



PUBLIC DISCLOSURE

August 19, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Northfield Bank
Charter Number 718063

1731 Victory Boulevard
Staten Island, NY 10314

Office of the Comptroller of the Currency

New York Field Office
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Suite 610
Edison, NJ 08837

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **Northfield Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		X	X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The geographic distribution of loans is adequate.
- The borrower distribution of loans is adequate.
- The high level of community development loans (including multifamily loans) had a positive impact.
- Northfield has a significant level of qualified investments, grants, and donations that benefit the assessment area.
- Retail services and delivery systems are accessible to essentially all portions of the assessment area.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

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

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

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

Activities that revitalize or stabilize-

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

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder' and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

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

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

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

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine

the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

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

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

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

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

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

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

Tier 1 Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Northfield Bank (Northfield) is a federally chartered savings bank that conducts business from its home office in Woodbridge, NJ. During the evaluation period, a change in the holding company occurred. Northfield is now a subsidiary of Northfield Bancorp Inc., a Delaware Corporation (Northfield-Delaware). Northfield Federal was the holding company for Northfield Bank prior to January 2013. Northfield-Delaware was created in June 2010 and in January 2013, became the holding company of Northfield Bank following the closing of Northfield Bancorp, Inc, a Federal Corporation (Northfield-Federal) and Northfield Bancorp, MHC. Northfield-Delaware has total assets of \$2.8 billion. Northfield has 30 branch locations in Kings County (Brooklyn, NY), Richmond County (Staten Island, NY) and in Union and Middlesex Counties in New Jersey.

Northfield's subsidiaries and affiliates are as follows: NSB Services, Corp., NSB Insurance Agency, Inc., Flatbush REIT, Inc., and NSB Realty Trust. Flatbush REIT is in process of dissolution. NSB Realty Trust is a real estate investment trust and subsidiary of NSB Services Corp. Northfield Bank Foundation was created in 2007 and is an independent entity from Northfield. This foundation promotes charitable purposes in the assessment area (AA). During this evaluation period, dividends of \$568 thousand were paid on the foundation's shares from Northfield's holding company; and grants and donations of \$1.7 million were distributed.

Northfield's last Public Evaluation (PE) was dated July 26, 2010 and the overall CRA rating assigned was Satisfactory. Since the most recent evaluation, Northfield added eleven branches serving Kings, Union, and Middlesex Counties. On October 14, 2011, an acquisition of the deposits and assets of the former First State Bank in Cranford, New Jersey resulted in the addition of two branches—one of which was closed and transferred to an existing branch. On November 2, 2012, Northfield acquired the former Flatbush Federal Savings and Loan Association, which resulted in the addition of three branches in Brooklyn, New York. One of these branches was relocated to another area of Brooklyn. Five additional branches in Brooklyn, New York, one branch in Woodbridge, New Jersey, and one branch in Union, New Jersey were added to Northfield during this evaluation period. More information regarding branch additions and closures can be found under the Service Test section of this PE.

Competition in the assessment area is strong for both loans and deposits. There exists a high amount of financial institutions, which consist of large money centers, regional banks, community banks, and credit unions.

As of June 30, 2013, the total loan portfolio was \$1.3 billion. The table below indicates the dollar amount, percentage to total loans, and percentage to total assets of each loan category. The table also illustrates the bank's focus on real estate loans.

Northfield Bank's Investment in Loans 6/30/2012 Uniform Bank Performance Report			
Loan Category	Amount \$(000's)	Percent of Total Loans	Percent of Total Assets
Residential Loans	\$1,283,975	96.3%	47.7%
Commercial Loans	\$47,846	3.6%	1.8%
Consumer Loans	\$1,512	0.1%	.06%
Total	\$1,333,333	100.0%	49.56%

Total loans and leases represented 50 percent of total assets. The loan portfolio is comprised of \$1.3 billion of residential loans (96 percent), \$48 million of commercial loans (4 percent), and \$1.5 million of consumer loans (0.1 percent). Tier 1 capital is \$520 million as of June 30, 2013. Northfield's primary business is in multifamily and commercial real estate loans, investment securities, and corporate bonds. In October 2009, Northfield offered loans to finance premiums on insurance policies, including commercial property, casualty, and professional liability insurance. The bank has since stopped originating these loans and sold the majority of the insurance premiums to another bank in February 2012. There are no legal, financial, or other factors that impede the bank's ability to help meet the credit needs in the assessment area.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test for home mortgages reported under the Home Mortgage Disclosure Act (HMDA) and loans to small businesses is from July 1, 2010 through July 1, 2013. For community development loans, services, and investments, the evaluation period is also from July 27, 2010 through July 1, 2013.

In our evaluation of lending, we evaluated two time periods separately, 2010 to 2011 and 2012 to 2013. The separation is due to the difference in census information used for each period. The 2000 Census information was used for the 2010 to 2011 time period, and the 2010 Census information was used for the 2012 to 2013 time period. Although we evaluated lending data for both periods, we included only the lending tables for 2012 to 2013 within this PE as they included the most recent market share data available. The tables for the 2010 to 2011 period were excluded in order to keep the report to a reasonable size. CD loan and investment data presented in the tables cover 2010 to 2013. The branch distribution contained in Table 15 represents branch locations by income classification per the 2010 Census.

Data Integrity

A data integrity examination of the loan information discussed in the Evaluation Period/Product Evaluated section above was completed in January 2013. Publicly filed information and registers were examined by the OCC to verify the accuracy of the data. The loan data is considered accurate. The 2010 HMDA data and 2010 and 2011 small business loans required corrections, which the bank completed prior to this CRA examination.

Selection of Areas for Full-Scope Review

We completed a full-scope review of the bank's assessment area, which consists of three contiguous Metropolitan Divisions (MD) all located within the New York-Northern New Jersey-Long Island, NY-NJ-PA MSA (35620). The assessment area includes Kings and Richmond Counties in New York and Union and Middlesex Counties in New Jersey. Kings and Richmond Counties are located in the New York-Wayne-White Plains, NY-NJ MD (35644); Middlesex County is located in the Edison-New Brunswick, NJ MD (20764); and Union county is located in the Newark-Union, NJ-PA MD (35084). The assessment area contains 1,155 geographies that were evaluated as one assessment area.

Ratings

The bank's overall rating is based primarily on the bank's only AA. Home mortgage products received greater weighting than small loans to businesses in evaluating the Lending Test. The distribution of home mortgage loans represents the majority of loans originated during the 2012-2013 review period. Approximately 80 percent of total loans originated during the evaluation period were home mortgage loans while small loans to businesses made up 20 percent of total loans during 2012-2013.

Other

During this examination, an executive director from a community development organization was contacted. The contact indicated that the primary credit needs are mortgage and small business loans. The contact also indicated that financial services are available in the AA; and there are numerous bank ATMs and branches.

The organization is currently working on a foreclosure prevention program, energy conservation for lower income individuals, and owns a senior housing apartment building. The contact also stated that Northfield Bank's foundation provides support to the organization and an officer from the local bank is part of the organization's staff.

Fair Lending or Other Illegal Credit Practices Review

There was no evidence of discriminatory or other illegal credit practices with helping to meet community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the New York-Wayne-White Plains, NY-NJ MD is adequate; the Edison-New Brunswick, NJ MD is good, and the Newark-Union, NJ-PA MD is adequate.

Lending Activity

Refer to Table 1 – Lending Volume and Table 1 – Other in Appendix C for the facts and data used to evaluate the bank's lending activity.

New York-Wayne-White Plains, NY-NJ MD (35644)

Lending levels in the New York-Wayne-White Plains, NY-NJ MD reflect adequate responsiveness to the AA's credit needs. In 2012 and 2013, 46 percent of all home mortgage originations were made in this MD. Loans reported under HMDA represent a majority of the bank's lending to individuals with 53 percent of all lending in the MD and will be weighted more heavily than small business loans, which comprised 25 percent of lending in the MD. Home purchase, home improvement, and home refinance loans represented 38 percent, 18 percent, and 43 percent, respectively, of all mortgages originated in this MD. Small business loans are a secondary credit need of the MD and represent 25 percent of lending.

Northfield has 21 branches and 73% of its deposits in this MD. As of July 30, 2013, Northfield ranked 11th in deposits with 2.41% deposit market share in Kings and Middlesex Counties.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans by income level of the geography is adequate. The geographic distribution of home mortgage loans is adequate, and the geographic distribution of small loans to businesses is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

The geographic distribution of home purchase loans reflects adequate distribution when taking into account the difficulty that low- and moderate-income individuals have in purchasing a home in this MD.

In 2011, no home purchase loans were made in low- and moderate-income geographies. This is less than the percentage of aggregate home purchase lending in low- and moderate-income tracts. From 2012 through 2013, no home purchase loans were made in low-income geographies. This is adequate and somewhat lower than the percentage of owner-occupied housing units in the low-income tracts considering the level of owner-occupied housing units available in this MD. The bank's percentage of home purchase loans in moderate-income geographies exceeds the percentage of owner-occupied units located in moderate-income geographies.

Home Refinance Loans

The geographic distribution of home refinance loans reflects good distribution throughout this MD. Based on 2000 Census data, in 2011 the percentage of home refinance loans made to low-income borrowers in this MD exceeds standards related to the percentage of owner-occupied units in the low-income geographies. Home refinance loans to low-income borrowers also exceeds standards in relation to the percentage of aggregate peer lending in the low-income tracts. The percentage of home refinance loans made to moderate-income borrowers in this MD is somewhat lower than the percentage of owner-occupied units in the moderate-income tracts. The percentage of refinance loans is also somewhat lower than the percentage of aggregate refinance lending in the moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013 the percentage of home refinance loans made to low-income borrowers in this MD is near to or equal to the percentage of owner-occupied units in the low-income tracts. The percentage of home refinance loans made to moderate-income borrowers in this MD is somewhat lower than the percentage of owner-occupied units in the moderate-income tracts. No aggregate home refinancing lending data is available at this time.

Home Improvement Loans

The geographic distribution of home improvement loans reflect poor distribution throughout this MD particularly to low- or moderate-income geographies. Based on 2000 Census data, in 2011 no loans were made to borrowers in low- and moderate-income geographies. This falls below the aggregate home refinance lending in the low- and moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013, no home improvement loans were made in low-income geographies. The percentage of home improvement loans made in moderate-income geographies is lower than the percentage of owner-occupied units in the moderate-income tracts. No aggregate home refinance lending data is available at this time.

Multifamily Loans

The geographic distribution of multifamily loans reflects good distribution throughout the MD. Based on 2000 Census data, in 2011 the percentage of multifamily loans made to low-income borrowers in this MD is somewhat lower than the percentage of multifamily units in low-income tracts. The percentage of multifamily loans made to low-income borrowers in this MD is also somewhat lower than the percentage of aggregate multifamily lending in the low-income tracts. The percentage of multifamily loans made to moderate-income borrowers in this MD exceeds both the percentage of multifamily units in the moderate-income tracts and the percentage of aggregate multifamily lending in the moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013, the percentage of multifamily loans made to low-income borrowers in this MD is somewhat lower than the percentage of multifamily units in the low-income tracts. The percentage of multifamily loans made to moderate-income borrowers in this MD exceeds the percentage of multifamily units in the moderate-income tracts. No aggregate multifamily lending data is available at this time.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses reflects adequate distribution throughout the MD. Economic conditions and competition are the largest concern in these territories; however, opportunities in the region are still available for the bank. Based on 2000 Census data, small loans to businesses (businesses with revenues of \$1 million or less) in this MD represented 89 percent of all small loans to businesses originated by Northfield. The percentage of small loans to businesses in low-income geographies is 6.91 percent and somewhat lower than the 11.06 percent of businesses in low-income geographies. The percentage of small loans to businesses in moderate-income geographies is 27.24 percent, which is also somewhat lower than the 36.15 percent of businesses in moderate-income geographies.

Based on 2010 Census data, originations of small loans to businesses decreased as the bank ceased lending to finance insurance premiums on various policies. The percentage of small loans to businesses to low-income geographies is 3.51 percent, which is lower than the 11.88 percent of businesses in low-income geographies. Small loans to business in moderate-income geographies is 21.05 percent and somewhat lower than the 30.73 percent of businesses in the moderate-income geography.

Newark-Union, NJ-PA MD (35084)

Lending activity in the Newark-Union, NJ-PA MD reflects adequate responsiveness to the area's credit needs. For 2012 and 2013, 21 percent of all home mortgage originations were made in this MD. HMDA loans represent a majority of the bank's lending to individuals with 72 percent of all lending in the MD and will be weighed more heavily than small business loans which comprised 5 percent of lending in the MD. Home refinance, home purchase, and home improvement loans represented 68 percent, 28 percent, and 4 percent, respectively, of all mortgages originated in this MD. Only three home improvement loans were originated by Northfield during the evaluation period; an analysis of these loans will not be meaningful. Small business loans are a secondary credit need of the MD and represent five percent of lending.

Northfield has 4 branches and 12.2 percent of its deposits in this MD. As of July 30, 2013, Northfield ranked 17th in deposits with 0.93 percent deposit market share in Union County.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans by income level of the geography is adequate. The geographic distribution of home mortgage loans is adequate and the geographic distribution of small loans to businesses is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

The geographic distribution of home purchase loans reflects adequate distribution throughout this MD. In 2011, no home purchase loans were made in low- and moderate-income geographies. This is lower than the percentage of aggregate home purchase lending in low- and moderate-income tracts. From 2012 through 2013, no home purchase loans were made in low-income geographies. This is adequate and is somewhat lower than the percentage of owner-occupied housing units in the low-income tracts, though 3.5 percent of owner-occupied units are located in this MD. The bank's percentage of home purchase loans in moderate-income geographies exceeds the percentage of owner-occupied units located

in moderate-income geographies. The level of home mortgages to moderate-income families exceeds the percentage of moderate-income families in the MD.

Newark-Union, NJ-PA MD Distribution of Northfield Home Purchase Loans			
By Borrower Income Level in the Assessment Area			
Borrower Income Category	% of Loans	% Family Distribution	% of Aggregate (or Peers)
Low	0.00	10.39	N/A
Moderate	27.27	27.60	N/A
Middle	54.55	32.28	N/A
Upper	18.18	29.73	N/A
Total # or \$	100.00	100.00	N/A

Source: 2013 HMDA Data based on 2010 Census

Home Refinance Loans

The geographic distribution of home refinance loans reflects good distribution throughout the MD. Based on 2000 Census data, in 2011 no home refinance loans were made to low-income borrowers in this MD; this is near to or equal the percentage of owner-occupied units in the low-income geographies; and is also near to or equal the percentage of aggregate peer lending in the low-income tracts. The percentage of home refinance loans made to moderate-income borrowers in this MD is near to or equals the percentage of owner-occupied units in the moderate-income tracts. The percentage of refinance loans exceeds standards of the percentage of aggregate refinance lending in the moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013 no home refinance loans were made to low-income borrowers in this MD; this is near to or equal the percentage of owner-occupied units in the low-income tracts. The percentage of home refinance loans made to moderate-income borrowers in this MD exceeds the percentage of owner-occupied units in the moderate-income tracts. No aggregate home refinancing lending data is available at this time.

Multifamily Loans

The geographic distribution of multifamily loans reflects good distribution throughout the MD. Based on 2000 Census data, no multifamily loans were made to low-income borrowers in 2011; this falls below the percentage of aggregate multifamily lending in the low-income tract. The percentage of multifamily loans made to moderate-income borrowers in this MD exceeds the percentage of multifamily units in the moderate-income tracts. It also exceeds the percentage of aggregate multifamily lending in the moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013 the percentage of multifamily loans made to low-income borrowers in this MD is somewhat lower than the percentage of multifamily units in the low-income tracts. The percentage of multifamily loans made to moderate-income borrowers in this MD exceeds the percentage of multifamily units in the moderate-income tracts. No aggregate multifamily lending data is available at this time.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank’s origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses reflects adequate penetration of the MD considering high levels of competition and tough economic conditions. Small loans to businesses in this MD

represent 6.25 percent of all small loans to businesses originated by Northfield. In 2011, as per the 2000 Census data, the percentage of small loans to businesses in low-income geographies exceeds the percentage of businesses in low-income geographies. The percentage of small loans to businesses in moderate-income geographies exceeds the percentage of businesses in moderate-income geographies.

Based on 2010 Census data, originations of small loans to businesses declined as the bank ceased originating small business loans that financed insurance premiums on various policies. In 2012 and 2013 there were no small loans to businesses in low-income geographies; however, the percentage of small loans to businesses in moderate-income geographies exceeds the percentage of businesses in moderate-income geographies.

Edison-New Brunswick, NJ MD (20764)

Lending activity in the Edison-New Brunswick, NJ MD reflects good responsiveness to the MD's credit needs. For 2012 and 2013, 32 percent of all home mortgage originations was made in this MD. Loans reportable under HMDA represent a majority of the bank's lending to individuals and account for 95 percent of all lending in the MD. These loans are therefore more heavily weighted than small business loans which comprised three percent of lending in the MD. Home refinance, home purchase, and home improvement loans represented 68 percent, 19 percent, and 13 percent, respectively, of all mortgages originated in this MD. Northfield originated two multifamily loans during the evaluation period; an analysis of these loans is not meaningful. Small business loans are a secondary credit need and represent 3 percent of lending in the MD.

Northfield has five branches and 14 percent of its deposits in this MD. As of July 30, 2013, Northfield ranked 18th in deposits with 0.91 percent deposit market share in Middlesex County.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans by income level of the geography is good. The geographic distribution of home mortgage loans is good and the geographic distribution of small loans to businesses is good.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

The geographic distribution of home purchase loans is good. The 2011 analysis is based on only two home purchase loans that were originated in this MD. No home purchase loans were made in low-income geographies. This is near to or equals the percentage of aggregate home purchase lending in low-income tracts. Only one loan was booked in the moderate-income geography in this MD; as a result, the percentage of the home purchase loan made to moderate-income borrowers in this MD exceeds the percentage of owner-occupied units in the moderate-income tracts. The percentage of the home purchase loans exceeds the percentage of aggregate refinance lending in the moderate-income tracts.

Based on 2010 Census data, from 2012 through 2013 the number of home purchase loans in this MD increased to 15 loans compared to two loans in 2011. The percentage of home purchase loans made to low-income borrowers in this MD exceeds the percentage of owner-occupied units in the low-income tracts. It also exceeds the percentage of low-income families in the MD. The percentage of home

purchase loans made to moderate-income borrowers in this MD is lower than the percentage of owner-occupied units in the moderate-income tracts and is lower than the percentage of moderate-income families in the MD. No aggregate home purchase lending data is available at this time.

Newark-Union, NJ-PA MD Distribution of Northfield Home Purchase Loans			
By Borrower Income Level in the Assessment Area			
Borrower Income Category	% of Loans	% Family Distribution	% of Aggregate (or Peers)
Low	20.00	6.29	N/A
Moderate	6.67	16.00	N/A
Middle	53.33	56.00	N/A
Upper	20.00	21.71	N/A
Total # or \$	100.00	100.00	N/A

Source: 2013 HMDA Data based on 2010 Census

Home Refinance Loans

The geographic distribution of home refinance loans reflects adequate distribution throughout the MD. Based on 2000 Census data, no home refinance loans were made in low- and moderate-income geographies in 2011.

Based on 2010 Census data, from 2012 through 2013 no home refinance loans were made in low-income geographies. The percentage of home refinance loans made to moderate-income borrowers in this MD is near to or equals the percentage of owner-occupied units in the moderate-income tracts. No aggregate home refinancing lending data is available at this time.

Home Improvement Loans

The geographic distribution of home improvement loans reflects adequate distribution throughout the MD. Based on 2000 Census data, in 2011 no home improvement loans were made in low- and moderate-income geographies.

Based on 2010 Census data, in 2012 and 2013 no home improvement loans were made in low-income geographies. The percentage of home improvement loans to moderate-income borrowers in this MD is somewhat lower than the percentage of owner-occupied units in the moderate-income tracts. No aggregate home improvement lending data is available at this time.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Geographic distribution of small loans to businesses reflects good distribution in this MD considering high levels of competition and tough economic conditions. The level of small loans to businesses in low-income geographies is adequate. From 2010 to 2013, the bank made no small business loans to lower-income geographies; however the percentage of businesses in the low-income geographies is marginal, representing 2.41 percent according to 2000 Census data and 5.09 percent per the 2010 Census.

Small loans to businesses in moderate-income geographies is good. Based on 2000 Census data, in 2011 the percentage of small loans originated was near to or equals the percentage of businesses in moderate-income geographies. Using 2010 Census data, origination volume declined as the bank stopped

originating loans to help clients finance insurance premiums on various policies. However, this is not a concern as the percentage of small business loans still exceeds the percentage of loans made to small businesses in moderate-income geographies in 2012 and 2013.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in Northfield's lending patterns.

Inside/Outside Ratio

An analysis of the bank's lending within its assessment area was performed at the bank level as opposed to the AA level. This information includes only bank originations and purchases and excludes extensions of credit by affiliates that are being considered under other performance criteria. The bank does not originate a majority of home mortgage loans within Northfield's assessment area. During the evaluation period, approximately 44 percent of HMDA loan originations by volume and 27 percent by dollar amount were within the AA. This performance was not factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The distribution of borrowers reflects adequate penetration among customers of different income levels and business customers of different sizes. An analysis of the borrower distribution for home improvement loans in the Newark-Union, NJ-PA MD is not meaningful as only one loan was made to a moderate-income borrower.

We considered demographic factors including the high cost of housing compared to the median family income of a low-income person and the high percentage of individuals below the poverty level in our home mortgage analysis.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

New York-Wayne-White Plains, NY-NJ MD (MSA 35644)

Home Purchase Loans

Borrower distribution for home purchase loans reflects adequate distribution. Based on 2000 Census data, no loans were made to low-income borrowers in 2011; this is lower than the percentage of aggregate home purchase lending data in low-income tracts. The percentage of loans made to moderate-income borrowers exceeds the percentage of moderate-income families in the MD.

Opportunities for lending in this MD are limited in light of housing availability and income levels of borrowers. Per 2000 Census data, in 2011 the median cost of housing in the MSA was \$232,595. The HUD-adjusted median family income is \$67,400. As such, a low-income individual earns less than \$33,700. Based on this data, low-income individuals would have difficulty to afford a home in this MSA. A moderate-income individual earns at least \$33,700 and less than \$53,920.

Based on 2010 Census data, no home purchase loans were made to low-income borrowers in 2012 through 2013. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the MD. In 2013, the median cost of housing more than

doubled to \$541,745 based on 2010 Census Data. The HUD-adjusted median family income is the same as the above-mentioned data from the 2000 Census. Additionally, 20 percent of households are below the poverty level. This is satisfactory when taking into consideration the median family income for moderate-income borrowers.

Home Improvement Loans

Borrower distribution for home improvement loans reflects adequate distribution. In 2011, based on 2000 Census data, no loans were made to low-income borrowers; this was lower than the percentage of low-income families and somewhat lower than aggregate lending data for low-income tracts. The percentage of loans in moderate-income tracts was somewhat lower than the percentage of moderate-income families. Also, the percentage of loans in moderate-income tracts exceeds standards of the aggregate lending levels in moderate-income tracts.

The volume of borrower distribution for home improvement loans slightly reduced; however, opportunities exist for more lending to low- and moderate-income borrowers. Based on 2010 Census data, in 2012 and 2013 the percentage of home improvement loans made to low- and moderate-income borrowers is somewhat lower than the percentage of low- and moderate-income families. No aggregate lending data is available.

Home Refinance Loans

Borrower distribution for home refinance loans is good. In 2011, based on 2000 Census data, no loans were made to low-income borrowers, this was lower than the percentage of low-income families and near aggregate lending levels. The percentage of loans in moderate-income tracts was somewhat lower than the percentage of moderate-income families; however, the percentage of loans in moderate-income tracts exceeded the aggregate lending levels in moderate-income tracts.

Per 2010 Census data, no loans were made to low-income borrowers in 2012 and 2013; this was lower than the percentage of low-income families. Improvements are noted in moderate-income tracts as the percentage of refinance loans in moderate-income tracts exceeded the percentage of moderate-income families in the MD.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of the bank's small loans to small businesses is adequate. Small loans to businesses (businesses with revenues of \$1 million or less) represents 60 percent of all small loans to businesses originated by Northfield in 2011, and 89 percent in 2012 and 2013 within this MD. According to 2000 Census data, the bank's percentage of small loans is poor at 15.32 percent and less than the 67.85 percent of businesses with revenues of \$1 million or less. However, despite a decline in small business loan originations, improvement is noted within the 2010 Census data, which reflects an adequate percentage of small loans of 57.89 percent which is less than the 73.53 percent of businesses with revenues of \$1 million or less. The distribution by size of loan shows that a majority of loans (83 percent per 2000 Census data and 47 percent per 2010 Census data) of the loan originations are for \$100,000 or less. Origination volume shows a decline under the 2010 Census data as the bank stopped originating loans to help clients finance insurance premiums on various policies.

Newark-Union, NJ-PA MD (MSA 35084)***Home Purchase Loans***

Borrower distribution for home purchase loans reflects good distribution among customers of different income levels. Based on 2000 Census data, no home purchase loans were made in this MD in 2011. Opportunities exist for lending to moderate-income borrowers at the very least as aggregate lending data indicates that 29 percent of aggregate lending levels exist in moderate-income tracts.

In 2011, the median cost of housing in the MD was \$198,191 based on 2000 Census data. The HUD-adjusted median family income is \$90,600. As such, a low-income individual earns less than \$45,300. Based on this data, low-income individuals would have difficulty to afford a home in this MD. A moderate-income individual earns at least \$33,700 and less than \$72,480.

Based on 2010 Census data, in 2012 through 2013 the percentage of home purchase loans to low-income borrowers is somewhat lower than the percentage of low-income families. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the MD. The bank improved its home purchase lending to low- and moderate-income borrowers for this time period despite the fact that the median cost of housing more than doubled to \$408,499 based on 2010 Census Data. The HUD-adjusted median family income is the same as the above-mentioned 2000 Census data.

Home Refinance Loans

Borrower distribution for home refinance loans reflects good penetration among customers of different income levels. In 2011, based on 2000 Census data, no loans were made to low-income borrowers, this was lower than the percentage of low-income families and somewhat lower than aggregate lending levels. The percentage of loans in moderate-income tracts was somewhat lower than the percentage of moderate-income families; however, the percentage of loans in moderate-income tracts exceeded the aggregate lending levels in moderate-income tracts.

Based on 2010 Census data, in 2012 and 2013 the percentage of loans in low-income tracts was somewhat lower than the percentage of low-income families; nonetheless, the percentage of loans in moderate-income tracts exceeded the percentage of moderate-income families in the MD.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of the bank's small loans to businesses reflects poor distribution. Small loans to small businesses (businesses with revenues of \$1 million or less) represent 26 percent of all small loans to businesses originated by Northfield in 2010 and 2011 and 6 percent in 2012 and 2013. Small business lending opportunities exist for the bank in this MD. In both 2000 and 2010 Census data, the percentage of small loans to businesses is lower than the percentage of small businesses with revenues of \$1 million or less. The distribution by size of loan shows that a majority of the loan originations (78 percent) are for \$100,000 or less in 2010 and 2011; however, only 25 percent of the loan originations in 2012 and 2013 are for \$100,000 or less. Using the 2010 Census data, origination volume significantly declined as the bank stopped originating loans that helped clients finance insurance premiums on insurance policies.

Edison-New Brunswick, NJ MD (20764)***Home Purchase Loans***

Borrower distribution for home purchase loans is good. Based on 2000 Census data, no home purchase loans were made to low- and moderate-income borrowers in this MD in 2011. Opportunities were present for lending to moderate-income borrowers, at the very least, as aggregate lending data indicates that 29 percent of aggregate lending levels exist in moderate-income tracts.

During 2011 the median cost of housing in the MD was \$167,357 based on 2000 Census data. The HUD-adjusted median family income is \$95,300. As such, a low-income individual earns less than \$47,650. A moderate-income individual earns at least \$47,650 and less than \$76,240 and would be able to afford housing in the MD.

Based on 2010 Census data, in 2012 through 2013 the percentage of home purchase loans to low-income borrowers is somewhat lower than the percentage of low-income families; yet, the percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the MD. The bank improved its home purchase lending to low- and moderate-income borrowers for this time period in spite of the increase in the median cost of housing in 2013 which more than doubled to \$355,417 based on 2010 Census Data. The HUD-adjusted median family income is the same as the above-mentioned 2000 Census data.

Home Improvement Loans

Borrower distribution for home improvement loans reflects adequate distribution among customers of different levels. Based on 2000 Census data, in 2011 only four loans were made in this MD. No loans were made to low-income borrowers; this was lower than the percentage of low-income families and lower than the aggregate lending data. The percentage of loans in moderate-income tracts exceeds the percentage of moderate-income families and exceeds the aggregate lending data.

Improvement in the level of home improvement loans was noted in the 2012-2013 period based on 2010 Census data. The percentage of loans made to low-income borrowers was lower than the percentage of low-income families; and the percentage of loans made to moderate-income borrowers exceeds the percentage of moderate-income families. No aggregate lending data is available.

Home Refinance Loans

Borrower distribution for home refinance loans reflects adequate distribution among customers of different income levels. Based on 2000 Census data, in 2011 no loans were made to low-income borrowers; this was lower than the percentage of low-income families and somewhat lower than aggregate lending levels. The percentage of loans in moderate-income tracts was somewhat lower than the percentage of moderate-income families and somewhat lower than the aggregate lending levels in moderate-income tracts.

Based on 2010 Census data, in 2012 and 2013 the volume of home refinance loans increased. The percentage of loans in low-income tracts was somewhat lower than the percentage of low-income families; however, the percentage of loans in moderate-income tracts exceeds the percentage of moderate-income families in the MD.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of the bank's small loans to small businesses reflects adequate distribution among business customers of different levels. The volume of loans remain the smallest in this geography with 13 percent as per 2000 U.S. Census data and 4.7 percent as per 2010 U.S. Census Data. The bank's percentage of small loans is poor at 21.8 percent compared with 65.7 percent of businesses with revenues of \$1 million or less in 2010 and 2011. However, improvement is noted in 2012 and 2013, as a good percentage of small loans (66.7 percent) are near to or equals the 69.4 percent of small businesses. The distribution by size of loan shows that a majority (85 percent) of loan originations are for \$100,000 or less in 2010 and 2011 and 67 percent in 2012 and 2013. Origination volume shows a significant decline under the 2010 Census data as the bank stopped originating loans to help clients finance insurance premiums on various policies.

Community Development Lending

Refer to Table 1 – Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development (CD) lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Northfield made a relatively high level of community development loans during the evaluation period. A high level of multifamily loans with affordable rents to low- and moderate-income borrowers was also originated by Northfield during the evaluation period. These loans had a positive impact on the lending test. Our community contact and internal research determined that opportunities exist for community development lending. Competition from large and community banks is strong for community development loans.

During the evaluation period, Northfield originated eight CD loans for \$7.3 million, or 1 percent of Tier 1 capital, and 95 multifamily CD loans for \$116 million, or 22 percent of Tier 1 capital, in the AA. Some of the CD loans were originated to finance the following causes:

- Emergency shelter for victims of domestic violence
- Non-profit organization that provides housing and economic development
- 72 residential low-income housing units
- Non-profit organization that provides food and shelter for the homeless
- Non-profit organization that provides health care to low-income and uninsured residents

Product Innovation and Flexibility

Northfield makes limited use of innovative and/or flexible lending practices in order to serve the AA's credit needs. Flexible loan programs had a positive impact on the lending performance. These loan programs are described below.

The Federal Home Loan Bank sponsored Northfield in the Community Investment Program. Northfield received \$44 million in advances targeted to finance affordable multifamily rental housing. Eligibility is based on those homes in which rents of at least 51 percent of the units must be affordable to families

whose incomes do not exceed 115 percent of the area median income and affordable rents cannot exceed 33 percent of 115 percent of the area median income.

Northfield introduced promotional, reduced interest rate home equity loans and lines of credit for low- and moderate-income borrowers. Eligible applicants will receive the bank's current fixed rate discounted by 0.50 percent or the bank's current adjustable rate discounted by 0.25 percent for the chosen loan.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the investment test is rated High Satisfactory. Based on the full-scope review, the bank's performance in the New York-Wayne-White Plains, NY-NJ, Newark-Union NJ, and Edison-New Brunswick, NJ Metropolitan Divisions' assessment areas is good.

Northfield has a significant level of qualified investments, grants and donations in the bank's AAs. The bank exhibits a good record of serving and responding to the credit needs of LMI individuals and geographies through its various investments, grants, and donation programs. Qualified investments and grants are mostly traditional, with an adequate use of innovative and/or complex products to support community development initiatives.

Northfield maintained 64 qualified community development investments, grants and donations totaling \$14.7 million of which \$7.2 million (or 1 percent of Tier 1 capital) correspond to the current assessment period. Investments, measured by dollar amounts, represented \$14 million and consisted of a majority of five investments in qualified mutual fund, mortgage-backed securities (MBS), and equity investments. Qualified grants and donations made during the assessment period totaled \$674 thousand. Qualified investments, grants, and donations benefited several affordable housing programs and community service organizations that serve LMI individuals and/or geographies. The bank also maintained a performance guarantee of \$800 thousand on a Federal Home Loan Bank of New York subsidy for an Affordable Housing Program (AHP).

Highlights of grants, donations and investments within AAs include:

- An \$11.3 million qualified mutual fund investment. The mutual fund seeks to invest in geographically specific debt securities located in portions of the United States designated by fund shareholders. The fund invests primarily in high quality debt securities and other debt instruments supporting the affordable housing industry in areas of the United States designated by fund shareholders. Northfield has instructed the fund manager to invest funds in mortgage securities targeting LMI census tracts within the bank's AAs.
- Two qualified MBS investments totaling \$2.3 million are secured by mortgage loans made to LMI individuals or are located in LMI geographies within the bank's AAs.
- A \$251 thousand qualified equity investment is in the Statewide Zone Capital Corporation. The entity specializes in activities that promote economic development by financing business or

farms that meet the eligibility of the Small Business 504 Loan Program or have gross annual revenues of \$1 million or less. The program benefits a broader area that includes the bank's AAs.

- A \$250 thousand commitment, of which \$225 thousand has been funded, was made to the New York State Bankers Association's Storm Sandy Small Business Emergency Fund. Loans under the program range from \$5 thousand to \$25 thousand and proceeds can be used to replace or repair damaged assets or for working capital losses incurred due to business interruption, among other uses. Funds flow to borrowers on an expedited basis, typically five to seven days after application.
- Three contributions for \$224 thousand were made to the Federal Home Loan Bank of New York's Affordable Housing Program and First Home Club (FHC). AHP provides subsidized advances and grants to LMI participants to purchase or maintain their homes. It also enables organizations to purchase, rehabilitate, or construct apartment buildings in which at least 20 percent of the units are affordable to LMI households. The FHC is a first-time homebuyers program that provides grants of up to \$7,500 to help LMI households overcome the financial difficulties of purchasing a home. In addition, the bank is the sponsor, through a performance guarantee, of an \$800 thousand direct subsidy to an AHP project targeted to low-income individuals in Staten Island, New York.
- The Northfield Bank Foundation, structured as an independent entity but created with stock and cash gift contributions from the bank, made 56 qualified grants and donations totaling \$451 thousand. The community development activities included Hurricane Sandy relief and support services; senior citizen's support services; an organization dedicated to serving homeless women and families; funding for special needs populations including housing assistance; and mentoring, counseling and educational services specifically targeted for LMI assessment area residents.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the three MSAs: Kings and Richmond Counties in New York (35644), Union County in New Jersey (35084) and Middlesex County in New Jersey (20764) is good.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Northfield delivery systems are accessible to essentially all portions of the institution's assessment area. Northfield's 30 branches, with 21 branches in New York and 9 in New Jersey, are available to geographies and individuals of different income levels in the AA. The branch network includes 12 branches in Richmond County in Staten Island, nine branches Kings County in Brooklyn, 4 branches in Union County, as well as five in Middlesex County in New Jersey.

The distribution of branches is good in the assessment area. To the extent changes have been made, Northfield's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income

individuals. Two (6.67 percent) branches are located in low-income geographies, six (20 percent) branches are in moderate income geographies, twelve (40 percent) branches are in middle-income geographies, and ten (33.33 percent) are in upper-income geographies. The 2010 census indicated there are 1,176 tracts in the AA, of which 11.4 percent represents low-income tracts and 31.3 percent are moderate-income tracts or geographies. The proportion of Northfield branches in low- or moderate-income geographies is 27 percent.

The accessibility of Northfield's delivery systems improved during the evaluation period with an increase of 11 branches through bank openings and merger/acquisition during the period. Eight new branches were opened; three branches were acquired through the merger/acquisition of Flatbush Federal Savings and Loan Association; and two branches were acquired from First State Bank, headquartered in Cranford, New Jersey. The assets of one of the branches acquired from First State were transferred to an existing branch and the assets of the other were relocated to a new location. Of the 11 branches added in the evaluation period, two are in low-income geographies, four are in moderate-income geographies, and five are in middle-income geographies.

Northfield's services, including business hours, where appropriate, do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. Full retail services are offered at all 30 branches. Services include products such as holiday club and vacation club accounts. All branches provide ATMs, bank-by-mail, bank-by-phone, and internet banking. All branches also offer weekend service, and each remains open late one day of the week. Any differences such as ATM drive-up, variation in hours, and locations of coin counting machines are not arbitrary.

Community Development Services

Northfield provides an adequate level of community development services. A number of bank officers serve on the board of non-profit organizations that conduct community development activities and provide humanitarian services that directly benefit low- and moderate-income individuals. The Chairman and CEO is on the board of the Staten Island Economic Development Corporation that promotes economic development by supporting job creation, retention, and improvement for persons in the community including LMI persons and geographies. He is also on the board of Sky Light Center that provides affordable housing to individuals including low- and moderate-income individuals. Two officers are on the board of nonprofit organizations that promote small business development. Two officers are the board of nonprofit organizations with a goal of providing affordable housing to individuals including LMI individuals. One officer sits on the board for a nonprofit organization that provides community development through the revitalization and creation of permanent jobs.

Northfield developed a Special Mortgage Program targeting LMI borrowers. This program commits Northfield Bank to provide affordable mortgages for residents of the community by discounting rates and waiving additional mortgage insurance costs. During the evaluation period, an employee of the bank provided a financial literacy seminar to low- and moderate-income individuals.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (07/01/10 to 07/01/13) Investment, Services, and CD Loans: (7/26/10-7/01/13)	
Financial Institution	Products Reviewed	
Northfield Bank Woodbridge, NJ	Home Mortgages, Small Loans to Businesses and CD Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Kings and Richmond Counties, NY (MSA-MD #35644)	Full-Scope	N/A
Union County, NJ (MSA-MD #35084)	Full-Scope	
Middlesex County, NJ (MSA-MD #20764)	Full-Scope	

Appendix B: Market Profiles for Full-Scope Areas

Northfield Bank - MSA 20764 – Middlesex County, NJ

Demographic Information for Full-Scope Area: Middlesex County MSA 20764						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	175	6.29	16.00	56.00	21.71	0.00
Population by Geography	809,858	6.78	16.47	55.71	21.04	0.00
Owner-Occupied Housing by Geography	185,819	2.21	12.96	59.03	25.80	0.00
Businesses by Geography	63,317	5.09	13.78	55.12	26.02	0.00
Farms by Geography	842	2.14	7.13	60.81	29.93	0.00
Family Distribution by Income Level	199,920	19.99	18.13	23.22	38.66	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	76,195	9.54	25.05	53.50	11.91	0.00
Median Family Income		=\$91,959				
HUD Adjusted Median Family Income for 2011		=\$95,300		Median Housing Value		=\$355,417
Households Below the Poverty Level		=7%		Unemployment Rate		=3.76%

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2011 HUD updated MFI

For the period ending June 30, 2012, Northfield Bank operates 5 out of 30 branches in Middlesex County, New Jersey, which is located within the Edison-New Brunswick, NJ MD (20764). This AA contains the operational headquarters, six ATMs, and 14 percent of the bank’s total deposits according to the June 30, 2012 FDIC Deposit Market Share Data.

Competition within the AA is strong and is dominated by large and mid-sized, regional and national financial institutions. The FDIC Deposit Market Share Report, as of June 30, 2012, indicates that Northfield Bank ranks 50th with a deposit market share of 0.13 percent out of 231 institutions operating within the New York-Northern New Jersey-Long Island, NY-NJ-PA MSA. Competitors include JPMorgan Chase Bank, National Association (34.5 percent); Bank of America, National Association (7.9 percent); The Bank of New York Mellon (7.8 percent); and Citibank, National Association (6.13 percent). When comparing competition in only Middlesex County, NJ, Northfield ranks 18 out of the 46 institutions with a deposit market share of 0.91 percent. Its top competitor is PNC Bank, National Association with 23.12 percent of the deposit market share.

Traditional products and services are offered at Northfield. Major employers in the area are Robert Wood Johnson University Hospital, Novo Nordisk, Wakefern Food Corp, Bristol-Myers Squibb, and St. Peter’s Healthcare System. Economic indicators reveal strength in the local economies for this AA as higher unemployment rates are mitigated by higher than average median income levels and close to average housing values. Based on the U.S. Bureau of Labor Statistics, as of July 2013, the national unemployment rate is 7.4 percent and New Jersey unemployment rate is 8.6 percent while

unemployment Middlesex County, NJ is 8.1 percent. Households below the poverty level is 7 percent, compared to the New Jersey poverty rate of 9.4 percent and national rate of 14.3 percent as of 2011. Median housing values of \$355,417 are 2 percent higher than the New Jersey State average of \$349,100. Finally, the median family income of \$95,300 is 34 percent higher than the New Jersey State average of \$71,180.

A community contact in Middlesex County stated that banks have been responsive when new initiatives were introduced in the area.

Northfield Bank - MSA 35644 - Richmond County, New York & Kings County, New York

Demographic Information for Full-Scope Area: Kings and Richmond County MSA 35644						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	872	12.61	31.88	30.28	23.39	1.83
Population by Geography	2,973,430	14.96	35.74	26.78	22.44	0.08
Owner-Occupied Housing by Geography	389,730	4.86	21.89	32.30	40.95	0.00
Businesses by Geography	205,600	11.88	30.73	28.76	27.57	1.06
Farms by Geography	957	5.85	19.23	27.17	46.50	1.25
Family Distribution by Income Level	704,022	30.67	17.19	16.96	35.19	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	336,915	22.81	43.52	22.73	10.93	0.00
Median Family Income		=64,171	Median Housing Value		=541,745	
HUD Adjusted Median Family Income for 2011		=67,400	Unemployment Rate		=3.81%	
Households Below the Poverty Level		=20%	(2010 Census)			

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2011 HUD updated MFI

As of July 30, 2013, Northfield Bank operates 21 out of 30 branches within Richmond and Kings Counties, NY, which are located within the New York-Wayne-White Plains, NY-NJ MD (35644). This AA contains the bank's home office in Staten Island, NY, 21 ATMs, and holds 73.4 percent of the bank's total deposits according to the June 30, 2012 FDIC Deposit Market Share Data.

Competition within the AA is strong as large and mid-sized nationwide financial institutions dominate the market. The FDIC Deposit Market Share Report, as of June 30, 2012, indicates 231 institutions operate within the New York-Northern New Jersey-Long Island, NY-NJ-PA MSA. Northfield Bank ranks 50th with a deposit market share of 0.13 percent. Competitors include: JPMorgan Chase Bank, National Association (34.5 percent); Bank of America, National Association (7.9 percent); The Bank of New York Mellon (7.8 percent); and Citibank, National Association (6.13 percent). Comparing competition in only Richmond and Kings Counties, NY, Northfield ranks 11 out of 49 institutions with a deposit market share of 2.41 percent. Its top competitor is JPMorgan Chase Bank, National Association with 23.91 percent of the deposit market share.

Economic indicators reveal that the local economies of the AA continue to struggle with high unemployment rates, high poverty levels, and significantly higher than average median housing values compared to median income levels. The major industries providing employment in Kings and Richmond Counties are in educational, health, and social services. Based on the U.S. Bureau of Labor Statistics as of July 2013, the national unemployment rate is 7.4 percent and New York State unemployment rate is 7.5 percent while Richmond County, NY is 8.2 percent and Kings County, NY is 9.6 percent. The households below the poverty levels are 20 percent, compared to the New York State poverty rate of 14.5 percent as of 2011. Median housing values of \$541,745 are 80 percent higher than the New York State averages of \$301,000. Median family income of \$67,400 is 18 percent higher than

the New York State average of \$56,951, but does not mitigate the higher than average home values and high cost of living. Affordable housing is warranted for these two counties.

The community contact indicated that mortgages and small business loans are a primary need in this MD.

Northfield Bank - MSA 35084 - Union County, New Jersey

Demographic Information for Full-Scope Area: Union County MSA 35084						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	108	12.96	32.41	30.56	24.07	0.00
Population by Geography	536,499	12.09	29.37	31.29	27.24	0.00
Owner-Occupied Housing by Geography	113,665	3.50	19.84	39.00	37.65	0.00
Businesses by Geography	43,066	11.15	22.93	35.29	30.63	0.00
Farms by Geography	593	4.05	16.02	39.12	40.81	0.00
Family Distribution by Income Level	129,916	25.13	18.41	19.55	36.91	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	56,567	18.64	40.47	28.06	12.83	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below the Poverty Level		=87,598 =90,600 =9%		Median Housing Value Unemployment Rate (2010 Census)	=408,499 =4.40%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2011 HUD updated MFI

As of July 30, 2013, Northfield Bank operates 4 out of 30 branches in Union County, NJ, which is located within the Newark-Union, NJ-PA MD (35084). This AA contains 4 ATMs, and holds 12.2 percent of the bank's total deposits according to the June 30, 2012 FDIC Deposit Market Share Data.

Competition within the AA is strong as large and mid-sized nationwide financial institutions dominate the market. The FDIC Deposit Market Share Report, as of June 30, 2012, indicates 231 institutions operating within the New York-Northern New Jersey-Long Island, NY-NJ-PA MSA. Northfield Bank ranks 50th with a deposit market share of .13 percent. Comparing competition in only Union County, NJ, Northfield ranks 17 out of 32 institutions with a deposit market share of 0.93 percent. Its top competitor is Wells Fargo Bank, National Association with 32.52 percent of the deposit market share.

Major employers in Union County are Merck & Co, NEMF, and USI Services Group. Based on the U.S. Bureau of Labor Statistics, as of July 2013, the national unemployment rate is 7.4 percent and New Jersey unemployment rate is 8.6 percent while Union County, NJ is 8.8 percent. The households below the poverty level is 9 percent, compared to the New Jersey poverty rate of 9.4 percent and national rate of 14.3 percent as of 2011. Median housing values of \$408,499 remain 17 percent higher than the New Jersey State averages of \$349,100, while median family income of \$90,600 remains 27 percent higher than the New Jersey State average of \$71,180, helping to mitigate the high cost of housing.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For

borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

Table 1. Lending Volume

LENDING VOLUME												Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013			
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***							
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)								
Full Review:																			
2010 Census-Northfield Bank - MSA 20764	27.02	84	15,462	3	375	0	0	1	630	88	16,467	14.40							
2010 Census-Northfield Bank - MSA 35084	18.01	54	49,526	4	601	0	0	17	38,818	75	88,945	12.20							
2010 Census- Northfield Bank - MSA 35644	54.97	120	32,666	57	16,911	0	0	49	35,013	226	84,590	73.40							

* Loan Data as of July 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2012 to July 31, 2013.

*** Deposit Data as of June 30, 2012. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME														
Geography: 2012-2013 NORTHFIELD														
Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013														
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:														
2010 Census-Northfield Bank - MSA 20764	2.08	3	1,485	2	600	0	0	0	0	0	0	0	0	14.40
2010 Census-Northfield Bank - MSA 35084	0.69	1	1,400	0	0	0	0	0	0	0	0	0	0	12.20
2010 Census- Northfield Bank - MSA 35644	97.22	140	91,147	9	5,252	0	0	0	0	0	0	1	20	73.40

* Loan Data as of July 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Optional Product Line(s) is from January 01, 2013 to July 31, 2013.

