



**SMALL BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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## **PUBLIC DISCLOSURE**

**September 24, 2006**

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

**Woodhaven National Bank  
Charter Number 17816**

**6750 Bridge Street  
Ft. Worth, TX 76112**

**Comptroller of the Currency  
Fort Worth  
9003 Airport Freeway Suite 275  
North Richland Hills, TX 75201**

**NOTE: This document is an evaluation of this 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. 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.**

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

Woodhaven National Bank's lending performance reflects a satisfactory record of meeting the community's credit needs. The factors and data supporting this rating are as follows:

- The bank's average loan-to-deposit ratio of 74.22% meets the standards for satisfactory performance given the bank's size, financial condition, local competition, and assessment area credit needs.
- A majority of the bank's loan activity is within the bank's assessment area.
- The distribution of loans to borrowers of different incomes reveals a reasonable penetration of loans to individuals of different income levels and businesses of different sizes.
- The geographic distribution of loans demonstrates reasonable dispersion throughout the assessment area.
- No complaints regarding the bank's CRA performance were received during this evaluation period.

## DESCRIPTION OF INSTITUTION

Woodhaven National Bank (Woodhaven) is a community bank chartered and headquartered in Fort Worth, Texas. The bank is 100% owned by a holding company, Meyers Intermediate Bancshares, which is 100% owned by Meyers Bancshares. The ownership of Meyers Bancshares rests primarily in a single shareholder who owns and controls over 86%. The bank has five other branches located in the Texas communities of Hurst, Mansfield and Rhome. Also, the bank operates one loan production office located in Fort Worth Texas. All facilities operate out of the assessment area described below. The bank offers a variety of credit products including consumer, real estate, commercial and Small Business Association (SBA) credits. The bank also offers the typical deposit products such as checking, savings, NOW, money market and time deposits. For customer convenience, consumer and business internet banking services and onsite ATM's at each banking facility are available.

At June 30, 2006, Woodhaven had total assets of \$239 million, total loans of \$185.9 million, and deposits of \$215.4 million. The bank provides all the traditional banking products and services to meet the needs of the communities served. While meeting the various needs, the principal lending focus is residential construction, small business loans, commercial real estate and consumer credits. As of June 30, 2006, loans secured by real estate represented 82% of total loans while commercial and consumer loans represented 13% and 5%, respectively. A summary of the loan portfolio is reflected in Table I below:

**Table I**

<b>Loan Category</b>	<b>\$ (000)</b>	<b>%</b>
Commercial real estate	\$65,672	35.31%
Construction, land development and other land loans	\$57,080	30.69%
Residential real estate loans	\$28,859	15.52%
Commercial loans	\$24,035	12.92%
Consumer loans	\$9,521	5.12%
Other	\$822	0.44%
<b>Total</b>	<b>\$185,989</b>	<b>100%</b>

Woodhaven's identified assessment area is highly competitive. The primary competition consists of numerous other state and national financial institutions, savings and loans, credit unions, and branch facilities of institutions not chartered in the counties served. Much of the competition is highly visible and offers very competitive rates on loans and deposits.

Woodhaven's last CRA examination was performed as of August 12, 2002, and resulted in a "Satisfactory" rating. Woodhaven's financial condition does not inhibit its ability to meet credit needs in its assessment area. Additionally, there are no legal impediments to the bank's ability to meet these needs.

## **DESCRIPTION OF TARRANT AND WISE COUNTY**

The bank has identified its assessment area in which it primarily conducts business as Tarrant and Wise Counties. The assessment area consists of 321 whole and contiguous census tracts and meets the requirements of the law. The assessment area is part of the Fort Worth/Arlington Metropolitan Statistical Area (MSA).

The City of Fort Worth is located in North Central Texas in Tarrant County, approximately 17 miles west of Dallas/Ft. Worth International Airport. Fort Worth encompasses 313 square miles and has a 2004 estimated population of 598,850. Tarrant County's population totals 1,588,088. The North Texas urban area stretching from Parker County on the west to Hunt County on the east had 5.7 million people as of July 2004. Tarrant County was led by growth in far north Fort Worth and in Mansfield.

The Dallas-Forth Worth area added about 47,000 jobs in 2004 after three consecutive years of decline. While Tarrant County's workforce expanded, nearly half of the county's top employers trimmed their staff last year. The unemployment rate in Fort Worth-Arlington declined to 5.2% and the Dallas unemployment rate also fell to 5.5%. Natural gas is the modern day drilling boom in North Texas. The Barnett Shale has become the largest gas producing field in Texas, and the third largest in the United States.

Wise County is in northwestern Texas, forty miles south of the Oklahoma border. Decatur, the county seat and largest town, is thirty-five miles northwest of Fort Worth, Texas. The county, comprising 922 square miles, is divided from north to south between the Eastern Grand Prairie and the Western Cross Timbers regions of Texas. By 2004, the estimated population living in Wise County was 55,539, an increase of 13.83% from the 2000 census. In the early twenty-first century agriculture continued to be a significant component of the local economy. Gas and petroleum production and recreation were also important, and many of the area's residents worked in Fort Worth. In 2002, the county had 2,696 farms and ranches covering 493,044 acres, 48% of which were devoted to pasture and 44% to crops.

