%	3,678	32.9%	44	57.9%	5,987	53.5%
Unknown	0	0.0%	0	0.0%	9	11.8%	3,016	27.0%
Total	76	100.0%	11,189	100.0%	76	100.0%	11,189	100.0%

HARRISBURG-CARLISLE PA MSA
LOAN YEAR 2003

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	1	6.3%	106	2.4%	1	6.3%	40	0.9%
Moderate	2	12.5%	161	3.6%	2	12.5%	330	7.4%
Middle	8	50.0%	2,760	61.7%	1	6.3%	200	4.5%
Upper	5	31.2%	1,446	32.3%	7	43.7%	2,957	66.1%
Unknown	0	0.0%	0	0.0%	5	31.2%	946	21.1%
Total	16	100.0%	4,473	100.0%	16	100.0%	4,473	100.0%
	Refinance							
Low	1	4.3%	50	1.0%	1	4.3%	175	3.3%
Moderate	6	26.1%	1,379	26.3%	1	4.3%	10	0.2%
Middle	9	39.2%	1,623	31.0%	2	8.7%	124	2.4%
Upper	7	30.4%	2,187	41.7%	12	52.3%	4,148	79.2%
Unknown	0	0.0%	0	0.0%	7	30.4%	782	14.9%
Total	23	100.0%	5,239	100.0%	23	100.0%	5,239	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	1	16.7%	77	23.7%
Moderate	2	33.3%	123	37.8%	0	0.0%	0	0.0%
Middle	2	33.3%	147	45.3%	2	33.3%	128	39.4%
Upper	2	33.3%	55	16.9%	3	50.0%	120	36.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	6	100.0%	325	100.0%	6	100.0%	325	100.0%
	Multi-Family							
Low	2	40.0%	765	60.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	3	60.0%	510	40.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	5	100.0%	1,275	100.0%
Total	5	100.0%	1,275	100.0%	5	100.0%	1,275	100.0%
	HMDA Totals							
Low	4	8.0%	921	8.1%	3	6.0%	292	2.6%
Moderate	10	20.0%	1,663	14.7%	3	6.0%	340	3.0%
Middle	22	44.0%	5,040	44.6%	5	10.0%	452	4.0%
Upper	14	28.0%	3,688	32.6%	22	44.0%	7,225	63.9%
Unknown	0	0.0%	0	0.0%	17	34.0%	3,003	26.5%
Total	50	100.0%	11,312	100.0%	50	100.0%	11,312	100.0%

HARRISBURG-CARLISLE PA MSA
LOAN YEAR 2004

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	2	8.7%	74	1.6%	6	26.1%	399	8.4%
Moderate	8	34.8%	619	13.1%	1	4.3%	222	4.7%
Middle	8	34.8%	1,494	31.6%	0	0.0%	0	0.0%
Upper	5	21.7%	2,547	53.8%	11	47.8%	3,220	68.0%
Unknown	0	0.0%	0	0.0%	5	21.7%	893	18.9%
Total	23	100.0%	4,734	100.0%	23	100.0%	4,734	100.0%
	Refinance							
Low	2	9.5%	778	30.0%	0	0.0%	0	0.0%
Moderate	5	23.8%	386	14.9%	1	4.8%	55	2.1%
Middle	10	47.6%	1,228	47.3%	5	23.8%	451	17.4%
Upper	4	19.0%	202	7.8%	11	52.4%	1,124	43.3%
Unknown	0	0.0%	0	0.0%	4	19.0%	964	37.2%
Total	21	100.0%	2,594	100.0%	21	100.0%	2,594	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	1	6.3%	36	3.5%
Moderate	3	18.8%	188	18.4%	2	12.5%	63	6.2%
Middle	5	31.3%	580	56.6%	3	18.8%	100	9.8%
Upper	8	50.0%	256	25.0%	8	50.0%	525	51.3%
Unknown	0	0.0%	0	0.0%	2	12.5%	300	29.3%
Total	16	100.0%	1,024	100.0%	16	100.0%	1,024	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	33.3%	81	21.0%	0	0.0%	0	0.0%
Middle	1	33.3%	165	42.7%	0	0.0%	0	0.0%
Upper	1	33.3%	140	36.3%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	3	100.0%	386	100.0%
Total	3	100.0%	386	100.0%	3	100.0%	386	100.0%
	HMDA Totals							
Low	4	6.3%	852	9.8%	7	11.1%	435	5.0%
Moderate	17	27.0%	1,274	14.6%	4	6.3%	340	3.9%
Middle	24	38.1%	3,467	39.7%	8	12.7%	551	6.3%
Upper	18	28.6%	3,145	36.0%	30	47.6%	4,869	55.7%
Unknown	0	0.0%	0	0.0%	14	22.2%	2,543	29.1%
Total	63	100.0%	8,738	100.0%	63	100.0%	8,738	100.0%

