

# Bank Local, Bank Healthy



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*Oct. 5th, 2009* - Recent turmoil in the financial services industry made it easy for all banks to be considered bad actors. However, very distinct differences exist between traditional banks, such as those in Vermont, and investment banks, such as the failed Lehman Brothers and Bear Stearns.

Vermonters are served by 21 community and regional banks which operate over 285 branches statewide and employ 3,100 individuals. Vermont banks actively support home ownership and believe small businesses drive new ideas, create jobs and provide for economic prosperity. Our bankers work closely with customers and seek to establish long term, mutually beneficial relationships. Our approach to lending focuses on providing clearly understood loan products and ensuring borrowers have the capacity to repay their debt. Ultimately, the customer's success is the bank's success.

Vermont banks did not engage in the subprime lending that led to the demise of many borrowers and banks in other parts of the country. Although the economic downturn adversely affected many Vermonters, the tried and true lending philosophy of Vermont banks meant the State experienced amongst the lowest delinquency and foreclosure rates in the country. In my opinion, this is a credit to both bank underwriting and the prudent nature of Vermont borrowers.

Vermont banks remain financially healthy and are very much open for business, lending money, supporting their communities, and building a stronger Vermont. In 2009 residential mortgage lending has been brisk, and small business lending will exceed \$1 billion. By banking locally, you too contribute to building a stronger State.