



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act
Performance Evaluation

The Camden National Bank
Charter Number: 2311

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Camden, ME 04843

Office of the Comptroller of the Currency

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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 **Outstanding**.

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

Performance Levels	Camden National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		X	X
Low Satisfactory			
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:

- An overall excellent distribution of loans to businesses with revenues less than \$1 million.
- An overall good performance in originating home mortgage products to low- and moderate-income borrowers.
- An excellent level of qualified community development loans that reflects a strong responsiveness to identified needs of the bank’s assessment area (AA).
- A good level of qualified investments.
- Delivery systems that are accessible to geographies and individuals of different income levels.
- An excellent level of community development services.

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: 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.

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 performance context, 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: 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: 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 One 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 more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

Camden National Bank (CNB) is an intrastate community bank headquartered in Camden, Maine. CNB is a wholly-owned subsidiary of Camden National Corporation (CNC), a multi-bank financial services holding company with assets of \$1.7 billion as of September 31, 2005. CNC is listed on the American Stock Exchange (AMEX symbol CAC) and provides diversified financial services through its two wholly-owned banking subsidiaries CNB and state-chartered UnitedKingfield Bank in Bangor, ME. CNC also provides brokerage and insurance services through Acadia Financial Consultants and wealth management, trust, and employee benefit administration through subsidiary Acadia Trust, N.A. in Portland, ME. The holding company also provides managerial, operational, and technological services to its subsidiaries. Affiliate activities were not considered in this evaluation. CNB did not acquire or merge with any banking organizations during the evaluation period.

CNB operates twelve full-service banking offices principally located in the mid- and southern-coast regions of Maine in Cumberland, Hancock, Knox, Lincoln, Waldo, and York counties. The main office is located in Camden with eleven branches distributed in the cities and towns of: Belfast, Bucksport, Camden, Damariscotta, Kennebunk, Portland, Rockland, Thomaston, Union, Vinalhaven, and Waldoboro. Hours are fairly standard among the branches with slightly extended hours offered at drive-up windows. Opening and closing hours are independently determined at each branch based on customer needs.

Eight banking offices offer 24-hour automated teller machines (ATMs). The branches without ATMs are Kennebunk, Portland, Vinalhaven, and Waldoboro. The Kennebunk and Portland offices are located in markets with ample ATM access. The Vinalhaven and Waldoboro offices are in more rural locations with moderate transaction volume reasonably handled through lobby hours. In addition CNB is a member of Maine Cash Access Network that provides surcharge free access to ATMs throughout Maine.

CNB has positioned itself as a one-stop financial resource by offering a wide range of loan and deposit products listed in detail at the www.camdennational.com website. Residential and small business loan products are offered at all branches with approval at a centralized loan-processing center. Small business lending plays a significant role in CNB's business strategy. Internet banking provides personal and business customers an ability to manage CNB deposit and loan accounts with NetTeller and pay bills through online Bill Pay. Commercial customers also have access to automated clearing-house (ACH) products and lockbox services.

As of September 30, 2005, CNB had total assets of \$1.1 billion, Tier One Capital of \$76 million, domestic deposits of \$816 million, and net loans of \$809 million. Loans comprised 70% of bank assets. The loan portfolio is comprised of 54% commercial related loans (37% commercial real estate and 17% commercial loans), 43% residential mortgage products, and 3% consumer loans.

CNB's management has identified affordable housing as a primary need of the AA and requires active participation through direct loans, community development support, and raising public awareness. CNB's business strategy calls for leadership in 1-4 family residential mortgages and loans to small businesses in the mid-coast areas of Maine and it places community development lending as a high priority. There are no legal, financial or other factors that impede the bank's ability to help meet those needs.

There have been no branches closed over the evaluation period. CNB opened a branch in Kennebunk, ME in 2003, a non-metropolitan area. The town of Kennebunk was included in the Portland metropolitan area (MA) in 2004 based on MA boundary changes by the Office of Management and Budget. For purposes of this evaluation, the Kennebunk branch's lending activity for 2003 will be treated as though it were part of the AA in 2003.

Competition remains strong from longstanding local banks headquartered in or near the AA. CNB's primary competitors in the mid-coast region include the following: Bangor Savings Bank, Bar Harbor Bank & Trust, Bath Savings, Damariscotta Bank & Trust, The First in Damariscotta, Rockland Savings & Loan Company, Seaboard Federal Credit Union (FCU), St. Croix Federal FCU, and Union Trust Company. National and regional financial institutions also compete in the bank's markets with competition from Bank of America, TD Banknorth, and Key Bank. The bank has competition from non-bank entities such as RMS Mortgage, Consumers' First Mortgage, Great East Mortgage and other local and national mortgage entities. CNB has direct agricultural lending competition from the Farm Credit Agency.

Competition in the secondary AA of Portland is also strong with additional rivals from state and regional banks described above in the primary AA and from Chittenden Bank and Trust, Norway Savings Bank, and Ocean National Bank.

CNB received a **Satisfactory** rating as of its last CRA examination dated November 18, 2002. This was the first time the bank was evaluated under the large bank performance criteria.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Conclusions regarding the Lending Test are based on small loans to businesses and farms and home mortgage lending from July 1, 2002 through June 30, 2005. Home mortgage loan products consisted of all home purchase, home improvement, and mortgage refinancing. Our evaluation considered loan data collected for the first six months of 2002 that were compared to 1990 Census Data, while loan data collected for 2003, 2004, and 2005 were compared to 2000 Census Data. In 2004, the Office of Management and Budget redefined metropolitan area (MA) boundaries, and changed demographics for the Portland, ME MA that includes CNB's AA.

The market share and peer lending comparisons contained in the lending test are based on information contained in the aggregate HMDA and CRA Small Loans to Businesses Reports for the same time periods. Peer comparisons in this report include only lenders who were required to file HMDA and Small Loans to Businesses and Farms for the same period. Mortgage lenders in the bank's primary or non-MA AA around Camden are not required to file HMDA reports while all mortgage lenders in the Portland MA or secondary AA are required to file. Reporting for Small Loans to Businesses and Farms is required of all bank and thrift institutions with assets of \$250 million or more.

The community development lending performance analysis includes loans made from November 18, 2002 through October 17, 2005 or the day we started the CRA Performance Evaluation. The evaluation period for the Investment and Service Tests was also from November 18, 2002 through October 17, 2005. The Investment Test conclusions are based on an evaluation of qualified community development investments and donations. The Service Test was evaluated based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products, and community development services.

Data Integrity

We reviewed the accuracy of HMDA and small business loan data for the period of July 1, 2002 through June 30, 2005. We sampled each type of loan considered in each year of the evaluation period. We found the data to be accurate and used the data in this evaluation.

Community development loans, investments, and services submitted by CNB management were verified to ensure they met the definitions for community development. Not all qualified as under the definition of community development and were not targeted to low- and moderate-income families. We excluded these items from this evaluation.

Selection of Areas for Full-Scope Review

CNB has two AAs. The non-MA AA in the mid-coast region of Maine around Camden received a full-scope review. This AA includes ten of the twelve banking offices, 90% of CNB deposits, and 75% of CNB loans. Please refer to Appendix A for further information.

A limited-scope review was based on the AA in the portions of the Portland, Maine metropolitan area (MA). The CNB Portland MA AA contains two banking offices with 10% of total CNB deposits and 25% of loans. CNB targeted business loans in the MA portion of its AA as part of an approved strategic plan. With the bank's limited purpose branch structure, the banking offices in Portland and Kennebunk have minimal retail activity. As a fairly new entrant into the Portland market, the bank has not gained as significant a volume of deposits as it has with commercial loans. The bank began seeking community development loans in the MA AA and was acknowledged as a community development lender by our community contacts in Southern Maine.

