



SMALL BANK

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

PUBLIC DISCLOSURE

October 31, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Worthington National Bank
Charter Number 24343**

**200 West Main Street
Arlington, TX 76010**

**Comptroller of the Currency
Dallas Field Office
500 North Akard St., Suite 1600
Dallas, 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.

Worthington National Bank (Worthington) has a satisfactory record of meeting community credit needs. The primary factors supporting this rating include:

- A reasonable average net loans to deposit ratio of 96% compared to similarly situated financial institutions.
- Majority of loans sampled, representing 65% of the number, were originated within the assessment area.
- Borrower distribution reflects a very good penetration of loans made to businesses with revenue less than \$1MM.
- Geographic distribution of loans reflect a reasonable dispersion throughout the assessment area.

DESCRIPTION OF INSTITUTION

Worthington is a \$48 million bank located in downtown Arlington. The bank opened in November 2002 and is independently owned. The bank has one office with a separate drive-in facility located approximately six blocks from the main location. The bank has one automated teller machine located at its drive-in facility. Banking hours at the main location are from 9 a.m. to 5 p.m. Monday through Friday. The drive-in facility is open 7:30 a.m. to 6 p.m. Monday through Friday and 9 a.m. to 12 p.m. on Saturday. A full range of loan products and deposit services are offered with an emphasis on commercial and commercial real estate loans. As reflected below, 60% of the loan portfolio is centered in commercial real estate and commercial loans. Additionally, the portfolio has 23% in construction and development.

Loan Category	\$ (000)	%
Commercial Real Estate	9,745	25
Commercial	13,644	35
Construction & Development	8,966	23
Consumer	3,119	8
Residential Real Estate	3,119	8
Other Loans	389	1
Total	38,982	100

The bank has no legal, financial or other factors impeding its ability to meet the credit needs of its assessment area. Loan and deposit products offered are commensurate with the bank's size and resources. There are several financial institutions that operate within the stated assessment area. They are comprised of other community banks and branches of larger national and state banks, as well as savings banks and credit unions. Officers and employees are highly involved

in various community and civic activities throughout the trade area. Additionally, the bank has provided its boardroom to non-profit groups for meetings.

DESCRIPTION OF ASSESSMENT AREA

Worthington’s assessment area (AA) consists of 37 census tracts that are located in the Fort Worth-Arlington Metropolitan Statistical Area (MSA). The AA meets regulatory guidelines, and does not arbitrarily exclude low- or moderate-income areas. The following table reflects the demographics for the AA:

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF AA	
<i>Census Year</i>	<i>2000</i>
<i>Population</i>	
Number of Families	49,320
Number of Households	79,631
<i>Geographies</i>	
Number of Census Tracts	36
# - % Low-Income Census Tracts	1 – 3%
# - % Moderate-Income Census Tracts	14 – 39%
# - % Middle-Income Census Tracts	17 – 47%
# - % Upper-Income Census Tracts	4 – 11%
<i>Median Family Income (MFI)</i>	
2000 MFI for AA	\$47,620
2003 HUD-Adjusted MFI	\$53,268
2004 HUD-Adjusted MFI	\$61,500
<i>Economic Indicators</i>	
Unemployment Rate	3%
2004 Median Housing Value	\$93,437
% of Households Non English Speaking	21%
% of Households on Social Security	15%
% of Households Below Poverty Level	12%
% of Households on Retirement	10%

The economy in the City of Arlington is well diversified. Major employers include the Arlington Independent School District, University of Texas at Arlington, Six Flags Over Texas, The Parks Mall, and General Motors. To assess the credit needs of the community, we interviewed a person in the Arlington area. The community contact indicated that area financial institutions are trying to meet the credit needs of the community.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

The evaluation of Worthington covers from when the bank opened on November 21, 2002 through September 30, 2005. We reviewed a sample of commercial and commercial real estate

loans made to determine the bank's performance as it relates to community reinvestment. The tables in this evaluation reflect demographic data from the 2000 Census since that period included the majority of the data relevant to the analysis of the bank's adherence to CRA. One strength of the bank is its lending to businesses with revenues of less than \$1.0 million. Overall, Worthington is meeting the standards for satisfactory performance.

Loan-to-Deposit Ratio

Given the size, financial condition, and credit needs of the AA, the bank meets the standards for satisfactory performance. Worthington's 13-quarter average loan-to-deposit (LTD) ratio is 96%. We compared your LTD ratio to the national peer group and to insured commercial banks having assets less than \$70 million within Tarrant County. The results of our assessment is detailed in the following table:

Institution	Assets ('000's) As of 09-30-05	Average LTD Ratio
Bank A	47,356	57%
Bank B	49042	61%
Bank C	40,341	64%
Bank D	49,647	79%
<i>Worthington National Bank</i>	<i>47,849</i>	<i>96%</i>

Lending in Assessment Area

Based on our review of the bank's lending patterns, Worthington meets the standards of satisfactory performance. Our assessment revealed 65% of the number of loans originated was extended to individuals and businesses within the AA. Commercial loans represented 78% of the dollar amount of loans outstanding within the AA, and commercial real estate loans represented 53% of the dollar amount of loans outstanding within the AA.

Total Loans Reviewed										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$
Commercial	13	65	7	35	20	1,290	78	374	22	1,664
Commercial Real Estate	13	65	7	35	20	3,899	53	3,518	47	7,417
Totals	26	65	14	35	40	5,189	57	3,892	43	9,081

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

Worthington exceeds the standards for satisfactory performance in lending to businesses of different sizes as portrayed in the tables below.

In addition, lending to businesses of different sizes is more than adequate. The 2000 Census

Data indicates that there are a total of 14,829 businesses in the assessment area. Businesses with revenue of less than \$1 million represent 62% of all businesses. As reflected below, 82% of the number of loans extended by Worthington have been to businesses with revenues of less than \$1 million.

Lending to Businesses of Different Sizes								
Revenue Ranges	<\$100M		\$100-\$500M		\$500M-\$1MM		>\$1MM	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Loans to Businesses	9	274	6	890	1	683	4	400
Loans to Commercial Real Estate	7	2,765	9	3,076	1	165	3	1,412

Geographic Distribution of Loans

Based on the 2000 Census Data, Worthington’s AA contains one low-income tract and 14 moderate-income tracts in Tarrant County. The bank’s lending patterns reflects overall satisfactory penetration within its AA.

Geographic Distribution of Loans by Census Tract								
Assessment Area Data	# Low-Income		# Mod-Income		# Middle-Income		# Upper-Income	
Census Tract Designation	1	2%	14	38%	17	46%	4	11%
Loan Type	#	%	#	%	#	%	#	%
Commercial	0	0%	6	30%	7	35%	7	35%
Commercial Real Estate	0	0%	5	25%	3	25%	12	60%
Grand Total	0	0%	11	28%	10	25%	19	47%

Responses to Complaints

Worthington has received no complaints during the evaluation period related to CRA issues or performance.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices.