PUBLIC DISCLOSURE

Date of Evaluation: **MARCH 8, 2021**

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Name of Depository Institution: **FIRST NORTHERN BANK AND TRUST COMPANY**

Institution's Identification Number: **186717**

Address: **FOURTH STREET AND LAFAYETTE AVENUE**

PALMERTON, PENNSYLVANIA

FEDERAL RESERVE BANK OF PHILADELPHIA
TEN INDEPENDENCE MALL
PHILADELPHIA, PENNSYLVANIA 19106

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INSTITUTION'S CRA RATING

OVERALL RATING: SATISFACTORY

The following table indicates the Community Reinvestment Act (CRA) performance level of First Northern Bank and Trust Company ("First Northern") with respect to the lending, investment, and service tests.

PERFORMANCE TEST RATING TABLE

PERFORMANCE LEVELS	First Northern Bank and Trust Company		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

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

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Major factors contributing to this rating include:

- A high percentage of the bank's loans are made in its assessment areas;
- The distribution of borrowers reflects good penetration among retail customers of different income levels and business customers of different sizes;
- The geographic distribution of loans reflects adequate penetration throughout the assessment areas;
- The bank makes a relatively high level of community development loans;
- The bank has made an excellent level of qualified community development investments and grants; and
- The bank provides an adequate level of community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

First Northern is a state-chartered, full-service commercial bank headquartered in Palmerton, Carbon County, Pennsylvania. Through eleven full-service branches in Carbon, Lehigh, Northampton, and Monroe Counties in Pennsylvania, the bank offers a variety of consumer and commercial banking products and services. Of the eleven full-service branch locations, none are located in low-income census tracts, and two branches are situated in moderate-income census tracts within the bank's footprint. Additionally, seven branches are located in middle-income geographies, and the remaining two are in upper-income geographies.

First Northern is a wholly-owned subsidiary of Palm Bancorp, a noncomplex, shell bank holding company that was established in 1982, and is also located in Palmerton, Pennsylvania. As of June 30, 2020, Palm Bancorp had total assets of approximately $803 million. Other than its investment in First Northern, the parent company has no significant assets or other subsidiaries.

The table on the below details the locations of First Northern's branches as of the CRA evaluation date.

Assessment Area	County	Number of Branches
Allentown, PA Assessment Area	Carbon	1
Allentown, PA Assessment Area	Lehigh	1
Allentown, PA Assessment Area	Northampton	4
East Stroudsburg, PA Assessment Area	Monroe	5
Total Full-Service Branches		**11**

According to the Consolidated Reports of Condition and Income (Call Report) as of June 30, 2020, First Northern reported $803 million in assets, of which over $620 million, or 77%, were loans.

On a dollar volume basis, commercial loans (comprised of commercial mortgages and commercial and industrial loans) represent the largest segment of the bank's loan portfolio at just under $300 million, or 48% of the loan portfolio. Residential loans (comprised of closed-end and open-end loans secured by residential properties, and multifamily loans) represent the second largest segment of the bank's loan portfolio at nearly $255 million, or 41%. Finally, construction and land development loans represent the third largest segment of the loan portfolio, at nearly $55 million, or 9% of the portfolio.

The composition of the bank's loan portfolio as of June 30, 2020 is presented in the following table.

LOANS as of 06/30/2020	$000	%
Commercial Mortgages	218,569	35.2
Commercial and Industrial	80,869	13.0
Secured by Residential Properties (Closed-end)	218,490 218,023	35.2
Secured by Residential Properties (Open-end)	12,486	2.0
Secured by Multifamily Residential Properties	23,930	3.9
Construction & Land Development	54,535	8.8
Consumer Loans	3,434	0.6
States and Political Subdivisions	7,791	1.3
Other Loans	78	<0.1
TOTAL	**620,182**	**100.0%**

Source: June 30, 2020 Consolidated Reports of Condition and Income, Schedule RC-C Part 1. Loans classified as closed-end loans secured by residential real estate include business purpose loans collateralized by residential properties.

Small Business Loans

Schedule RC-C Part II (Loans to Small Farms and Small Businesses) of the Call Report as of June 30, 2020, indicates that just over $79 million (26%) of the bank's outstanding commercial loans[1] were designated as small business loans. At the previous CRA evaluation, First Northern's commercial loan volume was just under $170 million, of which approximately $56 million (33%) was designated as small business loans. For purposes of this evaluation, a small business loan is defined as a commercial loan with an origination amount of $1 million or less, as detailed in the following table.

First Northern Bank and Trust Company Commercial Loan Portfolio		
	Amount Outstanding as of 06/30/2020 ($000)	%
Loans with original amounts of $100,000 or less	10,942	3.6
Loans with original amounts of $100,001 through $250,000	20,016	6.7
Loans with original amounts of $250,001 through $1 million	48,222	16.1
Total Small Business Loans	**79,180**	**26.4**
Loans with original amounts of more than $1 million	220,258	73.6
Total Commercial Loans	**$299,438**	**100.0%**

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

First Northern was rated satisfactory at its previous CRA evaluation performed by the Federal Reserve Bank of Philadelphia dated November 28, 2016. The previous examination was performed using the Interagency Large Institution CRA Examination Procedures adopted by the Board of Governors of the Federal Reserve System (Board of Governors).

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[1] Commercial loans are comprised of loans secured by nonfarm nonresidential properties, along with commercial and industrial loans.

DESCRIPTION OF ASSESSMENT AREAS

For purposes of the CRA, First Northern has designated two assessment areas, as follows:

(1) The Allentown, PA Assessment Area, which consists of Carbon, Lehigh, and Northampton, PA Counties, located in the larger Allentown-Bethlehem-Easton, PA-NJ Metropolitan Statistical Area (MSA) (this MSA also includes Warren County in New Jersey); and

(2) The East Stroudsburg, PA Assessment Area, which consists of Monroe County, PA, which is coterminous with the East Stroudsburg, PA MSA.

The bank's assessment areas were determined to comply with the requirements of the CRA, and do not arbitrarily exclude low- or moderate-income census tracts.

It is noted that First Northern's assessment area did not change since the previous CRA evaluation.

<u>SCOPE OF EXAMINATION</u>

The current evaluation of the bank's CRA performance covers the period from November 29, 2016, through March 8, 2021 in accordance with the Interagency Large Institution CRA Examination Procedures adopted by the Board of Governors.

Loan products evaluated include:

- Home-purchase, home-improvement, and multifamily loans and the refinancing of such loans, collectively titled Home Mortgage Disclosure Act (HMDA) loans, reported by the bank for calendar years 2016 and 2017;

- Home-purchase, home-improvement and multifamily loans and the refinancing of such loans, open-end lines of credit, closed-end mortgage loans and loans with a purpose "not applicable," collectively titled HMDA loans reported by the bank for calendar years 2018 and 2019[2];

- Small business loans reported by the bank, pursuant to the CRA for calendar years 2016, 2017, 2018 and 2019; and

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[2]In October 2015 and August 2017, through final rules that amended Regulation C, the Consumer Financial Protection Bureau (CFPB) modified: (1) the types of institutions that are subject to Regulation C (covered institutions); (2) the types of transactions that are subject to Regulation C (covered transactions); (3) the types of data that institutions are required to collect, record and report pursuant to Regulation C; and (4) the corresponding processes for reporting and disclosing HMDA data. See 80 Fed. Reg. 66127 (October 28, 2015) (final rule); and 82 Fed. Reg. 43088 (September 13, 2017) (correction). The Board of Governors, along with other agencies, amended their regulations implementing the CRA to conform with the CFPB regulation changes. Of note, changes include the "home mortgage loan" definition in the CRA regulations to mean a "closed-end mortgage loan" or an "open-end line of credit," as those terms are defined in, and that are not excluded transactions under, amended Regulation C. As a result, home improvement loans that are not secured by a dwelling, which were previously required to be reported under Regulation C, are no longer reportable transactions under HMDA; Home equity lines of credit (HELOCs) secured by a dwelling, which were previously reported at the option of the financial institution under Regulation C, are now covered transactions under HMDA; Also, "home equity loan" was deleted from the CRA definition of "consumer loan" because home equity loans are now included within the CRA definition of "home mortgage loan."

- Other loans that qualified as community development loans during the entire evaluation period from November 29, 2016 through March 8, 2021.

Because the bank originated more HMDA loans, by both number and dollar volume than small business loans across both assessment areas, HMDA loans were given the most weight in determining First Northern's overall rating. In total, within both of the bank's assessment areas, the bank originated 1,095 HMDA loans totaling nearly $152 million over the evaluation period. Small business loans were weighted the second highest. Over the evaluation period, First Northern originated 260 small business loans totaling nearly $44 million within its assessment areas.

First Northern's HMDA small business loans were compared to the aggregate of all lenders in the bank's assessment areas that report home-mortgage loans pursuant to HMDA, and small business and small farm loans pursuant to CRA. These data are reported annually.

Examiners also analyzed the demographic characteristics of each assessment area as one way to measure loan demand. Demographic information should not be construed as defining an expected level of lending for a particular loan product, group of borrowers, or geography. Rather, demographic data provides a business context for the bank's performance in the assessment areas where it operates. Further, bank management provided information regarding the bank's lending activities, credit demand, and competition.

For purposes of evaluating the geographic distribution of loans by census tract type, census tracts were classified on the basis of 2010 U.S. Census data for loans originated in 2016, and on the basis of updated American Community Survey (ACS) data for loans originated in 2017, 2018 and 2019[3]. The distribution of HMDA loans to borrowers of different income levels was based upon annually-adjusted median family income data for each of those years, made available by the Federal Financial Institutions Examination Council (FFIEC). All other demographic indices and statistics presented throughout this evaluation are based on 2010 Census data in 2016, and 2015 ACS data in 2017, 2018, and 2019, unless otherwise noted.

For small business loans, examiners used Dun & Bradstreet data for comparison for the applicable years. Dun & Bradstreet collects and publishes data detailing the revenues and locations of local businesses.

To supplement economic, demographic and performance data, and to gain a better perspective on community credit needs, examiners conducted a total of four interviews with community representatives within the bank's two assessment areas. Discussions were held with two agencies focusing on affordable housing, one with an organization that focused on economic development and revitalization efforts, and one community action agency. Additional information on the community development and credit needs identified by the contacts can be found within the discussions of each assessment area.

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[3] In accordance with FFIEC policy, 2015 ACS data is used to analyze 2017, 2018 and 2019 lending data, while previous years use 2010 Census data for comparison.

For purposes of assessing the bank's overall CRA performance and in reaching statewide conclusions in the Commonwealth of Pennsylvania, greater weight was given to performance in the bank's Allentown, PA assessment area. A substantial majority of the bank's lending, deposits, and operations were in this assessment area, and as such, a full-scope review of the bank's performance in the assessment area was conducted. Of the bank's branch network, 55% of branches were located in the Allentown, PA assessment area. Further, this assessment area accounts for 68% of the bank's lending activity by number of loans, and 73% of lending by dollar amount. Finally, 59% of the bank's deposits are contained in this assessment area.

A lesser amount of weight was given to performance in the bank's East Stroudsburg, PA assessment area, though a full-scope review was conducted in this assessment area, as well. Of the bank's branch network, 45% of branches, which generated 41% of deposits, are located in the East Stroudsburg, PA assessment area. Further, 32% of lending activities by number, and 27% by dollar amount are attributed to this assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Performance under the lending test is rated low satisfactory. The lending test was rated low satisfactory in both of the bank's assessment areas.

The lending test evaluates an institution's lending activities based on the following factors:

- Lending activity in the assessment area;
- Concentration of lending within assessment areas, including HMDA and small business lending;
- Borrower distribution of loans including the distribution of loans to low- and moderate-income borrowers and businesses of different sizes, including small businesses;
- Geographic distribution of loans, including loans originated in low- and moderate-income census tracts;
- Responsiveness to the credit needs of low- and moderate-income individuals and geographies, and very small businesses;
- Innovativeness and flexibility of lending practices; and
- Community development lending activities.

Lending Activity

Overall, First Northern's lending levels reflect good responsiveness to the credit needs of its assessment areas. As indicated earlier, as of June 30, 2020, First Northern reported total loans of $620 million, or 77% of total assets. This is an increase in the percentage of loans to total assets at the previous evaluation (68%), using June 30, 2016 Call Report data. HMDA loans represent the largest overall volume in the bank's loan portfolio by number and dollar amount, followed by small business loans.

The table below depicts the bank's total HMDA and CRA lending activity during the evaluation period.

First Northern Bank and Trust Company HMDA and CRA Lending				
Loan Type	**#**	**%**	**$(000s)**	**%**
Home Improvement	211	14.0	12,916	5.6
Home Purchase	447	29.7	75,241	32.7
Multifamily Housing	26	1.7	23,404	10.2
Other Purpose Closed-End	48	3.2	2,567	1.1
Refinancing	432	28.6	54,460	23.6
Total HMDA Related	**1,164**	**77.2**	**168,588**	**73.2**
Small Business Secured by Real Estate	44	2.9	5,840	2.5
Small Business	300	19.9	55,953	24.3
Total Small Business Related	**344**	**22.8**	**61,793**	**26.8**
TOTAL LOANS	**1,508**	**100.0**	**230,381**	**100.0**

Assessment Area Concentration

An analysis was performed to determine the volume of loans extended inside and outside of the bank's assessment area. The analysis consisted of an evaluation of First Northern's HMDA loans and small business loans. The assessment area concentration analysis indicated that a high percentage of loans are made in the bank's assessment areas.

More specifically, during the evaluation period, 94% of HMDA loans by number, and 90% by dollar amount were extended in the bank's assessment areas. This represents a slight decrease from the previous evaluation, when 96% of HMDA loans by number and 92% by dollar amount were made within the assessment area.

With respect to small business loans, nearly 87% of the number of small business loans, and 79% of the dollar amount of loans were extended in the bank's assessment areas. Again, this represents a decrease from the previous evaluation, when 88% by number and 94% by dollar volume were made within the assessment areas.

Overall, 92% of the bank's loans by number, and 87% of the bank's loans by dollar volume were made within the bank's two assessment area.

The table on the following page shows the distribution of lending inside and outside of the bank's assessment areas.

First Northern Bank and Trust Company Lending Inside and Outside the Assessment Areas								
Loan Types	Inside				Outside			
	#	%	$(000s)	%	#	%	$(000s)	%
Home Improvement	203	96.2	$10,871	84.2	8	3.8	$2,045	15.8
Home Purchase	415	92.8	$68,159	90.6	32	7.2	$7,082	9.4
Multifamily Housing	20	76.9	$19,963	85.3	6	23.1	$3,441	14.7
Other Purpose Closed-End	48	100.0	$2,567	100.0	0	0.0	$0	0.0
Refinancing	409	94.7	$50,023	91.9	23	5.3	$4,437	8.1
Total HMDA Related	**1,095**	**94.1**	**$151,583**	**89.9**	**69**	**5.9**	**$17,005**	**10.1**
Small Business Secured by Real Estate	38	86.4	$5,305	90.8	6	13.6	$535	9.2
Small Business	260	86.7	$43,579	77.9	40	13.3	$12,374	22.1
Total Small Business Related	**298**	**86.6**	**$48,884**	**79.1**	**46**	**13.4**	**$12,909**	**20.9**
TOTAL LOANS	**1,393**	**92.4**	**$200,467**	**87.0**	**115**	**7.6**	**$29,914**	**13.0**

Borrower and Geographic Distribution of Lending

Home-Mortgage Lending

First Northern's distribution of home-mortgage loans among borrowers of different income levels, including low- and moderate-income borrowers is good, due to good performance in the Allentown, PA assessment area, and excellent performance in the East Stroudsburg, PA assessment area.

The geographic distribution of HMDA loans reflects adequate penetration throughout the bank's assessment areas due to adequate performance in the Allentown, PA assessment area, and poor performance in the East Stroudsburg, PA assessment area.

Small Business Lending

Overall, the borrower distribution of small business loans reflects good distribution among businesses of different sizes, including small businesses, due to good distribution in both the Allentown, PA and East Stroudsburg, PA assessment areas.

First Northern's geographic distribution of small business loans reflects adequate penetration throughout the assessment areas, due to adequate performance in the Allentown, PA assessment area, and poor performance in the East Stroudsburg, PA assessment area.

Responsiveness to Credit Needs

First Northern exhibits an adequate record of serving the credit needs of low-income individuals and areas, and very small businesses. Affordable housing was a credit need identified by community contacts in each of the bank's assessment areas, and the bank's HMDA lending record shows that home-mortgage loans are being originated throughout the assessment areas, and include loans made to low- and moderate-income borrowers. Further, the bank made a modest number of loans through its first-time homebuyer program. Finally, the bank made community development loans that supported affordable housing, particularly in the East Stroudsburg, PA assessment area.

Innovative and/or Flexible Lending

Overall, First Northern made little use of innovative and/or flexible lending practices in serving assessment area credit needs. Most notably, in order to assist low- and moderate-income borrowers, the bank offers a proprietary first-time homebuyer mortgage product which offers a below market rate, no application fee and underwriting of the loan allows for the option of using nontraditional credit. Across both assessment areas, the bank made 18 such loans, totaling nearly $1.9 million.

Community Development Lending

First Northern makes a relatively high level of community development loans. During the review period, the bank originated six community development loans totaling approximately $12 million.

Of the total, two loans aggregating $7.9 million (67%) supported economic development by financing small businesses, two loans totaling almost $2.3 million (nearly 20%) supported revitalization and stabilization efforts, and two loans totaling over $1.5 million (13%) supported affordable housing projects.

The vast majority of community development lending (88%) was within the bank's Allentown, PA assessment area, while the remaining 12% was in the East Stroudsburg, PA assessment area.

INVESTMENT TEST

Performance under the investment test is rated outstanding. The investment test was rated outstanding in the Allentown, PA assessment area, and low satisfactory in the East Stroudsburg, PA assessment area.

Overall, First Northern has an excellent level of qualified community development investments and grants, which exhibit good responsiveness to community development needs. Qualified investments and donations, total $5.4 million, and have doubled since the previous evaluation, when they totaled $2.7 million.

Investments overwhelmingly support affordable housing programs in the bank's assessment areas (99%). Of the total qualified investment dollars extended, nearly 90% supported the Allentown, PA assessment area, and the remaining investments were made in the East Stroudsburg, PA assessment area. The bank's investment test performance is discussed in more detail by assessment area throughout the Performance Evaluation.

SERVICE TEST

Performance under the service test is rated high satisfactory. The service test was rated high satisfactory in the Allentown, PA assessment area, and low satisfactory in the East Stroudsburg, PA assessment area.

Branch delivery systems, as well as alternative delivery systems such as automated teller machines (ATMs), telephone and online banking, are accessible to the bank's geographies and individuals of different income levels in its assessment areas. The bank provides retail services through its network of eleven full-service branches, six of which are located in the Allentown, PA assessment area, and five of which are located in the East Stroudsburg, PA assessment area.

Banking services do not vary in a way that inconveniences the bank's constituents, irrespective of census tract or income level. Hours of operation are consistent at all branches, with slightly extended hours on Friday, along with Saturday morning hours. Additionally, bank products are offered uniformly at all branch locations.

Finally, the bank provides an adequate level of community development services, overall. An adequate level of community services was provided in the Allentown, PA assessment area, and a limited level was provided in the East Stroudsburg, PA assessment area.

The bank's service test performance is discussed in more detail by assessment area throughout the Performance Evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES

First Northern is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices, inconsistent with helping to meet community credit needs, was identified.

COMMONWEALTH OF PENNSYLVANIA

STATE RATING

Performance Test	Performance Level
Lending	Low Satisfactory
Investment	Outstanding
Service	High Satisfactory
Overall	Satisfactory

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Major factors contributing to the rating include the following:

- The distribution of borrowers, given the product lines offered by the bank, reflects good penetration among retail customers of different income levels and businesses of different sizes;
- The geographic distribution of loans reflects adequate penetration throughout the Pennsylvania assessment areas;
- The bank makes little use of innovative and/or flexible lending practices;
- The bank made a relatively high level of community development loans in Pennsylvania;
- The bank has an excellent level of qualified community development investments and grants in the state; and
- The bank provides an adequate level of community development services.

SCOPE OF EXAMINATION

First Northern's CRA performance in Pennsylvania was evaluated for the period from November 29, 2016 through March 8, 2021. The lending, investment, and service tests were applied in assessing the bank's performance under the CRA. Under the lending test, loan products evaluated included HMDA loans, small business loans, and other loans that qualified as community development loans.

As mentioned previously, examiners completed full-scope reviews in both the Allentown, PA and East Stroudsburg, PA assessment areas.

DESCRIPTION OF INSTITUTION'S OPERATIONS

In Pennsylvania, the majority of the bank's business is conducted in the Allentown, PA assessment area, and thus, it was given the most weight in determining the overall CRA rating in the Commonwealth, and was evaluated using full-scope review procedures. In total, six of the bank's eleven branches (55%) are located in the Allentown, PA assessment area. Similarly, almost 68% of the bank's loans by number, and 73% of loans by dollar amount are made within the assessment area. From a deposit perspective, 59% of deposits are located in the Allentown, PA assessment area.

The East Stroudsburg, PA assessment area was given the second highest weight in determining the overall state rating in Pennsylvania and was evaluated using full-scope review procedures. During the evaluation period, First Northern operated five branches in the assessment area (45%), and these branches generated 41% of the bank's total deposits. From a loan standpoint, 32% of the bank's loans by number, and 27% by dollar amount were made within the East Stroudsburg, PA assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overall, the lending test was determined to be low satisfactory in Pennsylvania. The lending test was rated low satisfactory in both the Allentown, PA and East Stroudsburg, PA assessment areas. Primary drivers of the overall lending test rating include lending activity, borrower and geographic distribution of loans, the bank's use of flexible lending practices, and community development lending. It is noted that borrower distribution was weighted more heavily than geographic distribution, given the demographics of the Pennsylvania assessment areas. More detail on lending test components is provided in the discussions of each Pennsylvania assessment area.

INVESTMENT TEST

Overall, the investment test was determined to be high satisfactory in Pennsylvania, as it was rated outstanding in the Allentown, PA assessment area, and low satisfactory in the East Stroudsburg, PA assessment area. The investment test rating is driven by the amount of qualified investments and donations, with additional consideration given to the responsiveness and complexity of such investments. More detail on the investment test components is provided in the discussions of each Pennsylvania assessment area.

SERVICE TEST

Overall, the service test was determined to be high satisfactory in Pennsylvania. The service test was rated high satisfactory in the Allentown, PA assessment area, and low satisfactory in the East Stroudsburg, PA assessment area. The service test was influenced by retail service aspects, particularly the accessibility of delivery systems and reasonableness of hours and services in serving the assessment area needs, as well as the level of community development services provided by the bank in the Commonwealth. More detail on the service test components is provided in the discussions of each assessment area.

ALLENTOWN, PA ASSESSMENT AREA
FULL-SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

Description of Assessment Area

As noted previously, First Northern's Allentown, PA assessment area consists of Carbon, Lehigh, and Northampton counties, in Pennsylvania. The assessment area is part of the larger Allentown-Bethlehem-Easton, PA-NJ MSA, which also includes Warren County in New Jersey. Situated in the area known as the Lehigh Valley, the Allentown, PA assessment area includes the cities of Allentown, Bethlehem, and Easton in Pennsylvania. The Allentown-Bethlehem-Easton, PA-NJ MSA is the third most populous MSA in Pennsylvania, behind the Philadelphia and Pittsburgh metropolitan areas. The Lehigh Valley is proximate to two of the nation's largest cities, with both New York and Philadelphia being located within 75 miles.

There have been no changes to the assessment area since the previous evaluation, and the bank's assessment area was determined to comply with the requirements of the CRA and does not arbitrarily exclude low- or moderate-income census tracts.