Ratings

The bank's overall rating is based primarily on the Camden non-MA which received a full-scope review. Within this AA, loans to small businesses were given more weight in our analysis. In the evaluation period, the highest number of loan originations was small businesses at 48% and HMDA loans at 41%. The largest dollar volume of loan originations was also small businesses at 51% and HMDA loans at 42%.

Within the 41% volume of HMDA loans, the mix of home mortgage loan types included: 61% refinance, 31% home purchase, and 9% home improvement. We weighted home purchase loans more heavily as they included first-time homebuyers and new customers. Home improvement loans were weighted more heavily than refinance loans among low- to moderate-income families. In the prior evaluation, CNB had developed a stand-alone home improvement loan product based on the needs in its AA. This product continues to be requested by low- and moderate-income borrowers. In contrast, CNB found limited opportunities to refinance mortgages for low- and moderate-income families that did not wish to access all equity in their residences or only wanted enough funds to complete renovation or improvements on their home.

Community Development Services had a positive impact on the Service Test. Geographical analysis of branches is not meaningful as the AA had no low-income geographies in 2002 and 2003. The AA also had no low- or moderate-income geographies in 2004 and 2005 due to MSA boundary changes by the Office of Management and Budget that changed income designations in many census-tracts. Over 90% of the bank's branches are situated in downtown settings that provide access to all residents of the towns with bank branches.

The bank's limited scope AA had 3 low-income and 5 moderate-income geographies in 2002 and 2003. The same MSA boundary changes described above resulted in an increase of one moderate-income geography for a total of 3 low- and 6 moderate-income geographies. Refer to the lending test for a discussion of percentage and volume of loans and deposits in the bank's full-scope and limited scope AA.

Other – Community Contacts

We made two community contacts during this review. There were also four prior community contacts made in CNB's AAs in 2004/2005 as part of other national bank's CRA performance evaluation. The combination of the six community contacts identified the following as general banking and credit needs in CNB's AA.

- Affordable housing for low- and moderate-income
- Affordable rental housing
- Affordable assisted living for the elderly
- Rehabilitation or home improvement loans
- Community based housing for special needs individuals
- Micro-loans and start up capital for small businesses
- Home ownership counseling

One community contact in Rockport, ME specialized in developing affordable housing projects including affordable assisted living for the elderly through a partnership with Maine State Housing Authority and the Maine Department of Human Services. The program is funded primarily from a combination of tax credits and other funding sources. The organization places equity with national pools to sell the tax credits to banks. Approximately 70% of its equity is from the sale of tax credits and the remaining 30% is derived from community development block grants (CDBG), debt, and Federal Home Loan Bank grants.

While the company does not have difficulty in obtaining funds or finding projects to complete, the difficult issues they deal with are zoning restrictions, land costs, population density, and community obstacles. Many communities view affordable housing projects as a detriment. The contact stated land costs in the coastal region of the AA are more than construction costs and require land to be donated or city owned to ensure success. Incentive is low for developers who earn a higher profit margin building single-family houses for retirees and seasonal vacationers than can be earned building affordable housing.

The contact identified CNB as a leader in the efforts to develop affordable housing opportunities for low- and moderate-income groups and the elderly. Recent projects include 86 town-home units in Portland, ME for low- and moderate-income residents which helped downtown revitalization in 2005. Prior ventures include development of elderly housing in Ellsworth, ME in 2003.

The other community contact in Portland, ME is a nonprofit organization that develops, owns and maintains affordable housing for low-income families as well as those with special needs. The organization is funded mostly by state and federal grants and is an advocate for individuals with special needs. It collaborates on their behalf to foster community-based housing. Since it was formed, the organization has completed 48 projects in Maine creating 225 units of low-income, special needs housing.

Recent projects include a 26 unit low-income housing tax credit (LIHTC) project in Rockland, ME with the construction loan provided by CNB. In Biddeford, ME a 7 unit transitional housing unit was renovated for victims of domestic violence and they bought a building in collaboration

with Veteran's Affairs to convert space to a job training and housing center for veterans. This contact stated with 85% home ownership in Maine, there was an insufficient inventory of affordable housing and a severe shortage of affordable rental housing. The contact also mentioned that 95% of Maine businesses are small and employ less than 10 people. These businesses could use working capital and micro-loans to support business operations.

The same contact stated that CNB has been highly responsive to the organization's needs and projects. CNB was named as being particularly receptive and flexible in supporting new projects. Gardiner Savings and Bangor Savings were also mentioned as having been highly responsive. Key Bank and Peoples Bank were considered less responsive to this organization's projects as they tend to concentrate on bigger jobs in concert with Affordable Housing Projects and new market tax credit funds.

Three community contacts in 2004 and 2005 included a community development financial Institution (CDFI), a community development corporation (CDC) in coastal ME, and a community action group in Portland, ME.

The CDFI stated the coastal area of ME has the highest wealth in the state. Home prices have been driven up by retirees moving to the region to the detriment of local workers. Older homes in local communities are in need of rehabilitation. This agency capped its acceptance of loan funds to reduce idle cash. Without sufficient projects to finance, the group's margins would be hurt. CNB and Bangor Savings Bank were named as being highly responsive. Overall he would like to see more participation from larger, regional banks. The CDC community contact stated there was minimal potential to use New Market Tax Credits for projects in the mid-coastal Maine market as it requires that communities must be distressed.

The community action agency in Portland ME stated that Maine has an aging population and a poverty rate above 10% with an increasing percentage of immigrants moving into the area. The agency stated that banks have participated in the LIHTC program both as investors and construction lenders. Maine has an active pre-development fund to provide site acquisition and feasibility studies for affordable housing projects. Banks identified as actively supporting this agency included Fleet, Key Bank, Norway Savings Bank, Gorham Savings and Loan, and CNB.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices inconsistent with helping to meet the community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's performance under the lending test is rated "outstanding."

Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope review, the bank's performance in the non-MA AA is excellent.

Lending Activity

Refer to Table 1, Lending Volume, in Appendix C for the facts and data used to evaluate the bank's lending activity. Overall, lending activity is excellent in the non-MA AA. Lending levels reflect excellent responsiveness overall by CNB to the credit needs of its AA.

This evaluation considers home mortgage loans reported on internal bank records and the initial reports on the bank's HMDA report. We considered small loans to businesses as reported on the Small Business/Farm registers. During the evaluation period, small loans to businesses accounted for 48% of the number and 51% of the dollar loan volume. Home mortgage loans accounted for 41% of the number and 42% of the dollar loan volume.

CNB is an active home mortgage lender. In the prior evaluation of November 18, 2002, we were able to use information from the Maine Credit Bureau for Mortgage Market Analysis to compare market share and peer lending data. These data were no longer available for comparative purposes. We relied therefore on comparisons with other banks that are required to or voluntarily collected HMDA data in the bank's non-MA AA in mid-coast Maine.

The bank remains a primary lender in its non-MA AA for home mortgage loan products. Available market share information for 2002 reflects CNB's market share for home purchase, home improvement, and home refinance loans that were 20%, 12%, and 23% respectively. Available market share information for 2003 reflects market share for home purchase, home improvement, and home refinance loans that were 20%, 19%, and 18% respectively. As of our examination date, market share information was not yet available for 2004/2005. CNB management stated high mortgage loan percentages reflect a focus on fully staffing branches with experienced mortgage lenders who seek potential customers for mortgage loans during and after business hours.