Table II below describes the assessment area, including information on demographics, housing, and family data.

**Table II**

<b>DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF AA</b>	
Population	
Number of Families	385,035
Number of Households	551,199
Geographies	
Number of Census Tracts/BNA	321
% Low-Income Census Tracts/BNA	7.48%
% Moderate-Income Census Tracts/BNA	27.10%
% Middle-Income Census Tracts/BNA	36.45%
% Upper-Income Census Tracts/BNA	28.97%
<i>Median Family Income (MFI)</i>	
2000 MFI for AA	\$57,589
<i>2006 HUD-Adjusted MFI</i>	<i>\$63,100</i>
Economic Indicators	
Unemployment Rate	2.35%
2000 Median Housing Value	\$100,923
% of Households Below Poverty Level	10.00%

The economy is well diversified. Major industries and employers include aviation, technology, railroad, and defense.

We conducted one community contact by telephone. The community contact is a small business owner whose business is located in south Fort Worth. The needs of the community are affordable housing, small business loans, and social services (financial literacy).

## **CONCLUSIONS ABOUT PERFORMANCE CRITERIA**

Our review focused on commercial, real estate, and consumer loans. The residential real estate products reviewed consisted of home purchase and home improvement loans. To perform our analysis, we reviewed income information for 20 commercial loans and 20 consumer loans. We reviewed residential real estate loans originating since 2003 and reported under the provisions of the Home Mortgage Disclosure Act. For the *Lending to Borrowers of Different Incomes*, *Lending to Businesses of Different Sizes*, and *Geographic Distribution of Loans* analysis, we omitted loans that were made outside the assessment area.

Woodhaven has demonstrated satisfactory performance in meeting the credit needs of its

community, including low-and moderate-income families, consistent with its resources and capabilities.

### Loan-to-Deposit Ratio

Woodhaven’s loan-to-deposit (LTD) ratio is reasonable when compared to banks of similar size and lending focus within the assessment area. As reflected in Table III below, the bank’s average quarterly LTD ratio since the last CRA examination is 74.22%.

**Table III**

<b>Institution</b>	<b>Assets (as of 6/30/06)</b>	<b>Average LTD Ratio</b>
Fort Worth National Bank	\$116,076	102.29%
Citizens National Bank	\$131,166	83.79%
Worth National Bank	\$370,440	75.63%
<b>Woodhaven National Bank</b>	<b>\$239,382</b>	<b>74.22%</b>
Star Bank	\$64,026	64.36%
National Bank of Texas	\$90,039	44.43%

### Lending in Assessment Area

A majority of the bank’s loans were made within its assessment area, which reflects a satisfactory commitment to meeting the credit needs of the assessment area. Table IV represents information provided by the bank on all loans originated since the last CRA exam in and out of its assessment area.

**Table IV**

<b>TOTAL LOANS REVIEWED</b>							
<b>IN ASSESSMENT AREA</b>				<b>OUT OF ASSESSMENT AREA</b>			
<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
1,626	79.74%	\$365,906	85.10%	413	20.26%	\$64,043	14.90%

### Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Overall, performance for lending to borrowers of different incomes and businesses of different sizes is reasonable and meets the standards for satisfactory performance as reflected in Table V – Residential Real Estate Loans, Table VI – Business Loans, and Table VII – Consumer Loans.  
Residential Real Estate Loans

As seen from Table V, the bank’s lending to borrowers of different income levels for residential real estate loans is reasonable. The percentage and number of residential real estate loans to low- income families is below the percentage of low-income families in the bank’s assessment area. However, the bank’s percentage and number to moderate-income level families slightly

exceeds the percentage of moderate-income families in its assessment area. Of these loans, two totaling \$132 thousand were to low-income families, twenty totaling \$1.4 million were to moderate-income families, nineteen totaling \$1.9 million were to middle-income families, and forty-nine totaling \$4.5 million. The percentage of the number and dollar amount of loans to borrowers of different income levels is in line with that of the percentage of assessment area families.

**Table V**

RESIDENTIAL REAL ESTATE								
Borrower Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Families	19.60%		18.43%		21.51%		40.46%	
LOANS BY YEAR	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
2003	0.00%	0.00%	32.00%	27.28%	20.00%	26.63%	48.00%	46.09%
2004	0.00%	0.00%	9.68%	8.54%	22.58%	14.31%	67.74%	77.15%
2005	7.69%	4.52%	30.77%	20.73%	19.23%	32.21%	42.31%	42.54%
2006	0.00%	0.00%	12.50%	11.86%	25.00%	21.24%	62.50%	66.90%
<b>Total</b>	2.22%	1.90%	22.22%	19.43%	21.11%	14.01%	54.45%	64.66%

