

## **PUBLIC DISCLOSURE**

February 18, 1997

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**MetroBank, N.A.  
Charter Number 17076**

**2225 West Hefner Road  
Oklahoma City, OK 73156**

**Comptroller of the Currency  
1600 Lincoln Plaza, 500 North Akard  
Dallas, TX 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 **MetroBank, N.A., Oklahoma City, Oklahoma**, prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of [Date of evaluation]. 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.”**

Consistent with its resources, capabilities, and physical location, the bank is meeting the credit needs of its assessment area, including those of low- and moderate-income individuals, in an acceptable manner.

The following table indicates the performance level of **MetroBank, N.A., Oklahoma City, Oklahoma** with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	MetroBank, N.A., Oklahoma City, Oklahoma 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		X	
Response to Complaints		X	

## **DESCRIPTION OF INSTITUTION:**

MetroBank, N.A., is headquartered in Oklahoma City, Oklahoma. The main bank and drive-through facility are located at 2225 West Hefner Road. An Automated Teller Machine (ATM) is also available at this location. The bank's primary focus is to serve commercial, real estate, and consumer customers in Oklahoma County. The bank meets these needs by providing various loan and deposit products as well as other financial services.

As of December 31, 1996, MetroBank's total assets equaled \$34,817,000, of which \$24,098,000 or 69.21 percent, were composed of loans to individuals and businesses. The \$24,098,000 in loans outstanding consisted of \$13,663,000 in residential and commercial real estate (56.70 percent), \$5,878,000 in commercial loans (24.39 percent), \$3,356,000 in consumer loans (13.93 percent), and \$1,201,000 in agricultural loans (4.98 percent).

There are no known factors which have or may potentially impede the bank's ability to meet the credit needs of its assessment area. The last review of performance under the Community Reinvestment Act was completed as of December 30, 1994.

## **DESCRIPTION OF METROBANK, N.A., ASSESSMENT AREA:**

The assessment area adopted by the bank's board of directors includes all census tracts in Oklahoma County. This area meets the requirements of the regulation. It does not exclude any low or moderate income geographies. The adopted assessment area was justified because 77.10 percent of the bank's outstanding loans are within the area. More details on the assessment area are provided below.

Oklahoma County is part of the Oklahoma City Metropolitan Statistical Area (MSA). The county contains 221 census tracts. Based on 1990 census data, the United States Census Bureau identifies the tracts as follows: Twenty-one tracts or 9.50 percent are considered low income tracts. Fifty-nine or 26.70 percent are considered moderate income tracts. Eighty-eight or 39.82 percent are considered middle income tracts. Forty-nine or 22.17 percent are considered upper income tracts. There are four tracts representing 1.81 percent that have not been categorized by income.

United States Census Bureau information as of 1990 reflected a total population of 599,611 in Oklahoma County. The area contained 279,340 housing units with 145,847 or 52 percent owner occupied. Additionally, there were 161,082 families and 238,437 households in the area. Seventy-eight percent of the households derive their income from wages or salaries. The largest employment sectors were services, government, retail trade, and manufacturing related entities.

Per the 1990 census, the households and families are divided among the income categories as follows:

<b>Description</b>	<b>Low Income (&lt; 50% of Median)</b>	<b>Moderate Income (50-80% of Median)</b>	<b>Middle Income (80-120% of Median)</b>	<b>Upper Income (&gt;120% of Median)</b>
% of Households	23.78%	17.19%	20.09%	38.94%
% of Families	21.03%	18.27%	22.10%	38.60%

The 1990 census median family income for the assessment area was \$27,917. Median household income for the assessment area was \$24,092. Census median family income for the Oklahoma City MSA was \$32,406. The Department of Housing and Urban Development's most recent estimate of median family income for the Oklahoma City MSA was \$38,300.

The assessment area is served by thirty other national and state chartered banks. The area is also served by branches of these banks as well as the branches of other banks and savings and loans.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :

### Loan to Deposit Ratio

The loan to deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The average quarterly loan to deposit ratio from March 31, 1995 through December 31, 1996 was 63.48 percent. The ratio as of December 31, 1996 was 75.34 percent. The low ratio for the period was 55.48 percent at June 30, 1995. The high ratio for the period was the 75.34 percent at December 31, 1996.

MetroBank's ratio compares very well to the average loan to deposit ratio for the nine banks operating in the assessment area with less the \$50,000,000 in total assets. The average ratio for this group of banks was 56.41 percent at September 30, 1996. This was up from 52.44 percent at December 31, 1995. The low ratio in this group at September 30, 1996 was 33.20 percent and the high ratio was 98.78 percent.

