



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

July 24, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First Citizens Bank, N.A.
Charter No. 23050
Post Office Box 270819
Dallas, Texas 75227**

**Office of the Comptroller of the Currency
Southwestern District
1600 Lincoln Plaza, 500 North Akard
Dallas, TX 75201**

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 Citizens Bank, N.A.** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of July 24, 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 bank's loan-to-deposit ratio is reasonable at 47.96%. A majority of the bank's loans are within the assessment area and are geographically dispersed. The bank has maintained a reasonable penetration of loans to individuals of different income levels and businesses of different sizes.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>(NAME OF FINANCIAL INSTITUTION)</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 were received.		

DESCRIPTION OF INSTITUTION

First Citizens Bank, N.A. is a \$14 million dollar institution located in Dallas, Texas. The bank opened for business in July 1996. The bank has one location and offers full services. The bank's lending activity emphasizes small business and consumer loans. Additional loan products include residential real estate and home improvement loans. The bank's financial condition does not hinder its ability to meet community credit needs. The legal, regulatory, and economic environment do not significantly affect the bank's ability to make loans.

DESCRIPTION OF *Eastern Dallas County*

The bank's assessment area consists of the Eastern portion of Dallas county. The bank's assessment extends east of Hwy. 75 and east of the Trinity River. This area includes one hundred fifty-seven census tracts. 14.6% of the census tracts are low-income, 27.4% are moderate-income, 38.2% are middle-income and 19.8% are considered high-income census tracts. The 1996 median family income for Dallas county is \$48 thousand. Major employers in the area include Texas Instruments and Blue Cross/Blue Shield of Texas. The population of Dallas county in 1996 is approximately 1,853 thousand.

Community contacts performed in Dallas county identified small business and affordable housing loans as credit needs. The bank offers both of these loan products.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

The loan-to-deposit ratio of 47.96% is reasonable, given the bank's size and the demographics of the community. The loan-to-deposit ratio is comparable to that of similarly situated banks. The average loan-to-deposit ratio for peer banks was 56.1%. The peer group used consists of bank in Dallas county with less than \$50 million in total assets.

A majority of the bank's loans are in its assessment area. We reviewed a bank report for July 1997 showing the volume of loans inside the assessment area. 70.4% of the loans outstanding were in the bank's assessment area.

The distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable with loan penetration among the different income levels. The table on the following page summarizes the results of our sample of consumer loans funded in 1997:

BORROWER INCOME LEVEL	NUMBER OF CONSUMER LOANS REVIEWED	% OF TOTAL SAMPLED
LOW	6	28.6
MODERATE	4	19
MIDDLE	6	28.6
HIGH	5	23.8
TOTAL	21	100

We also reviewed twenty small business loans originated in 1997. 85% of the small business loans reviewed had gross revenues of less than \$1 million.

An analysis was not performed on residential real estate loans due to the lack of a meaningful sample.

The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area. The following table summarizes the geographic distribution of consumer and business loans sampled:

Geographic Distribution of Loans									
	Low Income Tracts		Moderate Income Tracts		Middle Income Tracts		Upper Income Tracts		Total
	#	%	#	%	#	%	#	%	
Loan Types									
Consumer	1	5%	7	33%	12	57%	1	5%	100%
Business	2	10%	9	45%	8	40%	1	5%	100%

There were no locations in the assessment area that were arbitrarily excluded for lending purposes.

We found no violations of the substantive provisions of the anti discrimination laws and regulations.