CNB remains a very active small business and small farm lender with a significant portion of the market share of its non-MA AA in mid-coast Maine. Available market share information for 2002 reflects CNB's market share for small business and small farm loans that were 14% and 33% respectively. Available market share information for 2003 reflects market share for small business and small farm loans that were 10% and 31% respectively. Market share data for 2004/2005 were not available as of our examination date.

Distribution of Loans by Income Level of the Geography

Full Scope

Analysis of the geographic distribution of loans for 2002 and 2003 would not be meaningful to evaluate the bank's performance, as there were no low-income and only one moderate-income census tract. In 2004 and 2005, changes in the metropolitan area boundaries and various census tract income-levels by the Office of Management and Budget, resulted in no low- or moderate-income geographies. We therefore did not conduct a test by income level of the geography and placed more reliance on distribution by income-level and community development lending performance.

Limited Scope

While the limited-scope AA contained several low- and moderate-income census tracts, the volume is not significant to provide meaningful analysis. The lack of a sufficient volume of low- and moderate-income tracts is consistent with the full scope AA and reliance was placed on the distribution by income-level and community development lending performance.

Inside/Outside Ratio

CNB has a strong record of lending within its AA. The bank made a substantial majority of its loans inside the AA for all loan products both in dollar and number of loans originated. In 2004, 96% of small business loans, 99% of small farm, and 93% of HMDA loans by number were originated in the bank's AA. The in/out analysis is performed at the bank level, as opposed to the individual AA level, and includes bank originations and purchases. This performance is a positive factor in the overall lending analysis.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of home mortgage loans is good while the distribution of small loans to businesses and farms is excellent. Small loans to businesses was given more weight in our analysis as commercial loans had a heavier volume of originations in the full scope AA. In the limited scope review of the Portland/Kennebunk AA, the bank's focus with its two branches is primarily on business lending. There are three analysis for each loan type: 2002 loan performance is based on income information from the 1990 census, 2003 loan performance is based on income information from the 2000 census, and 2004/2005 loan performance is based on 2000 census information and changes to metropolitan area delineations that were implemented in 2004.

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.

2002

Home Purchase Loans

CNB's overall distribution of home purchase loans by income level of borrower is good. While the volume of loans originated to low-income borrowers is poor, the market share of the bank's loans originated in low-income areas is excellent. The volume of affordable housing in the bank's primary AA of the full scope review reflects difficulty for low-income families in locating affordable housing with a median price range of \$80 thousand. The area had a high poverty rate in 2002 of 13%. Home purchase loans to moderate-income families are adequate. Market share of loans to moderate-income families was excellent as the bank uses numerous programs with flexible lending criteria to assist low- and moderate-income borrowers to purchase a home. The loans originated in 2002 were primarily to low- and moderate-income families who already owned a home in the primary AA before housing prices appreciated.

Home Improvement Loans

CNB's overall distribution of home improvement (HI) loans by income level of borrower is excellent. The bank developed a home improvement loan product during the last CRA evaluation period that is still in demand for borrowers not seeking to tap into their equity or who lack sufficient equity for a revolving line. HI loans to low-income borrowers reflected excellent performance based on volume and on market share. HI loans to moderate-income borrowers reflected similar performance in both volume and market share.

Home Mortgage Refinancing Loans

CNB's distribution of mortgage refinancing loans reflected poor performance based on the volume to low-income borrowers. As low-income borrowers lack the financial wherewithal to purchase homes with a median value of \$80 thousand, it is doubtful many would have homes to refinance. Some activity occurred from retired individuals and those who have owned the

residence prior to the rising house values. Market share however reflected excellent performance given the percentage of the bank's loans originated to low-income borrowers compared to the bank's overall market share. The distribution of refinance loans to moderate-income reflected both adequate levels in performance and in market share.

2003

Home purchase Loans

CNB's distribution of home purchase loans in 2003 reflected poor performance for loans originated to low-income borrowers based on demographics of the percentage of low-income families. The lack of affordable housing and inability of low-income families to qualify for homes with rising values mitigates the low performance. Considering market share however, the bank's performance is excellent given it originates a larger share of loans to low-income borrowers than its competitors. Loans originated to moderate-income borrowers is adequate with good market share performance. The bank's market includes retirees who may reflect lower income yet who have assets to purchase moderate-priced homes. During this period many homes were purchased by investors and speculators which further contributed to rising home values and demand outstripped the supply.

Home Improvement Loans

CNB's distribution of HI loans to low-income borrowers reflects excellent performance in originations and in market share. The product was developed to meet the needs of families that wanted to improve older homes, but who may not have sufficient equity or not want a revolving Home Equity Loan product. The volume of HI loans originated to moderate-income borrowers was adequate but market share of the moderate-income HI loans was excellent as the bank captured a larger volume of loans to moderate-income borrowers.

Home Mortgage Refinancing Loans

The volume of refinanced mortgages to low-income borrowers is poor when the percentage of bank loans is compared to demographics of low-income families in the AA. Market share however reflects excellent performance based on the overall loans originated to low-income borrowers. Moderate-income refinance loans reflected good performance and excellent market share.

2004/2005 (Market Share Information Not Available for this time period as of exam date)

Home purchase Loans

The volume of home purchase loans to low-income borrowers had adequate performance by volume. Low-income families in the AA exceeded the percentage of bank loans originated to low-income families. The price of homes continued to appreciate as the demand for available housing continued to drive up prices. Home purchase loans to moderate-income families was also adequate and closer to area demographics as moderate-income families also included retirees who purchased retirement homes in new retirement communities.

Home Improvement Loans

The bank continued to have success with its home improvement loan products. The overall volume of home improvement loans increased and reflected excellent performance. HI loans to moderate-income home families reflected excellent performance.

Home Mortgage Refinancing Loans

Loans to refinance home mortgages reflected excellent performance that significantly exceeded demographics for low- and moderate-income families. Many families decided to seek to refinance existing mortgages before rates rose higher than the current mortgage rate on their loans.

Performance in the Limited Scope Review

Performance in the limited-scope review of borrower income distribution for consumer mortgage loans was not consistent with performance in the area receiving a full-scope review. The bank's AA in Portland has a business plan based on a limited purpose to focus on commercial loans rather than retail loans. The bank entered into the Portland market in the past five years where there is intense competition for consumer mortgages.

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. In each year of the evaluation, the bank's performance in lending to businesses with revenues less than \$1 million was excellent.

In 2002 the percentage of loans to small businesses was very near to the percentage of small businesses. The bank's market share of small loans to businesses exceeded its overall business loan market share. The bank originated a majority of its loans to businesses in amounts below \$100 thousand.

In 2003 the percentage of loans to small businesses significantly exceeded the percentage of business loans reflecting excellent performance and market share. A significant majority of the bank's loans were to businesses in amounts below \$100 thousand.

In 2004/2005, the percentage of loans to small businesses continued the performance in 2002 and 2003 reflecting excellent performance. No market share data were available, but statistics reflected loans below \$100 thousand remained a majority of businesses loans originated in 2004/2005.

Performance in the Limited Scope Review for Small Loans to Businesses

Performance in the limited scope-review of the distribution of small loans to businesses was consistent with performance in the AA receiving a full-scope review.

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 lending. This table includes all community development (CD) loans separated by loans in the non-MA area and loans in the metropolitan area of Portland, Maine.

