



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

September 23, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First American Bank, N.A. of Woodward
Charter # 16807
2220 Oklahoma
Woodward, Oklahoma 73802-0829**

**Office of the Comptroller of the Currency
Southwestern District
1600 Lincoln Plaza
500 North Akard Street
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 **First American Bank, N.A. of Woodward** prepared by **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of September 23, 1996. 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 First American Bank, N.A. of Woodward (FAB) is responsive to the credit needs of the community, including low- and moderate-income individuals and areas. This is demonstrated by the types of loan products and services offered and the high loan-to-deposit ratio. A majority of the loans extended are within the assessment area. Credit is reasonably distributed to borrowers with different income levels, as well as to geographies with different income levels, including low- and moderate-income neighborhoods.

The following table indicates the performance level of First American Bank, N.A. of Woodward with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>FIRST AMERICAN BANK, N.A. OF WOODWARD</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		X	
Response to Complaints	No complaints have been received since the prior examination		

DESCRIPTION OF INSTITUTION

First American Bank, N.A. of Woodward (FAB), located in Woodward, Oklahoma, is an agricultural bank with \$29 million in total assets, \$22 million in gross loans, and a loan-to-deposit ratio of 82 percent, as of June 30, 1996. FAB is a subsidiary of Consolidated Equity Corporation, an \$8 million dollar multi-bank holding company. FAB is a full service bank with a focus on servicing commercial and consumer customers in the Woodward County area. The bank meets these needs by providing a wide range of loan and deposit products and services.

The main bank is located in downtown Woodward and offers a drive-up facility. The bank has no branches or ATMs. FAB offers various types of commercial and consumer loans including commercial and residential real estate. As of June 30, 1996, the \$22 million in loans were as follows; commercial real estate \$1.6 million (7%), residential real estate \$2.7 million (12%), agriculture loans \$9.8 million (45%), commercial loans \$4.2 million (19%), and consumer loans \$3.7 million (17%). The bank also accepts and processes residential mortgage loans for affiliate First American Bank of Purcell.

There are no known factors which may potentially impede the bank's ability to meet the credit needs of its assessment area.

DESCRIPTION OF WOODWARD COUNTY

FAB has identified their assessment area as Woodward County, Oklahoma, which has a total population of 19,000. The assessment area is comprised of five census tracts. Three of the census tracts are middle income and two are upper income. The county median family income is \$27,067. There are 7,091 households in the assessment area, of which 34.21 percent are low-income households and 25.36 percent are moderate-income. Employment is primarily dependent on energy and agriculture related industries. The Woodward economy is stable and experiencing some diversity. The agriculture sector continues to struggle with consecutive years of poor crop yields and poor cattle prices. Unemployment is low at five percent.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :

Consistent with its resources and capabilities, the bank is satisfactorily meeting the credit needs of the assessment area, including those of low- and moderate-income individuals.

Loan to Deposit Ratio

The loan-to-deposit ratio is strong. The quarterly loan-to-deposit ratio from September 30, 1993 thru June 30, 1996 has been consistently high and averaged 84.58 percent. As of June 30, 1996, the bank's loan-to-deposit ratio was 81.82 percent. The average loan-to-deposit ratio for the twenty-one banks in Woodward and contiguous counties was 48.25 percent. FAB had the highest loan-to-deposit ratio of these banks.

Data Compared	First American Bank, N.A., of Woodward	Avg of 21 Banks in Woodward & Surrounding Counties
Qtrly Loan/Deposit Average 9/93 - 6/96	84.58%	59.37%
Loan/Deposit Ratio at 6/96	81.82%	48.25%

Lending in Assessment Areas

A majority of credit is extended within the assessment area. Bank reports reflect that 80 percent of the number of loans extended are within the assessment area. Sixty-six percent of the dollar volume of loans extended are within the assessment area. Many of the loans outside the assessment area are agriculture loans in surrounding counties.

Lending to Borrowers of Different Incomes

The distribution of loans to individuals of different income levels within the assessment area is reasonable. The bank's geographic analysis reflects that 62.69 percent of the loans extended are to low- and moderate-income families. This distribution compares favorably to the income categories of the 5,231 families in Woodward County, which reflect 14.11 percent are low-income, 14.87 percent are moderate-income, 23.59 percent are middle-income, and 47.41 percent are upper-income.

Geographic Distribution of Loans

The bank has a reasonable distribution of credit within the assessment area. Loans extended are distributed throughout all geographies, including low- and moderate, and are representative of the overall population.

Management has generated a map of the county outlining areas which are predominately low- and moderate-income areas. Internal reports reflect that 14.51 percent of the number of loans extended are to low-income areas and 13.53 percent are to moderate-income areas.

Responses to Complaints

No complaints concerning CRA have been received since the September 30, 1993 examination.