PARKE BANCORP, INC.
Form 10-Q
November 14, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, 2007

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

Commission File No. 000-51338

PARKE BANCORP, INC.
(Exact name of registrant as specified in its charter)

New Jersey	65-1241959
(State or other jurisdiction of incorporation or organization	(IRS Employer Identification No.)
601 Delsea Drive, Washington Township, New Jersey	08080
(Address of principal executive offices)	(Zip Code)

856-256-2500
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

APPLICABLE ONLY TO CORPORATE ISSUERS

As of November 13, 2007, there were issued and outstanding 3,158,756 shares of the registrant's common stock.

PARKE BANCORP, INC.

FORM 10-Q

FOR THE QUARTER ENDED SEPTEMBER 30, 2007

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PARKE BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(unaudited)

	September 30, 2007
ASSETS	
Cash and due from banks	$ 3,785,208
Federal funds sold and other cash equivalents	8,565,847
Cash and cash equivalents	12,351,055
Investment securities available for sale, at market value	29,661,504
Investment securities held to maturity, at amortized cost (market value	

$2,392,093 at September 30, 2007 and $2,425,629 at December 31, 2006)	2,449,316
Total investment securities	32,110,820
Restricted stock, at cost	1,873,300
Loans	386,236,556
Less: allowance for loan losses	(5,407,529)
Total net loans	380,829,027
Bank premises and equipment, net	3,240,994
Bank owned life insurance	4,768,277
Accrued interest receivable	2,543,763
Other assets	3,302,579
Total other assets	13,855,613
Total assets	$ 441,019,815

See Notes to Consolidated Financial Statements 1

PARKE BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(unaudited)

	September 30, 2007
LIABILITIES AND SHAREHOLDERS' EQUITY	
Liabilities	
Deposits	
Non-interest bearing demand	$ 23,814,673
Interest-bearing demand	328,938,109
Total deposits	352,752,782
Federal Home Loan Bank advances	29,305,695
Other borrowings	6,500,000
Subordinated debentures	13,403,000
Total borrowings	49,208,695
Accrued interest payable	2,036,823
Other liabilities	1,819,451
Total other liabilities	3,856,274
Total liabilities	405,817,751

SHAREHOLDERS' EQUITY	
Common stock, $.10 par value, 10,000,000 shares authorized; 3,246,035 shares issued at September 30, 2007 and 2,884,937 shares issued at December 31, 2006	324,603
Preferred stock, 1,000,000 shares authorized; no shares issued and outstanding	-
Additional paid-in capital	26,442,579
Retained earnings	10,432,715
Accumulated comprehensive income	(492,321)
Treasury stock, at cost (88,876 shares at September 30, 2007 and 68,026 at December 31, 2006)	(1,505,512)
Total shareholders' equity	35,202,064
Total liabilities and shareholders' equity	$ 441,019,815

See Notes to Consolidated Financial Statements

PARKE BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the three months ended September 30,		For
	2007	2006	2
Interest and dividend income			
Loans, including fees	$ 8,458,830	$ 6,373,897	$ 23
Securities	451,951	343,119	1
Federal funds sold	51,629	35,941	
Total interest and dividend income	8,962,410	6,752,957	24
Interest expense			
Deposits	3,978,597	2,788,168	11
Federal Home Loan Bank advances	303,821	247,157	
Other borrowings	271,533	205,582	
Total interest expense	4,553,951	3,240,907	12
Net interest income	4,408,459	3,512,050	11
Provision for loan losses	186,000	211,000	
Net interest income after provision for loan losses	4,222,459	3,301,050	10
Noninterest income			

Deposit account service charges and other fees	66,755	55,213	
Gain on sale of other real estate owned	-	-	
Loan fees	63,271	91,911	
Bank owned life insurance income	46,542	42,882	
Loss on sale of securities	-	-	
Total noninterest income	176,568	190,006	1
Noninterest expense			
Compensation and benefits	853,089	722,097	2
Occupancy and equipment	187,777	170,146	
Professional services	194,442	139,363	
Data processing	98,858	108,293	
Marketing and business development	74,762	57,393	
Other operating expenses	307,024	271,482	
Total noninterest expense	1,715,952	1,468,774	4
Income before income tax expense	2,683,075	2,022,282	7
Income tax expense	1,055,098	805,600	2
Net income	$ 1,627,977	$ 1,216,682	$ 4
Net income per common share			
Basic	$ 0.52	$ 0.39	$
Diluted	$ 0.45	$ 0.34	$
Weighted average shares outstanding			
Basic	3,160,052	3,109,110	3
Diluted	3,608,681	3,617,113	3

See Notes to Consolidated Financial Statements 3

PARKE BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 AND 2006
(unaudited)

	Common Stock	Additional Paid- In capital	Retained Earnings	Accumu Oth Compreh Income
Balance at December 31, 2005	$ 231,736	$ 20,511,410	$ 6,787,118	$ (28
Stock options and warrants exercised	7,533	533,189	-	
Treasury stock purchased	-	-	-	
20% stock dividend	47,243	(51,972)	-	
Comprehensive income:				
Net income for the period	-	-	3,413,355	
Change in net unrealized gain on securities available for sale,				

net of reclassification adjustment and tax effects	-	-	-	1
Total comprehensive income				
Balance at September 30, 2006	$ 286,512	$ 20,992,627	$ 10,200,473	$ (26
Balance at December 31, 2006	$ 288,494	$ 21,153,220	$ 10,847,763	$ (42
Stock options and warrants exercised	6,766	496,284	-	
Stock compensation	-	24,789	-	
Treasury stock purchased	-	-	-	
10% stock dividend	29,343	4,768,286	(4,801,703)	
Comprehensive income:				
Net income for the period	-	-	4,386,655	
Change in net unrealized gain on securities available for sale, net of reclassification adjustment and tax effects	-	-	-	(8
Adjustment to minimum pension liability	-	-	-	1
Total comprehensive income				
Balance at September 30, 2007	$ 324,603	$ 26,442,579	$ 10,432,715	$ (49