CNB's community development lending performance in the non-MA AA is excellent and had a positive impact on the Lending Test rating. This is based on the level of CD loans compared to CD lending opportunities in the different AAs and the capacity of the bank. Total CD loans for the period of our review in the full scope AA totaled \$6.5 million or 9.76% of Tier One Capital. The CD lending activity in the limited-scope review is more than the full-scope review. CD loans in the Portland, ME limited scope review totaled \$1.8 million or 24% of Tier One Capital.

The following lists examples of CD loans originated during the evaluation period.

- A \$3.2 million loan to purchase a 26 unit low-income apartment building that provides affordable housing for low- and moderate-income individuals in Rockland, ME. The project provided low-income housing tax credits to the bank through Community Housing of Maine and the Maine State Housing Authority.
- A \$300 thousand line of credit to a local affordable housing organization to build houses for sale to affordable housing candidates.
- A \$200 thousand loan to the affordable housing organization above to purchase real estate to subdivide for construction of low- and moderate-income housing units. Funding was also provided by a local CD entity.
- A \$140 thousand loan to purchase a six bedroom intermediate facility for disadvantaged and low-income individuals in Belfast, Maine.
- A \$250 thousand line of credit to provide housing, food, clothing, and educational outlets for homeless teens in Rockland, Maine. Eighty percent of the agencies clients are low- and moderate-income clients. The line originated in 2002 and was renewed in 2004.
- A \$390 thousand line of credit to help low-income residents on Monhegan Island obtain affordable housing. Funds purchase buildings that are renovated into condos for lease as affordable housing that low-income individuals could qualify. The line was renewed annually in 2002, 2003, and 2004 and placed on a payout in 2005.
- A \$250 thousand loan to purchase a cottage on the island of Islesboro designed to house six residents that must qualify as having low or moderate income.
- A \$300 thousand loan in Camden, Maine to purchase housing that will accommodate low-income mentally challenged individuals.

While the volume of CD loans has increased from levels at the prior CRA examination, only one is considered innovative. The bank is participating in subdividing land with partners in the Camden community to provide developed tracts to construct affordable housing.

The bank also partnerships with local agencies to increase the volume of moderate-income housing in Camden. CNB provided a loan to purchase and develop a tract of land to build moderate-income housing. A member of senior management was heavily involved in monitoring the construction of the houses and insuring a moderate-income family qualified for ownership. The bank's efforts have been geared toward increasing the volume of affordable housing.

The Community Development loans in the limited-scope review totaling \$1.8 million are consistent with CD lending in the area receiving a full-scope review.

Product Innovation and Flexibility

Overall, the bank has demonstrated that it utilized flexible lending practices throughout the full-scope AA during the evaluation period to serve the credit needs of the communities. While not necessarily innovative, the bank offered a variety of loan products that are standard to the industry and exhibited flexibility in underwriting criteria and procedures to reach a broader customer base. Such efforts included first-time homebuyer mortgages through the Maine State Housing Authority (MSHA), which typically benefits low- or moderate-income borrowers.

The bank has demonstrated its willingness to participate in numerous programs to benefit its customer base including low- and moderate-income borrowers. Examples of its participation includes the following:

- The bank is an approved seller/servicer to the Federal Home Loan Mortgage Corporation and has established a direct computer link with this organization. Loan sales to the secondary market provides the bank additional funds to originate additional loans.
- The bank recently added FHA and VA Government Guarantee loan programs.
- The bank has obtained approval to participate with USDA Rural Development to issue guarantees on 100% loan-to-value loans.
- The product above is offered in combination with MSHA to assist first-time homebuyers.
- The bank offers loans insured by MGIC and PMI (products that allow homebuyers who do not have the cash for a down payment, to purchase insurance on the down payment amount to qualify for a mortgage).
- The bank offers flexible terms with its in-house mortgage products, providing financing on a house that might otherwise not qualify for financing on the secondary market.

- In 2004 and 2005, CNB applied for and received Equity Builder Funds from the Federal Home Loan Bank to support the bank's in-house first time homebuyer program. The bank makes loans to borrowers who qualify for the Equity Builder Program at 1% less than the current rate sheet pricing. During this time frame, the bank has funded \$126,206.00 to assist first time homebuyers under this special program.

In addition, CNB continues to offer an array of adjustable-rate mortgage products and several innovative loan products designed to provide flexible qualifying and repayment options for homebuyers. Such as:

- Freddie Mac Affordable Gold Program that allows borrowers to purchase a home with a 3% down payment.
- The one-time adjustable Modular Construction Program that offers long term fixed-rate financing, which is an expansion of its construction products.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope AA, the bank's performance under the lending test in the Portland, ME MA is consistent with the bank's overall "outstanding rating" performance under the lending test. Refer to Tables 1 through 13 in Appendix C for the facts and data that support these conclusions. This conclusion is based primarily on the consistent excellent performance in the loans to small businesses, as the limited scope area reviewed in Portland has business lending as its primary purpose.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the non-MA AA is good.

We included an assessment of community development opportunities as provided by bank management and community contacts. The level of opportunity is moderate to high in both number of opportunities and in dollar volume. There is competition for these opportunities with larger bank's obtaining the New Markets Tax Credits that serve distressed areas.

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

CNB's investment performance in the non-MA AA is good. This conclusion is based on the level of investments compared to investment opportunities and capacity of the bank. Total investments and grants for the period of our review in the full scope AA totaled \$1.3 million or 1.95% of Tier One capital allocated to this AA. The bank also sought investments that benefited statewide community development with one prior and three new investments in the Maine State Housing Authority. Investments that benefited the statewide region including the

bank's AA totaled \$853 thousand. Total investments of \$2.2 million equates to 2.97% of Tier One capital.

CNB also increased its dollar level of investments from the prior CRA evaluation in 2002. During this evaluation period, CNB made five investments and 10 grants that benefited the non-MA AA or a broader area that included the non-MA AA.

CNB has \$1.242 million outstanding in qualified investments that were made in the prior evaluation period. In aggregate, current period investments and outstanding prior period investments total \$2.2 million. CNB also has unfunded commitments totaling an additional \$245 thousand in existing community development investments in the non-MA AA.

The following are examples of investments benefiting the non-MA AA or larger statewide areas.

- CNB investments in the form of three contributions to a housing equity fund totaled \$690 thousand. The equity funds supports affordable housing development in a statewide region as well as in the bank's AA.
- A CNB investment in the amount of \$150 thousand to a CDFI was used for a \$100 thousand renewal of an equity investment and \$50 thousand to investment in a targeted business loan fund.
- Another CNB investment, in the amount of \$75 thousand for an equity investment to a certified CDFI.
- CNB made two donations for slightly less than \$2 thousand to a CDFI loan fund that supports economic development in the bank's AA.
- CNB made three donations for slightly over \$1 thousand to a county program that provides food for the home-bound elderly.
- CNB made three donations for \$4 thousand to two community groups that provide information to education or counsel home buyers.
- CNB made two donations for slightly over \$1 thousand to support construction for low-income housing and support programs that shelter homeless teens.
- Prior period investments consist of one affordable housing project that responds to the primary need of the AA. It continues to have a positive impact on the AA and reflects positively upon CNB.

The bank's investments while not particularly innovative or flexible, do provide funding for projects to aid in the development of affordable housing.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the investment test in the

Portland, ME metropolitan area is inconsistent with the bank's overall performance under the investment test. However, the funds that benefit the statewide affordable housing programs benefit the Portland, ME metropolitan area.