For the purposes of assessing First Northern's CRA performance in the Commonwealth of Pennsylvania and overall, the greatest weight was given to performance in the Allentown, PA assessment area. Of the bank's total loans, 67% by number, and 73% by dollar amount can be attributed to the assessment area. Further, First Northern operates six branches in the assessment area (nearly 55% of total branches), and over $387 million in deposits, or 59% of the bank's total deposits as of June 30, 2020.

First Northern's CRA performance in this assessment area was evaluated in terms of the demographic and business context in which the bank operates.

2010 Census Data

Based on 2010 Census data, the Allentown, PA assessment area had 156 census tracts, of which 16 were low-income (10%), 35 were moderate-income (22%), 69 were middle-income (44%), and 36 were upper-income (23%). Of the 16 low-income census tracts, 12 were located in Lehigh County, in and around the city of Allentown, and 4 were in Northampton County, in and around the city of Bethlehem. Of the 35 moderate-income census tracts, 15 were in Allentown (Lehigh County), 12 were in the cities of Bethlehem and Easton (Northampton County), and 8 were in various towns located in Carbon County, including Nesquohoning, Jim Thorpe, Lehighton, and Palmerton.

2015 ACS Data

According to updated 2015 ACS data, the Allentown, PA assessment area had 156 census tracts, of which 16 were low-income (10%), 31 were moderate-income (20%), 70 were middle-income (45%), and 39 were upper-income (25%). Of the 16 low-income census tracts, 11 were located in Allentown (Lehigh County), 4 were located in Bethlehem and Easton (Northampton County), and 1 was located in Lansford (Carbon County). Of the 31 moderate-income census tracts, 14 were located in Lehigh County, 14 were in Northampton County, and 3 were in Carbon County.

Maps of the Allentown, PA assessment area at both the 2010 Census and 2015 ACS update are available in Appendix F.

According to the Federal Deposit Insurance Corporation's (FDIC) Market Share of Deposits report as of June 30, 2020, there were 32 depository institutions operating in the bank's assessment area. These institutions maintained a total of 232 banking offices, holding just over $20 billion in deposits. First Northern Bank and Trust Company ranked thirteenth with $387 million in deposits, or nearly 2% of the aggregate retail deposit market in the assessment area. Wells Fargo Bank, N.A. held the largest share of deposits with nearly 21% of the deposit market. Truist Bank was ranked second with almost 12% of the market, followed by PNC Bank, N.A. with 11% of the deposit market. Embassy Bank for the Lehigh Valley led the Lehigh Valley-based competitors, ranking sixth, with under 6% of the market, and American Bank ranked ninth, with nearly 3% of deposits.

First Northern reports home-mortgage loans pursuant to HMDA and was compared to the aggregate of all lenders in the assessment area that report real estate loans pursuant to HMDA. This data is reported annually.

According to 2016 aggregate HMDA data, there were 454 HMDA reporters operating in the assessment area who originated or purchased 20,803 HMDA loans in the Allentown, PA assessment area. First Northern ranked twenty-second among these institutions in 2016, with approximately 1% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with almost 13% of the market, followed by American Neighborhood Mortgage with 4%, and Quicken Loans, Inc. with 4%. Embassy Bank for the Lehigh Valley was ranked highest of local banks, ranking fourth with under 3% of the market.

According to 2017 aggregate HMDA data, 20,085 home-mortgage loans were originated or purchased by 460 institutions operating in the Allentown, PA assessment area. First Northern ranked twenty-first among these institutions in 2017, with approximately 1% of the market. Again, Wells Fargo Bank, N.A. ranked first with 11%, followed by American Neighborhood Mortgage (4%), and Quicken Loans, Inc. (4%). Embassy Bank for the Lehigh Valley ranked eighth and led local banks with just under 3% of the market.

According to 2018 aggregate HMDA data, 21,285 home-mortgage loans were originated or purchased by 486 institutions operating in the Allentown, PA assessment area. First Northern tied for thirty-first among these institutions in 2018, with less than 1% of the market. Wells Fargo Bank, N.A. ranked first with 10% of the market, followed by American Neighborhood Mortgage with 4% of the market, and Caliber Home Loans, Inc. with 4% of the market. Embassy Bank for the Lehigh Valley led local banks ranking seventh with less than 3% of the market.

Finally, according to 2019 aggregate HMDA data, 24,257 home-mortgage loans were originated or purchased by 481 institutions operating in the Allentown, PA assessment area. First Northern ranked thirty-seventh among these institutions in 2019, with less than 1% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with 10% of the market. Quicken Loans, LLC ranked second with 4% of the market, followed by Caliber Home Loans, Inc. with less than 4% market share. Embassy Bank for the Lehigh Valley ranked the highest of local banks, ranking seventh with under 3% of the market.

Similarly, the bank reports its small business loans pursuant to the CRA and was compared to the aggregate of all small business reporters in the assessment area. This data is also reported annually.

According to 2016 aggregate CRA data, the assessment area had a total of 115 small business and small farm reporters, who collectively originated or purchased 13,051 small business and small farm loans in the Allentown, PA assessment area. First Northern ranked twenty-seventh among these institutions in 2016, originating less than 1% of such loans. American Express Bank, FSB ranked first with 17% of the small business market. Wells Fargo Bank, N.A. was second with 10% of the market, followed by Citibank, N.A. (8%). Embassy Bank for the Lehigh Valley led local banks, ranking thirteenth, with 2% of the small business market.

According to 2017 aggregate CRA data, 13,146 small business and small farm loans were originated or purchased by 114 institutions operating in the Allentown, PA assessment area. First Northern ranked twenty-ninth among these institutions in 2017, with less than 1% of the market. American Express Bank, FSB, PNC Bank, N.A., and Wells Fargo Bank, N.A. ranked first, second and third, respectively, with 19%, 9%, and just under 9% of the market. Embassy Bank for the Lehigh Valley led local banks, ranking thirteenth, with less 2% of the market.

According to 2018 aggregate CRA data, 13,557 small business and small farm loans were originated or purchased by 106 institutions operating in the Allentown, PA assessment area. First Northern again ranked twenty-ninth among these institutions in 2018, with less than 1% of the market. American Express Bank, NB led the market with 18% market share, followed by Wells Fargo Bank, N.A. with 10%, and Chase Bank USA, N.A. with nearly 10% market share. Embassy Bank for the Lehigh Valley led local banks, ranking eleventh, with 2% of the small business and small farm market.

Finally, according to 2019 aggregate CRA data, 14,717 small business and small farm loans were originated or purchased by 114 institutions operating in the Allentown, PA assessment area. First Northern ranked thirty-sixth among these institutions, originating less than 1% of small business loans. American Express Bank, NB led the market with 18% market share, followed by JPMorgan Chase Bank, N.A. with 12%, and Wells Fargo Bank, N.A. with 9% market share. Embassy Bank for the Lehigh Valley led local banks, ranking twelfth, with 2% of the small business and small farm market.

Since CRA data reporting includes small business loans issued under corporate credit card arrangements, some of the top reporters in the assessment area include national credit card originators such as the ones noted above. In 2019, the top ten small business reporters were all national or super-regional banks which have large credit card portfolios. Together, these institutions held 75% of the small business and small farm lending market in the Allentown, PA assessment area.

To supplement economic, demographic and performance data, and to gain a better perspective on community credit needs, interviews were conducted with two local community organizations that operate within the Allentown, PA assessment area. One interview was held with an agency focused on economic development within the assessment area, and another interview was held with an affordable housing agency.

Contacts identified affordable housing and affordable rents for small businesses as important needs in the Allentown, PA assessment area. Contacts explained that downtown rents for small businesses are exorbitant, creating the need for rental assistance for small businesses in the beauty, restaurant, and arts industries. Similarly, contacts indicated a need for affordable housing, and expressed a need for down payment and closing cost assistance. Both contacts indicated that increased financial education is needed, including general financial literacy, first-time homebuyer, and small business programs.

Economic Characteristics

Located in eastern Pennsylvania, the Allentown, PA assessment area is situated between the Philadelphia and New York City metropolitan areas. The assessment area had a population of 712,481 as of the 2010 Census, and a population of 721,006 as of the 2015 ACS update.

According to the February 2021 Moody's Analytics Precis Report for the Allentown-Bethlehem-Easton, PA-NJ MSA, the local economy is in an expansion phase, and is largely supported by the region's niche in transportation and warehousing jobs. The Allentown MSA has successfully capitalized on its proximity to major interstate systems, airports, and large northeastern markets, and now boasts the fourth highest concentration of logistics jobs in the northeastern United States.

According to Moody's the economy experienced an economic decline in late 2019 and 2020, as a result of the COVID-19 pandemic, fueled by job cuts in goods-producing industries, and a 50% drop in leisure/hospitality jobs. Job growth is expected to be slow but steady, with significant boosts in the logistics and education and healthcare sectors. Further, as the easing of capacity restrictions continues, tourism is expected to grow, which will prove important to bars, restaurants, hotels and other important tourist destinations, such as Dorney Park and Wildwater Kingdom, and the Wind Creek Casino. Finally, a strong housing market is expected to fuel residential housing construction throughout 2021.

Areas of strength in the local economy include downtown revitalization in Allentown, Bethlehem, and Easton, which has spurred investment and hiring; the MSA's proximity to the more expensive New York City and Philadelphia metropolitan areas; below-average employment volatility; and improving migration patterns. Weaknesses include weak local government finances; aging infrastructure; and an aging population.

According to Moody's, the local workforce is primarily service-based, with education and health services representing nearly 21% of the total jobs in the MSA. Professional and business services are the second-largest category of workers, comprising nearly 13% of the total employees in the MSA. The employment sector is well-diversified, with retail trade, government, leisure and hospitality services and manufacturing sectors each accounting for over 10% of the MSA's total jobs. The five largest employers in the area are the Lehigh Valley Health Network; St. Luke's University Health Network; Sands Bethworks Gaming, LLC; Giant Food Stores; and Allied Personnel Services, Inc.

Seasonally unadjusted unemployment rates for the assessment area, according to the U.S. Department of Labor, Bureau of Labor Statistics, are presented in the following table, along with state and nationwide comparators. As indicated in the table, unemployment rates in the Allentown, PA MSA have been trending downward, but currently exceed statewide rates in Pennsylvania, and the nation as a whole. The highest unemployment rates in the Allentown MSA are present in Carbon County, followed by Lehigh and then Northampton Counties.

First Northern Bank and Trust Company Allentown, PA Assessment Area Unemployment Rates				
Geographical Area	**2016 Annual**	**2017 Annual**	**2018 Annual**	**2019 Annual**
Allentown-Bethlehem-Easton, PA-NJ MSA	5.1	5.0	4.6	4.5
Lehigh County	5.3	5.1	4.8	4.6
Northampton County	5.1	5.0	4.6	4.6
Carbon County	5.9	5.6	5.2	5.5
Commonwealth of Pennsylvania	5.3	5.0	4.4	4.5
United States	4.9	4.4	3.9	3.7

Unemployment data is from the U.S. Department of Labor, Bureau of Labor Statistics. Rates are not seasonally adjusted.

Housing

2010 Census Data

According to the 2010 Census, the Allentown, PA assessment area contained 293,936 housing units, 67% of which were owner-occupied, 25% of which were rental units, and 8% of which were vacant. The overall owner-occupancy rate in the assessment area (67%) was slightly higher than in the Commonwealth of Pennsylvania as a whole (63%).

The distribution of owner-occupied housing units throughout the assessment area is used as a proxy to estimate demand for home-mortgage credit within such census tracts. According to the 2010 Census, in the Allentown, PA assessment area, 4% of owner-occupied units were located in low-income census tracts, while 17% were located in moderate-income tracts, 48% in middle-income tracts, and 30% in upper-income tracts.

Of total existing housing units, 78% were single family units, 9% were two-to-four family units, nearly 11% were multifamily units, defined as dwellings consisting of five or more units of housing, and the remaining 3% of housing stock was comprised of mobile homes. The median age of the housing stock in the assessment area was 47 years, compared to a statewide median age of 50 years in Pennsylvania. It is noteworthy that the median age of the MSA's housing stock in both low- and moderate-income census tracts was 61 years, making it significantly older than the housing stock in middle- and upper-income census tracts (45 and 27 years, respectively). This may indicate a particular need for home-improvement lending in low- and moderate-income tracts, to rehabilitate the aged housing stock.

Data show that the price of housing in the assessment area is more expensive than in the Commonwealth overall. According to 2010 Census data, the median housing value in the assessment area was $203,365, which is appreciably higher than the median housing value in the Commonwealth as a whole at $159,300. The median housing values in the assessment area varied widely among census tract income levels. The median value of a home in the assessment area's low-income census tracts was $110,927 and increased slightly to $133,360 in moderate-income tracts. In middle-income tracts the median housing value significantly increased, jumping to $198,359 and climbed even further, to $287,831 in upper-income tracts.

Similarly, median gross rent (rent plus utilities) in the Allentown, PA assessment area ($810) exceeded the Pennsylvania statewide median gross rent ($739). Within the assessment area, the percentage of renters spending more than 30% of their income on rent was 48%, which was higher than the percentage in the Commonwealth of Pennsylvania (44%), further confirming that housing costs are less affordable in the assessment area than in other parts of the state.

2015 ACS Data

According to updated 2015 ACS data, the Allentown, PA assessment area contained 298,710 housing units, of which 64% were owner-occupied, 28% were rental units, and 9% were vacant units. Again, the owner-occupancy rate in the assessment area (64%) slightly exceeded the rate in the Commonwealth as a whole (61%).

The distribution of owner-occupied housing throughout the assessment area is used as a proxy to estimate demand for home-mortgage credit within such tracts. According to the updated 2015 ACS data, in the Allentown, PA assessment area, nearly 4% of owner-occupied units were located in low-income census tracts, and 15% were located in moderate-income census tracts. The majority of owner-occupied housing was located in middle- and upper-income census tracts (47% and 35%, respectively).

Of total existing housing units, 77% were single family units, 9% were two-to-four family units, 11% were multifamily units, and nearly 3% were mobile homes. The median age of the housing stock in the assessment area was 55 years, making it comparable to the statewide median age of 54 years.

The median housing value in the assessment area dropped since the 2010 Census, decreasing from $203,365 to $192,059. The median housing value in the assessment area was still greater than the value in the Commonwealth ($166,000) at the 2015 ACS update. Additionally, the disparity between housing values in low- and moderate-income areas and the values in middle- and upper-income areas remained. The median housing value in low-income tracts was $89,071, while the median value in moderate-income census tracts was $132,168. The reported median housing value in middle-income tracts was $182,198, and the value in upper-income census tracts was $260,409.

Gross rents and, in turn, rent burden in the assessment area increased since the 2010 Census. Using 2015 ACS data, median gross rent in the Allentown, PA assessment area measured $929, compared to the Pennsylvania statewide median gross rent of $840. The percentage of renters spending more than 30% of their income on rent measured nearly 51% in the assessment area, making this measure higher than in Pennsylvania (46%).

Borrower Income Data

2010 Census Data

The percentages of low- and moderate-income families are used as proxies to estimate demand for home-mortgage lending in the assessment area. According to 2010 Census data, of the 186,008 families in the assessment area, 21% were designated as low-income, 19% were designated as moderate-income, 22% were designated as middle-income, and 38% were designated as upper-income. Families living below the poverty level represented nearly 8% of families in the assessment area, which was comparable to the poverty level in the Commonwealth as a whole, at just under 9%.

2015 ACS Data

According to 2015 ACS data, of the 185,549 families in the assessment area, 21% were low-income, 19% were moderate-income, 21% were middle-income, and 39% were upper-income. As with 2010 Census data, families living below the poverty level accounted for 8% of the assessment area's population, compared to 9% in Pennsylvania using 2015 ACS data.

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes were classified based upon U.S. Department of Housing and Urban Development (HUD) annually-adjusted median family income data made available by the FFIEC. The Allentown, PA assessment area's HUD-adjusted median family incomes for the years 2016, 2017, 2018, and 2019 are listed in the table below, and are categorized by the dollar amounts recognized as low-, moderate-, middle-, and upper-income.

Year	HUD-Adjusted Median Family Income	Low-Income (less than 50%)	Moderate-Income (50% - less than 80%)	Middle-Income (80% - less than 120%)	Upper-Income (120% or Greater)
2016	$70,900	Less than $35,450	$35,450 - $56,719	$56,720 - $85,079	$85,080 or more
2017	$75,200	Less than $37,600	$37,600 - $60,159	$60,160 - $90,239	$90,240 or more
2018	$76,100	Less than $38,050	$38,050 - $60,879	$60,880 - $91,319	$91,320 or more
2019	$80,200	Less than $40,100	$40,100 - $64,159	$64,160 - $96,239	$96,240 or more

Geographic Business Data

2010 Census Data

The percentage of businesses located within designated census tracts is used as a proxy to estimate demand for business credit within such census tracts. Dun & Bradstreet reports business demographics annually. According to Dun & Bradstreet demographics in 2016, there were 29,929 businesses located in the bank's Allentown, PA assessment area. Of these, 6% of businesses were located in low-income census tracts, 20% were located in moderate-income tracts, 44% were located in middle-income tracts, and 30% were located in upper-income tracts. Business demographics also revealed that of the 29,929 businesses in the assessment area, 90% were small businesses with gross annual revenues of $1 million or less.

2015 ACS Data

ACS data reflects a drop in the number of businesses (27,419) in the assessment area in 2017. Of these, 6% of businesses were located in low-income census tracts, and 17% were in moderate-income tracts. The majority of businesses were located in middle-income tracts (44%), and upper-income tracts (33%). Business demographics also revealed that of the 27,419 businesses, 90% were small businesses with gross annual revenues of $1 million or less.

In 2018, 32,310 businesses operated in the Allentown, PA assessment area. In 2018, nearly 7% of businesses were located in low-income tracts, and 17% were located in moderate-income tracts. Again, the majority of businesses were located in middle- and upper-income tracts (43% and 34%, respectively). According to Dun & Bradstreet data, of the 32,310 businesses, 91% of businesses in the assessment area were small businesses with gross annual revenues of $1 million or less.

Finally, in 2019, 32,570 businesses operated in the assessment area. In 2019, geographic business demographics were identical to those in 2018. More specifically, 7% of businesses were located in low-income tracts, and 17% were located in moderate-income tracts. Again, the majority of businesses were located in middle- and upper-income tracts (43% and 34%, respectively). According to 2019 Dun & Bradstreet data, 91% of businesses in the assessment area were small businesses with gross annual revenues of $1 million or less.

The 2016, 2017, 2018, and 2019 assessment area demographics used to evaluate First Northern's CRA performance in the Allentown, PA assessment area are detailed in the tables on the following pages.

First Northern Bank and Trust Company Allentown, PA Assessment Area Assessment Area Demographics 2016							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low-income	16	10.3	14,207	7.6	4,677	32.9	38,538	20.7
Moderate-income	35	22.4	36,951	19.9	5,316	14.4	35,429	19.0
Middle-income	69	44.2	83,265	44.8	3,332	4.0	41,024	22.1
Upper-income	36	23.1	51,585	27.7	1,065	2.1	71,017	38.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**156**	**100.0**	**186,008**	**100.0**	**14,390**	**7.7**	**186,008**	**100.0**
	Housing Units by Tract	**Housing Types by Tract**						
		Owner-occupied			**Rental**		**Vacant**	
	#	#	%	%	#	%	#	%
Low-income	24,981	7,998	4.1	32.0	14,309	57.3	2,674	10.7
Moderate-income	67,803	34,168	17.4	50.4	26,234	38.7	7,401	10.9
Middle-income	131,497	95,313	48.4	72.5	25,913	19.7	10,271	7.8
Upper-income	69,655	59,333	30.1	85.2	7,651	11.0	2,671	3.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**293,936**	**196,812**	**100.0**	**67.0**	**74,107**	**25.2**	**23,017**	**7.8**
	Total Businesses by Tract	**Businesses by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low-income	1,890	6.3	1,630	6.0	244	9.7	16	4.5
Moderate-income	5,825	19.5	5,239	19.4	507	20.1	79	22.1
Middle-income	13,122	43.8	11,981	44.3	975	38.6	166	46.5
Upper-income	9,092	30.4	8,197	30.3	799	31.6	96	26.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**29,929**	**100.0**	**27,047**	**100.0**	**2,525**	**100.0**	**357**	**100.0**
	Percentage of Total Businesses:		**90.4**		**8.4**			**1.2**
	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	33	8.3	31	7.9	2	25.0	0	0.0
Middle-income	245	61.3	242	61.7	3	37.5	0	0.0
Upper-income	122	30.5	119	30.4	3	37.5	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**400**	**100.0**	**392**	**100.0**	**8**	**100.0**	**0**	**0.0**
	Percentage of Total Farms:		**98.0**		**2.0**			**0.0**

Information based on 2010 Census Data and 2016 Dun & Bradstreet Information

First Northern Bank and Trust Company Allentown, PA Assessment Area Assessment Area Demographics 2017							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low-income	16	10.3	13,315	7.2	4,633	34.8	39,507	21.3
Moderate-income	31	19.9	33,498	18.1	5,110	15.3	34,292	18.5
Middle-income	70	44.9	80,436	43.4	4,042	5.0	39,681	21.4
Upper-income	39	25.0	58,300	31.4	1,465	2.5	72,069	38.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**156**	**100.0**	**185,549**	**100.0**	**15,250**	**8.2**	**185,549**	**100.0**
	Housing Units by Tract	**Housing Types by Tract**						
		Owner-occupied			**Rental**		**Vacant**	
	#	**#**	**%**	**%**	**#**	**%**	**#**	**%**
Low-income	25,037	6,742	3.5	26.9	14,409	57.6	3,886	15.5
Moderate-income	61,296	28,459	14.9	46.4	25,278	41.2	7,559	12.3
Middle-income	130,866	88,467	46.5	67.6	31,455	24.0	10,944	8.4
Upper-income	81,511	66,742	35.1	81.9	11,086	13.6	3,683	4.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**298,710**	**190,410**	**100.0**	**63.7**	**82,228**	**27.5**	**26,072**	**8.7**
	Total Businesses by Tract		**Businesses by Tract & Revenue Size**					
			Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low-income	1,688	6.2	1,485	6.0	189	7.6	14	4.6
Moderate-income	4,557	16.6	4,030	16.4	482	19.4	45	14.8
Middle-income	12,020	43.8	10,897	44.2	973	39.2	150	49.3
Upper-income	9,154	33.4	8,219	33.4	840	33.8	95	31.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**27,419**	**100.0**	**24,631**	**100.0**	**2,484**	**100.0**	**304**	**100.0**
			Percentage of Total Businesses:	**89.8**		**9.1**		**1.1**
	Total Farms by Tract		**Farms by Tract & Revenue Size**					
			Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low-income	2	0.5	2	0.6	0	0.0	0	0.0
Moderate-income	27	7.4	25	7.0	2	22.2	0	0.0
Middle-income	187	51.1	184	51.5	3	33.3	0	0.0
Upper-income	150	41.0	146	40.9	4	44.4	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**366**	**100.0**	**357**	**100.0**	**9**	**100.0**	**0**	**0.0**
			Percentage of Total Farms:	**97.5**		**2.5**		**0.0**