See Notes to Consolidated Financial Statements

PARKE BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the ni Septe 2007
Operating Activities	
Net income	$ 4,386,655
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	228,178
Provision for losses	896,496
Net (accretion) of investment securities premium/discounts	(45,943
Stock compensation	24,789
Bank owned life insurance income	(136,118
Supplemental executive retirement plan	194,274
Loss on sale of investments	14,609
Changes in operating assets and liabilities:	
Decrease (increase) in accrued interest receivable and other assets	477,742
(Decrease) increase in accrued interest payable and other liabilities	(827,211
Net cash provided by operating activities	5,213,471
Investment Activities	

Purchases of investment securities available for sale	(9,648,517
Purchase of restricted stock	(380,500
Proceeds from sales of investment securities available for sale	985,391
Proceeds from maturities of investment securities available for sale	2,050,000
Principal payments on mortgage-backed securities	1,349,636
Net increase in loans	(75,683,637
Purchases of bank premises and equipment	(37,377
Net cash used in investing activities	(81,365,004
Financing Activities	
Proceeds from exercise of stock options and warrants	503,050
Purchase of treasury stock	(345,445
Cash dividends	(4,074
Net increase (decrease) in other borrowings	6,400,000
Net increase in Federal Home Loan Bank advances	4,864,324
Proceeds from issuance of subordinated debentures	3,000,000
Net increase in interest-bearing deposits	57,296,826
Net increase in noninterest-bearing deposits	5,527,096
Net cash provided by financing activities	77,241,774
Increase in cash and cash equivalents	1,090,244
Cash and Cash Equivalents at January 1,	11,260,811
Cash and Cash Equivalents at September 30,	$ 12,351,055
Supplemental Disclosure of Cash Flow Information:	
Cash paid during the period for:	
Interest on deposits and borrowings	$ 12,609,856
Income taxes	$ 3,612,651

See Notes to Consolidated Financial Statements 5

PARKE BANCORP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1. GENERAL

Business

Parke Bancorp, Inc. ("Parke Bancorp or the "Company") is a bank holding company incorporated under the laws of the State of New Jersey in January 2005 for the sole purpose of becoming the holding company of Parke Bank (the "Bank").

The Bank is a commercial bank which commenced operations on January 28, 1999. The Bank is chartered by the New Jersey Department of Banking and insured by the Federal Deposit Insurance Corporation ("FDIC"). Parke Bancorp and the Bank maintain their principal offices at 601 Delsea Drive, Washington Township, New Jersey. The Bank also conducts business through offices in Northfield and

Washington Township, New Jersey and Philadelphia, Pennsylvania and has loan production offices in Millville, New Jersey and Havertown, Pennsylvania.

Financial Statements

The accompanying financial statements as of September 30, 2007 and for the three and nine month periods ended September 30, 2007 and 2006 included herein have not been audited. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted; therefore, these financial statements should be read in conjunction with the Company's audited financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, as filed with the SEC. The accompanying financial statements reflect all adjustments, which are, in the opinion of management, necessary to present a fair statement of the results for the interim periods presented. Such adjustments are of a normal recurring nature. The results for the three and nine months ended September 30, 2007 are not necessarily indicative of the results that may be expected for the year ending December 31, 2007 or any other periods.

Basis of Financial Statement Presentation

The financial statements include the accounts of Parke Bancorp Inc. and its wholly owned subsidiaries, Parke Bank, Parke Capital Markets and Farm Folly, LLC. Parke Capital Trust I, Parke Capital Trust II and Parke Capital Trust III are wholly-owned subsidiaries but are not consolidated because they do not meet the consolidation requirements. All significant inter-company balances and transactions have been eliminated. Such statements have been prepared in accordance with GAAP and general practice within the banking industry.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from such estimates. A material estimate that is particularly susceptible to a significant change in the near term is the determination of the allowance for loan losses.

Investments

The Company has identified investment securities that will be held for indefinite periods of time, including securities that will be used as a part of the Bank's asset/liability management strategy and may be sold in response to changes in interest rates, prepayments and similar factors. These securities are classified as "available-for-sale" and are carried at fair value, with temporary unrealized gains or losses reported as a separate component of accumulated other comprehensive income (loss), net of the related income tax effect. Declines in the fair value of the individual available-for-sale securities below their

cost that are other than temporary have resulted in write downs of the individual securities to their fair value and are included in noninterest income in the consolidated statements of operations. Factors affecting the determination of whether an other-than-temporary impairment has occurred include a downgrading of the security by a rating agency, a significant deterioration in the financial condition of the issuer, or that the Company would not have the intent and ability to hold a security for a period of time sufficient to allow for any anticipated recovery in fair value. The unrealized losses that existed as of September 30, 2007 are the result of market changes in interest rates since the securities were purchased. This factor, coupled with the fact the Company has both the intent and ability to hold securities for a period of time sufficient to allow for any anticipated recovery in fair value, substantiates that the unrealized losses in the available-for-sale portfolio are temporary.

Commitments

In the general course of business, there are various outstanding commitments to extend credit, such as letters of credit and un-advanced loan commitments, which are not reflected in the accompanying financial statements. Management does not anticipate any material losses as a result of these commitments.

