



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

May 8, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Arlington National Bank
Charter Number 20880**

**5901 South Cooper
Arlington, Texas 76017**

**Office of the Comptroller of the Currency
Southwestern District
500 N. Akard, 1600 Lincoln Plaza
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 **Arlington National Bank** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **December 31, 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**.

Arlington National Bank's lending performance reflects responsiveness to its community credit needs. The bank's loans to deposits ratio of 73% exceeds that of other local institutions. Most of the loans are within the bank's designated assessment area and reasonably penetrate various geographies and borrower income levels.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>ARLINGTON NATIONAL BANK</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 received since the prior examination.		

DESCRIPTION OF INSTITUTION

Arlington National Bank (ANB) has three offices located in Arlington, Texas. As of December 31, 1996, the bank had total assets of \$49 million with \$32 million in total loans. The loan mix consists of consumer (38%), real estate (33%), and commercial (28%).

ANB is an independently owned bank. There are no financial or legal impediments to the bank's ability to meet the credit needs of its assessment area.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area is defined as Tarrant County. Tarrant County is included in the Fort Worth-Arlington Metropolitan Statistical Area (MSA). As of the 1990 census data, Tarrant County contained 269 census tracts with a population of 1,170,103. The MSA median family income totaled \$37,571. The number of housing units approximate 491,152 of which 43% are rental units. The local economy is good and well diversified in retail, technology, and manufacturing companies. Unemployment has remained below the state and national averages. Primary credit needs include affordable housing, small business, and consumer loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

ANB has a lending performance that meets those of local financial institutions of comparable size. The bank's loan-to-deposit ratio averaged 73% for the past four quarters and is substantially above the Tarrant County average of 59%.

A substantial majority of the bank's lending is within the assessment area. An analysis performed during this review showed 79% of the loans extended are within the assessment area. There are 28 census tracts identified as low income and 66 classified as moderate income within the bank's assessment area. No low or moderate income census tracts were excluded.

Loan distribution by borrower income reflects a satisfactory penetration among individuals of different income levels. The bank's 1996 HMDA-Loan Activity Report relating to home purchase or home improvement loans was reviewed to determine income level penetration. Eight loans (\$126 thousand) were to individuals with low incomes and 34 loans (\$395 thousand) were to individuals with moderate incomes. Virtually all commercial loans (\$29,697 thousand) in the assessment area are to small businesses with gross revenues below \$1 million.

ANB participates in the Arlington Home Buyers Assistance Program. This program provides first time home buyers with down payment, loan fees and, closing cost assistance. The bank funded three loans during 1996 totaling \$108,450 and two loans so far in 1997 for \$119,600.

ANB is actively involved in Small Business Administration (SBA) lending. As of December 31, 1996, the bank had 19 loans totaling \$1,178,932. Thus, the average loan equals approximately \$62,049.

ANB did not receive any consumer complaints regarding CRA performance since the last examination. Our most recent fair lending examination revealed no substantive violations of antidiscrimination laws or regulations.