APPENDIX B: ASSESSMENT AREA DEMOGRAPHICS

Pennsylvania State Bank Assessment Area Demographics Harrisburg-Lebanon-Carlisle PA MSA (1990 Census)								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	4	4.1	3,566	2.7	1,351	37.9	18,675	14.4
Moderate-income	14	14.3	8,580	6.6	1,541	18.0	23,382	18.0
Middle-income	66	67.3	87,032	66.9	3,038	3.5	36,480	28.1
Upper-income	14	14.3	30,828	23.8	481	1.6	51,469	39.5
Total Assessment Area	98	100.0	130,006	100.0	6,411	4.9	130,006	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	6,696	1,861	1.5	27.8	3,856	57.6	979	14.6
Moderate-income	17,495	6,752	5.2	38.6	8,702	49.7	2,041	11.7
Middle-income	132,695	88,229	68.8	66.5	37,321	28.1	7,145	5.4
Upper-income	41,837	31,378	24.5	75.0	8,815	21.1	1,644	3.9
Total Assessment Area	198,723	128,220	100.0	64.5	58,694	29.5	11,809	5.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	321	1.7	262	1.6	31	1.7	28	2.5
Moderate-income	1,976	10.2	1,552	9.5	188	10.1	236	21.1
Middle-income	12,486	64.7	10,711	65.6	1,121	60.4	654	58.4
Upper-income	4,519	23.4	3,800	23.3	517	27.8	202	18.0
Unknown income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	19,302	100.0	16,325	100.0	1,857	100.0	1,120	100.0
	Percentage of Total Businesses:			84.6		9.6		5.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	1	0.2	0	0.0	1	25.0	0	0.0
Moderate-income	34	5.2	34	5.3	0	0.0	0	0.0
Middle-income	543	83.4	540	83.5	3	75.0	0	0.0
Upper-income	73	11.2	73	11.2	0	0.0	0	0.0
Unknown income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	651	100.0	647	100.0	4	100.0	0	0.0
	Percentage of Total Farms:			99.4		0.6		0.0

Pennsylvania State Bank

Assessment Area Demographics								
Harrisburg-Lebanon-Carlisle, PA MSA (2000 Census)								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	5	4.4	4,145	3.0	1,558	37.6	22,867	16.5
Moderate-income	25	22.1	18,771	13.5	2,160	11.5	25,364	18.3
Middle-income	59	52.3	79,916	57.5	3,122	3.9	33,366	24.0
Upper-income	24	21.2	36,122	26.0	775	2.1	57,357	41.2
Total Assessment Area	113	100.0	138,954	100.0	7,615	5.5	138,954	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	7,671	2,193	1.5	28.6	4,245	55.3	1,233	16.1
Moderate-income	37,591	17,598	12.1	46.8	15,973	42.5	4,020	10.7
Middle-income	124,395	85,642	58.7	68.8	32,404	26.0	6,349	5.1
Upper-income	51,088	40,383	27.7	79.0	8,780	17.2	1,925	3.8
Total Assessment Area	220,745	145,816	100.0	66.1	61,402	27.8	13,527	6.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	409	2.1	339	2.1	36	2.0	34	3.1
Moderate-income	2,823	14.7	2,320	14.2	250	13.6	253	22.7
Middle-income	11,808	61.3	10,018	61.5	1,137	61.6	653	58.7
Upper-income	4,209	21.9	3,614	22.2	422	22.8	173	15.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	19,249	100.0	16,291	100.0	1,845	100.0	1,113	100.0
	Percentage of Total Businesses:			84.6		9.6		5.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	1	0.2	0	0.0	1	25.0	0	0.0
Moderate-income	15	2.3	15	2.3	0	0.0	0	0.0
Middle-income	513	79.5	510	79.6	3	75.0	0	0.0
Upper-income	116	18.0	116	18.1	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	645	100.0	641	100.0	4	100.0	0	0.0
	Percentage of Total Farms:			99.4		0.6		0.0

CRA APPENDIX C: MAP OF ASSESSMENT AREAS