Contingencies

The Company is from time to time a party to routine litigation in the normal course of its business. Management does not believe that the resolution of this litigation will have a material adverse effect on the financial condition or results of operations of the Company. However, the ultimate outcome of any such litigation, as with litigation generally, is inherently uncertain and it is possible that some litigation matters may be resolved adversely to the Company.

Income Taxes

When corporate income tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that ultimately would be sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more-likely-than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. The evaluation of a tax position taken is considered by itself and not offset or aggregated with other positions. Tax positions that meet the more-likely-than not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits are recognized in income tax expense on the statement of operations.

Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements ("SFAS No. 157"). This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 does not require any new fair value measurements, but provides enhanced guidance to other pronouncements that require or permit assets or liabilities to be measured at fair value. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those years. The adoption of SFAS No. 157 is not expected to materially affect the Company's financial position or results of operations.

PARKE BANCORP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

In February 2007, the FASB issued SFAS No. 159, Fair Value Option for Financial Assets and Financial Liabilities ("SFAS No. 159"). This statement permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007, with early adoption permitted provided the entity also elects to apply the provisions of SFAS No. 157. The adoption of SFAS No. 159 is not expected to materially affect the Company's financial position or results of operations.

NOTE 2. EARNINGS PER SHARE

Basic earnings per share is computed by dividing income available to holders of common stock (the numerator) by the weighted average number of common shares outstanding (the denominator) during the period. Shares issued during the period are weighted for the portion of the period that they were outstanding. The weighted average number of common shares outstanding for the three months ended September 30, 2007 and 2006 was 3,160,052 and 3,109,110, respectively, and 3,154,316 and 3,096,057 for the nine months ended September 30, 2007 and 2006, respectively.

Diluted earnings per share are similar to the computation of basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the dilutive options and warrants outstanding had been exercised. The assumed conversion of dilutive options and warrants resulted in 448,629 and 508,003 additional shares for the three months ended September 30, 2007 and 2006, respectively, and for the nine months ended September 30, 2007 and 2006 was 449,855 and 491,299, respectively.

Both basic and diluted earnings per share calculations give retroactive effect to stock dividends declared, including the most recently completed 10% stock dividend that was effective April 23, 2007.

NOTE 3. STOCK COMPENSATION

Effective January 1, 2006, the Company adopted Financial Accounting Standards Board ("FASB") Statement No. 123 Share-Based Payment (Revised 2004) ("SFAS 123R") utilizing the modified prospective approach. Under the modified prospective transition method, the Company is required to recognize compensation cost for 1) all share-based payments granted prior to, but not vested as of, January 1, 2006 based on the grant date fair value estimated in accordance with the original provisions of SFAS 123; and 2) for all share-based payments granted on or after January 1, 2006 based on the grant date fair value estimated in accordance with SFAS 123R. In accordance with the modified prospective method, the Company has not restated prior period results.

Prior to January 1, 2006, the Company accounted for share-based payments under the recognition and measurement provisions of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related Interpretations, as permitted by FASB Statement No. 123, Accounting for Stock-Based Compensation. All outstanding stock options as of January 1, 2006 were fully vested (in prior years, all options vested upon issuance), thus no compensation expense was recognized during the nine months ended September 30, 2007 or 2006 for such options. The Company used the Black-Scholes option pricing model to estimate the fair value of stock-based awards in 2006 and thereafter.

As of September 30, 2007, and December 31, 2006, there were 15,400 unvested options after adjusting for the stock dividend in April 2007. Compensation cost related to share-based payments amounted to $24,789 during the first nine months of 2007, which were related to options issued in 2006.

PARKE BANCORP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 4. REGULATORY RESTRICTIONS

The Bank is subject to various regulatory capital requirements of federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the following table) of total and Tier I capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier I capital (as defined) to average assets (as defined).

			For Capital Adequacy Purposes	
	Actual Amount	Ratio	Amount	Ratio
As of September 30, 2007:				
(amount in thousands)				
Total Risk Based Capital (to Risk Weighted Assets)	$ 53,716	12.8%	$ 33,625	8%
Tier 1 Capital (to Risk Weighted Assets)	$ 48,460	11.5%	$ 16,813	4%
Tier 1 Capital (to Average Assets)	$ 48,460	11.5%	$ 16,889	4%

			For Capital Adequacy Purposes	
	Actual Amount	Ratio	Amount	Ratio

As of December 31, 2006				
(amount in thousands)				
Total Risk Based Capital (to Risk Weighted Assets)	$ 44,405	14.5%	$ 24,499	8%
Tier 1 Capital (to Risk Weighted Assets)	$ 40,569	13.5%	$ 12,249	4%
Tier 1 Capital (to Average Assets)	$ 40,569	11.6%	$ 14,054	4%

Management believes, as of September 30, 2007 and December 31, 2006, that the Bank met all capital adequacy requirements to which it was subject.

NOTE 5. SUBORDINATED DEBENTURES

On June 21, 2007, Parke Capital Trust III, a Delaware statutory business trust and a wholly-owned subsidiary of the Company, issued $3.0 million of variable rate capital trust pass-through securities to investors. The variable interest rate re-prices quarterly at the three-month LIBOR plus 1.50% and was 7.19% at September 30, 2007. Parke Capital Trust III purchased $3.1 million of variable rate junior subordinated deferrable interest debentures from the Company. The debentures are the sole asset of the Trust. The terms of the junior subordinated debentures are the same as the terms of the capital securities. The Company has also fully and unconditionally guaranteed the obligations of the

Trust under the capital securities. The capital securities are redeemable by the Company on or after June 15, 2012, at par or earlier if the deduction of related interest for federal income taxes is prohibited, classification as Tier 1 Capital is no longer allowed, or certain other contingencies arise. The capital securities must be redeemed upon final maturity of the subordinated debentures on September 15, 2037. Proceeds of approximately $3.0 million were retained at the Company for future use.