Information based on 2015 ACS Data and 2017 Dun & Bradstreet Information

First Northern Bank and Trust Company Allentown, PA Assessment Area Assessment Area Demographics 2018							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low-income	16	10.3	13,315	7.2	4,633	34.8	39,507	21.3
Moderate-income	31	19.9	33,498	18.1	5,110	15.3	34,292	18.5
Middle-income	70	44.9	80,436	43.4	4,042	5.0	39,681	21.4
Upper-income	39	25.0	58,300	31.4	1,465	2.5	72,069	38.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**156**	**100.0**	**185,549**	**100.0**	**15,250**	**8.2**	**185,549**	**100.0**
	Housing Units by Tract	**Housing Types by Tract**						
		Owner-occupied			**Rental**		**Vacant**	
	#	#	%	%	#	%	#	%
Low-income	25,037	6,742	3.5	26.9	14,409	57.6	3,886	15.5
Moderate-income	61,296	28,459	14.9	46.4	25,278	41.2	7,559	12.3
Middle-income	130,866	88,467	46.5	67.6	31,455	24.0	10,944	8.4
Upper-income	81,511	66,742	35.1	81.9	11,086	13.6	3,683	4.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**298,710**	**190,410**	**100.0**	**63.7**	**82,228**	**27.5**	**26,072**	**8.7**
	Total Businesses by Tract	**Businesses by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low-income	2,115	6.5	1,900	6.5	193	7.6	22	5.8
Moderate-income	5,450	16.9	4,893	16.7	498	19.5	59	15.5
Middle-income	13,856	42.9	12,662	43.1	1,006	39.4	188	49.5
Upper-income	10,889	33.7	9,919	33.8	859	33.6	111	29.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**32,310**	**100.0**	**29,374**	**100.0**	**2,556**	**100.0**	**380**	**100.0**
	Percentage of Total Businesses:		**90.9**		**7.9**		**1.2**	
	Total Farms by Tract	**Farms by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low-income	2	0.5	2	0.5	0	0.0	0	0.0
Moderate-income	28	6.9	26	6.5	2	33.3	0	0.0
Middle-income	221	54.2	219	54.6	1	16.7	1	100.0
Upper-income	157	38.5	154	38.4	3	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**408**	**100.0**	**401**	**100.0**	**6**	**100.0**	**1**	**100.0**
	Percentage of Total Farms:		**98.3**		**1.5**		**0.2**	

Information based on 2015 ACS Data and 2018 Dun & Bradstreet Information

<table>
<tr><td colspan="9">**First Northern Bank and Trust Company**
Allentown, PA Assessment Area
Assessment Area Demographics
2019</td></tr>
<tr><td rowspan="2">**Income Categories**</td><td colspan="2">**Tract Distribution**</td><td colspan="2">**Families by Tract Income**</td><td colspan="2">**Families < Poverty Level as % of Families by Tract**</td><td colspan="2">**Families by Family Income**</td></tr>
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<tr><td>Moderate-income</td><td>31</td><td>19.9</td><td>33,498</td><td>18.1</td><td>5,110</td><td>15.3</td><td>34,292</td><td>18.5</td></tr>
<tr><td>Middle-income</td><td>70</td><td>44.9</td><td>80,436</td><td>43.4</td><td>4,042</td><td>5.0</td><td>39,681</td><td>21.4</td></tr>
<tr><td>Upper-income</td><td>39</td><td>25.0</td><td>58,300</td><td>31.4</td><td>1,465</td><td>2.5</td><td>72,069</td><td>38.8</td></tr>
<tr><td>Unknown-income</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td></tr>
<tr><td>**Total Assessment Area**</td><td>**156**</td><td>**100.0**</td><td>**185,549**</td><td>**100.0**</td><td>**15,250**</td><td>**8.2**</td><td>**185,549**</td><td>**100.0**</td></tr>
<tr><td rowspan="2">**Housing Units by Tract**</td><td colspan="8">**Housing Types by Tract**</td></tr>
<tr><td colspan="2">**Owner-occupied**</td><td colspan="2">**Rental**</td><td colspan="2">**Vacant**</td></tr>
<tr><td></td><td>**#**</td><td>**#**</td><td>**%**</td><td>**%**</td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td></tr>
<tr><td>Low-income</td><td>25,037</td><td>6,742</td><td>3.5</td><td>26.9</td><td>14,409</td><td>57.6</td><td>3,886</td><td>15.5</td></tr>
<tr><td>Moderate-income</td><td>61,296</td><td>28,459</td><td>14.9</td><td>46.4</td><td>25,278</td><td>41.2</td><td>7,559</td><td>12.3</td></tr>
<tr><td>Middle-income</td><td>130,866</td><td>88,467</td><td>46.5</td><td>67.6</td><td>31,455</td><td>24.0</td><td>10,944</td><td>8.4</td></tr>
<tr><td>Upper-income</td><td>81,511</td><td>66,742</td><td>35.1</td><td>81.9</td><td>11,086</td><td>13.6</td><td>3,683</td><td>4.5</td></tr>
<tr><td>Unknown-income</td><td>0</td><td>0</td><td>0.0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td></tr>
<tr><td>**Total Assessment Area**</td><td>**298,710**</td><td>**190,410**</td><td>**100.0**</td><td>**63.7**</td><td>**82,228**</td><td>**27.5**</td><td>**26,072**</td><td>**8.7**</td></tr>
<tr><td rowspan="2">**Total Businesses by Tract**</td><td></td><td colspan="7">**Businesses by Tract & Revenue Size**</td></tr>
<tr><td></td><td colspan="2">**Less Than or = $1 Million**</td><td colspan="2">**Over $1 Million**</td><td colspan="2">**Revenue Not Reported**</td></tr>
<tr><td></td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td></tr>
<tr><td>Low-income</td><td>2,146</td><td>6.6</td><td>1,935</td><td>6.5</td><td>190</td><td>7.5</td><td>21</td><td>5.5</td></tr>
<tr><td>Moderate-income</td><td>5,509</td><td>16.9</td><td>4,951</td><td>16.7</td><td>498</td><td>19.7</td><td>60</td><td>15.8</td></tr>
<tr><td>Middle-income</td><td>13,923</td><td>42.7</td><td>12,743</td><td>43.0</td><td>997</td><td>39.4</td><td>183</td><td>48.2</td></tr>
<tr><td>Upper-income</td><td>10,992</td><td>33.7</td><td>10,033</td><td>33.8</td><td>843</td><td>33.3</td><td>116</td><td>30.5</td></tr>
<tr><td>Unknown-income</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td></tr>
<tr><td>**Total Assessment Area**</td><td>**32,570**</td><td>**100.0**</td><td>**29,662**</td><td>**100.0**</td><td>**2,528**</td><td>**100.0**</td><td>**380**</td><td>**100.0**</td></tr>
<tr><td colspan="2">**Percentage of Total Businesses:**</td><td></td><td>**91.1**</td><td></td><td>**7.8**</td><td></td><td></td><td>**1.2**</td></tr>
<tr><td rowspan="2">**Total Farms by Tract**</td><td></td><td colspan="7">**Farms by Tract & Revenue Size**</td></tr>
<tr><td></td><td colspan="2">**Less Than or = $1 Million**</td><td colspan="2">**Over $1 Million**</td><td colspan="2">**Revenue Not Reported**</td></tr>
<tr><td></td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td><td>**#**</td><td>**%**</td></tr>
<tr><td>Low-income</td><td>2</td><td>0.5</td><td>2</td><td>0.5</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td></tr>
<tr><td>Moderate-income</td><td>31</td><td>7.3</td><td>29</td><td>6.9</td><td>2</td><td>33.3</td><td>0</td><td>0.0</td></tr>
<tr><td>Middle-income</td><td>231</td><td>54.2</td><td>230</td><td>54.8</td><td>1</td><td>16.7</td><td>0</td><td>0.0</td></tr>
<tr><td>Upper-income</td><td>162</td><td>38.0</td><td>159</td><td>37.9</td><td>3</td><td>50.0</td><td>0</td><td>0.0</td></tr>
<tr><td>Unknown-income</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td><td>0</td><td>0.0</td></tr>
<tr><td>**Total Assessment Area**</td><td>**426**</td><td>**100.0**</td><td>**420**</td><td>**100.0**</td><td>**6**</td><td>**100.0**</td><td>**0**</td><td>**0.0**</td></tr>
<tr><td colspan="2">**Percentage of Total Farms:**</td><td></td><td>**98.6**</td><td></td><td>**1.4**</td><td></td><td></td><td>**0.0**</td></tr>
</table>

Information based on 2015 ACS Data and 2019 Dun & Bradstreet Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The lending test evaluates an institution's lending activities based on the following characteristics:

- Lending activity in the assessment area;
- Borrower distribution of loans, including the distribution of loans to low- and moderate-income borrowers and businesses of different sizes, including small businesses;
- Geographic distribution of loans, including loans originated in low- and moderate-income census tracts;
- Responsiveness to credit needs of low-and moderate-income individuals and geographies, and very small businesses;
- Innovativeness and flexibility of lending practices; and
- Community development lending activities.

Performance under the lending test is rated low satisfactory in Allentown, PA assessment area.

Lending Activity

First Northern's lending levels in the Allentown, PA assessment area reflect excellent responsiveness to assessment area credit needs. During the evaluation period, lending activity in the Allentown, PA assessment area represented 68% of the bank's overall lending by number, and 73% by dollar volume. During the evaluation period, First Northern made 740 HMDA loans totaling $113 million, 172 small business loans totaling nearly $29 million, and 30 small business loans secured by real estate totaling over $4 million.

Borrower Distribution of Lending

Given the assessment area's demographic and economic characteristics, the distribution of lending reflects, given the product lines offered, good penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses of different sizes, including small businesses. It is noted that borrower distribution is given more weight than geographic distribution in this assessment area, in driving lending performance. Further, due to loan volumes, HMDA loans are given the most weight in determining the bank's overall borrower distribution of loans, followed by small business loans.

Home-Mortgage Lending

First Northern's distribution of home-mortgage loans among borrowers of different income levels, including low- and moderate-income borrowers is good.

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes are classified based upon annually-adjusted median family income data made available by the FFIEC. The respective percentages of low- and moderate-income families in the assessment area are used as proxies to estimate demand for home-mortgage credit. Generally, the higher the percentages of low- and moderate-income families in an assessment area, the greater the demand for credit among low- and moderate-income individuals and families within the assessment area.

According to the 2010 Census, 21% of families in the assessment area were low-income, and 19% were moderate-income. Additionally, 22% were middle-income, and 38% were upper-income. Very little change was noted in updated 2015 ACS demographic information. According to 2015 ACS data, 21% of assessment area families were low-income, 19% were moderate-income, 21% were middle-income, and 39% were upper-income.

According to available data, 40% of families, using both 2010 Census data and 2015 ACS data, were designated as low- or moderate-income families. This indicated a notable need for home-mortgage credit among this segment of the population.

The following tables compare First Northern's home-mortgage lending to aggregate lending levels, using the percentages of low- and moderate-income families in the assessment area as proxies for loan demand. The first table, used to evaluate lending in 2016, relies on 2010 Census data to estimate home-mortgage credit among low- and moderate-income families. The remaining tables, used to evaluate 2017, 2018 and 2019 lending, rely on updated 2015 ACS data to estimate demand for home-mortgage credit among low- and moderate-income families[4].

| | | Aggregate Comparison | |
| | | 2016 | |
Income Level	% Families by Family Income Level (2010 Census Data)	% First Northern Lending	% Aggregate Lending
First Northern Bank and Trust Company **Allentown, PA Assessment Area** **Distribution of HMDA Loans by Borrower Income Level**			
Low	20.7	9.3	6.9
Moderate	19.0	20.9	17.9
Middle	22.1	21.9	21.1
Upper	38.2	42.3	35.9
Unknown	0.0	5.6	18.6
Total	**100.0%**	**100.0%**	**100.0%**

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[4]It is noted that the tables for 2018 and 2019 lending use 2015 ACS data along with updated HMDA data fields, following data reporting requirements under Reguation C.

First Northern Bank and Trust Company Allentown, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
	% **Families by Family Income** **(2015 ACS Data)**	**2017**	
Income Level		**%** **First Northern** **Lending**	**%** **Aggregate** **Lending**
Low	21.3	7.2	8.8
Moderate	18.5	21.3	19.6
Middle	21.4	28.5	20.7
Upper	38.8	34.4	33.2
Unknown	0.0	8.6	17.7
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company Allentown, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
	% **Families by Family Income** **(2015 ACS Data)**	**2018**	
Income Level		**%** **First Northern** **Lending**	**%** **Aggregate** **Lending**
Low	21.3	9.9	8.7
Moderate	18.5	17.8	19.7
Middle	21.4	27.0	22.1
Upper	38.8	37.5	33.2
Unknown	0.0	7.9	16.3
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company Allentown, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
	% **Families by Family Income** **(2015 ACS Data)**	**2019**	
Income Level		**%** **First Northern** **Lending**	**%** **Aggregate** **Lending**
Low	21.3	9.9	9.0
Moderate	18.5	19.1	20.2
Middle	21.4	34.2	21.6
Upper	38.8	32.9	33.3
Unknown	0.0	3.9	15.9
Total	**100.0%**	**100.0%**	**100.0%**

Lending to Low-Income Borrowers

For the period under review First Northern's lending to low-income borrowers was good.

2010 Census Data

First Northern's lending in 2016 to low-income borrowers was good. In 2016, First Northern originated 9% of its HMDA loans (20 loans) to low-income borrowers, compared to the proxy of low-income families of 21%, and the aggregate lending level of 7%. Categorized by product type, First Northern originated 1% of its home-purchase loans (one loan), 14% of its refinance loans (15 loans), 12% of home-improvement loans (four loans), and no multifamily loans to low-income borrowers in 2016. Aggregate lenders originated 8% of home-purchase loans, 5% of refinance loans, 8% of home-improvement loans, and no multifamily loans to low-income borrowers in 2016.

2015 ACS Data

First Northern's lending in 2017 to low-income borrowers was adequate. In 2017, First Northern originated 16 of its HMDA-reportable loans (7%) to low-income borrowers. This performance was below the proxy of 21%, and also trailed aggregate lenders, who made 9% of HMDA loans to low-income borrowers in 2017. Categorized by product type, First Northern originated 6% of its home-purchase loans (five loans), 9% of refinance loans (seven loans), 7% of home-improvement loans (four loans), and no multifamily loans to low-income borrowers. Comparatively, aggregate lenders made 9% of home-purchase loans, 8% of refinance loans, 8% of home-improvement loans, and no multifamily loans to low-income borrowers.

First Northern's lending in 2018 to low-income borrowers was good. In 2018, First Northern's lending level of 10% (15 loans) to low-income borrowers in the assessment area was above the aggregate lending level of 9%, but below the proxy of 21% of low-income families. First Northern originated 6% of its home-purchase loans (four loans), 12% of refinance loans (six loans), 24% of other purpose closed loans (five loans), and no home-improvement, multifamily, or loans with purpose "not applicable" to low-income borrowers. Aggregate lenders originated 9% of home-purchase loans, 10% of refinance loans, 8% of home-improvement loans, 1% of multifamily loans, 10% of other purpose closed loans, and 1% of loans with purpose "not applicable" to low-income borrowers in 2018.

First Northern's lending in 2018 to low-income borrowers was good. In 2019, First Northern's lending level of 10% (15 loans) to low-income borrowers in the assessment area was above the aggregate lending level of 9%, although both the bank and aggregate lending levels were well below the proxy of 21% of low-income families. First Northern originated 8% of its home-purchase loans (six loans), 14% of refinance loans (seven loans), 6% of home-improvement loans (one loan), 9% of other purpose closed loans (one loan), and no multifamily or loans with purpose "not applicable" to low-income borrowers. In comparison, aggregate lenders made 11% of home-purchase loans, 7% of refinance loans, 8% of home-improvement loans, 1% of multifamily loans, 11% of other purpose closed loans, and 1% of loans with purpose "not applicable" to low-income borrowers in 2019.

Lending to Moderate-Income Borrowers

For the period under review, the bank's lending to moderate-income borrowers was good.

2010 Census Data

First Northern's lending in 2016 to moderate-income borrowers was excellent. First Northern's lending to moderate-income borrowers in 2016 was 21% (45 loans), slightly above both the aggregate lending level of 18%, and the proxy of 19%. By product type, First Northern originated 17% of its home-purchase loans (12 loans), 25% of its refinance loans (26 loans), 21% of home-improvement loans (seven loans), and no multifamily loans to moderate-income borrowers. In comparison, aggregate lenders made 21% of home-purchase loans, 13% of refinance loans, 16% of home-improvement loans, and no multifamily loans to moderate-income borrowers in 2016.

2015 ACS Data

First Northern's lending in 2017 to moderate-income borrowers was excellent. In 2017, the bank's lending to moderate-income borrowers was 21% (47 loans), above both the aggregate lending level of 20% and proxy of 19%. In 2017, First Northern originated 19% of its home-purchase loans (17 loans), 24% of its refinance loans (18 loans), 22% of home-improvement loans (12 loans), and no multifamily loans to moderate-income borrowers. By comparison, aggregate lenders made 21% of home-purchase loans, 17% of refinance loans, 17% of home-improvement loans, and no multifamily loans to moderate-income borrowers in 2017.

First Northern's lending in 2018 to moderate-income borrowers was good. First Northern's lending to moderate-income borrowers of 18% (27 loans), was slightly below both the aggregate lending level of 20%, and proxy of 19%. By product type, First Northern originated 14% of its home-purchase loans (nine loans), 22% of its refinance loans (11 loans), 9% of home-improvement loans (one loan), 29% of other purpose closed loans (six loans), and no multifamily, or loans with purpose "not applicable" to moderate-income borrowers. By comparison, aggregate lenders made 21% of home-purchase loans, 19% of refinance loans, 16% of home-improvement loans, 1% of multifamily loans, 20% of other purpose closed loans, and 2% of loans with purpose "not applicable" to moderate-income borrowers.

First Northern's lending in 2019 to moderate-income borrowers was good. In total, 19% of the bank's HMDA loans (29 loans) were originated to moderate-income borrowers, consistent with the proxy of 19%, and just below the aggregate lending level of 20%. In 2019, First Northern originated 15% of its home-purchase loans (11 loans), 18% of its refinance loans (nine loans), 22% of home-improvement loans (four loans), 46% of other purpose closed loans (five loans), and no multifamily, or loans with purpose "not applicable" to moderate-income borrowers. Comparatively, aggregate lenders originated 24% of home-purchase loans, 16% of refinance loans, 17% of home-improvement loans, 1% of multifamily loans, 19% of other purpose closed loans, and less than 1% of loans with purpose "not applicable" to moderate-income borrowers in 2019.

Small Business Lending

An analysis of First Northern's borrower distribution of small business loans reflects good penetration among business customers of different sizes, including small businesses. For purposes 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, namely small businesses.

The number of businesses operating in the Allentown, PA assessment area is used as a proxy to estimate demand for business credit in the assessment area. According to available Dun & Bradstreet business data, in 2016 there were 29,929 businesses in the assessment area, with 27,047 (90%) designated as small businesses. In 2017, there were 27,419 businesses in the assessment area, of which 24,631 (90%) were small businesses. In 2018, of the 32,310 businesses in the Allentown, PA assessment area, 29,374 (91%) were small businesses. Finally, in 2019, of the 32,570 businesses, 29,662 (91%) were small businesses.

2010 Census Data

First Northern's lending in 2016 to small businesses was good. In 2016, First Northern originated 52 small business loans aggregating nearly $7.5 million. Of these, 64% were originated to small businesses. This performance exceeded aggregate lenders, who originated 50% of small business loans to small businesses but was below the proxy of 90% of small businesses in the assessment area.

Small business loans were further analyzed to determine the extent of loans originated in an amount of $100 thousand or less. Smaller size loans are generally commensurate with the borrowing needs of smaller businesses, and thus, added weight is given to such loans in determining whether an institution is meeting the credit needs of small businesses. Of the small business loans reported in 2016, 73% were extended in an amount of $100 thousand or less. Aggregate data indicates that in 2016, 93% of small business loans were extended in an amount of $100 thousand or less.

2015 ACS Data

First Northern's borrower distribution of small business loans in 2017 was adequate. First Northern originated 36% of its small business loans to small businesses. In comparison, the aggregate originated 51% of its small business loans to small businesses. Both the bank and aggregate lenders were far below the business proxy of 90%. Of the small business loans reported in 2017, 42% were extended in an amount of $100 thousand or less, while aggregate lenders extended 93% of loans in an amount of $100 thousand or less.

First Northern's lending in 2018 to small businesses was good. First Northern originated 59% of its small business loans to small businesses. Aggregate lenders reported 47% of its small business loans to small businesses, while proxy was 91%. Of the bank's small business loans reported in 2018, 63% were extended in an amount of $100 thousand or less. Aggregate data indicates that 93% of all small business loans made in the assessment area were originated in an amount of $100 thousand or less.

Finally, First Northern's lending in 2019 to small businesses was good. First Northern originated 73% of its small business loans to small businesses. This performance exceeded aggregate lending of 48% to small businesses but was below the proxy of 91%. Of the small business loans reported in 2019, 52% were extended in an amount of $100 thousand or less, which was considerably lower than aggregate lenders who reported 93% of loans in an amount of $100 thousand or less.

In considering aggregate data, it should be noted that small business data includes credit card loans made by large credit card issuers. Because credit card loans are generally made in smaller amounts, this can skew aggregate small business data. As noted previously, among the top small business lenders in the assessment area are national and super-regional lenders with large credit card portfolios. In fact, the top ten CRA reporters in the assessment area were all credit card lenders, who together controlled 75% of the CRA market. This is taken into account when drawing conclusions about the bank's small business lending.

Over the evaluation period, First Northern originated an additional 30 small business loans which were secured by residential real estate and not reportable for the purposes of CRA. These loans aggregated $4.6 million. Data below is meant for contextual purposes only.

Of the 30 small business loans secured by real estate in 2019, 12 (40%) were extended to small businesses with revenues of $1 million or less. Further, 18 (60%) were extended in amounts of $100 thousand or less.

Geographic Distribution of Lending

The geographic distribution of loans was analyzed to determine the dispersion of loans among different census tracts within the assessment area. The overall analysis reflects adequate penetration throughout the Allentown, PA assessment area, including low- and moderate-income census tracts. Once again, it is noted that HMDA loans were given greater weight in determining this conclusion, given their higher amount by both number and dollar volume, followed by small business loans.

Home-Mortgage Lending

First Norther's distribution of home-mortgage loans among geographies of different income levels, including low- and moderate-income census tracts was adequate.

As noted earlier, the percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such tracts. Generally, the greater the number of owner-occupied residential dwellings in a census tract, the greater the demand is for home-mortgage credit in the tract.

According to 2010 Census data, 4% of the assessment area's owner-occupied housing stock was located in low-income census tracts, and 17% was located in moderate-income tracts. The majority of owner-occupied housing was located in middle- and upper-income tracts (48% and 30%, respectively).

According to updated 2015 ACS data, 4% of housing stock was located in low-income tracts, and 15% was located in moderate-income tracts. Again, the majority was located in middle- and upper-income tracts (47% and 35%, respectively).

The following tables present First Northern's geographic distribution of HMDA loans from 2016 through 2019, in comparison to the owner-occupied housing proxies and the aggregate lending levels in the assessment area. The first table, used for lending in 2016, relies upon 2010 Census data. The second table, used for 2017 lending, relies on updated 2015 ACS data. Finally, the third and fourth tables, used to evaluate 2018 and 2019 lending, use 2015 ACS data, along with updated HMDA data, which follows Regulation C updated requirements.

		Aggregate Comparison	
		2016	
Income Level	**% Owner-Occupied Units (2010 Census Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	4.1	1.4	3.3
Moderate	17.4	25.1	15.7
Middle	48.4	61.4	46.3
Upper	30.1	12.1	34.7
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company / Allentown, PA Assessment Area / Geographic Distribution of HMDA Loans

		Aggregate Comparison	
		2017	
Income Level	**% Owner-Occupied Units (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	3.5	1.8	3.8
Moderate	14.015	13.1	16.7
Middle	46.5	74.2	44.3
Upper	35.1	10.9	35.2
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company / Allentown, PA Assessment Area / Geographic Distribution of HMDA Loans

		Aggregate Comparison	
		2018	
Income Level	**% Owner-Occupied Units (2015 ACS Data**	**% First Northern Lending**	**% Aggregate Lending**
Low	3.5	0.0	4.4
Moderate	14.9	11.8	17.0
Middle	46.5	75.7	44.2
Upper	35.1	12.5	34.4
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company / Allentown, PA Assessment Area / Geographic Distribution of HMDA Loans

First Northern Bank and Trust Company Allentown, PA Assessment Area Geographic Distribution of HMDA Loans			
		Aggregate Comparison	
		2019	
Income Level	**% Owner-Occupied Units (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	3.5	0.7	4.3
Moderate	14.9	9.2	16.3
Middle	46.5	82.9	43.5
Upper	35.1	7.2	35.8
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

Lending in Low-Income Census Tracts

For the period under review, First Northern's overall HMDA lending in low-income tracts was poor.