### Business Loans

As can be seen from Table VI on the following page, the bank's lending to businesses of different sizes is reasonable. The bank's lending to businesses of different sizes meets the standard for satisfactory performance. The bank emphasizes commercial lending and markets its products to all business sizes in its assessment area. As for Construction and Development loans, two loans totaling \$92 thousand were in low-income geographies, thirty totaling \$7.9 million were in moderate-income geographies, ninety-eight totaling \$18.2 million were in middle-income geographies, and ninety-five totaling \$24.2 million. For Commercial loans, three loans totaling \$58 thousand were in low-income geographies, seventy-five totaling \$13.8 million were in moderate-income geographies, one hundred-fifty-five totaling \$8.7 million were in middle-income geographies, and one hundred-twenty-six totaling \$9.7 million. For Nonfarm Nonresidential loans, seventeen loans totaling \$2.9 million were in low-income geographies, seventy-three totaling \$11.6 million were in moderate-income geographies, seventy-two totaling \$18.7 million were in middle-income geographies, and fifty-seven totaling \$18.8 million were in upper-income geographies.

**Table VI**

BORROWER DISTRIBUTION OF SMALL LOANS TO BUSINESSES		
Business Revenues	≤\$1,000,000	>\$1,000,000
% of AA Businesses	65.71%	4.52%
% of Bank Loans in AA #	60.00%	40.00%
% of Bank Loans in AA \$	53.32%	46.68%

\* 29.77% of AA Businesses did not report revenue

### Consumer Loans

As seen in Table VII, the geographic distribution of consumer loans to low- and moderate-income households is below the percentage of households in those income levels. The upper-income level is the only level where number and dollar amount of the bank's consumer loans exceeds the percentage of households. For Consumer loans, two loans totaling \$132 thousand were to low-income households, twenty totaling \$1.4 million were to moderate-income households, nineteen totaling \$1.9 million were to middle-income geographies, and forty-nine loans totaling \$4.5 million were to upper-income households.

**Table VII**

CONSUMER								
Borrower Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Households	21.02%		17.49%		19.71%		41.78%	
	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
<b>Total</b>	15.00%	6.53%	10.00%	11.08%	20.00%	17.73%	55.00%	64.66%

### **Geographic Distribution of Loans**

The geographic distribution of loans is reasonable as reflected in Table VIII – Residential Loans, Table IX – Business Loans, and Table X – Consumer Loans.

#### Residential Real Estate Loans

As seen from Table VIII on the following page, the geographic distribution of residential real estate loans is lower than the percentage of households in low-and moderate-income census tracts. Of these loans, nine loans totaling \$468 thousand were to moderate-income census tracts, fifty totaling \$5.1 million were to middle-income census tracts, and thirty-two totaling \$2.3 million were to upper-income census tracts.

**Table VIII**



RESIDENTIAL REAL ESTATE								
Census Tract Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Owner Occupied	3.69%		19.64%		38.40%		38.27%	
LOANS BY YEAR	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
2003	0.00%	0.00%	7.69%	9.36%	50.00%	42.01%	42.31%	48.63%
2004	0.00%	0.00%	3.23%	1.22%	48.39%	52.66%	48.38%	46.12%
2005	0.00%	0.00%	19.23%	8.09%	57.69%	77.24%	23.08%	14.67%
2006*	0.00%	0.00%	12.50%	5.26%	87.50%	94.74%	0.00%	0.00%
<b>Totals</b>	0.00%	0.00%	9.89%	5.88%	54.95%	64.64%	35.16%	29.48%

\*through June 30, 2006

### Business Loans

As seen from Table IX below, the geographic distribution of business loans is reasonable. The percentage of the number and dollar amount of loans to different geographies is in line with the percentage of businesses in each type of geography, including low-and moderate-income census tracts.

**Table IX**

BUSINESS LOANS								
Census Tract Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Businesses	3.71%		25.88%		36.69%		33.72%	
	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
Commercial Real Estate	7.42	5.68	31.88	22.40	31.44	35.80	29.26	36.12
Construction and Land Development	.88	.18	13.27	15.65	43.36	36.08	42.49	48.09
Commercial	.84	.18	20.89	42.62	43.17	27.03	35.10	30.17
<b>Totals</b>	2.70	2.30	21.87	24.72	39.93	33.81	35.50	39.17

## Consumer Loans

As seen from Table X, the geographic distribution of consumer loans is reasonable. Of these loans, nine totaling \$468 thousand were to moderate-income census tracts, fifty totaling \$5.1 million were to middle-income census tracts, and thirty-two totaling \$2.3 million were to upper-income census tracts.

**Table X**

CONSUMER LOANS								
Census Tract Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Households	5.21%		24.58%		39.96%		30.25%	
	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
Consumer	2.04	1.63	16.03	15.65	50.12	29.45	31.81	53.27

## **Responses to Complaints**

During this evaluation period, Woodhaven did not receive any consumer complaints that relate to CRA performance.

## **Fair Lending or Other Illegal Credit Practices Review**

An analysis of public comments and consumer complaint information was performed according to the OCC's risk-based fair lending approach. Based on our analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in the connection with this CRA evaluation.