NOTE 6. INCOME TAXES

The Company adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes, ("FIN 48"), on January 1, 2007. The Company files United States (US) federal income tax returns and state tax returns in New Jersey. Based upon the statute of limitations, the Company is no longer subject to US federal and state examinations by tax authorities for years before 2003. Based on the review of the tax returns filed for the years 2003 through 2005 and the deferred tax benefits accrued in the 2006 annual financial statements, management determined that all tax positions taken had a probability of greater than 50 percent of being sustained and that 100 percent of the benefits accrued were expected to be realized. Management has a high confidence level in the technical merits of the positions. It believes that the deductions taken and benefits accrued are based on widely understood administrative practices and procedures and are based on clear and unambiguous tax law. As a result of this evaluation, no liability has been recorded for unrecognized tax benefits.

NOTE 7. COMPREHENSIVE INCOME

The Company's comprehensive income is presented in the following table.

	For the three months ended September 30,		For the nine months ended September 30,	
	2007	2006	2007	2006
Net Income	$ 1,627,977	$ 1,216,682	$ 4,386,655	$ 3,413,35
Unrealized gains (losses) on securities	143,400	339,454	(144,929)	32,15
Adjustment to minimum pension liability	8,268	--	24,804	--
Income tax (expense) benefit	(60,706)	(135,782)	48,054	(12,86
Total comprehensive income	$ 1,718,939	$ 1,420,355	$ 4,314,584	$ 3,432,65

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Forward-Looking Statements

The Company may from time to time make written or oral "forward-looking statements" including statements contained in this Report and in other communications by the Company which are made in good faith pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, such as statements of the Company's plans, objectives, expectations, estimates and intentions, involve risks and uncertainties and are subject to change based on various important factors (some of which are beyond the Company's control). The following factors, among others, could cause the Company's financial performance to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economies in which the Company conducts operations; the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System, inflation, interest rate, market and monetary fluctuations; the timely development of and acceptance of new products and services of the Company and the perceived overall value of these products and services by users, including the features, pricing and quality compared to competitors' products and services; the impact of changes in financial services laws and regulations (including laws concerning taxes, banking, securities and insurance); technological changes; acquisitions; changes in consumer spending and saving habits; and the success of the Company at managing the risks involved in the foregoing.

The Company cautions that the foregoing list of important factors is not exclusive. The Company also cautions readers not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date on which they are given. The Company is not obligated to publicly revise or update these forward-looking statements to reflect events or circumstances that arise after any such date. Readers should carefully review the risk factors described in other documents the Company files from time to time with the SEC, including Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K and any current reports on Form 8-K.

General

The Company's results of operations are dependent primarily on net interest income, which is the difference between the interest income earned on its interest-earning assets, such as loans and securities, and the interest expense paid on its interest-bearing liabilities, such as deposits and borrowings. The Company also generates noninterest income such as service charges, earnings from bank owned life insurance (BOLI), loan exit fees and other fees. The Company's noninterest expenses primarily consist of employee compensation and benefits, occupancy expenses, marketing expenses, data processing costs and other operating expenses. The Company is also subject to losses in its loan portfolio if borrowers fail to meet their obligations. The Company's results of operations are also significantly affected by general economic and competitive conditions, particularly changes in market interest rates, government policies and actions of regulatory agencies.

Three Months Ended September 30, 2007 Compared to
Three Months Ended September 30, 2006
(unaudited)

The following discussion compares the results of operations for the three month period ended September 30, 2007 to the results of operations for the three month period ended September 30, 2006. This discussion should be read in conjunction with the accompanying financial statements and related notes as well as the financial information included in the 2006 Annual Report on Form 10-K.

Results of Operations

Net Income. For the quarter ended September 30, 2007, net income totaled $1.6 million, compared to $1.2 million for the quarter ended September 30, 2006. Diluted earnings per share for the three months ended September 30, 2007 totaled $0.45, compared to $0.34 per share for the same period of 2006. The earnings improvement for the current quarter was primarily the result of continued growth in the loan portfolio during the past year and in particular the first half of 2007. In addition, earnings for the current quarter were favorably impacted by the collection of past due interest payments associated with a large nonperforming loan.

Net Interest Income. Our primary source of earnings is net interest income, which is the difference between income earned on interest-earning assets, such as loans and investment securities, and interest expense incurred on the interest-bearing sources of funds, such as deposits and borrowings. The level of net interest income is determined primarily by the average balances ("volume") and the rate spreads between the interest-earning assets and our funding sources.

Net interest income for the three months ended September 30, 2007 totaled $4.4 million, an increase of $896,000, or 25.5%, over $3.5 million for the three months ended September 30, 2006. The increase is attributable primarily to the growth in the loan portfolio, in particular commercial loan balances. The net interest margin for the quarter ended September 30, 2007 was 4.27%, compared to 4.30% for the comparable quarter of 2006. The net interest margin was negatively impacted by higher cost time deposits to fund loan growth, primarily certificates of deposit with maturities of one year or less and brokered certificates of deposit with mainly one-year maturities. The margin was favorably impacted by the payment of past due interest and a prepayment penalty associated with a large nonperforming loan that paid off in July 2007.

