



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## PUBLIC DISCLOSURE

April 14, 2003

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Commercial Bank Of Texas, National Association  
Charter Number: 14371

215 East Main Street  
Nacogdoches, TX 75961

Office of the Comptroller of the Currency

Longview Field Office  
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Longview, TX 75604

**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, and should not 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.

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of **Commercial Bank Of Texas, National Association** (Commercial Bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			<b>X</b>
Low Satisfactory	<b>X</b>	<b>X</b>	
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Commercial Bank demonstrates adequate responsiveness to the credit needs of its assessment area. A substantial majority of the bank's loans were within its designated assessment areas. The distribution of these loans by geography and by borrower income level reflects an adequate penetration throughout the assessment areas.
- The level of qualified community development investments, grants and donations represents adequate responsiveness to identified community development needs.
- Commercial Bank's delivery systems are accessible to geographies and individuals of different income levels in its assessment areas. Each branch office provides the same products and services, and business hours have been tailored to accommodate the customers' needs.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home Mortgage Loans:** such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

Commercial Bank of Texas (Commercial Bank), headquartered in Nacogdoches, Texas, is an intrastate financial institution with \$287 million in assets. The bank is wholly owned by Nacogdoches Commercial Bancshares, Inc., a one-bank holding company. The holding company is structured as a two tiered entity, with Nacogdoches Bancshares of Delaware owning 100% of the outstanding bank stock. Commercial Bank has eight full service branches, one motor bank and seven automatic teller machines located throughout the East Texas area. The bank's offices are located in the non-metropolitan counties of Nacogdoches, Angelina, Houston and Cherokee.

Commercial Bank's philosophy is to be a full service institution by providing a wide array of financial services to consumers and small businesses. Commercial Bank is retail oriented and offers a wide range of deposit and loan products. As of December 31, 2002, the bank's net loans represented 53% of total assets. The loan portfolio is comprised of 39% residential real estate, 13% commercial real estate, 4% commercial, 43% consumer, and 1% agriculture.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs in its assessment areas. Commercial Bank's Tier 1 Capital level is \$21.5 million representing 7.59% of adjusted average assets as of December 31, 2002. The bank's CRA performance was last evaluated as of February 1, 1999, with the overall level of performance rated "Satisfactory."

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

Conclusions regarding the bank's lending performance are based on residential mortgage (purchase and refinance), consumer, small business and small farm loans for the years 2000, 2001 and 2002. Our analysis of the bank's lending does not include home improvement loans or multi-family loans, as the volume was not significant and would have no impact on the overall conclusions drawn. As of January 1, 2000, the bank became subject to large bank CRA loan data collection requirements. While the bank is not subject to the requirements of the Home Mortgage Disclosure Act (HMDA), they began voluntarily collecting home mortgage loan data as defined in this regulation. In addition, the bank voluntarily began collecting data on consumer loans for consideration in this evaluation. Loans originated or purchased since the last examination on February 1, 1999 but prior to 2000 are not included in this review as the bank was not subject to CRA data collection requirements. For community development loans and the Service and Investment Tests, the evaluation period runs from the ending date of the last CRA evaluation period to the start date of the current CRA examination. This evaluation period runs from February 1, 1999, through April 14, 2003. The investment test included a review of investments, grants and donations made in the bank's assessment area that meet the definition of community development investments. The Service Test included a review of retail and community development services provided in the bank's assessment area.

### Data Integrity

We verified the accuracy of data used in the evaluation of the bank's performance by reviewing samples of the loan products reported during the evaluation period. Our review revealed the integrity of the bank's data is generally sound and considered to be a reliable source of information when reviewing CRA performance. We found some inaccuracies in the home mortgage and small business data during the data integrity review. Corrections were made to the data and the processes for collecting data were changed to prevent further inaccuracies. After corrections were made, the reported data relating to these loans was considered accurate and was used for analysis in this evaluation.

Community development loans, investments, and services submitted by Commercial Bank's management were also verified to ensure they met the regulatory definition for community development.

### Selection of Areas for Full-Scope Review

During this examination, we performed a full-scope review of the bank's only assessment area. This area includes Nacogdoches and Angelina counties as well as two block numbering areas (BNAs) of adjacent counties. Please refer to the table in Appendix A for more information regarding the bank's designated assessment area.

### Ratings

The bank's overall rating is based on performance in its designated assessment area. Additionally, the analysis of lending for home mortgages and consumer loans carries more



weight than the commercial and agricultural loans in evaluating the bank's performance. Mortgage and consumer lending represent the bank's primary lending focus totaling 82% of the total loan portfolio and constitute the majority of the number of loan originations over the evaluation period.