2010 Census Data

First Northern's lending in low-income census tracts in 2016 was considered adequate. In 2016, First Northern made 1% of its HMDA loans (three loans) in low-income tracts in the assessment area, which was below both the aggregate lending level of 3% and the owner-occupied housing proxy of 4%. In 2016, First Northern originated 1% of refinance loans (one loan), 6% of home-improvement loans (two loans), and no home-purchase or multifamily loans in low-income census tracts. In comparison, aggregate lenders made 4% of home-purchase loans, 3% of refinance loans, 3% of home-improvement loans, and 21% of multifamily loans in low-income census tracts.

2015 ACS Data

First Northern's lending in low-income census tracts in 2017 was again adequate. In 2017, First Northern's lending in low-income census tracts increased. The bank originated 2% of its HMDA loans (four loans) in low-income census tracts, which was below the proxy and aggregate lending levels, which were both just under 4%. By product type, First Northern originated 1% of home-purchase loans (one loan), 1% of refinance loans (one loan), 2% of home-improvement loans (one loan), and 50% of multifamily loans (one loan) in low-income tracts. In comparison, aggregate lenders made 4% of home-purchase loans, 3% of refinance loans, 3% of home-improvement loans, and 24% of multifamily loans in low-income census tracts.

First Northern's lending in low-income census tracts in 2018 was poor. The bank made no loans in low-income census tracts in 2018. Both proxy and aggregate lending levels measured 4%. By product type, aggregate lenders made 5% of home-purchase loans, 3% of refinance loans, 2% of home-improvement loans, 33% of multifamily loans, 4% of other purpose closed loans, and 8% of loans with purpose "not applicable" in low-income census tracts.

First Northern's lending in low-income census tracts in 2019 was poor. The bank originated 1% of its HMDA loans (one loan) in a low-income census tract, which was below the proxy and aggregate lending levels, both of which measured 4%. By product, First Northern's single loan in a low-income census tract was a refinance loan. In comparison, aggregate lenders made 5% of home-purchase loans, 2% of refinance loans, 2% of home-improvement loans, 25% of multifamily loans, 3% of other purpose closed loans, and 11% of loans with purpose "not applicable" in low-income census tracts during 2019.

Lending in Moderate-Income Census Tracts

For the period under review, the bank's HMDA lending in moderate-income tracts was adequate.

2010 Census Data

First Northern's lending in moderate-income census tracts in 2016 was excellent. In 2016, First Northern originated 25% of its HMDA loans (54 loans) in moderate-income tracts in the assessment area. This performance was above both the aggregate lending level of 16% and the owner-occupied housing proxy of 17%. By product, First Northern originated 26% of its home-purchase loans (19 loans), 23% of refinance loans (24 loans), 24% of home-improvement loans (eight loans), and 60% of multifamily loans (three loans) in moderate-income census tracts. In comparison, aggregate lenders made 17% of home-purchase loans, 13% of refinance loans, 17% of home-improvement loans, and 40% of multifamily loans in moderate-income tracts.

2015 ACS Data

First Northern's lending in moderate-income census tracts in 2017 was considered adequate. In 2017, First Northern made 13% of its HMDA loans (29 loans) in moderate-income tracts in the assessment area, which was below both the aggregate lending level of 17%, and the owner-occupied housing proxy of 15%. By product, First Northern originated 16% of its home-purchase loans (14 loans), 12% of refinance loans (nine loans), 11% of home-improvement loans (six loans), and no multifamily loans in moderate-income census tracts. Aggregate lenders made 19% of home-purchase loans, 14% of refinance loans, 11% of home-improvement loans, and 29% of multifamily loans in moderate-income census tracts in 2017.

First Northern's lending in moderate-income census tracts in 2018 was poor. The bank made 12% of HMDA loans (18 loans) in moderate-income census tracts. The bank's performance was below aggregate performance and proxy, which were 17% and 15%, respectively. By product, the bank originated 14% of home-purchase loans (nine loans), 12% of refinance loans (six loans), 9% of home-improvement loans (one loan), 10% of other purpose closed loans (two loans), and no multifamily or loans with purpose "not applicable" in moderate-income census tracts. In comparison, aggregate lenders made 19% of home-purchase loans, 14% of refinance loans, 11% of home-improvement loans, and 21% of multifamily loans, 12% of other purpose closed loans, and 26% of loans with purpose "not applicable" in moderate-income census tracts.

Finally, First Northern's lending in moderate-income census tracts in 2019 was poor. In 2019, First Northern originated 9% of HMDA loans (14 loans) in moderate-income tracts, which was below the proxy and aggregate lending levels, which were 15% and 16%, respectively. By product type, First Northern originated 8% of home-purchase loans (six loans), 12% of refinance loans (six loans), 6% of home-improvement loans (one loan), 100% of multifamily loans (one loan), and no other purpose closed loans, or loans with purpose "not applicable" in moderate-income census tracts. Comparatively, aggregate lenders originated 19% of home-purchase loans, 12% of refinance loans, 11% of home-improvement loans, 25% of multifamily loans, 14% of other purpose closed loans, and 27% of loans with purpose "not applicable" in moderate-income census tracts in 2019.

Small Business Lending

The geographic distribution of First Northern's small business loans reflects adequate penetration throughout the assessment area in the context of the assessment area's demographic and economic characteristics during the evaluation period.

The geographic distribution of businesses in the assessment area by census tract type is used as a proxy for small business loan demand. Generally, the greater the number of businesses located in a tract, the greater the demand for small business loans in the tract.

Based on available business data, in 2016, 6% of the assessment area's businesses were located in low-income census tracts, and 20% were located in moderate-income census tracts. The majority of businesses were located in middle- and upper-income tracts (44% and 30%, respectively). In 2017, 6% of businesses were located in low-income tracts, while 17% were located in moderate-income tracts, 44% were located in middle-income tracts, and 33% in upper-income tracts. In 2018 and 2019, 7% of businesses were located in low-income tracts, and 17% were located in moderate-income tracts. The majority of businesses were located in middle- and upper-income tracts (43% and 34%, respectively.

The following tables present First Northern's small business geographic distribution for 2016, 2017, 2018, and 2019 in comparison to applicable business proxies for each of the years evaluated, along with the aggregate lending levels in the assessment area.

First Northern Bank and Trust Company Allentown, PA Assessment Area Geographic Distribution of Small Business Loans 2016			
Census Tract Income Level	**% Businesses by Tract Income Level (2010 Census Data)**	**Aggregate Comparison**	
		2016	
		% First Northern Lending	**% Aggregate Lending**
Low	6.3	0.0	5.6
Moderate	19.5	21.2	18.7
Middle	43.8	67.3	42.9
Upper	30.4	11.5	32.8
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company Allentown, PA Assessment Area Geographic Distribution of Small Business Loans			
		Aggregate Comparison	
Census Tract Income Level	**% Businesses by Tract Income Level (2015 ACS Data)**	**2017**	
		% First Northern Lending	**% Aggregate Lending**
Low	6.2	4.4	5.5
Moderate	16.6	17.8	16.8
Middle	43.8	71.1	41.1
Upper	33.4	6.7	35.5
Unknown	0.0	0.0	1.1
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company Allentown, PA Assessment Area Geographic Distribution of Small Business Loans			
		Aggregate Comparison	
Census Tract Income Level	**% Businesses by Tract Income Level (2015 ACS Data)**	**2018**	
		% First Northern Lending	**% Aggregate Lending**
Low	6.5	2.2	6.1
Moderate	16.9	10.9	16.7
Middle	42.9	78.3	40.9
Upper	33.7	8.7	35.2
Unknown	0.0	0.0	1.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company Allentown, PA Assessment Area Geographic Distribution of Small Business Loans			
		Aggregate Comparison	
Census Tract Income Level	**% Businesses by Tract Income Level (2015 ACS Data)**	**2019**	
		% First Northern Lending	**% Aggregate Lending**
Low	6.6	0.0	5.9
Moderate	16.9	6.9	16.5
Middle	42.7	69.0	40.9
Upper	33.7	24.1	35.5
Unknown	0.0	0.0	1.2
Total	**100.0%**	**100.0%**	**100.0%**

Lending in Low-Income Census Tracts

First Northern's small business lending in low-income tracts was poor.

2010 Census Data

In 2016, the geographic distribution of small business loans in low-income tracts was poor. The bank originated none of its small business loans in the assessment area's low-income tracts, which was well below both the aggregate lending level, and the business proxy, both of which were 6%.

2015 ACS Data

In 2017, the geographic distribution of the bank's small business loans was adequate. First Northern originated 4% of its small business loans (two loans) in low-income tracts, trailing both aggregate lenders and proxy (both 6%).

The bank's 2018 lending was also adequate. First Northern originated 2% of small business loans (one loan) in a low-income tract, trailing aggregate lenders at 6%, and proxy of 7%.

In 2019, the bank's geographic distribution of small business loans was poor. The bank originated none of its small business loans in the assessment area's low-income tracts. A review of the aggregate lending levels for 2019 shows that 6% of all small business loans originated in the assessment area was made in these tracts, which is comparable to the business proxy of 7%.

Lending in Moderate-Income Census Tracts

First Northern's small business lending in moderate-income census tracts was good.

2010 Census Data

In 2016, the bank's geographic distribution of small business loans in moderate-income census tracts was excellent. In 2016, First Northern originated 21% of its small business loans (11 loans) in the assessment area's moderate-income tracts, exceeding both aggregate lenders who originated 19% of small business loans in these tracts, and the business proxy of 20%.

2015 ACS Data

In 2017, geographic distribution was good. The bank originated 18% of its small-business loans (eight loans) in moderate-income tracts. This performance was just above both the aggregate lending level 17%, and the business proxy of 17%.

In 2018, First Northern's geographic distribution of small business loans was adequate. The bank originated 11% of small-business loans (five loans) in moderate-income census tracts, which was below the aggregate lending level of 17%, and the applicable business proxy of 17%.

Finally, in 2019, geographic distribution in moderate-income tracts was poor. In 2019, the bank originated 7% of its small-business loans (two loans) in moderate-income tracts, below both the aggregate lending level of 17% and the business proxy of 17%.

Responsiveness to Credit Needs

First Northern exhibits an adequate record of serving the credit needs of low-income individuals and areas and very small businesses.

Affordable housing was identified as an important credit need in the Allentown, PA assessment area, and the bank's HMDA lending record indicates that home-mortgage lending is being extended throughout the assessment area. Also, First Northern uses its first-time homebuyer product, as discussed below.

Innovative and/or Flexible Lending Practices

First Northern makes little use of innovative and/or flexible lending practices in serving assessment area credit needs. In an effort to address the home-mortgage credit needs of low- and moderate-income individuals and families, the bank offers a proprietary affordable mortgage loan product for first-time homebuyers. The first-time homebuyer mortgage product is designed to make homeownership possible for individuals or families with low-to-moderate income, and limited savings. During the evaluation period, First Northern originated 10 loans totaling $914 thousand in the Allentown, PA assessment area. This represents a decrease in activity since the previous examination, when 25 loans were originated totaling $2.6 million.

Community Development Lending

First Northern makes a relatively high level of community development loans in the Allentown, PA assessment area.

During the period evaluated, the bank made five community development loans, totaling $10.3 million. Though the dollar amount of community development lending was consistent with the level at the previous CRA evaluation, the number of loans increased from one at the last examination to five at the current examination. Of the bank's total community development lending, 88% by dollar volume was within the Allentown, PA assessment area.

Of the five community development loans during the evaluation period, two loans totaling nearly $7.9 million (76%) supported economic development through the construction of a commercial building located in Bethlehem, PA in a City Revitalization and Improvement Zone by the Commonwealth of Pennsylvania. Another two loans totaling $2.3 million (22%) were deemed to revitalize or stabilize the assessment area. One of these two loans was made under the Payment Protection Program (PPP)[5]. Finally, the bank originated a $160 thousand commercial line of credit (2%) to a local nonprofit agency to make capital improvements for affordable housing within the City of Allentown.

The table on the following page includes the bank's community development lending activity by year and community development purpose.

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[5]PPP loans, which qualify as community development loans, are defined as loans with amounts over $1 million that are located in low- or moderate-income census tracts.

	First Northern Bank and Trust Company Allentown, PA Assessment Area Community Development Lending									
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000)	#	$(000s)
2017	0	0	0	0	2	7,880	0	0	2	7,880
2018	0	0	0	0	0	0	0	0	0	0
2019	1	160	0	0	0	0	0	0	1	160
2020	0	0	0	0	0	0	2	2,275	2	2,275
TOTAL	1	160	0	0	2	7,880	2	2,275	5	10,315

INVESTMENT TEST

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income areas or individuals, together with the responsiveness, innovativeness, and complexity of such investments. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of the CRA, the term qualified investment has been defined to include: a lawful investment; deposit; membership share; or grant, including a donation or in-kind contribution of property that has as its primary purpose, community development.

Performance under the investment test is assessed as outstanding.

Volume of Investment and Grant Activity

First Northern has a significant level of qualified community development investments and grants, occasionally in a leadership position. During the evaluation period, community development investments totaled over $4.8 million. This represents a significant increase over the $2.3 million at the bank's previous evaluation. Of the bank's total investments, almost 90% were within the Allentown, PA assessment area.

Investments consisted of several qualified mortgage-backed security pools totaling $4.8 million, which support affordable housing in the bank's assessment area. The remaining $23 thousand consisted of donations to affordable housing groups and organizations that provide community development services to low- and moderate-income individuals in the assessment area. Of the total investments, the overwhelming majority (99%) supported affordable housing, while the remaining funds promoted the provision of community development services for low- and moderate-income individuals.

The table on the following page presents the investment, grant and donation activity in the Allentown, PA assessment area.

CD Category	First Northern Bank and Trust Company Allentown, PA Assessment Area Qualified Investments									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Qualified Investments	22	4,810	0	0	0	0	0	0	22	4,810
Donations	3	18	1	5	0	0	0	0	4	23
TOTAL	25	4,828	1	5	0	0	0	0	26	4,833

Responsiveness to Credit and Community Development Needs

First Northern exhibits good responsiveness to credit and community development needs of the assessment area. As discussed above, nearly all investment funds supported affordable housing for low- and moderate-income individuals, which was the primary community development need in the assessment area.

Community Development Initiatives

First Northern makes rare use of innovative and/or complex investments to support community development initiatives. As previously noted, the overwhelming majority of investment dollars consisted of mortgage-backed security investments, which were supplemented by a modest amount of donations and grants that supported area organizations in providing community development activities. Neither investment type is particularly innovative nor complex.

SERVICE TEST

The service test evaluates the financial services provided by a financial institution using the following characteristics:

- The accessibility of delivery mechanisms within an assessment area, including the distribution of an institution's branch offices and alternative delivery mechanisms;
- The impact of changes in branch locations upon low- and moderate-income census tracts or low- and moderate-income persons in the assessment area;
- The reasonableness of business hours and services in meeting assessment area needs; and
- The extent to which an institution provides community development services.

Performance under the service test is assessed as high satisfactory in the assessment area.

Accessibility of Delivery Systems

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank operates six branches in the Allentown, PA assessment area.

Using 2010 Census information, no branches were located in low-income census tracts, though two were located in moderate-income census tracts (33% of branches). This percentage compares favorably to the percentage of the population living in moderate-income census tracts (22%). Additionally, three branches were located in middle-income tracts, where 43% of the population resided, and one branch (17%) was located in an upper-income tract.

The table below details the locations of the bank's branches in the Allentown, PA assessment area in 2016, with a comparison to 2010 Census data demographics.

First Northern Bank and Trust Company Retail Branch Distribution Allentown, PA Assessment Area 2010 Census Data				
Census Tract Type	Number of Branches	(%) Percent of Branches	Population	(%) Percent of Population
Low	0	0.0	63,877	9.0
Moderate	2	33.3	153,463	21.5
Middle	3	50.0	304,997	42.8
Upper	1	16.7	190,144	26.7
Unknown	0	0.0	0	0.0
Totals	**6**	**100.0%**	**712,481**	**100.0%**

A number of census tracts shifted income levels with the 2015 ACS update. Though the bank continued to operate six branches in the subsequent years, their locations by income level changed. Using 2015 ACS data, no branches were located in low-income census tracts, but one branch (nearly 17%) was located in a moderate-income tract. By comparison, 9% and 20% of the assessment area population resided in low- and moderate-income tracts, respectively. Four branches (67%) were located in middle-income tracts, compared to 42% of the population, and one branch (nearly 17%) was located in an upper-income tract, compared to 29% of the population.

The following table details the locations of the bank's branches in the Allentown, PA assessment area, with a comparison to 2015 ACS demographics.

First Northern Bank and Trust Company Retail Branch Distribution Allentown, PA Assessment Area 2015 ACS Data				
Census Tract Type	Number of Branches	(%) Percent of Branches	Population	(%) Percent of Population
Low	0	0	63,051	8.7
Moderate	1	16.7	147,175	20.4
Middle	4	66.7	299,659	41.6
Upper	1	16.6	211,121	29.3
Unknown	0	0.0	0	0.0
Totals	**6**	**100.0%**	**721,006**	**100.0%**

All six of First Northern's full-service branch locations are equipped with ATMs which provide electronic access to banking services. Additionally, First Northern offers online banking and mobile services, which allow customers to check balances, make transfers, pay in-house loans, and have access to check images. Finally, customers have access to online bill pay, person-to-person transfer services, and mobile deposit services.

Changes in Branch Locations

First Northern did not open or close any branches during the evaluation period, and therefore this component of the service test was not considered in this assessment area.

Reasonableness of Business Hours and Services in Meeting Assessment Area Needs

Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income census tracts or individuals. All of First Northern's branches in the assessment area are full-service and include ATMs and drive-through facilities. Branch operating hours are consistent throughout the assessment area, and operate Monday through Thursday, with extended hours on Friday, as well as Saturday morning hours.

Bank Products

First Northern offers the following products with reduced fees and minimal balance requirements, which provide access to banking services to low- to moderate-income individuals and small businesses.

- A regular checking account with a $5 monthly fee which is waived if a $200 average balance is maintained during a statement cycle. The checking account includes unlimited check writing, and mobile and online banking with the ability to check balances, transfer funds, pay in-house loans, apply for a loan, and pay bills.

- A basic business checking account with 50 free monthly items and a $.20 fee for each additional item, free online banking with cash management and free business bill pay, along with remote deposit services. A minimum balance of $200 is required to avoid a monthly fee of $5. Additionally, the bank offers a business plus checking account, with a $10 monthly fee which is waived if a $2,500 minimum balance is maintained. The business plus account offers similar features but allows businesses a total of 250 monthly items. This combination of business checking accounts provides businesses with relatively low-cost options that meet their needs.

Community Development Services

First Northern provides an adequate level of community development services in this assessment area. It is noteworthy that the bank has increased service hours and the number of bank officers and employees participating in community services. Community development services were provided to the following local community and economic development organizations and their members:

- The bank's information technology and systems staff and personnel provided IT assistance to Housing Authority of DeKalb County (HADC). HADC is an organization focused on both job training and affordable housing, recruiting neighborhood residents and high school dropouts to learn construction skills rehabilitating blighted houses. The organization impacts a low-income census tract.

- A bank employee is the President and is a member of the board of Bangor Lions Club. Bangor Lions Club members volunteer for community service projects including caring for the environment, feeding the hungry and aiding seniors and the disabled. The organization impacts a moderate-income census tract.

- A Director sits on the board at Carbon County Housing Authority, an organization that promotes affordable housing for low-to-moderate income individuals within the Allentown area.

- A bank officer chairs the Board of Directors at the Carbon Chamber & Economic Development Corporation. The organization improves the economic climate and quality of life in Carbon county by providing services, information, and advocacy for members and the community. The role particularly focuses on economic development, revitalization, and stabilization.

- A bank officer is an executive committee member at the Palmerton Area Chamber of Commerce. The organization promotes economic development and business activity in Palmerton by working with investors, attracting visitors, and creating a strong community.

EAST STROUDSBURG, PA ASSESSMENT AREA
FULL-SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

Description of Assessment Area

First Northern's East Stroudsburg, PA assessment area includes Monroe County in northeastern Pennsylvania, and is coterminous with the East Stroudsburg, PA MSA. The assessment area is located in the Poconos region of the state, and is geographically north of the bank's Allentown, PA assessment area.

There have been no changes to the assessment area since the previous evaluation, and the bank's assessment area was determined to comply with the requirements of the CRA and does not arbitrarily exclude low- or moderate-income census tracts.

For the purposes of assessing First Northern's performance in the Commonwealth of Pennsylvania and overall, the East Stroudsburg, PA assessment area was weighted second, behind the Allentown, PA assessment area. Of the bank's total loans, 32% by number, and 27% by dollar amount can be attributed to the East Stroudsburg, PA assessment area. First Northern operates five branches in the assessment area (46%), which hold just under $273 million in deposits, or 41% of the bank's total deposits as of June 30, 2020.

First Northern's CRA performance was evaluated in terms of the demographic and business context in which the bank operates.

2010 Census Data

Based on 2010 Census data, the East Stroudsburg, PA assessment area had 33 census tracts, of which none were low-income (0%), two were moderate-income (6%), 26 were middle-income (79%), and five were upper-income (15%). Both of the moderate-income tracts were located in the northwest corner of the county. Of the assessment area's populations of 169,842, only 4% of the population resided in these moderate-income tracts.

2015 ACS Data

Based on updated 2015 ACS data, the East Stroudsburg, PA assessment area had 33 census tracts, though income classifications shifted slightly. No tracts were low-income (0%), while five were moderate-income (15%), 26 were middle-income (79%), and two were upper-income (6%). In addition to the two tracts located in the northwest part of the county, three additional moderate-income tracts were located in Stroudsburg and East Stroudsburg. Of the assessment area's population of 167,881, 11% of the population resided in the five moderate-income tracts.

Maps of the East Stroudsburg, PA assessment area at the 2010 Census and the 2015 ACS update are available in Appendix F.

According to the FDIC's Market Share of Deposits report as of June 30, 2020, there were 15 financial institutions operating in the assessment area. These institutions operated 46 branches which held $3.2 billion in deposits. First Northern ranked fourth with $272 million in deposits, and approximately 8% of the deposit market share. ESSA Bank and Trust ranked first with 29% of deposits, followed by PNC Bank, N.A. with 25% market share, and Wells Fargo Bank, N.A. with 10% of the market.

First Northern reports home-mortgage loans pursuant to HMDA and was therefore compared to the aggregate of all lenders in the assessment area reporting real estate loans pursuant to the HMDA. This data is reported annually.

In 2016, a total of 316 institutions reported 4,916 home-mortgage loan originations or purchases in the East Stroudsburg, PA assessment area. First Northern ranked eighth among these institutions in 2016, with approximately 2% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with 10% of the market, followed by ESSA Bank and Trust and Quicken Loans, Inc., which each controlled 6% of the market.

According to 2017 aggregate HMDA data, 328 institutions originated or purchased 4,900 home-mortgage loans in the East Stroudsburg, PA assessment area. First Northern ranked ninth among these institutions in 2017, with approximately 2% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with about 9% of the market. Quicken Loans, Inc. was ranked second with 6% of the market, followed by ESSA Bank and Trust with 5% market share.

In 2018, 341 reporters originated or purchased a total of 5,073 home-mortgage loans in the East Stroudsburg, PA assessment area. First Northern tied for fourteenth among these institutions in 2018, with just over 2% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with nearly 10% of the market. Quicken Loans, Inc. was ranked second with 7% market share, followed by ESSA Bank and Trust with 5% market share.