Interest income amounted to $9.0 million for the quarter ended September 30, 2007, and increased by $2.2 million, or 32.7%, from the comparable quarter of 2006, primarily due to an increase of $85.6 million in average interest-earning assets, mainly commercial loans, a higher yield on interest earning assets and past due interest and prepayment penalty collected on a large nonperforming loan that paid off during the quarter. Average loans outstanding amounted to $373.3 million and increased by $78.6 million, or 26.7%, and average investment securities increased by $5.9 million, or 21.9%. Yields on earning assets for the three months ended September 30, 2007 increased to 8.67% from 8.26% for the same period of 2006. The increase was primarily attributable to increased interest rates and the past due interest payments and penalty associated with the large nonperforming loan. The past due interest and related income collected on the nonperforming loan amounted to $420,000 for the third quarter of 2007.

Interest expense of $4.6 million for the quarter ended September 30, 2007, increased by $1.3 million, or 40.5%, due to an increase in average interest-bearing liabilities and higher interest rates on retail deposits, brokered deposits and borrowed funds. Average interest-bearing liabilities of $363.4 million for the third quarter of 2007 increased by $78.6 million, or 27.6%, from the comparable quarter of 2006. The largest change year over year occurred in retail certificates of deposits, which increased by $48.5 million, or 41.8%, from the average level for the comparable period of 2006. The average rate paid on interest-bearing liabilities increased by 45 basis points to 4.97% for the quarter ended September 30, 2007, from 4.52% for the comparable quarter of 2006. Interest rates increased year over year for all interest-bearing liabilities as retail certificates of deposits increased from 4.68% to 5.15%, brokered certificates of deposits increased from 4.74% to 5.20% and borrowings increased from 5.34% to 5.56%.

Provision for Loan Losses. The provision for loan losses amounted to $186,000 for the third quarter of 2007 as compared to $211,000 for the comparable quarter of 2006. The allowance for loan losses amounted to 1.40% of total gross loans at September 30, 2007 as compared to 1.45% of total gross loans at December 31, 2006. The level of nonperforming loans at September 30, 2007 amounted to $1.0 million, which represented an increase from the December 31, 2006 level of $788,000 but declined by $3.3 million from the level at June 30, 2007 of $4.3 million. The decline was attributable to one large nonperforming loan which was paid in full in July 2007.

Noninterest Income. Noninterest income totaled $177,000 for the current quarter and declined by $13,000 from $190,000 recorded in the comparable quarter of 2006. The decrease was mainly attributable to a decline in commercial loan fees which consist of exit/modification fees, inspection fees and documentation fees.

Noninterest Expense. For the three months ended September 30, 2007, noninterest expense amounted to $1.7 million versus $1.5 million for the comparable quarter of 2006, resulting in an increase of $247,000, or 16.8%. Increased compensation and related expenses associated with the Philadelphia retail branch and loan production office in Millville, New Jersey that were opened in the third quarter of 2006 and the new loan production office that was opened in Havertown, Pennsylvania in September 2007 accounted for a majority of the increase year over year.

Income Taxes. The Company recorded income tax expense of $1.1 million, on income before taxes of $2.7 million for the three months ended September 30, 2007, resulting in an effective tax rate of 39.3%, compared to income tax expense of $806,000 on income before taxes of $2.0 million for the comparable period of 2006, resulting in an effective tax rate of 39.8%.

Interest Yield Tab
For the three months

	September 30, 2007			
	Average Balance	Interest	Yield	Av Ba
Assets				
Loans	$ 373,314,332	$ 8,458,830	8.99 %	$ 294
Investment securities	32,827,976	451,951	5.46	26
Federal funds sold and money markets	3,861,140	51,629	5.30	2
Total interest-earning assets	410,003,448	$ 8,962,410	8.67	324
Allowance for loan loss	(5,247,372)			(4
Other assets	17,338,984			15
Total assets	$ 422,095,060			$ 335
Liabilities and Shareholders' Equity				
NOWs	7,023,772	27,570	1.56	9
Money markets	29,508,946	333,885	4.49	16
Savings	28,670,868	270,662	3.75	27
Time deposits	164,333,938	2,131,240	5.15	115
Brokered CDs	92,784,334	1,215,240	5.20	80
Total interest-bearing deposits	322,321,858	3,978,597	4.90	251
Borrowings	41,032,151	575,354	5.56	33
Total interest-bearing liabilities	363,354,009	$ 4,553,951	4.97	284
Non-interest bearing demand deposits	20,040,686			18
Other liabilities	3,826,811			2
Shareholders' equity	34,873,554			30
Total liabilities and shareholders' equity	$ 422,095,060			$ 335
Net interest income		$ 4,408,459		
Interest rate spread			3.70 %	
Net interest margin			4.27 %	

Nine Months Ended September 30, 2007 and 2006
(unaudited)

The following discussion compares the results of operations for the nine months ended September 30, 2007 to the results of operations for the nine months ended September 30, 2006. This discussion should be read in conjunction with the accompanying financial statements and related notes as well as the financial information included in the 2006 Annual Report on Form 10-K.

Results of Operations

Net Income. For the nine months ended September 30, 2007, net income totaled $4.4 million, compared to $3.4 million for the nine months ended September 30, 2006, an increase of 28.5%. Diluted earnings per share for the first nine months of 2007 totaled $1.22, compared to $0.95 for the comparable period of 2006, resulting in an increase of $0.27, or 28.3%. Increased net income for the first nine months of 2007 was attributable primarily to continued loan growth that resulted in increases in net interest income of $1.7 million, an increase in noninterest income of $434,000 associated with a gain on the sale of repossessed property and insurance reimbursements related to the recovery of legal and other expenses for repossessed assets. The increased revenue was partially offset by an increase in the provision for loan losses of $122,000 and an increase in noninterest expenses of $514,000.

