



---

Comptroller of the Currency  
Administrator of National Banks

---

## **PUBLIC DISCLOSURE**

March 24, 1997

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

**Comanche National Bank  
Charter Number 4246  
100 East Central  
Comanche, Texas 76422**

**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 Comanche National Bank prepared by **The Office of the Comptroller of the Currency**, as of March 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 **Outstanding**.

Comanche National Bank's lending performance reflects good responsiveness to its community's credit needs. The bank's loan to deposit ratio is reasonable at 45% and comparable to that of other financial institutions located in the assessment area. The majority of loans are within the bank's designated assessment area, and are to low- and moderate-income (LMI) individuals, and small businesses and farms. An affordable housing program is available for LMI borrowers, and was developed in response to an identified community credit need. The bank has qualified investments in local bond issues. Bilingual employees are available to assist Spanish-speaking customers with bank services.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>COMANCHE 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 were received since the prior examination.		

## **DESCRIPTION OF INSTITUTION**

Comanche National Bank has one office and is located in the city of Comanche, Texas, in Comanche County. The bank has total assets of \$108 million with \$43 million in total loans. The focus in lending is centered in agriculture and real estate loans, representing 70% of the loan portfolio. The bank developed a low income housing program in response to an identified community credit need.

Comanche National Bank is locally owned and managed. 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 Comanche County, and Erath County. The bank is located at the center of Comanche, Texas, which is in the center of Comanche County. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. The non-MSA area has a population of 41,372 according to 1990 census data, and a median family income of \$25,077. There are no low-income block numbering areas, and two moderate-income block numbering areas. The local economy is highly dependent on agriculture. Primary credit needs are agricultural loans, housing loans, and consumer loans.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :**

Comanche National Bank has a good lending performance. The bank's loan-to-deposit ratio averaged 45% for the past four quarters. The loan-to-deposit ratios for other financial institutions in the bank's assessment area range from 10% to 67%. The loan-to-deposit ratio for financial institutions in adjacent counties ranged from 29% to 49%. As of December 31, 1996, the loan-to-deposit ratio for Comanche National Bank was 45%.

A substantial majority of the bank's lending is within its assessment area. Bank data reflects 89% of loans are within the assessment area.

The loan distribution by income level reflects a strong penetration among individuals of different income levels. Consumer loans to LMI individuals represent 59% of outstanding consumer loans. The bank also extends a significant volume of small loans. Bank data reflects 1,242 loans with origination balances less than \$1,000, aggregating \$683 thousand, and averaging \$550 each, and 1,089 loans of \$1,000 to \$2,500, aggregating \$1.7 million, averaging \$1,076 each. The majority of these loans are made to LMI borrowers.

The bank also has an affordable home loan program for LMI families. Loans totaling \$679 thousand have been extended to 157 LMI families through this program.

Commercial, real estate and agriculture lending is centered in loans to small businesses and small farms. Real estate loans to small businesses and small farms comprise 53% of real estate loans. Agriculture loans to small farms represent 77% of total agriculture loans. Small business loans are 96% of commercial loans. The bank also participates in FmHA and SBA guaranteed loan programs.

The geographic distribution of loans reflects strong penetration throughout the assessment area, including the moderate income block numbering areas. The bank tracks geographic distribution of lending activity in the assessment area, and in the secondary trade area. Their analysis reflects equitable geographic distribution throughout the assessment area.

Comanche National Bank has not received any consumer complaints regarding CRA performance. Further, based on the fair lending portion of the examination, no violations of the substantive provisions of antidiscrimination laws and regulations were identified.

Comanche National Bank has also made qualified investments and provided additional accessibility to customers. The bank has qualified investments in city and county bond issues. It has an ATM to provide banking services outside of banking hours, and Spanish-speaking employees to assist non-English speaking customers with loan applications and other banking services.