Finally, according to 2019 aggregate HMDA data, 335 reporters originated or purchased 5,598 home-mortgage loans. First Northern ranked fourteenth among these institutions in 2019, with 1% of the market. Wells Fargo Bank, N.A. led the home-mortgage market with 8% of the market. Quicken Loans, LLC was ranked second with 7% of the market, followed by ESSA Bank and Trust with 5% market share.

Similarly, the bank reports its small business loans pursuant to the CRA and was compared to the aggregate of all small business reporters in the assessment area. This data is also reported annually.

According to 2016 aggregate CRA data, 79 small business reporters originated or purchased a total of 2,852 small business and small farm loans in the East Stroudsburg, PA assessment area. First Northern ranked fifteenth among these institutions in 2016, with less than 1% of the market share. American Express Bank, FSB ranked first with 17% of the small business market. Citibank, N.A. was second with 14%, followed by PNC Bank, N.A., with 13% market share.

According to 2017 aggregate CRA data, 73 reporters originated or purchased 2,992 small business loans in the East Stroudsburg, PA assessment area. First Northern ranked twentieth among these institutions in 2017, controlling less than 1% of the market. American Express Bank, FSB, PNC Bank, N.A., and Capital One Bank USA, N.A. ranked first, second and third, with 17%, 15%, and 8% of the market, respectively.

In 2018, a total of 76 reporters originated or purchased 3,066 small business loans in the East Stroudsburg, PA assessment area. First Northern tied for sixteenth among these institutions in 2018, with less than 1% of the market. American Express Bank, NB led the market with18% market share, followed by PNC Bank, N.A. with 12%, and Synchrony Bank with 7% of the market.

Finally, in 2019, 75 reporters originated or purchased 3,608 small business loans in the East Stroudsburg, PA assessment area. First Northern ranked twenty-fifth among these institutions in 2019, with less than 1% market share. American Express Bank, NB led the market with 17% of the market, followed by JPMorgan Chase Bank, N.A. with 14%, and PNC Bank, N.A. with 10% of the market.

Since CRA data reporting includes small business loans issued under corporate credit card arrangements, the reporters with the highest rankings include national credit card originators such as the ones noted above. More specifically, in 2019, the top ten small business reporters were all national or regional banks who have large credit card portfolios. Together, these ten institutions collectively held 77% of the small business and small farm market in the East Stroudsburg, PA assessment area.

To supplement economic, demographic and performance data, and to gain a better perspective on assessment area credit needs, interviews were conducted with two local community organizations that operate within the East Stroudsburg, PA assessment area. More specifically, one interview was conducted with an agency focused on affordable housing, while the other interview was held with a community action group.

Contacts identified the need for the development of safe affordable housing, both for purchase and rental. Contacts also discussed a need for home repair lending, given increased costs of materials and labor. Contacts noted a need for auto loans, as well, given that transportation to work sites is an important need. Finally, contacts indicated that financial education, credit counseling, and rental assistance programs are all needed in the East Stroudsburg, PA assessment area.

Economic Characteristics

The East Stroudsburg, PA assessment area is situated in northeastern Pennsylvania, and is a rural and mountainous area which, along with Carbon, Pike, and Wayne counties, comprise the Pocono Mountain Region. Monroe County is located north of the Allentown, PA assessment area, and bordered by Lehigh, Northampton, and Carbon counties to the south, and the Delaware River and state of New Jersey to the east.

The assessment area is popular for ski resorts, as well as indoor waterparks, shopping outlets and casino gaming. Monroe County is home to Pocono Raceway, home of two major NASCAR events held annually. According to the Moody's Analytics Precis Report as of February 21, 2021, the East Stroudsburg, PA MSA is in a recovery mode, after an especially significant impact from the COVID-19 pandemic, due to its reliance on tourism. Though the area's pharmaceutical and government presences are helpful in boosting the area economy, they are not prevalent enough to fully off-set tourism losses. Though Moody's predict that the MSA will continue to recover, the long-term outlook remains concerning, and it is expected that the MSA will continue to underperform in the state and nationwide, due to low educational attainment.

Economic strengths in the East Stroudsburg, PA MSA include the area's proximity to other major northeast metropolitan areas, relative affordability of housing, and low business costs. On the other hand, the area is hampered by the low educational attainment of its residents, a high percentage of low-wage jobs, and above-average employment volatility.

Major employment industries in the MSA include leisure and hospitality services, contributing 20% of jobs, the government sector (19%), and retail trade and education and health services, both contributing 14% of jobs. The major employers in the assessment area include the Tobyhanna Army Depot, Sanofi-Pasteur, Pocono Medical Center, Kalahari Resorts and Conventions, Wal-Mart, Inc., and the Mount Airy Casino Resort. The county is also home to East Stroudsburg University.

Seasonally unadjusted unemployment rates for the assessment area, according to the U.S. Department of Labor, Bureau of Labor Statistics indicates that the unemployment rates in the region are higher than in the state as a whole and the nation overall, as seen in the table below.

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Unemployment Rates				
Location	2016	2017	2018	2019
East Stroudsburg MSA	6.2	6.0	5.5	5.5
Monroe County	6.2	6.0	5.5	5.5
Commonwealth of Pennsylvania	5.3	5.0	4.4	4.5
United States	4.9	4.4	3.9	3.7

Unemployment data is from the U.S. Department of Labor, Bureau of Labor Statistics. Rates are not seasonally adjusted.

Housing

2010 Census Data

According to the 2010 Census, the East Stroudsburg, PA assessment area contained 79,357 housing units, of which 62% were owner-occupied, 14% were rental units, and 24% were vacant. The overall owner-occupancy rate in the assessment area (62%) was comparable with that in the Commonwealth as a whole (63%).

The distribution of owner-occupied housing units throughout the assessment area is used as a proxy to estimate demand for residential mortgage lending within such tracts. According to the 2010 Census, there were no low-income census tracts. However, just under 4% of owner-occupied units were located in moderate-income tracts. The overwhelming majority of owner-occupied units were located in middle- and upper-income tracts (80% and almost 17%, respectively).

Of the total existing housing units, 88% were single-family units, 5% were two-to-four family units, 3% were multifamily units, defined as dwellings consisting of five or more units of housing, and almost 4% were mobile homes. The median age of the housing stock in the assessment area was 29 years, making it significantly younger than the statewide median age of 50 years in Pennsylvania.

The 2010 Census data indicate that the median housing value in the East Stroudsburg, PA assessment area was $206,431, making it notably more expensive than in the Commonwealth as a whole ($159,300). There was a significant disparity between the median housing value in moderate-income census tracts ($172,054), and those in middle- and upper-income tracts ($202,585 and $231,457, respectively).

Finally, median gross rent (rent plus utilities) in the East Stroudsburg, PA assessment area was $936, making it much more expensive than the statewide median gross rent of $739. However, the percentage of renters in the assessment area paying more than 30% of their income on rent is comparable to the Commonwealth of Pennsylvania as a whole (45% and 44%, respectively).

2015 ACS Data

According to the updated 2015 ACS data, the East Stroudsburg, PA assessment area contained 80,632 housing units, of which 56% were owner-occupied, 15% were rental units, and 29% were vacant. Again, the owner-occupancy rate in the assessment area (56%) was below that of the Commonwealth as a whole (61%).

The distribution of owner-occupied housing units throughout the assessment area is used as a proxy to estimate demand for residential mortgage lending within such tracts. According to the 2015 ACS, in the East Stroudsburg, PA assessment area, no low-income census tracts existed. Of the assessment area's housing units 8% were located in moderate-income tracts, 86% were located in middle-income tracts, and 6% were located in upper-income tracts.

According to 2015 ACS data, Single family units comprised 89% of the total housing units in the East Stroudsburg, PA assessment area, while two to-four family units made up 4%, multifamily units comprised 3% of the housing units, and mobile homes comprised 4% of housing units. The median age of the housing stock in the assessment area was 37 years, making it newer in comparison to the median age of 54 years in Pennsylvania.

The median housing value in the assessment area dropped since the 2010 Census, decreasing from $206,431 to $174,462. This drop resulted in the assessment area's median housing value more closely approximating the value in the Commonwealth as a whole ($166,000). According to 2015 ACS data, the median housing value in the assessment area's moderate-income census tracts was $171,306, while the median housing value in middle-income tracts was $173,609, and the value in upper-income census tracts was $225,000.

Using 2015 ACS data, median gross rent in the East Stroudsburg, PA assessment area increased to $1,014, making it much higher than the Pennsylvania statewide median gross rent of $840. The percentage of renters spending more than 30% of their income on rent measured 53% in the assessment area, making it higher than the percentage in Pennsylvania (46%).

Borrower Income Data

2010 Census Data

The percentages of low- and moderate-income families are used as proxies to estimate demand for home-mortgage lending in the assessment area. According to the 2010 Census, there were 44,495 families in the assessment area. Of the total number of families in the assessment area, 20% were designated as low-income, 17% were moderate-income, 23% were middle-income, and 40% were upper-income. Families living below the poverty level represented nearly 8% of families in the assessment area, which was in line with the rate of 9% in the Commonwealth of Pennsylvania.

2015 ACS Data

According to the updated 2015 ACS data, of the 41,743 families in the assessment area, 21% were low-income, 18% were moderate-income, 21% were middle-income, and 40% were upper-income. Families living below the poverty level accounted for 9% of the assessment area's families matching the percentage in Pennsylvania (9%).

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes were classified based upon HUD annually-adjusted median family income data made available by the FFIEC. The assessment area's median family incomes for the years 2016, 2017, 2018, and 2019 are listed in the table below, and are categorized by the dollar amounts recognized as low-, moderate-, middle-, and upper-income.

Year	HUD-Adjusted Median Family Income	Low-Income (less than 50%)	Moderate-Income (50% - less than 80%)	Middle-Income (80% - less than 120%)	Upper-Income (120% or Greater)
2016	$63,900	Less than $31,950	$31,950 - $51,119	$51,120 - $76,679	$76,680 or more
2017	$74,900	Less than $37,450	$37,450 - $59,919	$59,920 - $89,879	$89,880 or more
2018	$74,100	Less than $37,050	$37,050 - $59,279	$59,280 - $88,919	$88,920 or more
2019	$78,800	Less than $39,400	$39,400 -$63,039	$63,040 - $94,559	$94,560 or more

Geographic Business Data

2010 Census Data

The percentage of businesses located within designated census tracts is used as a proxy to estimate demand for business credit within such census tracts. According to Dun & Bradstreet business demographics, in 2016, there were 5,358 businesses located in the East Stroudsburg, PA assessment area. Of these, 3% were located in moderate-income census tracts, 85% were located in middle-income tracts, and nearly 13% were located in upper-income tracts. There were no low-income tracts within the assessment area. Business demographic data also revealed that of the 5,358 businesses in the assessment area, 92% were small businesses with gross annual revenues of $1 million or less.

2015 ACS Data

According to 2017 Dun & Bradstreet demographics, the number of businesses in the assessment area dropped to 4,811. Of these, 24% were located in moderate-income tracts, 72% were in middle-income tracts, and 4% were in upper-income tracts. Again, there were no low-income tracts in the assessment area. Business demographics also revealed that of the 4,811 businesses, 91% were small businesses with gross annual revenues of $1 million or less.

In 2018, 6,029 businesses operated in the assessment area. In 2018, 21% of businesses were located in moderate-income tracts, while 74% were located in middle-income tracts, and nearly 6% were located in upper-income tracts. There were no low-income tracts in the assessment area. According to 2018 Dun & Bradstreet data, of the 6,029 businesses in the assessment area, 93% were small businesses with gross annual revenues of $1 million or less.

Finally, in 2019, 6,122 businesses operated in the assessment area. In 2019, 20% of businesses were located in moderate-income tracts, while 74% were located in middle-income tracts, and 6% were located in upper-income tracts. According to 2019 Dun & Bradstreet data, of the 6,122 businesses in the assessment area, 93% were small businesses with gross annual revenues of $1 million or less.

The 2016, 2017, 2018 and 2019 demographics used in evaluating First Northern's performance in the East Stroudsburg, PA assessment area are detailed in the tables on the following pages.

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Assessment Area Demographics 2016								
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	8,931	20.1
Moderate-income	2	6.1	1,727	3.9	232	13.4	7,686	17.3
Middle-income	26	78.8	35,481	79.7	3,013	8.5	10,181	22.9
Upper-income	5	15.2	7,287	16.4	131	1.8	17,697	39.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**33**	**100.0**	**44,495**	**100.0**	**3,376**	**7.6**	**44,495**	**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	4,654	1,874	3.8	40.3	330	7.1	2,450	52.6
Middle-income	63,858	38,855	79.5	60.8	9,554	15.0	15,449	24.2
Upper-income	10,845	8,126	16.6	74.9	1,258	11.6	1,461	13.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**79,357**	**48,855**	**100.0**	**61.6**	**11,142**	**14.0**	**19,360**	**24.4**
	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	152	2.8	137	2.8	11	3.1	4	5.4
Middle-income	4,532	84.6	4,157	84.4	310	86.6	65	87.8
Upper-income	674	12.6	632	12.8	37	10.3	5	6.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**5,358**	**100.0**	**4,926**	**100.0**	**358**	**100.0**	**74**	**100.0**
	Percentage of Total Businesses:		**91.9**		**6.7**			**1.4**
	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	44	84.6	44	84.6	0	0.0	0	0.0
Upper-income	8	15.4	8	15.4	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**52**	**100.0**	**52**	**100.0**	**0**	**0.0**	**0**	**0.0**
	Percentage of Total Farms:		**100.0**		**0.0**			**0.0**

Information based on 2010 Census Data and 2016 Dun & Bradstreet Information

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Assessment Area Demographics 2017								
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	8,644	20.7
Moderate-income	5	15.2	3,873	9.3	743	19.2	7,549	18.1
Middle-income	26	78.8	35,716	85.6	3,126	8.8	8,893	21.3
Upper-income	2	6.1	2,154	5.2	52	2.4	16,657	39.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**33**	**100.0**	**41,743**	**100.0**	**3,921**	**9.4**	**41,743**	**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	11,130	3,606	8.0	32.4	3,300	29.6	4,224	38.0
Middle-income	65,957	38,796	86.4	58.8	8,613	13.1	18,548	28.1
Upper-income	3,545	2,497	5.6	70.4	485	13.7	563	15.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**80,632**	**44,899**	**100.0**	**55.7**	**12,398**	**15.4**	**23,335**	**28.9**
	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	1,143	23.8	1,016	23.1	113	31.4	14	25.0
Middle-income	3,458	71.9	3,179	72.3	239	66.4	40	71.4
Upper-income	210	4.4	200	4.6	8	2.2	2	3.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**4,811**	**100.0**	**4,395**	**100.0**	**360**	**100.0**	**56**	**100.0**
		Percentage of Total Businesses:	**91.4**		**7.5**		**1.2**	
	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	2	4.3	2	4.3	0	0.0	0	0.0
Middle-income	39	83.0	39	83.0	0	0.0	0	0.0
Upper-income	6	12.8	6	12.8	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**47**	**100.0**	**47**	**100.0**	**0**	**0.0**	**0**	**0.0**
		Percentage of Total Farms:	**100.0**		**0.0**		**0.0**	

Information based on 2015 ACS Data and 2017 Dun & Bradstreet Information

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Assessment Area Demographics 2018								
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	8,644	20.7
Moderate-income	5	15.2	3,873	9.3	743	19.2	7,549	18.1
Middle-income	26	78.8	35,716	85.6	3,126	8.8	8,893	21.3
Upper-income	2	6.1	2,154	5.2	52	2.4	16,657	39.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**33**	**100.0**	**41,743**	**100.0**	**3,921**	**9.4**	**41,743**	**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	11,130	3,606	8.0	32.4	3,300	29.6	4,224	38.0
Middle-income	65,957	38,796	86.4	58.8	8,613	13.1	18,548	28.1
Upper-income	3,545	2,497	5.6	70.4	485	13.7	563	15.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**80,632**	**44,899**	**100.0**	**55.7**	**12,398**	**15.4**	**23,335**	**28.9**
	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	1,241	20.6	1,132	20.2	91	25.2	18	26.1
Middle-income	4,445	73.7	4,145	74.0	252	69.8	48	69.6
Upper-income	343	5.7	322	5.8	18	5.0	3	4.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**6,029**	**100.0**	**5,599**	**100.0**	**361**	**100.0**	**69**	**100.0**
	Percentage of Total Businesses:		**92.9**		**6.0**			**1.1**
	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	1	1.7	1	1.7	0	0.0	0	0.0
Middle-income	53	88.3	53	88.3	0	0.0	0	0.0
Upper-income	6	10.0	6	10.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**60**	**100.0**	**60**	**100.0**	**0**	**0.0**	**0**	**0.0**
	Percentage of Total Farms:		**100.0**		**0.0**			**0.0**

Information based on 2015 ACS Data and 2018 Dun & Bradstreet Information

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Assessment Area Demographics 2019								
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	8,644	20.7
Moderate-income	5	15.2	3,873	9.3	743	19.2	7,549	18.1
Middle-income	26	78.8	35,716	85.6	3,126	8.8	8,893	21.3
Upper-income	2	6.1	2,154	5.2	52	2.4	16,657	39.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**33**	**100.0**	**41,743**	**100.0**	**3,921**	**9.4**	**41,743**	**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	11,130	3,606	8.0	32.4	3,300	29.6	4,224	38.0
Middle-income	65,957	38,796	86.4	58.8	8,613	13.1	18,548	28.1
Upper-income	3,545	2,497	5.6	70.4	485	13.7	563	15.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**80,632**	**44,899**	**100.0**	**55.7**	**12,398**	**15.4**	**23,335**	**28.9**
	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	1,247	20.4	1,138	20.0	91	25.4	18	26.9
Middle-income	4,526	73.9	4,234	74.3	247	69.0	45	67.2
Upper-income	349	5.7	325	5.7	20	5.6	4	6.0
Unknown-income	0	0,0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**6,122**	**100.0**	**5,697**	**100.0**	**358**	**100.0**	**67**	**100.0**
	Percentage of Total Businesses:		**93.1**		**5.8**		**1.1**	
	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	1	1.8	1	1.8	0	0.0	0	0.0
Middle-income	51	89.5	51	89.5	0	0.0	0	0.0
Upper-income	5	8.8	5	8.8	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**57**	**100.0**	**57**	**100.0**	**0**	**0.0**	**0**	**0.0**
	Percentage of Total Farms:		**100.0**		**0.0**		**0.0**	

Information based on 2015 ACS Data and 2019 Dun & Bradstreet Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The lending test evaluates an institution's lending activities based on the following characteristics:

- Lending activity in the assessment area;
- Borrower distribution of loans, including the distribution of loans to low- and moderate-income borrowers and businesses of all sizes, including small businesses;
- Geographic distribution of loans, including loans originated in low- and moderate-income census tracts;
- Responsiveness to credit needs of low-and moderate-income individuals and geographies, and very small businesses;
- Innovativeness and flexibility of lending practices; and
- Community development lending activities.

Performance under the lending test is rated low satisfactory in East Stroudsburg, PA assessment area.

Lending Activity

First Northern's lending levels in the East Stroudsburg, PA assessment area reflect good responsiveness to the assessment area's credit needs. During the evaluation period, lending activity in the East Stroudsburg, PA assessment area represented 32% of the bank's overall lending by number of loans, and 27% by dollar amount of loans. During the evaluation period, First Northern made 355 HMDA loans totaling almost $39 million, and 88 small business loans totaling almost $15 million in the assessment area.

Borrower Distribution of Lending

Given the assessment area's demographics and economic characteristics, the borrower distribution of lending reflects, given the product lines offered, excellent penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses of different sizes, including small businesses.

It is noted that borrower distribution is given more weight than geographic distribution in this assessment area, in driving performance, given assessment area demographics. Further, due to loan volumes, HMDA loans are given he most weight in determining the bank's overall borrower distribution of loans, followed by small business loans.

Home-Mortgage Lending

First Northern's distribution of home-mortgage loans among borrowers of different income levels, including low- and moderate-income borrowers is excellent.

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes are classified based on annually-adjusted median family income data made available by the FFIEC. The respective percentages of low- and moderate-income families in the assessment area are used as proxies to estimate demand for home-mortgage credit. Generally, the higher the percentages of low- and moderate-income families in an assessment area, the greater the demand for credit is among low- and moderate-income individuals and families within the assessment area. As noted previously, according to 2010 Census data, 20% of assessment area families were low-income, 17% were moderate-income, 23% were middle-income, and 40% were upper-income. Similarly, according to updated 2015 ACS data, 21% of assessment area families were low-income, 18% were moderate-income, 21% were middle-income, and 40% were upper-income.

According to available data, 37% of families, 2010 Census data, and 39% of families, using 2015 ACS data, were designated as low- or moderate-income families. This indicates a notable need for home-mortgage credit among this segment of the population.

The following tables compare First Northern's home-mortgage lending to aggregate lending levels, using the percentages of low- and moderate-income families in the assessment area as proxies for loan demand. The first table, used to evaluate lending in 2016, relies on 2010 Census data to estimate demand for home-mortgage credit among low- and moderate-income families. The remaining tables, used to evaluate 2017, 2018, and 2019 lending, rely on updated 2015 ACS data to estimate demand for home-mortgage credit among low- and moderate-income families[6].

| | | Aggregate Comparison | |
| | | 2016 | |
Income Level	**% Families by Family Income (2010 Census Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	20.1	12.6	3.9
Moderate	17.3	25.2	14.2
Middle	22.9	23.4	21.8
Upper	39.8	31.5	37.4
Unknown	0.0	7.2	22.7
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company
East Stroudsburg, PA Assessment Area
Distribution of HMDA Loans by Borrower Income Level

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[6] It is noted that the tables for 2018 and 2019 use 2015 ACS data, along with updated HMDA data fields, following data reporting requirements under Regulation C.

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
		2017	
Income Level	**% Families by Family Income (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	20.7	16.2	7.2
Moderate	18.1	21.2	19.1
Middle	21.3	21.2	21.9
Upper	39.9	30.3	30.9
Unknown	0.0	11.1	20.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
		2018	
Income Level	**% Families by Family Income (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	20.7	14.1	6.9
Moderate	18.1	22.5	18.5
Middle	21.3	19.7	23.2
Upper	39.9	35.2	33.2
Unknown	0.0	8.5	18.2
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Distribution of HMDA Loans by Borrower Income Level			
		Aggregate Comparison	
		2019	
Income Level	**% Families by Family Income (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	20.7	21.6	7.4
Moderate	18.1	25.7	20.6
Middle	21.3	24.3	23.2
Upper	39.9	21.6	30.2
Unknown	0.0	6.8	18.6
Total	**100.0%**	**100.0%**	**100.0%**

Lending to Low-Income Borrowers

Overall, First Northern's HMDA lending to low-income borrowers was good.

2010 Census Data

First Northern's lending in 2016 to low-income borrowers was good. In 2016, First Northern's lending level of nearly 13% (14 loans) to low-income borrowers in the assessment area was above the aggregate lending level of 4%, but both the bank and aggregate lending levels were well below the proxy of 20% for low-income families. By product type, First Northern originated 4% of its home-purchase loans (one loan), 12% of refinance loans (five loans), 21% of home-improvement loans (eight loans), and no multifamily loans to low-income borrowers. By comparison, aggregate lenders made 4% of home-purchase loans, 4% of refinance loans, 5% of home-improvement loans, and no multifamily loans to low-income borrowers in 2016.

2015 ACS Data

First Northern's lending in 2017 to low-income borrowers was good. In 2017, First Northern's lending level of 16% to low-income borrowers (16 loans) was above the aggregate lending level of 7%, but below the proxy of 21% of low-income families. By product type, First Northern originated 9% of its home-purchase loans (four loans), 15% of refinance loans (four loans), 29% of home-improvement loans (eight loans), and no multifamily loans to low-income borrowers. Aggregate lenders made 6% of home-purchase loans, 9% of refinance loans, 9% of home-improvement loans, and no multifamily loans to low-income borrowers in 2017.