SERVICE TEST

The bank's performance under the Service Test is rated "High Satisfactory."

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the non-MA AA is good. CNB's delivery systems are accessible to geographies and individuals of different income levels throughout its AA. There have been no branch closings to impact low- or moderate-income individuals or geographies. The bank provides an excellent level of community development services.

The bank offers a standard variety of loan and deposit products throughout its branch network. The bank also offers an individual development account (IDA), designed as a matched savings program account for low- and moderate-income customers. Savings funds are matched and can be allocated towards the down payment on a house, to start a business, or for education needs. As of this examination, CNB has seven accounts totaling approximately \$15 thousand.

The bank has ten full service branches in the non-MA AA. The bank has no low-income or moderate-income geographies in this AA as of the updated census information for 2004. Of the total branches, 20% are in upper income tracts and 80% are located in middle income tracts. The branches are either stand-alone or located near a supermarket in shopping centers.

Branch hours are designed to be convenient to all individuals regardless of income level. There are no material differences in services provided throughout the branch network. Branch office hours and days of operation vary based on the convenience and needs of each branch's area. Five branches offer drive-up facilities during branch operations. Four of these include flexible hours on Saturday as a convenience to the local customers. A majority of the branches are in town centers making them accessible to all town residents.

The bank has eleven full-service automated teller machines (ATMs), all located at the branches either as a walk-up service or at the drive-up facilities. All ATMs are operational 24 hours a day. Two branches, Vinalhaven and Waldboro, do not have ATMs. These customers are serviced by other banks or they live in close proximity to an existing branch ATM. Of the total ATMs, three (27%) are in upper income tracts and eight (73%) are in middle income tracts. Other alternative delivery systems include:

- NetTeller: CNB offers a free online banking service to all customers that allows full access to accounts for checking balances, transferring funds, and accessing current rates on a 24 hour basis.

- Access 24: Is a free service that allows all customers to check balances, transfer between accounts, make loan payments and obtain current rate information 24 hours a day using a touch-tone phone.

CNB also offers bill payment service, mail in deposits, and direct deposits to all of its customers.

Community Development Services

CNB provides an excellent level of community development services. Bank management is highly involved in community organizations that are responsive to the identified credit needs in the AA. These organizations are involved in affordable housing, services geared towards low- or moderate-income individuals, and economic development initiatives. CNB provides support by lending its employees to serve in these organizations, using their technical and financial expertise. The following are examples of how CNB employees participate in community organizations with a community development purpose:

- A member of senior management serves on the board of Camden Affordable Housing Association as the president. The organization's mission is to develop affordable housing projects for the local community. Individuals must meet the income requirements of having income less than 100% of the area median income. The newest project is to develop a 24-unit workforce housing subdivision in Camden. In prior years, CNB has helped with the construction financing of the first two phases of a separate affordable housing subdivision.
- An employee is a member of Habitat for Humanity which builds housing for low- and moderate-income families. The employee serves as a member of the site selection committee which finds land and negotiates pricing for projects in southern and western Maine.
- A member of senior management serves on the Loan Committee of a local organization that provides loans to low- and moderate-income families for home improvements and repairs. The loan fund also provides micro-loans for start up and expansion for businesses that have difficulty finding traditional financing.
- A member of senior management member is the Treasurer for a local nonprofit, 501(c) organization which provides services to low- and moderate-income elderly residents in the area. The organization focuses on housing, including subsidized housing projects to ensure units remains affordable to low- and moderate-income elderly individuals.
- An employee is a member of a local county board of realtors, serves on a fund raising committee to assist low-income and elderly individuals with needed home repairs. This employee reviews applications and determines income eligibility, conducts onsite inspections, and coordinates the repair projects.
- A senior manager is a board member on a local Community Development Financial Institution (CDFI) and also serves on its loan committee. The CDFI specializes in

affordable housing, providing capital to projects that generally do not meet traditional financing requirements.

- A senior manager was on the Finance Committee of the Northern New England Housing Investors Fund between 2003 and May 2005. The committee raises capital to fund the permanent financing of tax credits for affordable housing projects throughout Maine.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance in the Portland MSA AA is good. CNB's delivery systems are reasonably accessible to geographies or individuals of different income levels in this AA. Of the two branches, one is located in a moderate-income tract in Portland and the other is in an upper income tract in Kennebunk. All the same products and services are offered at these offices and hours of operation are based on convenience to the needs of the local market. The bank's business plan is to focus on business lending in the Portland/Kennebunk AA, but it does originate consumer mortgage products if requested. Although it is on a much smaller scale, the performance and services offered are consistent with the full-scope review.

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 non-metropolitan 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): 7/1/2002 to 6/30/05 Investment and Service Tests and CD Loans: 7/1/2002 to 10/17/2005	
Financial Institution	Products Reviewed	
Camden National Bank (CNB) Camden, Maine	Home purchase, home improvement, and refinance loans reported on the HMDA Loan Application Register and internal bank records, as well as small business/farm loans reported on the CRA loan register. Community Development loans, investments, and services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None Included.		
List of AAs and Type of Examination		
AA	Type of Exam	Other Information
Mid-coast area around Camden NB (Non-MA)	Full-Scope	See market profile in Appendix B.
Portland, ME MA	Limited-Scope	

Appendix B: Market Profiles for Full-Scope Areas

(2002 Based on 1990 Census Data)

Demographic Information for Full-Scope Area: (CNB-Mid-Coast Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	28	0.00	3.57	82.14	3.57	10.71
Population by Geography	89,474	0.00	4.33	90.02	5.65	0.00
Owner-Occupied Housing by Geography	27,281	0.00	4.50	90.07	5.43	0.00
Businesses by Geography	7,571	0.00	1.70	90.45	7.85	0.00
Farms by Geography	333	0.00	4.50	93.69	1.80	0.00
Family Distribution by Income Level	24,702	19.13	19.65	25.23	35.98	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,580	0.00	5.88	90.65	3.48	0.00
Median Family Income HUD Adjusted Median Family Income for XXXX Households Below the Poverty Level	= \$ 30,719 = \$ 40,500 = 12.78%	Median Housing Value = \$ 79,505 Unemployment Rate = % 3.47%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 2002 HUD updated MFI.

(2003 Based on 2000 Census Data)

Demographic Information for Full-Scope Area: (CNB Mid-Coast Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	0.00	4.00	80.00	16.00	0.00
Population by Geography	97,592	0.00	2.96	84.69	12.35	0.00
Owner-Occupied Housing by Geography	31,882	0.00	2.23	85.16	12.61	0.00
Businesses by Geography	7,773	0.00	4.66	77.72	17.63	0.00
Farms by Geography	335	0.00	0.90	86.27	12.84	0.00
Family Distribution by Income Level	27,137	16.94	18.39	23.86	40.82	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,587	0.00	3.86	86.47	9.67	0.00
Median Family Income HUD Adjusted Median Family Income for XXXX Households Below the Poverty Level	= \$ 43,846 = \$ 44,400 = 11.00%	Median Housing Value = \$ 110,092 Unemployment Rate = 2.55%				

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2003 HUD updated MFI.

