



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

March 31, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First National Bank of Anson
Charter Number 6091**

**1021 Twelfth Street
Anson, Texas 79501**

**Office of the Comptroller of the Currency
Southwestern District
1600 Lincoln Plaza, 500 N. Akard
Dallas, Texas 75201-3394**

NOTE: This evaluation is not, nor should it 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.

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of the **First National Bank, Anson, Texas**, prepared by **Office of the Comptroller of the Currency**, the institution's supervisory agency, **as of March 31, 1997**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

The lending performance of First National Bank reflects satisfactory responsiveness to its community's credit needs. The loan-to-deposit ratio is 60% and good in comparison to other institutions in Jones County. A substantial majority of the loans extended are within the Jones County assessment area and reasonably penetrate the different income areas and individuals of different income levels.

The following table indicates the performance level of **the First National Bank** with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>FIRST NATIONAL BANK OF ANSON</u> PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area	X		
Lending to Borrowers of Different Incomes and to businesses of Different sizes		X	
Geographic Distribution of Loans	Distribution not performed as it would not be meaningful		
Response to Complaints	No complaints were received since the prior examination		

DESCRIPTION OF INSTITUTION

First National Bank has one main banking office located in Anson, Texas. During 1996, the bank installed an Automatic Teller Machine (ATM) on Highway 277 near the banking office location. These are the only two bank locations offering services. As of December 31, 1996, the bank has total assets of \$39 million with \$21 million in total loans. The bank's primary business is related to agricultural concerns. Approximately one half of the loan portfolio is extended to agricultural related entities and individuals.

The bank is 100% owned by Anson Bancshares, Inc., a one-bank holding company. The bank is primarily owned and managed by local individuals. First National Bank has no other bank affiliate relationships.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area is Jones county. This non-MSA area has a population of 22 thousand according to 1990 census data and a median family income of \$23 thousand. There are no low income block numbering areas(BNA) within the assessment area and one moderate BNA within Jones county. A visual inspection indicated both low and moderate income areas within the city of Anson. Employment is primarily tied to agriculture and government offices. The primary credit needs are agriculture, small business, housing, and general consumer loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :

First National Bank's has a satisfactory lending performance. The bank's loan-to-deposit ratio as of March 31, 1997 is 60%. It has averaged 65% during the four quarters of 1996. It is very reasonable when compared to other local institutions and to those comparable agriculture banks in the surrounding counties. Community contacts with the local business and civic leaders indicate the bank is responsive to the credit needs of the community.

The bank makes consumer, agriculture, real estate, and small business loans throughout the assessment area to individuals of varying incomes.

An analysis performed by the bank using zip codes only, indicated 80% of the outstanding loans were extended within the assessment area. Our review indicated few loans are extended outside of Jones county.

A geographic distribution analysis was not performed during this examination as it would not be meaningful. There are no distinguishable low income BNA's in the assessment area, therefore, we could not reasonably compare specific income of individuals in specific geographies. Although no analysis was performed, we found no evidence that any area of the community had been arbitrarily excluded.

The bank does not perform a borrower income analysis, however, our review indicated credit was extended to persons with a variety of income levels. The bank extends loans with origination balances less than \$1 thousand and historically, the majority of these loans are extended to low and moderate income persons. All agricultural and small business loans reviewed were extended to borrowers with gross revenues of less than \$1 million.

During this review period First National Bank has not received any consumer complaints regarding their Community Reinvestment Act performance. Based upon the fair lending analysis of this examination, no violations of the substantive provisions of discrimination laws and regulations were identified.