First Northern's lending in 2018 to low-income borrowers was good. In 2018, First Northern's lending level of 14% to low-income borrowers (10 loans) was above the aggregate lending level of 7%, but below the proxy of 21% of low-income families. By product, First Northern originated 10% of its home-purchase loans (two loans), 15% of refinance loans (five loans), 20% of home-improvement loans (two loans), 20% of other purpose closed loans (one loan), and no multifamily, or loans with purpose "not applicable" to low-income borrowers. In comparison aggregate lenders made 6% of home-purchase loans, 10% of refinance loans, 8% of home-improvement loans, 10% of other purpose closed loans, and no multifamily, or loans with purpose "not applicable" to low-income borrowers in 2018.

First Northern's lending in 2019 to low-income borrowers was excellent. In 2019, First Northern's lending level of 22% (16 loans) to low-income borrowers was well above the aggregate lending level of 7%, and the proxy of 21% of low-income families. By product type, First Northern originated 17% of its home-purchase loans (four loans), 28% of refinance loans (eight loans), 30% of home-improvement loans (three loans), 9% of other purpose closed loans (one loan), and no multifamily, or loans with purpose "not applicable" to low-income borrowers. Aggregate lenders made 7% of home-purchase loans, 8% of refinance loans, 14% of home-improvement loans, 11% of other purpose closed loans, 1% of loans with purpose "not applicable," and no multifamily loans to low-income borrowers in 2019.

Lending to Moderate-Income Borrowers

For the period under review, the bank's lending to moderate-income borrowers was excellent.

2010 Census Data

First Northern's lending in 2016 to moderate-income borrowers was excellent. First Northern's lending to moderate-income borrowers was 25% (28 loans), which was above the aggregate lending level of 14%, and proxy of 17% of moderate-income families. First Northern originated 19% of its home-purchase loans (five loans), 33% of its refinance loans (14 loans), 23% of home-improvement loans (nine loans), and no multifamily loans to moderate-income borrowers. In comparison, aggregate lenders made 16% of home-purchase loans, 11% of refinance loans, 12% of home-improvement loans, and no multifamily loans to moderate-income borrowers in 2016.

2015 ACS Data

First Northern's lending in 2017 to moderate-income borrowers was excellent. In 2017, the bank's lending to moderate-income borrowers was 21% (21 loans), and was above the aggregate lending level of 19%, and the proxy of 18%. In 2017, First Northern originated 23% of its home-purchase loans (10 loans), 22% of its refinance loans (six loans), 18% of home-improvement loans (five loans), and no multifamily loans to moderate-income borrowers. Aggregate lenders made 20% of home-purchase loans, 15% of refinance loans, 24% of home-improvement loans, and no multifamily loans to moderate-income borrowers in 2017.

First Northern's lending in 2018 to moderate-income borrowers was excellent. In 2018, 23% of the bank's HMDA loans (16 loans) were originated to moderate-income borrowers, which was again above both the aggregate lending level of 19%, and the proxy of moderate-income families 18%. In 2018, First Northern originated 29% of its home-purchase loans (six loans), 24% of its refinance loans (eight loans), 40% of its other purpose closed loans (two loans), and no home-improvement, multifamily, or loans with purpose "not applicable" to moderate-income borrowers. Aggregate lenders made 20% of home-purchase loans, 19% of refinance loans, 18% of home-improvement loans, 26% of other purpose closed loans, 1% of loans with purpose "not applicable," and no multifamily loans to moderate-income borrowers in 2018.

First Northern's lending in 2019 to moderate-income borrowers was excellent. In 2019, 26% of the bank's HMDA lending (19 loans) was made to moderate-income borrowers, which was above the aggregate lending level of 21% and the proxy of moderate-income families of 18%. By product, First Northern originated 22% of its home-purchase loans (five loans), 24% of its refinance loans (seven loans), 30% of home-improvement loans (three loans), 36% of its other purpose closed loans (four loans), and no multifamily or loans with purpose "not applicable" to moderate-income borrowers. Aggregate lenders made 23% of home-purchase loans, 18% of refinance loans, 20% of home-improvement loans, 19% of other purpose closed loans, 1% of loans with purpose "not applicable," and no multifamily loans to moderate-income borrowers in 2019.

Small Business Lending

An analysis of First Northern's borrower distribution of small business loans reflects good penetration among business customers of different sizes, including small businesses. For purposes 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 analyzed to identify those loans to businesses with gross annual revenues of $1 million or less, namely small businesses.

The number of businesses operating in the East Stroudsburg, PA assessment area is used as a proxy to estimate demand for business credit in the assessment area. According to available Dun & Bradstreet business demographic data, there were 5,358 businesses operating in the assessment area in 2016, 4,926 (92%) of which were designated as small businesses reporting revenues of less than $1 million. In 2017, 4,811 businesses were operating in the assessment area, 91% of which (4,395) were designated as small businesses. In 2018, 6,029 businesses were operating in the assessment area, 93% of which (5,599) were designated as small businesses. Finally, in 2019, 6,122 businesses were operating in the assessment area, 93% of which (5,697) were designated as small businesses.

2010 Census Data

In 2016, First Northern's borrower distribution of small businesses loans was good. In 2016, First Northern originated 20 small business loans in the assessment area, aggregating $2.7 million. Of these, 85% were originated to small businesses. This performance is better than that of aggregate lenders, who originated 53% of small business loans to small businesses, but below the proxy of 92% of small businesses.

Small business loans were further analyzed to determine the extent of loans originated in amounts of $100 thousand or less. Smaller size loans are generally commensurate with the borrowing needs of smaller businesses, and thus, added weight is given to such loans in determining whether an institution is meeting the credit needs of smaller businesses. In 2016, 65% of First Northern's small business loans were extended in amounts of $100 thousand or less. Aggregate data indicates that in 2016, 96% of small business loans made in the assessment area were originated in amounts of $100 thousand or less.

2015 ACS Data

First Northern's borrower distribution of small business loans in 2017 was good. In 2017, the bank originated 20 small business loans aggregating $3 million, 50% of which were originated to small businesses. The bank's performance matched that of aggregate lenders at 50%, but both the bank and aggregate lenders lagged the business proxy of 91%. Of the small business loans reported by the bank in 2017, 60% were extended in an amount of $100 thousand or less. Aggregate data indicates that 95% of small business loans in the assessment area were originated in an amount of $100 thousand or less.

First Northern's borrower distribution in 2018 to small businesses was good. In 2018, First Northern originated 31 small business loans aggregating $5 million. Of these, 61% were originated to small businesses. The bank's performance was higher than that of aggregate lenders (46%), but less than the proxy of small businesses (93%). Of the bank's small business loans, 52% were extended in an amount of $100 thousand or less, which is lower than that of aggregate lenders (95%).

Finally, First Northern's small business lending in 2019 was good. In 2019, the bank originated 17 small business loans totaling $3.9 million, 53% of which were originated to small businesses. This was above aggregate performance of 46%, but below proxy of 93%. Of the small business loans reported by the bank in 2019, 41% were extended in an amount of $100 thousand or less which is considerably lower than the aggregate of all small business loans in an amount of $100 thousand or less, at 95%.

It is noted that the aggregate lender's high percentage of small business loans is driven by small business credit card lending. Credit card-related loans, which are reported as small business loans for CRA purposes, are generally originated in lower dollar amounts, thereby skewing aggregate small business loan data. As mentioned previously, the top ten small business lenders in the East Stroudsburg, PA assessment area were all national or regional banks with substantial credit card portfolios.

Geographic Distribution of Lending

The geographic distribution of loans was analyzed to determine the dispersion of loans among different census tracts with the assessment area. The overall analysis reflects poor penetration throughout the East Stroudsburg, PA assessment area, including low- and moderate-income tracts.

Once again, it is noted that HMDA loans were given greater weight in determining this conclusion, given their higher volume by number and dollar amount, followed by small business loans.

Home-Mortgage Lending

First Northern's distribution of home-mortgage loans among geographies of different income levels, including low- and moderate-income census tracts is poor. The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage credit within such tracts. Generally, the greater the number of owner-occupied residential dwellings in a census tract, the greater the demand for home-mortgage credit is in the tract.

According to 2010 Census data, there were no low-income census tracts. However, almost 4% of owner-occupied housing units were located in moderate-income tracts, 80% were located in middle-income tracts, and nearly 17% were located in upper-income tracts.

Again, according to 2015 data, no low-income census tracts were located in the assessment area. The distribution of owner-occupied housing shifted slightly with the 2015 ACS update. More specifically, 8% of owner-occupied units were located in moderate-income tracts, 86% were located in middle-income tracts, and the remaining 6% were located in upper-income tracts.

The following tables present First Northern's geographic distribution of HMDA loans from 2016 through 2019, in comparison to the applicable owner-occupied housing proxies and the aggregate lending levels in the assessment area. The first table, used for lending in 2016, relies on 2010 Census data. The second table, used for 2017 lending, relies on updated 2015 ACS data. Finally, the third and fourth tables, used to evaluate 2018 and 2019 lending, use 2015 ACS data, along with updated HMDA data, which follows Regulation C updated requirements.

		Aggregate Comparison	
First Northern Bankand Trust Company **East Stroudsburg, PA Assessment Area** **Geographic Distribution of HMDA Loans**			
Income Level	**% Owner-Occupied Units (2010 Census Data)**	**2016**	
		% First Northern Lending	**% Aggregate Lending**
Low	0.0	0.0	0.0
Moderate	3.8	1.8	6.4
Middle	79.5	83.8	75.0
Upper	16.6	14.4	18.5
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

		Aggregate Comparison	
First Northern Bank and Trust Company **East Stroudsburg, PA Assessment Area** **Geographic Distribution of HMDA Loans**			
Income Level	**% Owner-Occupied Units (2015 ACS Data)**	**2017**	
		% First Northern Lending	**% Aggregate Lending**
Low	0.0	0.0	0.0
Moderate	8.0	6.1	9.0
Middle	86.4	81.8	86.6
Upper	5.6	12.1	4.5
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Geographic Distribution of HMDA Loans			
		Aggregate Comparison	
		2018	
Income Level	**% Owner-Occupied Unit (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	0.0	0.0	0.0
Moderate	8.0	2.8	8.6
Middle	86.4	90.1	87.1
Upper	5.6	7.0	4.4
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Geographic Distribution of HMDA Loans			
		Aggregate Comparison	
		2019	
Income Level	**% Owner-Occupied Units (2015 ACS Data)**	**% First Northern Lending**	**% Aggregate Lending**
Low	0.0	0.0	0.0
Moderate	8.0	4.1	10.3
Middle	86.4	87.8	85.7
Upper	5.6	8.1	4.0
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

Lending in Low-Income Census Tracts

Geographic distribution of HMDA loans in low-income census tracts was not analyzed due to the demographics of the East Stroudsburg, PA assessment area. As mentioned previously, there were no low-income census tracts as of the 2010 Census or the 2015 ACS update.

Lending in Moderate-Income Census Tracts

Overall, the bank's HMDA lending in moderate-income tracts was poor.

2010 Census Data

First Northern's lending in moderate-income census tracts in 2016 was poor.

In 2016, the bank originated 2% of HMDA loans (two loans) in moderate-income census tracts, which was below the 4% owner-occupied housing proxy, and below the 6% aggregate lending level. By product, 2% of refinance loans (one loan), 3% of home-improvement loans (one loans), and no home-purchase or multifamily loans were made in moderate-income tracts. Aggregate lenders made 7% of home-purchase loans, 6% of refinance loans, 4% of home-improvement loans, and no multifamily loans in moderate-income tracts in 2016.

2015 ACS Data

First Northern's lending in moderate-income census tracts in 2017 was adequate. In 2017, the bank originated 6% of HMDA loans (six loans) in moderate-income census tracts, which was slightly below the 8% proxy, and below the 9% aggregate lending level. By product, First Northern originated 7% of home-purchase loans (three loans), 7% of home-improvement loans (two loans), 100% of multifamily loans (one loan) and no refinance loans in moderate-income tracts. In comparison, aggregate lenders made 9% of home-purchase loans, 8% of refinance loans, 6% of home-improvement loans, and 63% of multifamily loans in moderate-income tracts in 2017.

First Northern's HMDA lending in moderate-income census tracts in 2018 was poor. In 2018, the bank originated 3% of HMDA loans (two loans) in moderate-income census tracts, which was below the 8% owner-occupied housing proxy, and the 9% aggregate lending level. By product type, 3% of the bank's refinance loans (one loan), and 10% of home-improvement loans (one loan) were made in moderate-income census tracts. No home-purchase, multifamily, other purpose closed, or loans with purpose "not applicable" were made in moderate-income tracts. Aggregate lenders made 9% of home-purchase loans, 9% of refinance loans, 9% of home-improvement loans, 10% of multifamily loans, 5% of other purpose closed loans, and 5% of loans with purpose "not applicable" in moderate-income tracts in 2018.

First Northern's HMDA lending in moderate-income census tracts in 2019 was poor. In 2019, First Northern originated 4% of HMDA loans (three loans) in moderate-income census tracts, which was below both the 8% proxy, and the 10% aggregate lending level. By product, 3% of refinance loans (one loan), 100% of multifamily loans (one loan), and 9% of other purpose closed loans (one loan) were made in moderate-income tracts. The bank made no home-purchase, home-improvement, or loans with purpose "not applicable" in moderate-income census tracts. In comparison, aggregate lenders made 11% of home-purchase loans, 10% of refinance loans, 9% of home-improvement loans, 42% of multifamily loans, 6% of other purpose closed loans, and 6% of loans with purpose "not applicable" in moderate-income tracts in 2019.

Small Business Lending

The geographic distribution of First Northern's small business loans reflects poor penetration throughout the assessment area, in the context of the assessment area's demographic and economic characteristics during the evaluation period.

The geographic distribution of businesses in the assessment area by census tract type is used as a proxy for small business loan demand. Generally, the greater the number of businesses located in a tract, the greater the demand for small business loans in the tract. Again, there were no low-income census tracts in the assessment area for any of the years evaluated. Based on available business data, in 2016, 3% of businesses were located in moderate-income tracts, 85% were located in middle income tracts, and nearly 13% were located in upper-income tracts. In 2017, 24% of businesses were located in moderate-income tracts, 72% were located in middle-income tracts, and 4% in upper-income tracts. In 2018, nearly 21% of businesses were located in moderate-income tracts, 74% in middle-income tracts, and almost 6% in upper-income tracts. Finally, in 2019, 20% of businesses were located in moderate-income tracts, with 74% in middle-income tracts, and 6% in upper-income tracts.

The following tables present First Northern's small business geographic distribution for 2016, 2017, 2018 and 2019, in comparison to applicable business proxies for each of the years evaluated, and aggregate lending levels in the assessment area.

Census Tract Income Level	% Businesses by Tract Income Level (2010 Census Data)	Aggregate Comparison	
		2016	
		% First Northern Lending	% Aggregate Lending

First Northern Bank and Trust Company
East Stroudsburg, PA Assessment Area
Geographic Distribution of Small Business Loans

Census Tract Income Level	% Businesses by Tract Income Level (2010 Census Data)	% First Northern Lending	% Aggregate Lending
Low	0.0	0.0	0.0
Moderate	2.8	5.0	2.9
Middle	84.6	85.0	82.5
Upper	12.6	10.0	14.6
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company
East Stroudsburg, PA Assessment Area
Geographic Distribution of Small Business Loans

Census Tract Income Level	% Businesses by Tract Income Level (2015 ACS Data)	Aggregate Comparison 2017 % First Northern Lending	% Aggregate Lending
Low	0.0	0.0	0.0
Moderate	23.8	15.0	16.6
Middle	71.9	80.0	73.8
Upper	4.4	5.0	6.5
Unknown	0.0	0.0	0.0
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company
East Stroudsburg, PA Assessment Area
Geographic Distribution of Small Business Loans

Census Tract Income Level	% Businesses by Tract Income Level (2015 ACS Data)	Aggregate Comparison 2018 % First Northern Lending	% Aggregate Lending
Low	0.0	0.0	0.0
Moderate	20.6	0.0	15.7
Middle	73.7	87.1	75.3
Upper	5.7	12.9	6.8
Unknown	0.0	0.0	2.2
Total	**100.0%**	**100.0%**	**100.0%**

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Geographic Distribution of Small Business Loans			
		Aggregate Comparison	
		2019	
Census Tract Income Level	% Businesses by Tract Income Level (2015 ACS Data)	% First Northern Lending	% Aggregate Lending
Low	0.0	0.0	0.0
Moderate	20.4	5.9	15.6
Middle	73.9	88.2	73.8
Upper	5.7	5.9	6.7
Unknown	0.0	0.0	4.0
Total	**100.0%**	**100.0%**	**100.0%**

Lending in Low-Income Census Tracts

As with HMDA lending, geographic distribution of small business loans in low-income census tracts was not analyzed due to assessment area demographics. There were no low-income census tracts in the East Stroudsburg, PA assessment area according to 2010 Census or 2015 ACS data.

Lending in Moderate-Income Census Tracts

First Northern's small business lending in moderate-income census tracts was poor.

2010 Census Data

In 2016, the geographic distribution of the bank's small businesses lending was adequate. The bank originated 5% of its small business loans (one loan) in a moderate-income tract. Though by percentage, the bank's performance exceeded aggregate lending and proxy (3%), only one single small business loan was made in a moderate-income tract.

2015 ACS Data

In 2017, First Northern's small business lending in moderate-income tracts was adequate. The bank originated 15% of small business loans (three loans) in moderate-income tracts, just below aggregate lending of 17%, and below the proxy of 24% of businesses located in moderate-income tracts.

In 2018, the bank's geographic distribution of small business loans was very poor. None of First Northern's small business loans were made in moderate-income census tracts. Aggregate lenders made 16% of small business loans in moderate-income tracts, and the proxy of small businesses located in such tracts was 21%.

Finally, in 2019, First Northern's small business geographic distribution was poor. In 2019, the bank originated 6% of its small business loans (one loan) in a moderate-income tract. A review of the aggregate lending data for 2019 shows that 16% of all small business loans originated in the assessment area were made in these tracts. The bank's performance also lagged the business proxy of 20%.

Responsiveness to Credit Needs

First Northern exhibits a good record of serving the credit needs of low-income individuals and areas, and very small businesses.

Affordable housing was identified as an important credit need in the East Stroudsburg, PA assessment area, and the bank's HMDA record indicates that home-mortgage lending is being extended throughout the assessment area. Additionally, the bank's single community development loan supported affordable housing, and the bank uses its first-time homebuyer product, as discussed below.

Innovative and/or Flexible Lending Practices

First Northern makes little use of innovative and/or flexible lending practices in serving assessment area credit needs. In an effort to address the home-mortgage credit needs of low- and moderate-income individuals and families, the bank offers a proprietary affordable mortgage loan product for first-time homebuyers. During the evaluation period, First Northern originated eight loans totaling $974 thousand in the East Stroudsburg, PA assessment area. This represents a modest increase from the previous evaluation, when First Northern originated seven loans totaling $651 thousand.

Community Development Lending

First Northern makes a low level of community development loans in the assessment area. One community development loan was reported for the East Stroudsburg, PA assessment area during the review period. Of the bank's total community development lending, 12% by dollar amount was made within the East Stroudsburg, PA assessment area.

The loan, totaling just under $1.4 million, supported affordable housing activities in the assessment area. The bank's performance represents an increase from the previous evaluation when no community loans were originated with the assessment area.

The following table includes the bank's community development lending activity by year and purpose.

First Northern Bank and Trust Company East Stroudsburg, PA Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000)	#	$(000s)
2017	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0
2019	1	1,375	0	0	0	0	0	0	1	1,375
2020	0	0	0	0	0	0	1	0	0	0
TOTAL	1	1,375	0	0	0	0	0	0	1	1,375

INVESTMENT TEST

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income areas or individuals, together with the responsiveness, innovativeness, and complexity of such investments. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of the CRA, the term qualified investment has been defined to include: a lawful investment; deposit; membership share; or grant, including a donation or in-kind contribution of property that has as its primary purpose, community development.

Performance under the investment test is assessed as low satisfactory.

Volume of Investment and Grant Activity

First Northern has an adequate level of qualified community development investments and grants, occasionally in a leadership position. Qualified investments, grants and donations in the East Stroudsburg, PA assessment area totaled nearly $570 thousand, which represents an increase over the $377 thousand level at the bank's previous evaluation. Of the bank's overall investments, less than 11% were made in the East Stroudsburg, PA assessment area.

Investments consisted of several qualified mortgage-backed security pools, totaling almost $563 thousand, which support affordable housing in the bank's assessment area. The remaining $7 thousand consisted of donations to organizations that provide community development services to low- and moderate-income individuals. Of the total investments, the overwhelming majority (99%) supported affordable housing, and just 1% promoted the provision of community development services.

The following table presents the investment, grant and donation activity in the East Stroudsburg, PA assessment area.

CD Category	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$ (000s)	#	$ (000s)	#	$ (000s)	#	$ (000s)	#	$ (000s)
Qualified Investments	5	563	0	0	0	0	0	0	5	563
Donations	0	0	6	7	0	0	0	0	6	7
TOTAL	**5**	**563**	**6**	**7**	**0**	**0**	**0**	**0**	**11**	**570**

First Northern Bank and Trust Company
East Stroudsburg, PA Assessment Area
Qualified Investments

Responsiveness to Credit and Community Development Needs

First Northern exhibits good responsiveness to credit and community development needs of the assessment area. The investments address a specified demographic need in the assessment area by providing affordable housing to low- and moderate-income individuals.

Community Development Initiatives

First Northern makes rare use of innovative and/or complex investments to support community development initiatives. As previously noted, the overwhelming majority of investment dollars consisted of mortgage-backed security investments, which were supplemented by a modest amount of donations that supported organizations involved in providing community services to low- and moderate-income individuals. Neither investment type is considered to be particularly innovative or complex.

SERVICE TEST

The service test evaluates the financial services provided by a financial institution using the following characteristics:

- The accessibility of delivery mechanisms within an assessment area, including the distribution of an institution's branch offices and alternative delivery mechanisms;
- The impact of changes in branch locations upon low- and moderate-income census tracts or low- and moderate-income persons in the assessment area;
- The reasonableness of business hours and services in meeting assessment area needs; and
- The extent to which an institution provides community development services.

Performance under the service test is assessed as low satisfactory in the assessment area.

Accessibility of Delivery Systems

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank currently operates five branches in the East Stroudsburg, PA assessment area. Using 2010 Census information, all five branches (100%) were located in middle-income census tracts. Comparatively, 4% of the population was located in moderate-income tracts, while 79% of the population was located in middle-income tracts, and the remaining 16% was located in upper-income census tracts.

The following table details the locations of the bank's branches in the East Stroudsburg, PA assessment area in 2016, with a comparison to 2010 Census data demographics.

First Northern Bank and Trust Company Retail Branch Distribution East Stroudsburg, PA Assessment Area 2010 Census Data				
Census Tract Type	**Number of Branches**	**(%)** **Percent of Branches**	**Population**	**(%)** **Percent of Population**
Low	0	0.0	0	0.0
Moderate	0	0.0	7,494	4.4
Middle	5	100.0	134,619	79,3
Upper	0	0.0	27,729	16.3
Unknown	0	0.0	0	0.0
Totals	**5**	**100.0%**	**169,842**	**100.0%**

Due to shifts in income levels pursuant to the 2015 ACS update, the distribution of the bank's branches also changed. Using 2015 ACS data, there were no branches located in low-income census tracts in the assessment area. One of the bank's branches (20%) was located in a moderate-income tract, three (60%) were located in middle-income tracts, and one (20%) was located in an upper-income census tract. By comparison, 11% of the population resided in moderate-income tracts, while 83% resided in middle-income tracts, and 5% in upper-income tracts.

The following table details the locations of the bank's branches in the East Stroudsburg, PA assessment area for years 2017, 2018 and 2019, in comparison to 2015 ACS data demographics.

Census Tract Type	Number of Branches	(%) Percent of Branches	Population	(%) Percent of Population
First Northern Bank and Trust Company Retail Branch Distribution East Stroudsburg, PA Assessment Area 2015 ACS Data				
Low	0	0.0	0	0.0
Moderate	1	20.0	18,884	11.3
Middle	3	60.0	140,082	83.4
Upper	1	20.0	8,915	5.3
Unknown	0	0.0	0	0.0
Totals	**5**	**100.0%**	**167,881**	**100.0%**

All five of First Northern's full-service branch locations are equipped with ATMs which provide electronic access to banking services. Additionally, First Northern offers online banking and mobile services, which allow customers to check balances, make transfers, pay in-house loans, and have access to check images. Finally, customers have access to online bill pay, person-2-person transfer services, and mobile deposit services.

Changes in Branch Locations

The bank did not open or close any branches during the evaluation period, and therefore this component of the service test was not considered in this assessment area.

Reasonableness of Business Hours and Services in Meeting Assessment Area Needs

Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income census tracts or individuals. As previously stated, all of First Northern's branches in the assessment area are full-service, and include ATMs, as well as drive-through facilities. Branch operating hours are consistent throughout the assessment area, and operate Monday through Thursday, with extended hours on Friday, as well as Saturday morning hours.

Bank Products

First Northern offers the following products with reduced fees and minimal balance requirements, which provide access to banking services for low- to moderate-income individuals and small businesses.

- A regular checking account with a $5 monthly fee which is waived if a $200 average balance is maintained during a statement cycle. The checking account includes unlimited check writing, and mobile and online banking with the ability to check balances, transfer funds, pay in-house loans, apply for a loan, and pay bills.

- A basic business checking account with 50 free monthly items and a $.20 fee for each additional item, free online banking with cash management and free business bill pay, along with remote deposit services. A minimum balance of $200 is required to avoid a monthly fee of $5. Additionally, the bank offers a business plus checking account, with a $10 monthly fee which is waived if a $2,500 minimum balance is maintained. The business plus account offers similar features but allows businesses a total of 250 monthly items. This combination of business checking accounts provides businesses with relatively low-cost options that meet their needs.

Community Development Services

First Northern provides a limited level of community development services in this assessment area. Community development services were provided to the following local community and economic development organizations and their members:

- The Bank's Co-CEO/CFO and a bank officer serve as Co-Treasurers and provide accounting services to The Salvation Army. The role of the Palmerton Chapter is to validate vouchers issued by the Salvation Army to local residents in need for necessities such as food and heating oil.

CRA APPENDICES

CRA APPENDIX A: SCOPE OF EXAMINATION TABLE

SCOPE OF EXAMINATION			
Time Period Reviewed			
11/29/2016 – 03/8/2021			
Financial Institution		**Products Reviewed**	
First Northern Bank and Trust Company		HMDA	
		Small Business	
Affiliates	**Affiliate Relationship**	**Products Reviewed**	
N/A	N/A	N/A	
List of Assessment Areas and Type of Examination			
Assessment Area	**Type of Examination**	**Branches Visited**[7]	**Other Information**
Allentown, PA Assessment Area	Full-Scope	N/A	
East Stroudsburg, PA Assessment Area	Full-Scope	N/A	No geographic distribution analysis was performed in low-income census tracts, due to assessment area demographics.

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[7]No branch visits were performed in accordance with the scoping process for this evaluation. The institution's CRA Public File was reviewed electronically.

CRA APPENDIX B: SUMMARY OF STATE RATING

State Name	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State Rating
Commonwealth of Pennsylvania				Satisfactory
Allentown, PA Assessment Area	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
East Stroudsburg, PA Assessment Area	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

CRA APPENDIX C: 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 or assessment area.

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

Community development: All Agencies have adopted the following language.
(1) Affordable housing (including multifamily rental housing) for low- or moderate-income individuals;
(2) Community services targeted to low- or moderate-income individuals;
(3) 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; and
(4) 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 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: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into male householder (a family with a male householder and no wife present) or female householder (a family with a female householder and no husband present).

Full-scope review: Performance under the lending, investment, and service tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, 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: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the lending, investment, and service tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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

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

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

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

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

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

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

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

CRA APPENDIX D: HMDA LOAN DISTRIBUTION TABLES

2016 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

	HMDA							
	By Tract Income				By Borrower Income			
Income Categories	#	%	$(000s)	%	#	%	$(000s)	%
Home Purchase								
Low	0	0.0%	0	0.0%	1	1.4%	43	0.4%
Moderate	19	26.4%	1,858	19.0%	12	16.7%	1,227	12.5%
Middle	44	61.1%	6,255	63.9%	18	25.0%	2,860	29.2%
Upper	9	12.5%	1,676	17.1%	37	51.4%	5,221	53.3%
Unknown	0	0.0%	0	0.0%	4	5.6%	438	4.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**72**	**100.0%**	**9,789**	**100.0%**	**72**	**100.0%**	**9,789**	**100.0%**
Refinance								
Low	1	1.0%	64	0.4%	15	14.3%	874	5.4%
Moderate	24	22.9%	4,221	26.1%	26	24.8%	2,557	15.8%
Middle	65	61.9%	8,597	53.1%	19	18.1%	2,171	13.4%
Upper	15	14.3%	3,311	20.4%	42	40.0%	8,410	51.9%
Unknown	0	0.0%	0	0.0%	3	2.9%	2,181	13.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**105**	**100.0%**	**16,193**	**100.0%**	**105**	**100.0%**	**16,193**	**100.0%**
Home Improvement								
Low	2	6.1%	95	6.7%	4	12.1%	58	4.1%
Moderate	8	24.2%	216	15.2%	7	21.2%	421	29.6%
Middle	21	63.6%	924	64.9%	10	30.3%	469	32.9%
Upper	2	6.1%	189	13.3%	12	36.4%	476	33.4%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**33**	**100.0%**	**1,424**	**100.0%**	**33**	**100.0%**	**1,424**	**100.0%**
Multi-Family								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	3	60.0%	771	71.2%	0	0.0%	0	0.0%
Middle	2	40.0%	312	28.8%	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%	1,083	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**5**	**100.0%**	**1,083**	**100.0%**	**5**	**100.0%**	**1,083**	**100.0%**
HMDA Totals								
Low	3	1.4%	159	0.6%	20	9.3%	975	3.4%
Moderate	54	25.1%	7,066	24.8%	45	20.9%	4,205	14.8%
Middle	132	61.4%	16,088	56.5%	47	21.9%	5,500	19.3%
Upper	26	12.1%	5,176	18.2%	91	42.3%	14,107	49.5%
Unknown	0	0.0%	0	0.0%	12	5.6%	3,702	13.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**215**	**100.0%**	**28,489**	**100.0%**	**215**	**100.0%**	**28,489**	**100.0%**

2017 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%	#	%	$(000s)	%
	Home Purchase							
Low	1	1.1%	50	0.4%	5	5.6%	349	2.6%
Moderate	14	15.6%	1,823	13.6%	17	18.9%	1,554	11.6%
Middle	63	70.0%	8,971	66.8%	24	26.7%	3,871	28.8%
Upper	12	13.3%	2,592	19.3%	35	38.9%	6,381	47.5%
Unknown	0	0.0%	0	0.0%	9	10.0%	1,281	9.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**90**	**100.0%**	**13,436**	**100.0%**	**90**	**100.0%**	**13,436**	**100.0%**
	Refinance							
Low	1	1.3%	68	0.7%	7	9.3%	617	6.0%
Moderate	9	12.0%	1,367	13.3%	18	24.0%	2,033	19.8%
Middle	55	73.3%	7,207	70.2%	24	32.0%	3,079	30.0%
Upper	10	13.3%	1,629	15.9%	20	26.7%	3,945	38.4%
Unknown	0	0.0%	0	0.0%	6	8.0%	597	5.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**75**	**100.0%**	**10,271**	**100.0%**	**75**	**100.0%**	**10,271**	**100.0%**
	Home Improvement							
Low	1	1.9%	32	0.8%	4	7.4%	193	4.8%
Moderate	6	11.1%	662	16.3%	12	22.2%	491	12.1%
Middle	45	83.3%	3,131	77.3%	15	27.8%	1,284	31.7%
Upper	2	3.7%	225	5.6%	21	38.9%	2,026	50.0%
Unknown	0	0.0%	0	0.0%	2	3.7%	56	1.4%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**54**	**100.0%**	**4,050**	**100.0%**	**54**	**100.0%**	**4,050**	**100.0%**
	Multi-Family							
Low	1	50.0%	1,060	29.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	1	50.0%	2,600	71.0%	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%	2	100.0%	3,660	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**2**	**100.0%**	**3,660**	**100.0%**	**2**	**100.0%**	**3,660**	**100.0%**
	HMDA Totals							
Low	4	1.8%	1,210	3.9%	16	7.2%	1,159	3.7%
Moderate	29	13.1%	3,852	12.3%	47	21.3%	4,078	13.0%
Middle	164	74.2%	21,909	69.7%	63	28.5%	8,234	26.2%
Upper	24	10.9%	4,446	14.2%	76	34.4%	12,352	39.3%
Unknown	0	0.0%	0	0.0%	19	8.6%	5,594	17.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**221**	**100.0%**	**31,417**	**100.0%**	**221**	**100.0%**	**31,417**	**100.0%**

2018 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%	#	%	$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	4	6.1%	409	3.3%
Moderate	9	13.6%	701	5.6%	9	13.6%	866	6.9%
Middle	47	71.2%	8,504	68.0%	18	27.3%	2,736	21.9%
Upper	10	15.2%	3,308	26.4%	33	50.0%	8,378	67.0%
Unknown	0	0.0%	0	0.0%	2	3.0%	124	1.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**66**	**100.0%**	**12,513**	**100.0%**	**66**	**100.0%**	**12,513**	**100.0%**
	Refinance							
Low	0	0.0%	0	0.0%	6	12.2%	386	7.3%
Moderate	6	12.2%	521	9.8%	11	22.4%	762	14.4%
Middle	37	75.5%	4,234	79.8%	14	28.6%	1,581	29.8%
Upper	6	12.2%	553	10.4%	15	30.6%	2,328	43.9%
Unknown	0	0.0%	0	0.0%	3	6.1%	251	4.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**49**	**100.0%**	**5,308**	**100.0%**	**49**	**100.0%**	**5,308**	**100.0%**
	Home Improvement							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	9.1%	86	21.1%	1	9.1%	10	2.5%
Middle	10	90.9%	321	78.9%	3	27.3%	76	18.7%
Upper	0	0.0%	0	0.0%	5	45.5%	185	45.5%
Unknown	0	0.0%	0	0.0%	2	18.2%	136	33.4%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**11**	**100.0%**	**407**	**100.0%**	**11**	**100.0%**	**407**	**100.0%**
	Multi-Family							
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	4	80.0%	5,430	47.5%	0	0.0%	0	0.0%
Upper	1	20.0%	6,000	52.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	5	100.0%	11,430	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**5**	**100.0%**	**11,430**	**100.0%**	**5**	**100.0%**	**11,430**	**100.0%**
	Other Purpose LOC							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**

CONTINUED- 2018 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%				
	Other Purpose Closed/Exempt							
Low	0	0.0%	0	0.0%	5	23.8%	168	16.6%
Moderate	2	9.5%	41	4.0%	6	28.6%	242	23.9%
Middle	17	81.0%	872	86.1%	6	28.6%	165	16.3%
Upper	2	9.5%	100	9.9%	4	19.0%	438	43.2%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**21**	**100.0%**	**1,013**	**100.0%**	**21**	**100.0%**	**1,013**	**100.0%**
	Loan Purpose Not Applicable							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**
	HMDA Totals							
Low	0	0.0%	0	0.0%	15	9.9%	963	3.1%
Moderate	18	11.8%	1,349	4.4%	27	17.8%	1,880	6.1%
Middle	115	75.7%	19,361	63.1%	41	27.0%	4,558	14.9%
Upper	19	12.5%	9,961	32.5%	57	37.5%	11,329	36.9%
Unknown	0	0.0%	0	0.0%	12	7.9%	11,941	38.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**152**	**100.0%**	**30,671**	**100.0%**	**152**	**100.0%**	**30,671**	**100.0%**

2019 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

	HMDA							
	By Tract Income				By Borrower Income			
Income Categories	#	%	$(000s)	%	#	%	$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	6	8.2%	418	2.8%
Moderate	6	8.2%	703	4.7%	11	15.1%	1,778	11.9%
Middle	62	84.9%	12,890	86.5%	24	32.9%	4,091	27.5%
Upper	5	6.8%	1,303	8.7%	28	38.4%	7,786	52.3%
Unknown	0	0.0%	0	0.0%	4	5.5%	823	5.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	73	100.0%	14,896	100.0%	73	100.0%	14,896	100.0%
	Refinance							
Low	1	2.0%	63	1.1%	7	14.3%	459	8.2%
Moderate	6	12.2%	535	9.6%	9	18.4%	758	13.5%
Middle	39	79.6%	4,521	80.8%	15	30.6%	1,587	28.4%
Upper	3	6.1%	477	8.5%	17	34.7%	2,625	46.9%
Unknown	0	0.0%	0	0.0%	1	2.0%	167	3.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	49	100.0%	5,596	100.0%	49	100.0%	5,596	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	1	5.6%	25	3.7%
Moderate	1	5.6%	31	4.6%	4	22.2%	65	9.6%
Middle	15	83.3%	621	91.5%	9	50.0%	414	61.0%
Upper	2	11.1%	27	4.0%	4	22.2%	175	25.8%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	18	100.0%	679	100.0%	18	100.0%	679	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	100.0%	494	100.0%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	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%	1	100.0%	494	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	494	100.0%	1	100.0%	494	100.0%
	Other Purpose LOC							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%

CONTINUED- 2019 HMDA LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%				
	Other Purpose Closed/Exempt							
Low	0	0.0%	0	0.0%	1	9.1%	15	2.0%
Moderate	0	0.0%	0	0.0%	5	45.5%	226	29.7%
Middle	10	90.9%	731	95.9%	4	36.4%	221	29.0%
Upper	1	9.1%	31	4.1%	1	9.1%	300	39.4%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**11**	**100.0%**	**762**	**100.0%**	**11**	**100.0%**	**762**	**100.0%**
	Loan Purpose Not Applicable							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**
	HMDA Totals							
Low	1	0.7%	63	0.3%	15	9.9%	917	4.1%
Moderate	14	9.2%	1,763	7.9%	29	19.1%	2,827	12.6%
Middle	126	82.9%	18,763	83.7%	52	34.2%	6,313	28.1%
Upper	11	7.2%	1,838	8.2%	50	32.9%	10,886	48.5%
Unknown	0	0.0%	0	0.0%	6	3.9%	1,484	6.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**152**	**100.0%**	**22,427**	**100.0%**	**152**	**100.0%**	**22,427**	**100.0%**

2016 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%	#	%	$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	1	3.7%	59	1.2%
Moderate	0	0.0%	0	0.0%	5	18.5%	525	10.9%
Middle	20	74.1%	3,981	82.9%	6	22.2%	566	11.8%
Upper	7	25.9%	823	17.1%	12	44.4%	1,772	36.9%
Unknown	0	0.0%	0	0.0%	3	11.1%	1,882	39.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**27**	**100.0%**	**4,804**	**100.0%**	**27**	**100.0%**	**4,804**	**100.0%**
	Refinance							
Low	0	0.0%	0	0.0%	5	11.9%	315	7.8%
Moderate	1	2.4%	80	2.0%	14	33.3%	1,273	31.4%
Middle	35	83.3%	3,236	79.7%	7	16.7%	495	12.2%
Upper	6	14.3%	742	18.3%	14	33.3%	1,703	42.0%
Unknown	0	0.0%	0	0.0%	2	4.8%	272	6.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**42**	**100.0%**	**4,058**	**100.0%**	**42**	**100.0%**	**4,058**	**100.0%**
	Home Improvement							
Low	0	0.0%	0	0.0%	8	20.5%	195	12.5%
Moderate	1	2.6%	25	1.6%	9	23.1%	404	25.9%
Middle	35	89.7%	1,422	91.0%	13	33.3%	446	28.6%
Upper	3	7.7%	115	7.4%	9	23.1%	517	33.1%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**39**	**100.0%**	**1,562**	**100.0%**	**39**	**100.0%**	**1,562**	**100.0%**
	Multi-Family							
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	100.0%	1,150	100.0%	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%	3	100.0%	1,150	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**3**	**100.0%**	**1,150**	**100.0%**	**3**	**100.0%**	**1,150**	**100.0%**
	HMDA Totals							
Low	0	0.0%	0	0.0%	14	12.6%	569	4.9%
Moderate	2	1.8%	105	0.9%	28	25.2%	2,202	19.0%
Middle	93	83.8%	9,789	84.6%	26	23.4%	1,507	13.0%
Upper	16	14.4%	1,680	14.5%	35	31.5%	3,992	34.5%
Unknown	0	0.0%	0	0.0%	8	7.2%	3,304	28.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**111**	**100.0%**	**11,574**	**100.0%**	**111**	**100.0%**	**11,574**	**100.0%**

2017 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

	HMDA							
	By Tract Income				By Borrower Income			
Income Categories	#	%	$(000s)	%	#	%	$(000s)	%
Home Purchase								
Low	0	0.0%	0	0.0%	4	9.3%	319	4.9%
Moderate	3	7.0%	351	5.4%	10	23.3%	905	13.9%
Middle	36	83.7%	5,497	84.3%	7	16.3%	996	15.3%
Upper	4	9.3%	675	10.3%	14	32.6%	2,759	42.3%
Unknown	0	0.0%	0	0.0%	8	18.6%	1,544	23.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**43**	**100.0%**	**6,523**	**100.0%**	**43**	**100.0%**	**6,523**	**100.0%**
Refinance								
Low	0	0.0%	0	0.0%	4	14.8%	143	5.5%
Moderate	0	0.0%	0	0.0%	6	22.2%	500	19.1%
Middle	23	85.2%	2,514	96.0%	7	25.9%	320	12.2%
Upper	4	14.8%	106	4.0%	10	37.0%	1,657	63.2%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**27**	**100.0%**	**2,620**	**100.0%**	**27**	**100.0%**	**2,620**	**100.0%**
Home Improvement								
Low	0	0.0%	0	0.0%	8	28.6%	253	14.5%
Moderate	2	7.1%	265	15.2%	5	17.9%	248	14.2%
Middle	22	78.6%	1,298	74.3%	7	25.0%	425	24.3%
Upper	4	14.3%	184	10.5%	6	21.4%	601	34.4%
Unknown	0	0.0%	0	0.0%	2	7.1%	220	12.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**28**	**100.0%**	**1,747**	**100.0%**	**28**	**100.0%**	**1,747**	**100.0%**
Multi-Family								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	100.0%	236	100.0%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	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%	1	100.0%	236	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**1**	**100.0%**	**236**	**100.0%**	**1**	**100.0%**	**236**	**100.0%**
HMDA Totals								
Low	0	0.0%	0	0.0%	16	16.2%	715	6.4%
Moderate	6	6.1%	852	7.7%	21	21.2%	1,653	14.9%
Middle	81	81.8%	9,309	83.7%	21	21.2%	1,741	15.6%
Upper	12	12.1%	965	8.7%	30	30.3%	5,017	45.1%
Unknown	0	0.0%	0	0.0%	11	11.1%	2,000	18.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**99**	**100.0%**	**11,126**	**100.0%**	**99**	**100.0%**	**11,126**	**100.0%**

2018 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%	#	%	$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	2	9.5%	133	4.7%
Moderate	0	0.0%	0	0.0%	6	28.6%	679	24.2%
Middle	20	95.2%	2,595	92.6%	5	23.8%	535	19.1%
Upper	1	4.8%	206	7.4%	8	38.1%	1,454	51.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**21**	**100.0%**	**2,801**	**100.0%**	**21**	**100.0%**	**2,801**	**100.0%**
	Refinance							
Low	0	0.0%	0	0.0%	5	15.2%	310	10.6%
Moderate	1	3.0%	75	2.6%	8	24.2%	635	21.7%
Middle	31	93.9%	2,775	94.9%	4	12.1%	257	8.8%
Upper	1	3.0%	74	2.5%	13	39.4%	1,612	55.1%
Unknown	0	0.0%	0	0.0%	3	9.1%	110	3.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**33**	**100.0%**	**2,924**	**100.0%**	**33**	**100.0%**	**2,924**	**100.0%**
	Home Improvement							
Low	0	0.0%	0	0.0%	2	20.0%	70	11.5%
Moderate	1	10.0%	50	8.2%	0	0.0%	0	0.0%
Middle	8	80.0%	370	60.7%	4	40.0%	127	20.8%
Upper	1	10.0%	190	31.1%	3	30.0%	223	36.6%
Unknown	0	0.0%	0	0.0%	1	10.0%	190	31.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**10**	**100.0%**	**610**	**100.0%**	**10**	**100.0%**	**610**	**100.0%**
	Multi-Family							
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	2	100.0%	1,480	100.0%	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%	2	100.0%	1,480	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**2**	**100.0%**	**1,480**	**100.0%**	**2**	**100.0%**	**1,480**	**100.0%**
	Other Purpose LOC							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**

CONTINUED- 2018 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%				
	Other Purpose Closed/Exempt							
Low	0	0.0%	0	0.0%	1	20.0%	50	20.6%
Moderate	0	0.0%	0	0.0%	2	40.0%	53	21.8%
Middle	3	60.0%	168	69.1%	1	20.0%	100	41.2%
Upper	2	40.0%	75	30.9%	1	20.0%	40	16.5%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**5**	**100.0%**	**243**	**100.0%**	**5**	**100.0%**	**243**	**100.0%**
	Loan Purpose Not Applicable							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**
	HMDA Totals							
Low	0	0.0%	0	0.0%	10	14.1%	563	7.0%
Moderate	2	2.8%	125	1.6%	16	22.5%	1,367	17.0%
Middle	64	90.1%	7,388	91.7%	14	19.7%	1,019	12.6%
Upper	5	7.0%	545	6.8%	25	35.2%	3,329	41.3%
Unknown	0	0.0%	0	0.0%	6	8.5%	1,780	22.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**71**	**100.0%**	**8,058**	**100.0%**	**71**	**100.0%**	**8,058**	**100.0%**

2019 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

	HMDA							
	By Tract Income				**By Borrower Income**			
Income Categories	**#**	**%**	**$(000s)**	**%**	**#**	**%**	**$(000s)**	**%**
	Home Purchase							
Low	0	0.0%	0	0.0%	4	17.4%	455	13.4%
Moderate	0	0.0%	0	0.0%	5	21.7%	699	20.6%
Middle	21	91.3%	3,151	92.8%	5	21.7%	892	26.3%
Upper	2	8.7%	246	7.2%	7	30.4%	1,148	33.8%
Unknown	0	0.0%	0	0.0%	2	8.7%	203	6.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**23**	**100.0%**	**3,397**	**100.0%**	**23**	**100.0%**	**3,397**	**100.0%**
	Refinance							
Low	0	0.0%	0	0.0%	8	27.6%	436	14.3%
Moderate	1	3.4%	225	7.4%	7	24.1%	795	26.0%
Middle	27	93.1%	2,796	91.6%	8	27.6%	861	28.2%
Upper	1	3.4%	32	1.0%	6	20.7%	961	31.5%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**29**	**100.0%**	**3,053**	**100.0%**	**29**	**100.0%**	**3,053**	**100.0%**
	Home Improvement							
Low	0	0.0%	0	0.0%	3	30.0%	102	26.0%
Moderate	0	0.0%	0	0.0%	3	30.0%	145	37.0%
Middle	9	90.0%	332	84.7%	2	20.0%	60	15.3%
Upper	1	10.0%	60	15.3%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	2	20.0%	85	21.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**10**	**100.0%**	**392**	**100.0%**	**10**	**100.0%**	**392**	**100.0%**
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	100.0%	430	100.0%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	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%	1	100.0%	430	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**1**	**100.0%**	**430**	**100.0%**	**1**	**100.0%**	**430**	**100.0%**
	Other Purpose LOC							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**

CONTINUED- 2019 HMDA LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	$(000s)	%				
	Other Purpose Closed/Exempt							
Low	0	0.0%	0	0.0%	1	9.1%	11	2.0%
Moderate	1	9.1%	11	2.0%	4	36.4%	252	45.9%
Middle	8	72.7%	492	89.6%	3	27.3%	81	14.8%
Upper	2	18.2%	46	8.4%	3	27.3%	205	37.3%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**11**	**100.0%**	**549**	**100.0%**	**11**	**100.0%**	**549**	**100.0%**
	Loan Purpose Not Applicable							
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	0	0.0%	0	0.0%	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%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**
	HMDA Totals							
Low	0	0.0%	0	0.0%	16	21.6%	1,004	12.8%
Moderate	3	4.1%	666	8.5%	19	25.7%	1,891	24.2%
Middle	65	87.8%	6,771	86.6%	18	24.3%	1,894	24.2%
Upper	6	8.1%	384	4.9%	16	21.6%	2,314	29.6%
Unknown	0	0.0%	0	0.0%	5	6.8%	718	9.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**74**	**100.0%**	**7,821**	**100.0%**	**74**	**100.0%**	**7,821**	**100.0%**

CRA APPENDIX E: SMALL BUSINESS LOAN DISTRIBUTION TABLES

2016 SMALL BUSINESS LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
By Tract Income								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	11	21.2%	1,477	19.7%	0	0.0%	0	0.0%
Middle	35	67.3%	5,551	74.2%	0	0.0%	0	0.0%
Upper	6	11.5%	451	6.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**52**	**100.0%**	**7,479**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Revenue								
Total $1 Million or Less	33	63.5%	3,914	52.3%	0	0.0%	0	0.0%
Over $1 Million	19	36.5%	3,565	47.7%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**52**	**100.0%**	**7,479**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size								
$100,000 or less	33	63.5%	1,620	21.7%	0	0.0%	0	0.0%
$100,001 - $250,000	12	23.1%	2,407	32.2%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	7	13.5%	3,452	46.2%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**52**	**100.0%**	**7,479**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size and Revenue $1 Million or Less								
$100,000 or less	24	72.7%	1,063	27.2%	0	0.0%	0	0.0%
$100,001 - $250,000	6	18.2%	1,159	29.6%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	3	9.1%	1,692	43.2%	0	0.0%	0	0.0%
Over $1 Million (Bus) - $500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**33**	**100.0%**	**3,914**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2017 SMALL BUSINESS LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
	By Tract Income							
Low	2	4.4%	225	2.3%	0	0.0%	0	0.0%
Moderate	8	17.8%	2,743	28.0%	0	0.0%	0	0.0%
Middle	32	71.1%	6,418	65.4%	0	0.0%	0	0.0%
Upper	3	6.7%	420	4.3%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**45**	**100.0%**	**9,806**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Revenue							
Total $1 Million or Less	16	35.6%	2,235	22.8%	0	0.0%	0	0.0%
Over $1 Million	29	64.4%	7,571	77.2%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**45**	**100.0%**	**9,806**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Loan Size							
$100,000 or less	19	42.2%	1,045	10.7%	0	0.0%	0	0.0%
$100,001 - $250,000	11	24.4%	1,780	18.2%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	15	33.3%	6,981	71.2%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**45**	**100.0%**	**9,806**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Loan Size and Revenue $1 Million or Less							
$100,000 or less	11	68.8%	627	28.1%	0	0.0%	0	0.0%
$100,001 - $250,000	3	18.8%	488	21.8%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	2	12.5%	1,120	50.1%	0	0.0%	0	0.0%
Over $1 Million (Bus) -$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**16**	**100.0%**	**2,235**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2018 SMALL BUSINESS LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
	By Tract Income							
Low	1	2.2%	50	0.8%	0	0.0%	0	0.0%
Moderate	5	10.9%	1,131	17.3%	0	0.0%	0	0.0%
Middle	36	78.3%	4,753	72.5%	0	0.0%	0	0.0%
Upper	4	8.7%	622	9.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**46**	**100.0%**	**6,556**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Revenue							
Total $1 Million or Less	27	58.7%	2,587	39.5%	0	0.0%	0	0.0%
Over $1 Million	19	41.3%	3,969	60.5%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**46**	**100.0%**	**6,556**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Loan Size							
$100,000 or less	29	63.0%	1,368	20.9%	0	0.0%	0	0.0%
$100,001 - $250,000	10	21.7%	1,777	27.1%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	7	15.2%	3,411	52.0%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**46**	**100.0%**	**6,556**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
	By Loan Size and Revenue $1 Million or Less							
$100,000 or less	23	85.2%	997	38.5%	0	0.0%	0	0.0%
$100,001 - $250,000	1	3.7%	200	7.7%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	3	11.1%	1,390	53.7%	0	0.0%	0	0.0%
Over $1 Million (Bus) -$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**27**	**100.0%**	**2,587**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2019 SMALL BUSINESS LOAN DISTRIBUTION TABLE (ALLENTOWN, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	By Tract Income											
	#	%	$(000s)	%	#	%	$(000s)	%	#	%	$(000s)	%
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%	2	6.7%	350	7.6%
Moderate	2	6.9%	1,054	20.7%	0	0.0%	0	0.0%	6	20.0%	940	20.3%
Middle	20	69.0%	3,221	63.4%	0	0.0%	0	0.0%	20	66.7%	2,985	64.5%
Upper	7	24.1%	805	15.8%	0	0.0%	0	0.0%	2	6.7%	350	7.6%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknow	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**29**	**100.0%**	**5,080**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**30**	**100.0%**	**4,625**	**100.0%**
	By Revenue											
Total $1 Million or Less	21	72.4%	2,519	49.6%	0	0.0%	0	0.0%	12	40.0%	972	21.0%
Over 1 Million	8	27.6%	2,561	50.4%	0	0.0%	0	0.0%	18	60.0%	3,653	79.0%
Not Know	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**29**	**100.0%**	**5,080**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**30**	**100.0%**	**4,625**	**100.0%**
	By Loan Size											
$100,000 or less	15	51.7%	693	13.6%	0	0.0%	0	0.0%	18	60.0%	1,127	24.4%
$100,001 - $250,000	8	27.6%	1,487	29.3%	0	0.0%	0	0.0%	6	20.0%	1,198	25.9%
$250,001 - $1 Million (Bus)-$500k (Farm)	6	20.7%	2,900	57.1%	0	0.0%	0	0.0%	6	20.0%	2,300	49.7%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**29**	**100.0%**	**5,080**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**30**	**100.0%**	**4,625**	**100.0%**
	By Loan Size and Revenue $1 Million or Less											
$100,000 or less	13	61.9%	580	23.0%	0	0.0%	0	0.0%	10	83.3%	522	53.7%
$100,001 - $250,000	5	23.8%	978	38.8%	0	0.0%	0	0.0%	1	8.3%	150	15.4%
$250,001 - $1 Million (Bus) - $500k (Farm)	3	14.3%	961	38.2%	0	0.0%	0	0.0%	1	8.3%	300	30.9%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**21**	**100.0%**	**2,519**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**12**	**100.0%**	**972**	**100.0%**

2016 SMALL BUSINESS LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
By Tract Income								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	5.0%	100	3.7%	0	0.0%	0	0.0%
Middle	17	85.0%	2,382	88.0%	0	0.0%	0	0.0%
Upper	2	10.0%	225	8.3%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**2,707**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Revenue								
Total $1 Million or Less	17	85.0%	2,414	89.2%	0	0.0%	0	0.0%
Over $1 Million	3	15.0%	293	10.8%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**2,707**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size								
$100,000 or less	13	65.0%	701	25.9%	0	0.0%	0	0.0%
$100,001 - $250,000	4	20.0%	596	22.0%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	3	15.0%	1,410	52.1%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**2,707**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size and Revenue $1 Million or Less								
$100,000 or less	12	70.6%	693	28.7%	0	0.0%	0	0.0%
$100,001 - $250,000	2	11.8%	311	12.9%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	3	17.6%	1,410	58.4%	0	0.0%	0	0.0%
Over $1 Million (Bus) -$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**17**	**100.0%**	**2,414**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2017 SMALL BUSINESS LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
By Tract Income								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	3	15.0%	580	19.0%	0	0.0%	0	0.0%
Middle	16	80.0%	2,475	80.9%	0	0.0%	0	0.0%
Upper	1	5.0%	5	0.2%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**3,060**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Revenue								
Total $1 Million or Less	10	50.0%	1,639	53.6%	0	0.0%	0	0.0%
Over $1 Million	10	50.0%	1,421	46.4%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**3,060**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size								
$100,000 or less	12	60.0%	574	18.8%	0	0.0%	0	0.0%
$100,001 - $250,000	5	25.0%	780	25.5%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	3	15.0%	1,706	55.8%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**20**	**100.0%**	**3,060**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size and Revenue $1 Million or Less								
$100,000 or less	7	70.0%	289	17.6%	0	0.0%	0	0.0%
$100,001 - $250,000	1	10.0%	200	12.2%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	2	20.0%	1,150	70.2%	0	0.0%	0	0.0%
Over $1 Million (Bus) -$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**10**	**100.0%**	**1,639**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2018 SMALL BUSINESS LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	$(000s)	%	#	%	$(000s)	%
By Tract Income								
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	27	87.1%	4,747	94.3%	0	0.0%	0	0.0%
Upper	4	12.9%	285	5.7%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**31**	**100.0%**	**5,032**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Revenue								
Total $1 Million or Less	19	61.3%	2,836	56.4%	0	0.0%	0	0.0%
Over $1 Million	12	38.7%	2,196	43.6%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**31**	**100.0%**	**5,032**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size								
$100,000 or less	16	51.6%	642	12.8%	0	0.0%	0	0.0%
$100,001 - $250,000	11	35.5%	1,910	38.0%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)-$500k (Farm)	4	12.9%	2,480	49.3%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**31**	**100.0%**	**5,032**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**
By Loan Size and Revenue $1 Million or Less								
$100,000 or less	13	68.4%	526	18.5%	0	0.0%	0	0.0%
$100,001 - $250,000	3	15.8%	510	18.0%	0	0.0%	0	0.0%
$250,001 - $1 Million (Bus)- $500k (Farm)	3	15.8%	1,800	63.5%	0	0.0%	0	0.0%
Over $1 Million (Bus) -$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**19**	**100.0%**	**2,836**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**

2019 SMALL BUSINESS LOAN DISTRIBUTION TABLE (EAST STROUDSBURG, PA ASSESSMENT AREA)

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	By Tract Income											
	#	%	$(000s)	%	#	%	$(000s)	%	#	%	$(000s)	%
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	5.9%	30	0.8%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	15	88.2%	2,949	76.4%	0	0.0%	0	0.0%	7	87.5%	675	99.3%
Upper	1	5.9%	880	22.8%	0	0.0%	0	0.0%	1	12.5%	5	0.7%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknow	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**17**	**100.0%**	**3,859**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**8**	**100.0%**	**680**	**100.0%**
	By Revenue											
Total $1 Million or Less	9	52.9%	1,577	40.9%	0	0.0%	0	0.0%	6	75.0%	455	66.9%
Over 1 Million	8	47.1%	2,282	59.1%	0	0.0%	0	0.0%	2	25.0%	225	33.1%
Not Know	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**17**	**100.0%**	**3,859**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**8**	**100.0%**	**680**	**100.0%**
	By Loan Size											
$100,000 or less	7	41.2%	220	5.7%	0	0.0%	0	0.0%	6	75.0%	400	58.8%
$100,001 - $250,000	6	35.3%	924	23.9%	0	0.0%	0	0.0%	2	25.0%	280	41.2%
$250,001 - $1 Million (Bus)-$500k (Farm)	4	23.5%	2,715	70.4%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**17**	**100.0%**	**3,859**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**8**	**100.0%**	**680**	**100.0%**
	By Loan Size and Revenue $1 Million or Less											
$100,000 or less	4	44.4%	93	5.9%	0	0.0%	0	0.0%	5	83.3%	300	65.9%
$100,001 - $250,000	4	44.4%	604	38.3%	0	0.0%	0	0.0%	1	16.7%	155	34.1%
$250,001 - $1 Million (Bus) - $500k (Farm)	1	11.1%	880	55.8%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Over $1 Million (Bus)-$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**9**	**100.0%**	**1,577**	**100.0%**	**0**	**0.0%**	**0**	**0.0%**	**6**	**100.0%**	**455**	**100.0%**

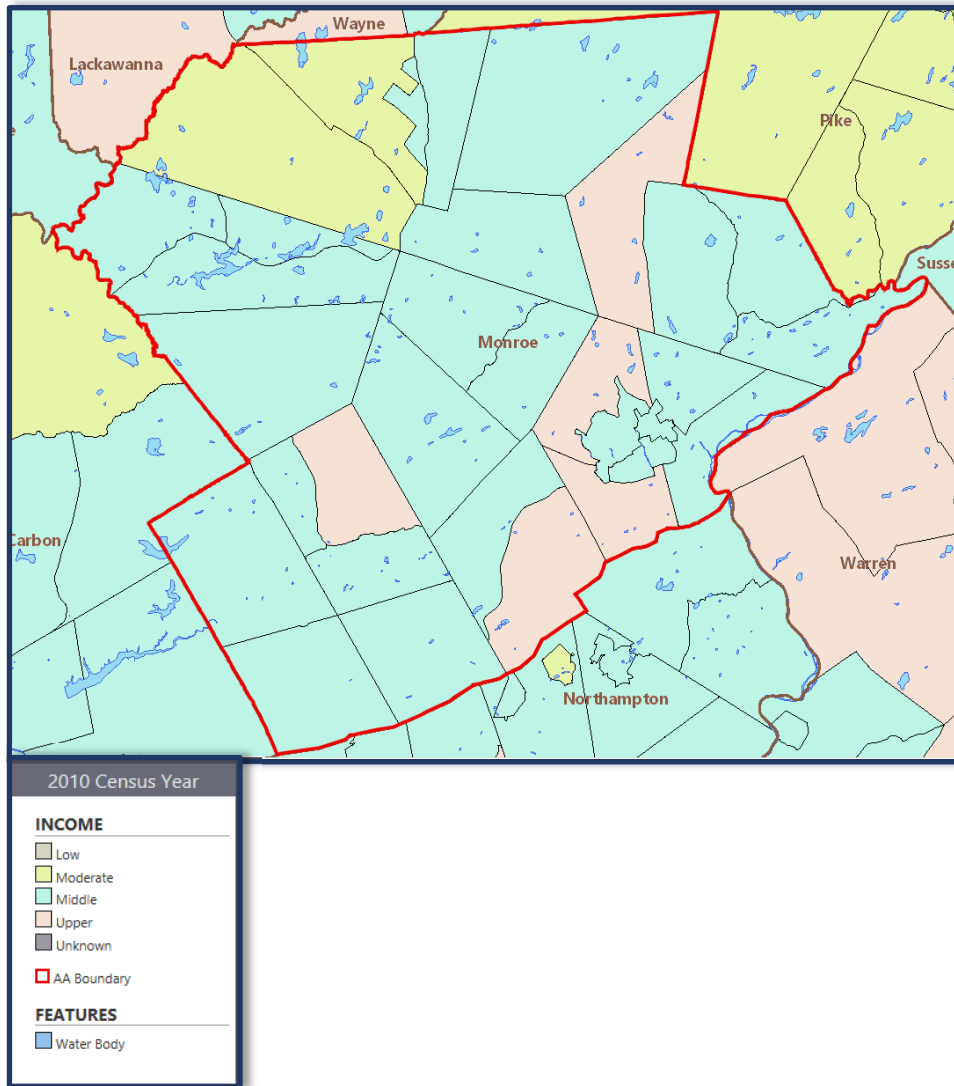**CRA APPENDIX F: ASSESSMENT AREA MAPS**

ALLENTOWN, PA ASSESSMENT AREA (2010 CENSUS DATA)
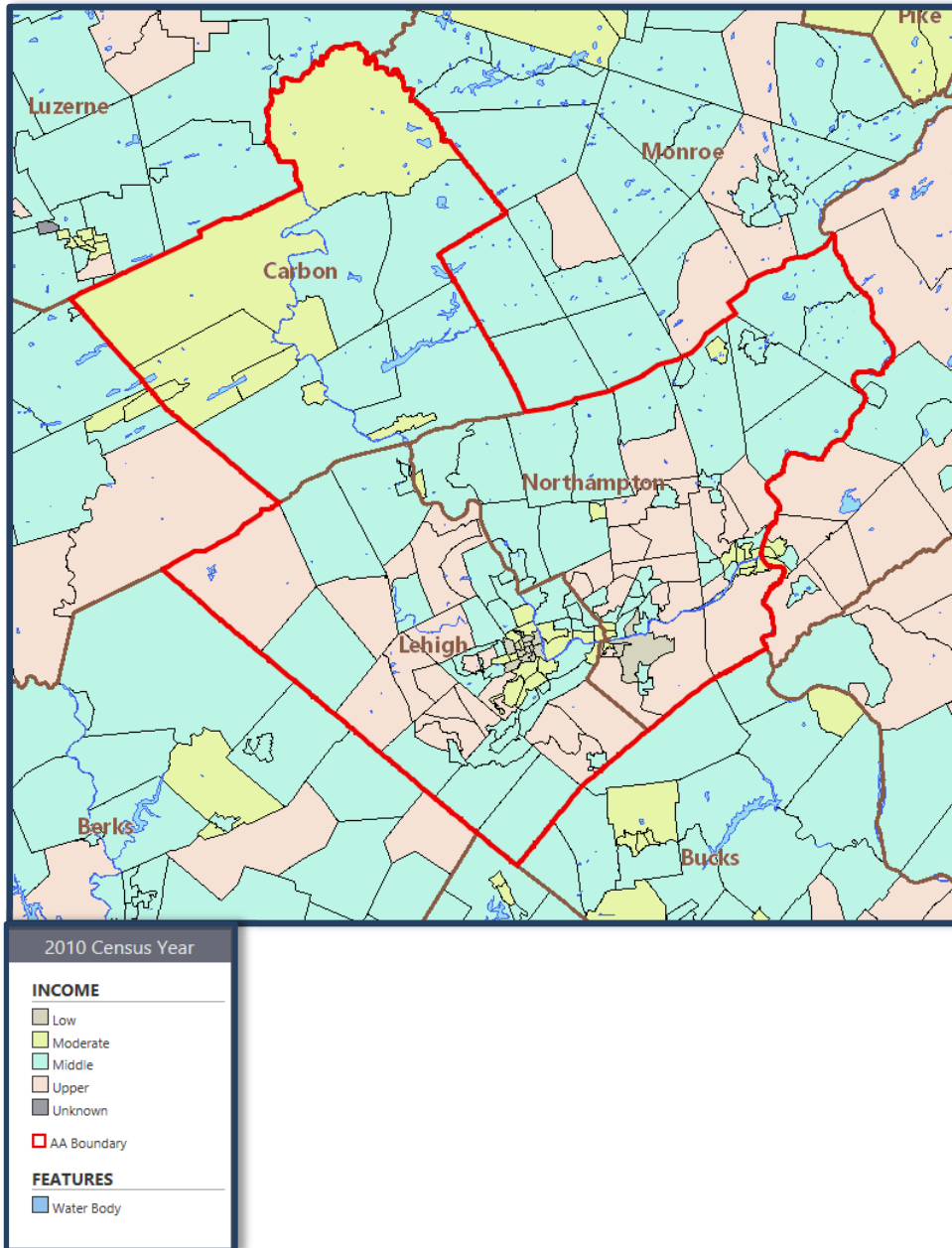
ALLENTOWN, PA ASSESSMENT AREA (2015 ACS DATA)
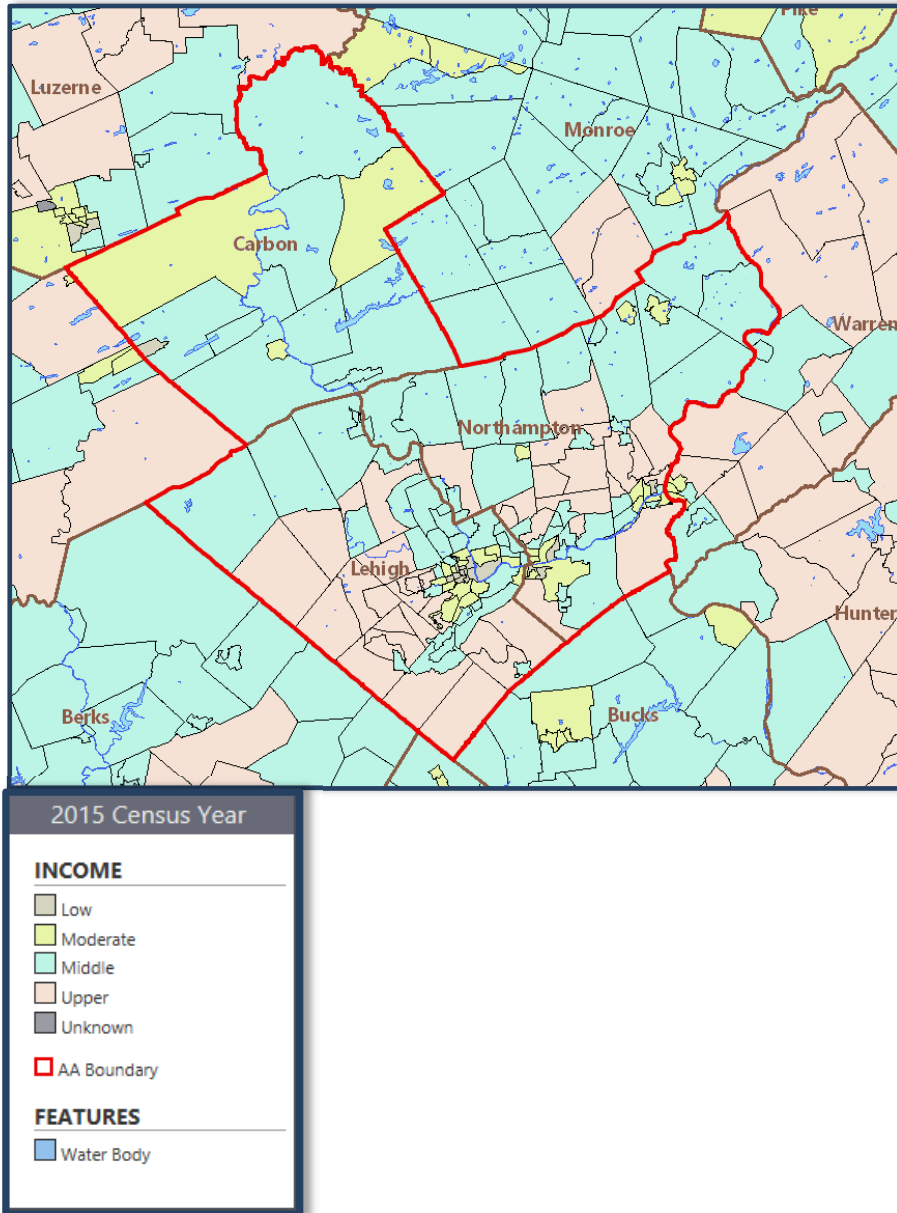
EAST STROUDSBURG, PA ASSESSMENT AREA (2010 CENSUS DATA)

EAST STROUDSBURG, PA ASSESSMENT AREA (2015 ACS DATA)