*** Deposit Data as of June 30, 2012. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: 2012-2013 NORTHFIELD		Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013	
Assessment Area (2011):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
2010 Census-Northfield Bank - MSA 20764	0	0	1		885
2010 Census-Northfield Bank - MSA 35084	0	0	1		1,400
2010 Census- Northfield Bank - MSA 35644	0	0	130		85,875

* The evaluation period for Optional Product Line(s) is from January 01, 2013 to July 31, 2013.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: 2012-2013 NORTHFIELD					Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
2010 Census-Northfield Bank - MSA 20764	15	26.79	2.21	20.00	12.96	6.67	59.03	53.33	25.80	20.00	0.00	0.00	0.00	0.00
2010 Census-Northfield Bank - MSA 35084	11	19.64	3.50	0.00	19.84	27.27	39.00	54.55	37.65	18.18	0.00	0.00	0.00	0.00
2010 Census- Northfield Bank - MSA 35644	30	53.57	4.86	0.00	21.89	43.33	32.30	26.67	40.95	30.00	0.00	0.00	0.00	0.00

* Based on

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013			
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income [*]										
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Low	Mod	Mid	Upp							
Full Review:																					
2010 Census-Northfield Bank - MSA 20764 - AA	11	33.33	2.21	0.00	12.96	9.09	59.03	72.73	25.80	18.18	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35084 AA	2	6.06	3.50	0.00	19.84	0.00	39.00	0.00	37.65	100.00	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35644 -AA	20	60.61	4.86	0.00	21.89	5.00	32.30	10.00	40.95	85.00	0.00	0.00	0.00	0.00							

^{*} Based on

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: 2012-2013 NORTHFIELD					Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
2010 Census-Northfield Bank - MSA 20764 - AA	56	45.16	2.21	0.00	12.96	12.50	59.03	64.29	25.80	23.21	0.00	0.00	0.00	0.00
2010 Census-Northfield Bank - MSA 35084 AA	21	16.94	3.50	0.00	19.84	23.81	39.00	47.62	37.65	28.57	0.00	0.00	0.00	0.00
2010 Census-Northfield Bank - MSA 35644 -AA	47	37.90	4.86	4.26	21.89	10.64	32.30	14.89	40.95	70.21	0.00	0.00	0.00	0.00

* Based on

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
Full Review:																											
2010 Census-Northfield Bank - MSA 20764 - AA	2	4.44	8.24	50.00	24.44	0.00	54.21	50.00	13.11	0.00	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35084 AA	20	44.44	30.76	20.00	31.77	60.00	23.88	20.00	13.59	0.00	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35644 -AA	23	51.11	20.13	13.04	40.94	47.83	24.91	30.43	14.02	8.70	0.00	0.00	0.00	0.00													

* Based on

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multi family housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013									
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*																
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp													
Full Review:																											
2010 Census-Northfield Bank - MSA 20764 - AA	3	4.69	5.09	0.00	13.78	33.33	55.12	66.67	26.02	0.00	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35084 AA	4	6.25	11.15	0.00	22.93	25.00	35.29	25.00	30.63	50.00	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35644 -AA	57	89.06	11.88	3.51	30.73	21.05	28.76	24.56	27.57	50.88	0.00	0.00	0.00	0.00													

* Based on

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

*** Source Data - Dun and Bradstreet (2012).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013			
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*										
	#	% of Total**	% of Farms** *	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp							
Full Review:																					
2010 Census-Northfield Bank - MSA 20764	0	0.00	2.14	0.00	7.13	0.00	60.81	0.00	29.93	0.00	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35084	0	0.00	4.05	0.00	16.02	0.00	39.12	0.00	40.81	0.00	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35644	0	0.00	5.85	0.00	19.23	0.00	27.17	0.00	46.50	0.00	0.00	0.00	0.00	0.00							

* Based on

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

*** Source Data - Dun and Bradstreet (2012).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: 2012-2013 NORTHFIELD					Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Northfield Bank - MSA 20764 - AA	15	26.79	19.99	16.67	18.13	75.00	23.22	8.33	38.66	0.00	0.00	0.00	0.00	0.00
Northfield Bank - MSA 35084 AA	11	19.64	25.13	10.00	18.41	60.00	19.55	20.00	36.91	10.00	0.00	0.00	0.00	0.00
Northfield Bank - MSA 35644 -AA	30	53.57	30.67	0.00	17.19	73.68	16.96	5.26	35.19	21.05	0.00	0.00	0.00	0.00

* Based on

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 26.8% of loans originated and purchased by BANK.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013			
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*										
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp							
Full Review:																					
2010 Census-Northfield Bank - MSA 20764	11	33.33	19.99	9.09	18.13	27.27	23.22	27.27	38.66	36.36	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35084	2	6.06	25.13	0.00	18.41	50.00	19.55	0.00	36.91	50.00	0.00	0.00	0.00	0.00							
2010 Census-Northfield Bank - MSA 35644	20	60.61	30.67	10.53	17.19	10.53	16.96	15.79	35.19	63.16	0.00	0.00	0.00	0.00							

* Based on

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.0% of loans originated and purchased by BANK.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE														Geography: 2012-2013 NORTHFIELD				Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013									
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*																
	#	% of Total**	% Families** *	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp													
Full Review:																											
2010 Census-Northfield Bank - MSA 20764	56	45.16	19.99	7.41	18.13	42.59	23.22	25.93	38.66	24.07	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35084	21	16.94	25.13	5.00	18.41	40.00	19.55	20.00	36.91	35.00	0.00	0.00	0.00	0.00													
2010 Census-Northfield Bank - MSA 35644	47	37.90	30.67	0.00	17.19	25.00	16.96	29.55	35.19	45.45	0.00	0.00	0.00	0.00													

* Based on

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.8% of loans originated and purchased by BANK.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: 2012-2013 NORTHFIELD			Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
2010 Census-Northfield Bank - MSA 20764	3	4.69	69.37	66.67	66.67	33.33	0.00	0	0
2010 Census-Northfield Bank - MSA 35084	4	6.25	71.49	25.00	25.00	75.00	0.00	0	0
2010 Census-Northfield Bank - MSA 35644	57	89.06	73.53	57.89	47.37	7.02	45.61	0	0

* Based on

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2012).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 21.88% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: 2012-2013 NORTHFIELD					Evaluation Period: JANUARY 1, 2012 TO JULY 31, 2013				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
2010 Census-Northfield Bank - MSA 20764	0	0.00	95.96	0.00	0.00	0.00	0.00	0	0
2010 Census-Northfield Bank - MSA 35084	0	0.00	96.12	0.00	0.00	0.00	0.00	0	0
2010 Census-Northfield Bank - MSA 35644	0	0.00	98.12	0.00	0.00	0.00	0.00	0	0

* Based on

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2012).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NORTHFIELD BANK- 2012				Evaluation Period: JULY 27, 2010 TO JUNE 30, 2013			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Northfield Bank – Assessment Areas	4	7,563	60	7,160	64	14,723	100.00	1	25

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NORTHFIELD BANK- 2012 Evaluation Period: JULY 27,2010 TO DECEMBER 31, 2013																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Northfield Bank - MSA 20764	14.40	5	16.67	0.00	0.00	80.00	20.00	1	0	0	0	1	0	6.78	16.47	55.71	21.04
Northfield Bank - MSA 35084	12.20	4	13.33	0.00	25.00	75.00	0.00	4	2	0	0	2	0	12.09	29.37	31.29	27.24
Northfield Bank - MSA 35644	73.40	21	70.00	9.52	23.81	23.81	42.86	8	0	2	4	2	0	14.96	35.74	26.78	22.44