(2004/2005 Based on 2000 Census Data and income adjustments to Census Tracts by the Office Management & Budget)

Demographic Information for Full-Scope Area: (CNB Mid-Coast Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	0.00	0.00	76.00	24.00	0.00
Population by Geography	97,592	0.00	0.00	81.92	18.08	0.00
Owner-Occupied Housing by Geography	31,882	0.00	0.00	81.00	19.00	0.00
Businesses by Geography	7,973	0.00	0.00	77.86	22.14	0.00
Farms by Geography	340	0.00	0.00	73.24	26.76	0.00
Family Distribution by Income Level	27,137	15.67	17.62	23.14	43.57	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,034	0.00	0.00	85.53	14.47	0.00
Median Family Income = \$ 40,084			Median Housing Value = \$ 84,634			
HUD Adjusted Median Family Income for XXXX = \$ 45,200			Unemployment Rate = 2.77%			
Households Below the Poverty Level = 13.46%						

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 U.S. Census, and 2004 HUD updated MFI.

In 2002 the bank's demographic information above was based on the 1990 census data. CNB's AA in the mid-coastal region of Maine stretched from Boothbay to Bucksport and inland to rural geographies bordering Augusta and Dixmont. It included parts of Lincoln, Knox, and Waldo Counties. The AA in 2002 was primarily middle-income tracts. There were changes in 2003 and 2004 resulting from the 2000 Census that eliminated the one moderate-income tract. The composition of census tracts by income level, remained primarily middle-income. The AA with the majority of the bank's population remains in small coastal communities with significantly larger summer than year-round residents.

The bank's market areas are highly competitive from local and regional banks, mortgage loan companies, and government agencies such as Farm Credit. The bank has a 57% deposit market share in Knox County, 19% in Waldo County, and 7% in Lincoln County. The major business focus of the AA includes commercial fishing with increases in tourism and boating activities. Tourism includes cruises to kayaking with many summer tourists seeking vacation homes. The hospitality industry has grown due to increasing tourist levels but remains seasonal and lower paid. The area from 2002 to 2005 has seen an increase in individuals buying or building second homes or retirement homes. The economy has improved as more residents (seasonal or year round) require more goods and services. The unemployment rate is below the state average as growth in Maine is primarily along the coastal areas.

Beginning in 2002, many people sold their stocks to preserve principal and invested in real estate for second homes and retirement homes in the Camden or Maine coastal area. In addition, post 9/11, some individuals sought to change their lifestyle by moving out of more populated areas and relocating to more wholesome and scenic communities in coastal Maine. With an increased ability to telecommute, families have been seeking a safer environment. These factors have contributed to more families relocating to the bank's primary AA over the past three years.

The influx of individuals with higher incomes to Maine, and specifically the area of the full-scope review has driven up housing prices and reduced the availability of affordable housing. These factors combined with higher heating fuel costs has created difficulty for people of low- and moderate-incomes. In 2004, Maine felt the impact of increased oil demand and rising prices for gas and home heating fuels. Kerosene prices mirrored the rise of heating oil prices and propane prices also increased steadily through 2004. High energy prices have impacted Maine's low-income population with an increase in applications for Low-income Heating Energy Assistance.

While the jobs are increasing in the coastal regions, affordable housing for workers in the area have not kept pace. The median housing price for homes makes it difficult for low- and moderate-income borrowers to find affordable housing.

In 2003, the 2000 census reflected less moderate-income families and the bank's one moderate-income tract was upgraded to middle-income. As values in homes continued to increase, some low- and moderate-income families who purchased their homes before the rise in values, sold their homes for huge gains and moved to more affordable areas.

In 2004, the high price of homes and limited inventory of affordable homes continued to make it difficult for low- and moderate-income families to find housing close to employment in Camden. Workers in the Camden market who moved over 50 miles or an hour away to find affordable housing were being hit by the high cost of gasoline for their commute.

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: 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/AA. 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 information are noted as not applicable.

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/AA.
- 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/AA. 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.

- 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.
- 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/AA. 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/AA.

- 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.
- 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: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005		
MA/AA:	% 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:												
2002 CNB-Camden	97.88	534	70,766	436	34,343	91	3,455	2	640	1,063	109,204	Not Available
2003 CNB-Camden	95.52	942	117,441	753	63,790	201	5,773	3	775	1,899	187,779	92%
2004 & 6 months of 2005 CNB-Camden	95.91	834	117,096	1,523	272,101	339	32,084	8	5,120	2,704	426,401	90%
Limited Review:												
2002 CNB-Portland	2.12	5	759	18	4,888	0	0	0	0	23	5,647	Not Available
2003 CNB-Portland	4.48	27	5,304	62	14,597	0	0	0	0	89	19,901	8%
2004 & 6 months of 2005 CNB-Portland	4.09	26	9,468	89	20,686	0	0	2	1,825	117	31,979	10%

* Loan data as of December 31, 2004. Rated area refers to either the MA or non-MA AA.

** The evaluation period for Community Development Loans is November 18, 2002 to October 17, 2005.

*** Deposit data as of June 30, 2005. Rated area refers to either the MA or non-MA AA.

* Loan Data includes the following: 2002 loans from 7/1/02 to 12/31/02, all loans in 2003, all loans in 2004, and 2005 loans from 1/1/05 to 6/30/05. Loans for 2004 and 2005 are combined for purposes of this analysis. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is 7/1/02 to 10/17/05.

*** Deposit Data as of June 30, 2005.. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: CAMDEN NATIONAL BANK (CNB) AA		Evaluation Period: July 1, 2002 to June 30, 2005	
MA/AA:	Other Unsecured Consumer Loans		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
7/1/2002 – 6/30/2005	NOT APPLICABLE				
Limited Review:					
7/1/2002 TO 6/30/2005	NOT APPLICABLE				

(*)The evaluation period for Optional Product Line(s) is from 7/1/2002 to 6/30/05, however optional loan data was not provided for purposes of this evaluation..

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	121	99.18	0.00	0.00	4.50	0.83	90.07	80.17	5.43	19.01	20.30	0.00	13.16	18.41	42.05
2003 CNB-Camden	226	97.41	0.00	0.00	2.23	4.87	85.16	72.57	12.61	22.57	19.72	0.00	40.74	17.25	30.36
2004 & 6 months of 2005 CNB-Camden	363	95.28	0.00	0.00	0.00	0.00	81.00	73.00	19.00	27.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE				
Limited Review:															
2002 CNB-Portland	1	0.82	2.68	0.00	13.43	100.00	82.75	0.00	1.14	0.00	0.05	0.00	0.30	0.00	0.00
2003 CNB-Portland	6	2.59	0.96	0.00	4.53	16.67	57.91	33.33	36.60	50.00	0.13	0.00	0.32	0.07	0.24
2004 & 6 months of 2005 CNB-Portland	18	4.72	0.96	0.00	5.98	5.56	81.93	44.44	11.13	50.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE				

* Based on 2002 & 2003 Peer Mortgage Data: Camden, ME, Northeast Region.

** 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on: 2002-1990 Census information and 2003-2000 Census Information, and 2004/2005-2000 Census Information adjusted for changes in MSA delineations by OMB in 2004.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ... Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	18	100.00	0.00	0.00	4.50	0.00	90.07	83.33	5.43	16.67	12.17	0.00	5.26	11.69	30.77
2003 CNB-Camden	48	100.00	0.00	0.00	2.23	6.25	85.16	75.00	12.61	18.75	18.90	0.00	33.33	16.22	39.13
2004 & 6 months of 2005 CNB-Camden	130	99.24	0.00	0.00	0.00	0.00	81.00	83.08	19.00	16.92	2004/2005 MARKET SHARE DATA NOT AVAILABLE				
Limited Review:															
2002 CNB-Portland	0.00	0.00	2.68	0.00	13.43	0.00	82.75	0.00	1.14	0.00	0.00	0.00	0.00	0.00	0.00
2003 CNB-Portland	0.00	0.00	0.96	0.00	4.53	0.00	57.91	0.00	36.60	0.00	0.00	0.00	0.00	0.00	0.00
2004 & 6 months of 2005 CNB-Portland	1	0.76	0.96	0.00	5.98	0.00	81.93	100.00	11.13	0.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				

* Based on 2002 & 2003 Peer Mortgage Data: Camden, ME, Northeast Region.