Net Interest Income. Our primary source of earnings is net interest income, which is the difference between income earned on interest-earning assets, such as loans and investment securities, and interest expense incurred on the interest-bearing sources of funds, such as deposits and borrowings. The level of net interest income is determined primarily by the average balances ("volume") and the rate spreads between the interest-earning assets and our funding sources.

Net interest income for the first nine months of 2007 totaled $11.7 million, an increase of $1.7 million, or 17.4%, above $10.0 million for the nine months ended September 30, 2006. The net interest margin for the nine month period ended September 30, 2007 was 4.01%, which was down from 4.33% for the comparable period of 2006. Higher cost time deposits, both retail certificates of deposit and brokered certificates of deposit coupled with the flat and sometimes inverted shape of the yield curve for most of the past year contributed to the margin compression during the first nine months of 2007.

Interest income of $24.5 million for the nine months ended September 30, 2007 increased by $6.1 million, or 32.8%, from the level of the comparable period of 2006. This was driven primarily by an increase of $82.5 million in average interest-earning assets, which was mainly related to commercial loans and an increase in the yield on interest-earning assets. Average loans outstanding of $356.0 million for the nine months ended September 30, 2007, increased by $76.1 million, or 27.2%, from the comparable period of 2006 while average investment securities of $30.5 million increased by $4.2 million from the comparable period of 2006. Yields on interest-earning assets for the nine months ended September 30, 2007 increased to 8.39% from 8.01% for the comparable period of 2006 mainly due to increased interest rates. Yields on average loan balances for the period ended September 30, 2007 increased to 8.68% from 8.32% from the comparable period of 2006.

Interest expense for the nine months ended September 30, 2007 amounted to $12.8 million and increased by $4.3 million, or 50.9% primarily due to an increase in average interest-bearing liabilities and increased interest rates on customer deposits and borrowed funds. Average interest-bearing deposits of $309.8 million for the nine months ended September 30, 2007, increased by $71.7 million, or

30.1%, from the comparable period of 2006 while average borrowings of $37.9 million increased by $5.4 million during comparable periods of both years. The average rate paid on interest-bearing liabilities increased to 4.92% for the period ended September 30, 2007 from 4.19% for the comparable period of 2006. Retail certificates of deposit increased year over year from 4.35% to 5.10% while brokered certificates of deposit increased year over year from 4.38% to 5.16%. Short term interest rates for customer deposits have become extremely competitive as banks are required to not only compete against each other on competitive interest rates but also with credit unions, brokerage firms and large mortgage companies experiencing liquidity issues due to the sub-prime mortgage market.

Noninterest Income. Noninterest income of $1.0 million for the nine months ended September 30, 2007 increased $434,000, or 70.9%, from $612,000 for the comparable period of 2006. The increase was principally due to the gain on the sale of repossessed property in the second quarter ($205,000) and the insurance

reimbursements ($377,000) that occurred in the first quarter of 2007 that were partially offset by lower commercial loan fees.

Provision for Loan Losses. The provision for loan losses was $896,000 for the nine months ended September 30, 2007, compared to $774,000 for the comparable period in 2006. The increase in the provision for the 2007 period was primarily due to the significant increase in loan balances during the nine months ended September 30, 2007.

Noninterest Expense. For the nine months ended September 30, 2007, noninterest expense of $4.7 million increased by $514,000, or 12.4% compared to $4.2 million for the same period of 2006. The increase was mainly due to staffing and related expenses associated with the new retail branch in Philadelphia and the loan production office in Millville, New Jersey that were opened in the third quarter of 2006 and the new loan production office opened in Havertown, Pennsylvania in September 2007.

Income Taxes. The Company recorded income tax expense of $2.8 million on income before taxes of $7.2 million for the nine months ended September 30, 2007, resulting in an effective tax rate of 39.3%, compared to income tax expense of $2.3 million on income before taxes of $5.7 million for the comparable period of 2006, resulting in an effective tax rate of 39.9%.

Interest Yield Ta
For the nine months

	September 30, 2007			
	Average Balance	Interest	Yield	Av Ba
Assets				
Loans	$ 356,030,809	$ 23,115,910	8.68 %	$ 2
Investment securities	30,455,261	1,240,288	5.44	

Federal funds sold	4,596,076	183,622	5.34	
Total interest-earning assets	391,082,146	$ 24,539,820	8.39	3
Allowance for loan loss	(4,966,505)			
Other assets	18,089,961			
Total assets	$ 404,205,602			$ 3
Liabilities and Shareholders' Equity				
NOWs	8,105,405	94,771	1.56	
Money markets	25,126,253	825,331	4.39	
Savings	26,842,384	746,841	3.72	
Time deposits	153,872,729	5,867,945	5.10	1
Brokered CDs	95,821,670	3,697,102	5.16	
Total interest-bearing deposits	309,768,441	11,231,990	4.85	2
Borrowings	37,940,795	1,566,075	5.52	
Total interest-bearing liabilities	347,709,236	$ 12,798,065	4.92	2
Non-interest bearing demand deposits	19,327,811			
Other liabilities	3,790,039			
Shareholder's equity	33,378,516			
Total liabilities and shareholders' equity	$ 404,205,602			$ 3
Net interest income		$ 11,741,755		
Interest rate spread			3.47 %	
Net interest margin			4.01 %	

Financial Condition
At September 30, 2007 and December 31, 2006
(unaudited)

The following discussion compares the financial condition at September 30, 2007 to the financial condition at December 31, 2006. This discussion should be read in conjunction with the accompanying financial statements and related notes as well as statistical information included in the 2006 Annual Report on Form 10-K.

Total assets at September 30, 2007 amounted to $441.0 million, compared to $360.0 million at December 31, 2006, resulting in an increase of $81.0 million, or 22.5%. This increase was driven primarily by loan growth as the Company continued to expand its loan portfolio through development of new and existing business relationships and through greater penetration of Philadelphia and the surrounding market.

