CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: SOMERSET HILLS BANCORP (BANK SUBSIDIARY: SOMERSET HILLS BANK)
Person to be contacted about report: JAMES NIGRO, SR. LOAN OFFICER (908-630-5016); STEWART E. MCCLURE, JR., PRES. & CEO (908-630-5000)
Submission date: MAY 7, 2009

RSSD (for Bank Holding Companies): 2950480
Holding Company Docket Number (for Thrift Holding Companies): N/A
FDIC Certificate Number (for depository institutions): 34720

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$60,794	$60,462	Includes residential mortgage loans (excluding loans held for sale of $7,444 in February and $6,113 in March), home equity loans, home equity lines of credit, automobile loans, overdraft checking lines and other consumer loans	New originations offset by lower consumer utilization of home equity lines of credit and voluntary pay down of balances; consumer loan demand remains weak.
b. Average Commercial Loans	$149,594	$148,282	Includes commercial mortgage loans, business lines of credit and term loans, bridge loans, construction and land development, and all other non-consumer loans (net of participations sold), as well as all business and consumer checking account overdrafts	New originations offset by scheduled repayment, lower utilization and voluntary pay down of lines of credit, repayment of bridge/construction loan according to terms; commercial loan demand remains weak.
c. Total Loans (sum of lines a and b)	$210,388	$208,744		

2. General Market Commentary (optional)