** 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on: 2002-1990 Census information and 2003-2000 Census Information, and 2004/2005-2000 Census Information adjusted for changes in MSA delineations by OMB in 2004.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ... Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	393	98.99	0.00	0.00	4.50	1.53	90.07	81.17	5.43	17.30	23.07	0.00	9.64	21.95	38.14
2003 CNB-Camden	665	97.08	0.00	0.00	2.23	2.26	85.16	75.79	12.61	21.95	18.21	0.00	21.13	16.98	23.90
2004 & 6 months of 2005 CNB-Camden	341	97.99	0.00	0.00	0.00	0.00	81.00	72.14	19.00	27.86	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				
Limited Review:															
2002 CNB-Portland	4	1.01	2.68	0.00	13.43	25.00	82.75	75.00	1.14	0.00	0.17	0.00	0.46	0.13	0.00
2003 CNB-Portland	20	2.92	0.96	0.00	4.53	0.00	57.91	30.00	36.60	70.00	0.12	0.00	0.00	0.06	0.25
2004 & 6 months of 2005 CNB-Portland	7	2.01	0.96	0.00	5.98	0.00	81.93	57.14	11.13	42.86	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				

* Based on 2002 & 2003 Peer Mortgage Data: Camden, ME, Northeast Region.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on: 2002-1990 Census information, 2003-2000 Census Information, and .2004/2005-2000 Census Information adjusted for changes in MSA delineations by OMB in 2004.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	2	100.00	0.00	0.00	1.19	0.00	89.02	100.00	9.79	0.00	60.00	0.00	0.00	60.00	0.00
2003 CNB-Camden	3	75.00	0.00	0.00	4.81	0.00	83.17	100.00	12.02	0.00	30.00	0.00	0.00	30.00	0.00
2004 & 6 months of 2005 CNB-Camden	0	0.00	0.00	0.00	0.00	0.00	87.85	0.00	12.15	0.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				
Limited Review:															
2002 CNB-Portland	0	0.00	25.61	0.00	37.95	0.00	36.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2003 CNB-Portland	1	25.00	8.98	100.00	23.66	0.00	58.27	0.00	9.09	0.00	0.98	7.14	0.00	0.00	0.00
2004 & 6 months of 2005 CNB-Portland	0	0.00	8.98	0.00	29.68	0.00	60.18	0.00	1.15	0.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				

* Based on 2002 & 2003 Peer Mortgage Data: Camden, ME, Northeast Region.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on: 2002-1990 Census information and 2003-2000 Census Information, and 2004/2005-2000 Census Information adjusted for changes in MSA delineations by OMB in 2004.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005						
MA/AA:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography						
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:																	
2002 CNB-Camden	435	96.03	0.00	0.00	1.70	2.30	90.45	81.61	7.85	16.09	13.70	0.00	10.87	14.28	36.82		
2003 CNB-Camden	753	92.39	0.00	0.00	4.66	7.84	77.72	64.81	17.63	27.36	9.89	0.00	29.47	9.33	13.80		
2004 & 6 months of 2005 CNB-Camden	1,503	94.41	0.00	0.00	0.00	0.00	77.86	63.34	22.14	36.66	2004/2005 MARKET SHARE DATA NOT AVAILABLE.						
Limited Review:																	
2002 CNB-Portland	18	3.97	12.70	5.58	35.40	66.67	50.19	27.78	1.70	0.00	0.47	0.22	1.30	0.33	0.44		
2003 CNB-Portland	62	7.61	5.23	6.45	18.37	24.19	51.70	29.03	24.70	40.32	0.53	1.16	1.10	0.31	0.82		
2004 & 6 months of 2005 CNB-Portland	89	5.59	3.93	5.62	19.10	26.97	52.10	21.35	24.96	46.07	2004/2005 MARKET SHARE DATA NOT AVAILABLE.						

* Based on 2002, 2003, 2004, and 2005 Peer Small Business Data: US.

** 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 2002, 2003, and 2004..

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	91	100.00	0.00	0.00	4.50	2.20	93.69	95.60	1.80	2.20	33.47	0.00	5.71	34.80	50.00
2003 CNB-Camden	201	100.00	0.00	0.00	0.90	1.99	86.27	93.53	12.84	4.48	31.02	0.00	66.67	30.62	37.50
2004 & 6 months of 2005 CNB-Camden	335	100.00	0.00	0.00	0.00	0.00	73.24	60.00	26.76	40.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				
Limited Review:															
2002 CNB-Portland	0	0.00	12.20	0.00	32.93	0.00	53.66	0.00	1.22	0.00	0.00	0.00	0.00	0.00	0.00
2003 CNB-Portland	0	0.00	3.88	0.00	10.85	0.00	39.53	0.00	45.74	0.00	0.00	0.00	0.00	0.00	0.00
2004 & 6 months of 2005 CNB-Portland	0	0.00	2.26	0.00	11.65	0.00	40.60	0.00	45.49	0.00	2004/2005 MARKET SHARE DATA NOT AVAILABLE.				

* Based on 2002, 2003, 2004 Peer Small Business Data: US.

** 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 2002, 2003, and 2004..

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CAMDEN NATIONAL BANK (CNB) AA										Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overall	Low	Mod	Mid	Upp	
Full Review:																
2002 CNB-Camden	121	99.18	19.13	5.83	19.65	9.17	25.23	12.50	35.98	72.50	22.10	31.58	15.08	12.63	26.45	
2003 CNB-Camden	226	97.41	16.94	5.94	18.39	15.07	23.86	17.81	40.82	61.19	20.82	26.00	19.64	16.53	22.41	
2004 & 6 months of 2005 CNB-Camden	363	95.28	15.67	6.29	17.62	14.29	23.14	23.43	43.57	56.00	2004/2005 Market Share Data Not Available.					
Limited Review:																
2002 CNB-Portland	1	0.82	23.32	0.00	19.94	0.00	26.55	0.00	30.19	100.00	0.06	0.00	0.00	0.00	0.13	
2003 CNB-Portland	6	2.59	17.46	0.00	18.02	16.67	22.17	0.00	42.35	83.33	0.14	0.00	0.13	0.00	0.22	
2004 & 6 months of 2005 CNB-Portland	18	4.27	19.17	6.25	18.94	12.50	24.50	18.57	37.39	62.50	2004/2005 Market Share Data Not Available.					

* Based on 2002, 2003, and 2004 Peer Mortgage Data: Northeast Region.

** Based on a percentage of loans with borrower income information available.

*** Percentage of Families is based on the 1990 Census information for 2002, 2000 Census information for 2003, 2004, and 2005..