Total loans at September 30, 2007 were $386.2 million, which represented an increase of $75.7 million, or 24.4% above the level of $310.6 million at December 31, 2006. Growth occurred in all loan categories with commercial loan growth of $65.6 million, or 23.3%, representing the majority of the loan growth for 2007. Investment securities amounted to $32.1 million at September 30, 2007 versus $27.0 million at December 31, 2006.

The allowance for loan losses amounted to $5.4 million at September 30, 2007 compared to $4.5 million at December 31, 2006. The ratio of the allowance for loan losses to total loans decreased from 1.45% at December 31, 2006 to 1.40% at September 30, 2007. The Company's management has taken nonperforming loans and other loans of concern into consideration in establishing the allowance for loan losses. The Company continues to monitor its allowance for loan losses and will make future additions or reductions in light of the level of loans in its portfolio and as economic conditions dictate. The current level of the allowance for loan losses is a result of the Company's management assessment of the risks within the portfolio based upon the information revealed in credit reporting processes. The Company utilizes a risk-rating system on all commercial, business, agricultural, construction, consumer, multi-family, residential and commercial real estate loans, including purchased loans. This risk assessment takes into account the composition of the loan portfolio and historical loss experience for each major loan category. In addition qualitative adjustments are made for levels and trends in delinquencies, non-accruals and impaired loans; trends in volume; effects, if any, for changes in the Company's credit policy; experience and depth of the lending staff; any national and local economic trends and conditions; and concentrations of credit within the total portfolio.

Although the Company's management believes that it uses the best information available to determine the allowance for loan losses, unforeseen market conditions could result in adjustments to the allowance, which could significantly impact the Company's financial results, if circumstances differ substantially from the assumptions used in making the final determinations. Future additions to the Company's allowances may result from periodic loan, property and collateral reviews coupled with negative trends in the factors noted above and therefore cannot always be accurately predicted in advance.

Non-performing loans, expressed as a percentage of total loans, amounted to 0.27% at September 30, 2007 versus 0.25% at December 31, 2006. At September 30, 2007, the Company had $1.0 million in non-accruing loans, which increased from $788,000 at December 31, 2006. There were no loan charge-offs during the current quarter or year.

Total deposits amounted to $352.8 million at September 30, 2007 and increased by $62.8 million, or 21.7%, from $289.9 million at December 31, 2006. Time deposits (retail certificates of deposit) accounted for a majority of the increase in total deposits.

Borrowings, which included Federal Home Loan Bank (FHLB) advances, repurchase agreements and subordinated debentures amounted to $49.2 million at September 30, 2007, an increase of $14.4 million from $34.9 million at December 31, 2006. The majority of the increase was related to FHLB advances which increased to fund the significant loan growth. Also, on June 21, 2007, Parke Capital Trust III, a Delaware statutory business trust and a wholly-owned subsidiary of the Company, issued $3.0 million of variable rate capital trust pass-through securities to investors. The variable interest rate re-prices quarterly at the three-month LIBOR plus 1.50% and was 7.19% at September 30, 2007. Parke Capital Trust III purchased $3.1 million of variable rate junior subordinated deferrable interest debentures from the Company. The debentures are the sole asset of the Trust. The terms of the junior subordinated debentures are the same as the terms of the capital securities. The Company has also fully and unconditionally guaranteed the obligations of the Trust under the capital securities. The capital securities are redeemable by the Company on or after September 15, 2012, at par or earlier if the deduction of related interest for federal income taxes is prohibited, classification as Tier 1 Capital is no longer allowed, or certain other contingencies arise. The capital securities must be redeemed upon final maturity of the subordinated debentures on September 15, 2037. Proceeds of approximately $3.0 million were retained at the Company for future use.

Shareholders' equity was $35.2 million at September 30, 2007 and $30.7 million at December 31, 2006, amounting to an increase of $4.5 million, or 14.6%. Increases in net income of $4.4 million and capital of $523,000 associated with the exercise of warrants and stock options were modestly offset by an increase in investment portfolio losses included in other comprehensive income loss of $72,000, which was primarily associated with unrealized investment portfolio losses and an increase in treasury stock purchases of $345,000.

Critical Accounting Policy

The Company's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The financial information contained within these statements is, to a significant extent, financial information that is used on approximate measures of the financial effects of transactions and events that have already occurred. Based on its consideration of accounting policies that involve the most complex and subjective decisions and assessments, management has identified its most critical accounting policy to be related to the allowance for loan losses. The Company's allowance for loan loss methodology incorporates a variety of risk considerations, both quantitative and qualitative in establishing an allowance for loan loss that management believes is appropriate at each reporting date. Quantitative factors include the Company's historical loss experience, delinquency and charge-offs trends, collateral values, changes in nonperforming loans, and other factors. Quantitative factors also incorporate known information about individual loans, including borrowers' sensitivity to increased rate movements. Qualitative factors include the general economic environment in the Company's market area. Size and complexity of individual credits in relation to loan structure, existing loan policies and pace of portfolio growth are other qualitative factors that are considered in the methodology. Management may report a materially different amount for the provision for loan losses in the statement of operations to change the allowance for loan losses if its assessment of the above factors were different. This discussion and analysis should be read in conjunction with the Company's financial statements and the accompanying notes presented elsewhere herein, as well as the portion of this Managements Discussion and Analysis, which discusses the allowance for loan losses in this section, entitled "Financial Condition". Although management believes the level of this allowance as of September 30, 2007 was adequate to absorb losses inherent in the loan portfolio, a decline in local economic conditions, or other factors, could result in increasing losses that can not be reasonably predicted at this time.