MetroBank's ratio also compares well to the average loan to deposit ratio for the seven banks operating in the assessment area with \$50,000,000 to \$100,000,000 in total assets. The average ratio for this group of banks was 69.93 percent at September 30, 1996. This was up from 65.05 percent at June 30, 1995. The low ratio in this group at September 30, 1996 was 55.88 percent and the high ratio was 82.60 percent.

### Lending in Assessment Area

A substantial majority of credit extended is within the assessment area. Analysis of a random sample of twenty consumer loans, thirty-six residential loans reported on the 1996 Home Mortgage Disclosure Act Loan Application Register, and twenty business loans extended in 1996 noted the following results:

<b>Loan Sample</b>	<b>% of Loans Inside Area</b>	<b>% of Loans Outside Area</b>	<b>% of Loan Dollars Inside Area</b>	<b>% of Loan Dollars Outside Area</b>
Consumer (20 loans for \$226,897)	80.00%	20.00%	65.00%	35.00%
Residential (HMDA-LAR) (36 loans for \$1,333,000)	63.89%	36.11%	81.77%	18.23%
Business (20 loans for \$1,797,314)	85.00%	15.00%	66.17%	33.83%
Combined Totals (76 loans for \$3,357,211)	73.68%	26.32%	72.28%	27.72%



**Lending to Borrowers of Different Incomes**

The distribution of borrowers reflects adequate penetration among individuals and good penetration of businesses of different income levels within the assessment area. The following table uses income data collected from the random sample of twenty consumer loans and the thirty-six residential loans on the 1996 Home Mortgage Disclosure Act Loan Application Register. (Note, fifty-four of the fifty-six loans reviewed contained information about income levels). The number of loans to each income group compares adequately to the distribution of households and families by income level illustrated on page four (4) of this evaluation.

<b>Description</b>	<b>% to Low Income Borrowers</b>	<b>% to Moderate Income Borrowers</b>	<b>% to Middle Income Borrowers</b>	<b>% to Upper Income Borrowers</b>
Number of Loans (54)	1.85%	14.81%	29.63%	53.70%
Dollars of Loans (\$1,542,936)	0.78%	4.29%	16.23%	78.70%

It is noted that the number of loans to low and moderate income borrowers is below the proportion of families and/or households considered to be low to moderate income in the assessment area.

However, the activity is adequate given the bank’s physical location in northwestern Oklahoma County where a majority of the census tracts are middle and upper income in nature.

The table below depicts the distribution of the twenty business loans sampled based on the annual gross revenues reported by the companies.

<b>Distribution of loans by Annual Gross Revenues of Businesses</b>					
<b>Description</b>	<b>Revenues \$0-250,000</b>	<b>Revenues \$250,000 - \$500,000</b>	<b>Revenues \$500,000 - \$750,000</b>	<b>Revenues \$750,000 - \$1,000,000</b>	<b>Revenues Greater than \$1,000,000</b>
# of Loans (20)	50.00%	15.00%	20.00%	0.00%	15.00%
\$ of Loans (\$1,797,314)	39.89%	13.08%	38.25%	0.00%	8.78%

It is noted that 85.00 percent of the loans were made to small businesses, that is, those grossing less than \$1,000,000 in revenues annually. Additionally, 91.22 percent of the dollars loaned went to those same small businesses.

### **Geographic Distribution of Loans**

The distribution of loans reflects a reasonable dispersion throughout the assessment area. This is based on an analysis of all outstanding loans as of December 31, 1996. The results of this analysis are depicted in the table below.

<b>Distribution of Outstanding Loans by Census Tract Types</b>				
<b>Description</b>	<b>Percentage of Total Tracts</b>	<b>Percentage with Loans</b>	<b>Percentage of Total Loans to Tracts</b>	<b>Percentage of Population in Tracts</b>
Low Income Tracts (21)	9.50%	3.17% (7 of 221)	2.96%	5.63%
Moderate Income Tracts (59)	26.70%	12.67% (28 of 221)	14.92%	26.14%
Middle Income Tracts (88)	39.82%	25.53% (52 of 221)	30.64%	42.27%
Upper Income Tracts (49)	22.17%	17.65% (39 of 221)	50.95%	25.85%
Uncategorized Tracts (4)	1.81%	0.90% (2 of 221)	1.43%	0.11%
Total Tracts (221)	100.00%	57.92% (128 of 221)	100.00%	100.00%

Again, it is noted that the physical location of the bank is in northwestern Oklahoma County where a majority of the census tracts are categorized as middle or upper income tracts. The majority of the tracts categorized as low or moderate income are physically located in the southern parts of the county.

### **Responses to Complaints**

No complaints concerning the Community Reinvestment Act have been received since the last examination of the bank.

### **Fair Lending Matters**

No violations of the substantive provisions of antidiscrimination laws and regulations were identified. Additionally, no evidence of discrimination or disparate treatment was found. The lending practices of MetroBank, N.A., are reflective of antidiscrimination policies.