**** 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.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005				
MA/AA:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
2002 CNB-Camden	18	100.00	19.13	16.67	19.65	44.44	26.23	5.56	35.98	33.33	13.28	27.27	27.66	3.92	9.09
2003 CNB-Camden	48	100.00	16.94	24.44	18.39	11.11	23.86	26.67	40.82	37.78	19.07	39.29	12.20	16.67	17.89
2004 & 6 months of 2005 CNB-Camden	130	99.24	15.67	15.00	17.62	23.33	23.14	25.00	43.57	36.67	2004/2005 Market Share Data Not Available.				
Limited Review:															
2002 CNB-Portland	0	0.00	23.32	0.00	19.94	0.00	26.55	0.00	30.19	0.00	0.00	0.00	0.00	0.00	0.00
2003 CNB-Portland	0	0.00	17.46	0.00	18.02	0.00	22.17	0.00	42.35	0.00	0.00	0.00	0.00	0.00	0.00
2004 & 6 months of 2005 CNB-Portland	1	0.76	19.17	0.00	18.94	0.00	24.50	0.00	37.39	0.00	2004/2005 Market Share Data Not Available.				

* Based on 2002, 2003, and 2004 Peer Mortgage Data: Northeast Region.

** Based on a percentage of loans with borrower income information available.

*** Percentage of Families is based on the 1990 Census information for 2002, 2000 Census information for 2003, 2004, and 2005..

**** 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.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CAMDEN NATIONAL BANK (CNB) AA				Evaluation Period: July 1, 2002 to June 30, 2005					Market Share				
MA/AA:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families* **	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
2002 CNB-Camden	393	98.99	19.13	3.19	19.65	8.78	25.23	18.62	35.98	69.41	25.42	31.08	21.37	23.86	28.34	
2003 CNB-Camden	665	97.08	16.94	6.56	18.39	13.44	23.86	23.28	40.82	56.72	20.27	33.33	21.45	19.35	19.52	
2004 & 6 months of 2005 CNB-Camden	341	97.99	15.67	7.81	17.62	18.13	23.14	23.13	43.57	50.94	2004/2005 MARKET SHARE DATA NOT AVAILABLE.					
Limited Review:																
2002 CNB-Portland	4	1.01	23.32	0.00	19.94	25.00	26.55	0.00	30.19	75.00	0.20	0.00	0.14	0.00	0.38	
2003 CNB-Portland	20	2.92	17.46	0.00	18.02	5.00	22.17	15.00	42.35	80.00	0.14	0.00	0.05	0.08	0.21	
2004 & 6 months of 2005 CNB-Portland	7	2.01	19.17	0.00	18.94	42.86	24.50	28.57	37.39	26.57	2004/2005 MARKET SHARE DATA NOT AVAILABLE.					

* Based on 2002, 2003, and 2004 Peer Mortgage Data: Northeast Region.

** Based on a percentage of loans with borrower income information available.

*** Percentage of Families is based on: the 1990 Census information for 2002, 2000 Census information for 2003, 2004, and 2005.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: CAMDEN NATIONAL BANK (CNB) AA				Evaluation Period: July 1, 2002 to June 30, 2005			
MA/AA:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% 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:									
2002 CNB-Camden	436	96.04	74.60	76.67	79.59	14.45	5.96	13.70	21.58
2003 CNB-Camden	753	92.39	63.73	84.06	77.03	16.47	6.51	9.89	16.25
2004 & 6 months of 2005 CNB-Camden	1503	94.41	65.65	83.37	70.92	21.36	7.72	2004/2005 Market Share Data Not Available	
Limited Review:									
2002 CNB-Portland	18	3.96	75.91	61.11	44.44	16.67	38.89	0.47	0.90
2003 CNB-Portland	62	7.61	62.55	74.19	43.55	20.97	35.48	0.53	0.97
2004 & 6 months of 2005 CNB-Portland	89	5.59	62.98	77.53	48.31	22.47	29.21	2004/2005 Market Share Data Not Available	

* Based on 2002, 2003, and 2004 Peer Small Business Data: US.

** 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 – 2002, 2003, and 2004).

**** 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 XX%% 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: CAMDEN NATIONAL BANK (CNB) AA				Evaluation Period: July 1, 2002 to June 30, 2005			
MA/AA:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share		
	#	% 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:										
2002 CNB Camden	91	100.00	93.69	92.31	91.21	7.69	1.10	33.47	32.83	
2003 CNB Camden	201	100.00	91.94	95.52	94.03	5.47	0.50	31.02	30.67	
2004/2005 CNB Camden	335	100.00	92.06	97.31	89.25	9.55	1.19	2004/2005 Market Share Data Not Available		
Limited Review:										
2002 CNB Portland	0	0.00	86.59	0.00	0.00	0.00	0.00	0.00	0.00	
2003 CNB Portland	0	0.00	87.21	0.00	0.00	0.00	0.00	0.00	0.00	
2004/2005 CNB Portland	0	0.00	87.22	0.00	0.00	0.00	0.00	2004/2005 Market Share Data Not Available		

* Based on [Year] Peer Small Business Data: US.

** 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 - Year).

**** 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 [Percentage] of small loans to farms originated and purchased by Bank.

Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)

Geographic and Borrower Distribution: CONSUMER LOANS		Geography: CAMDEN NATIONAL BANK (CNB) AA								Evaluation Period: July 1, 2002 to June 30, 2005									
MA/AA:	Geographic Distribution										Borrower Distribution								
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		
	#	% of Total*	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	
Full Review:		NOT APPLICABLE																	
Limited Review:		NOT APPLICABLE																	

* Consumer loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.
 ** Percentage of Households is based on the 1990 Census Information.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: CAMDEN NATIONAL BANK (CNB) AA				Evaluation Period: July 1, 2002 to October 17, 2005			
MA/AA:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total***	#	\$(000's)
Full Scope Review:									
	1	1,077	0	0	1	1,077	49.8%		
2002-CNB Camden	0	0	0	0	0	0	0%		
2003-CNB Camden	0	0	3	3	3	3	0.14%		
2004-CNB Camden	0	0	7	229	7	229	10.6%		
2005-CNB Camden	0	0	2	1	2	1	-%		
Total Investments Full Review-CNB Camden:	1	1,077	12	233	13	1,309	60.6%	1	75
Limited Scope Review:									
None-CNB Portland									
Investments Benefiting Statewide Area:****									
	1	165	0	0	1	165	7.6%		
2002-Statewide	0	0	1	345	1	345	16.0%		
2003-Statewide	0	0	1	246	1	256	11.8%		
2004-Statewide	0	0	1	87	1	87	4.0%		
2005-Statewide	0	0	0	0	0	0	0		
Total Investments Statewide Area:	1	165	3	688	4	853	39.4%	1	170
Total Investments CNB	2	1,242	15	921	17	2,162	100%	2	245

* Prior period investments' means investments made in a previous evaluation 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 reporting systems.

***Rounded to whole percentages.

****Investments that benefit statewide areas including the bank's AAs.

* 'Prior Period Investments' means investments made in a previous evaluation 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: CAMDEN NATIONAL BANK (CNB) AA Evaluation Period: July 1, 2002 to June 30, 2005																	
MA/AA:	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:																	
2002-CNB Camden	0	10	0	0	0	80	20	0	0	0	0	0	0	0	4.33	90.02	5.65
2003 CNB Camden	0	10	0	0	0	80	20	0	0	0	0	0	0	0	2.96	84.69	12.35
2004/2005-CNB Camden	0	10	0	0	0	80	20	0	0	0	0	0	0	0	0	81.92	18.08
Limited Review:																	
2002 CNB Portland	0	1	0	0	100	0	0	0	0	0	0	0	0	9.86	21.34	68.07	0.71
2003 CNB Portland	0	2	0	0	50	0	50	1	0	0	0	0	+1	3.62	9.73	58.57	28.08
2004/2005 CNB Portland	0	2	0	0	50	0	50	0	0	0	0	0	0	3.62	13.03	74.76	8.60