Liquidity and Capital Resources

Liquidity describes our ability to meet the financial obligations that arise out of the ordinary course of business. Liquidity addresses the Company's ability to meet deposit withdrawals on demand or at contractual maturity, to repay borrowings as they mature, and to fund current and planned expenditures. Liquidity is derived from increased repayment and income from interest-earning assets. The loan to deposit ratio was 109.5% and 107.1% at September 30, 2007 and December 31, 2006, respectively. Funds received from new and existing depositors provided a large source of liquidity for the nine-month period ended September 30, 2007. The Company seeks to rely primarily on core deposits from customers to provide stable and cost-effective sources of funding to support local growth. The Company also seeks to augment such deposits with longer term and higher yielding certificates of deposit. To the extent that retail deposits are not adequate to fund customer loan demand, liquidity needs can be met in the short-term funds market. Longer term funding can be obtained through the issuance of trust preferred securities and advances from the FHLB. As of September 30, 2007, the Company maintained lines of credit with the FHLB of $41.4 million, of which $30.8 million was outstanding at September 30, 2007.

As of September 30, 2007, the Company's investment securities portfolio included $17.4 million of mortgage-backed securities that provide significant cash flow each month. The majority of the investment portfolio is classified as available for sale, is readily marketable, and is available to meet liquidity needs. The Company's residential real estate portfolio includes loans, which are underwritten to secondary market criteria, and accordingly could be sold in the secondary mortgage market if needed as an additional source of liquidity. The Company's management is not aware of any known trends, demands, commitments or uncertainties that are reasonably likely to result in material changes in liquidity.

Capital

A strong capital position is fundamental to support the continued growth of the Company. The Company is subject to various regulatory capital requirements. Regulatory capital is defined in terms of Tier I capital (shareholders' equity as adjusted for unrealized gains or losses on available-for-sale securities), Tier II capital (which includes a portion of the allowance for loan losses) and total capital (Tier I plus Tier

II). Risk-based capital ratios are expressed as a percentage of risk-weighted assets. Risk-weighted assets are determined by assigning various weights to all assets and off-balance sheet associated risk in accordance with regulatory criteria. Regulators have also adopted minimum Tier I leverage ratio standards, which measure the ratio of Tier I capital to total assets.

At September 30, 2007, the Company's management believes that the Bank and the Company are "well-capitalized" and in compliance with all applicable regulatory requirements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes from the information regarding market risk disclosed under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Interest Rate Sensitivity and Liquidity -- Rate Sensitivity Analysis" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Evaluation of disclosure controls and procedures. Based on their evaluation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, (the "Exchange Act")), the Company's principal executive officer and principal financial officer have concluded that as of the end of the period covered by this Quarterly Report on Form 10-Q, such disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the required time periods.

Internal Controls

Changes in internal control over financial reporting. During the last quarter, there was no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On December 27, 2004, Republic First Bank filed an action captioned Republic First Bank v. Parke Bank and Vito S. Pantilione in the Superior Court of New Jersey Law Division, Gloucester County. The Bank believes that the action is without merit and intends to vigorously defend against it. The suit alleges, among other things, fraud, negligent misrepresentation, breach of fiduciary duty and breach of contract in connection with certain loans to two Parke Bank customers in which Republic First Bank became a participant. Republic First Bank is seeking unspecified damages and requesting that a receivership be appointed for certain collateral. This lawsuit is currently in the discovery phase of litigation.

In January, 2007, the Bank reached a final agreement with both Atlantic Central Bankers Bank and New Century Bank in connection with their action filed against the Bank in 2005 alleging breach of participation agreements and fraudulent misrepresentation in connection with the plaintiffs' participations in loans to the same Parke Bank customers as the First Republic matter discussed above. Their lawsuit against Parke Bank was dismissed in February, 2007. In connection with this settlement, the Bank paid $150,000 and $60,000, respectively to Atlantic Central Bankers Bank and New Century Bank in February and March, 2007, respectively.

On November 4, 2004, Stephen P. Magenta and other parties filed an action captioned Stephen P. Magenta, et. al. v. General Insulation Services, Inc., et. al. in the Superior Court of New Jersey Law Division, Gloucester County, related to the alleged embezzlement of over $1 million by an employee of one of our customers of funds maintained in accounts at the Bank. All but one of the claims against the

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Bank have been dismissed. The Bank believes that the action is without merit and intends to vigorously defend against it. In addition, the Bank believes that this action is covered by its insurance.

Other than the foregoing, at September 30, 2007, the Company was not a party to any material legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes from the Risk Factors disclosed in Company's Annual Report for the fiscal year ended December 31, 2006.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Treasury stock repurchases during the third quarter for Parke Bancorp, Inc. were as follows:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicity announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs
July, 2007	600	$ 17.66	600	81,736
August, 2007	12,450	16.44	12,450	69,286
September, 2007	-	-	-	69,286
Totals:	13,050	$ 16.49	13,050	

As of September 30, 2007, the Company has purchased 88,776 shares of common stock and is allowed to purchase up to 5% of the outstanding stock (158,062 shares), which allows additional repurchases of 69,286 shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

31 Certifications required by Rule 13a-14(a).

32 Certification required by 18 U.S.C. ss.1350.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PARKE BANCORP, INC.

Date: November 14, 2007

/s/Vito S. Pantilione

Vito S. Pantilione

President and Chief Executive Officer
(Principal Executive Officer)

Date: November 14, 2007

/s/Robert A. Kuehl

Robert A. Kuehl
Senior Vice President and
Chief Financial Officer
(Principal Accounting Officer)