## **Other**

Our review also included contacting local business groups in the assessment area for the purpose of determining a community profile, identifying opportunities for participation by local financial institutions and determining the performance within the community. These contacts included two local business groups and a local community housing organization. Each stated the primary need is for residential housing, consumer loans and small business loans. Each contact also stated the local financial institutions offer products that help meet these needs.

## **Fair Lending Review**

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

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "Low Satisfactory". Based on the full-scope review, the bank's performance in the Nacogdoches area is adequate.

#### Lending Activity

Refer to Tables 1 Lending Volume and 1 Other in Appendix C for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity is good. The bank has made 2,541 loans for a total of \$99 million. These loans are distributed throughout the bank's assessment area. In addition, the distribution of the types of loans is reasonably divided among mortgage, consumer, small business and small farm loans. Commercial Bank ranks second in deposit market share with 15% of the area deposits and is a leading provider of financial services in the assessment area. The bank is not required to report HMDA data and therefore, market share data was not available for review. However, when comparing loan volumes to banks that are HMDA reporters, Commercial Bank would rank first in dollar volume of total home mortgage products. As of December 31, 2002, the bank's loan to deposit ratio was reasonable at 60%.

#### Distribution of Loans by Income Level of the Geography

##### *Home Mortgage Loans*

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

##### *Home Purchase Loans*

The bank's geographic distribution of home purchase loans in the assessment area is adequate. The bank's percentage of home purchase loans is somewhat lower than the percentage of owner occupied housing units in the moderate-income tracts. The bank is fifth in rank in the volume of home purchase loans in the moderate-income BNAs which is consistent with its overall market share of home purchase loans.

##### *Home Refinance Loans*

The bank's geographic distribution of home refinance loans in the assessment area is adequate. The bank's percentage of home refinance loans is lower than the percentage of owner occupied housing units in the moderate-income tracts. However, the bank has a number two rank in the volume of home refinance loans in the moderate-income BNAs.

***Multi-Family Loan***

Our analysis of the bank's lending does not include multi-family loans, as the volume was not significant and would have no impact on the overall conclusions drawn

***Small Loans to Businesses***

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses. The geographic distribution of small loans to businesses is adequate. The percentage of small business loans made in the moderate-income BNAs is below the percentage of small businesses in these BNAs. The bank's market share of loans in moderate income BNAs is consistent with its overall market share of business loans.

***Small Loans to Farms***

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms. The bank did not have any loans to small farms in the moderate income BNAs, the actual number of farms in these areas is limited. Additionally, the agricultural lending is not a primary product of the bank with approximately one percent of the bank's loan portfolio considered agriculture related lending.

***Consumer Loans***

Refer to Table 13 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases. The Geographic distribution of consumer loans is adequate. The percentage of consumer loans made in the moderate income BNAs is below the percentage of households in this tract.

**Lending Gap Analysis**

Our review includes an evaluation of Commercial Bank's lending throughout the assessment area including any low- and moderate-income BNAs. This was done using maps and reports showing the bank's lending in each tract to identify any gaps in the geographic distribution of home mortgage loans, small loans to businesses, small loans to farms and consumer loans. No unexplained or conspicuous gaps were identified.

***Inside/Outside Ratio***

During the evaluation period, 83% of loans reviewed were within the designated assessment. Approximately 64% of home mortgage loans, 90% of small business loans, 87% of farm loans and 88% of consumer loans were within its assessment area. This performance was positively factored into the overall analysis of the geographic distribution of lending.

## Distribution of Loans by Income Level of the Borrower

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Commercial Bank's overall distribution of home mortgage loans by income level of the borrower is adequate given the overall demographics of the bank's assessment area. The median cost of housing in this area is \$47M while a low-income person earns less than \$18,050 based on the HUD updated 2002 median family income. Additionally, 22.6% of the households in the assessment area live below the poverty level. While competition is strong for home mortgage products, the bank offers different loan products in an effort to assist LMI persons purchase a home. Additionally, a large percentage of the population in the bank's primary community are college students with low incomes and temporary residences who are not candidates for purchasing a residence. We considered these mitigating factors in our home mortgage lending analysis to low- and moderate-income borrowers.

### ***Home Purchase Loans***

The overall distribution of home purchase loans by borrower income level is adequate. The percentage of loans to low-income borrowers is below the percentage of low-income families in the assessment area. However, the performance is considered adequate when considering the factors discussed above. The percentage of home loans to moderate-income borrowers is also adequate although below the percentage of moderate-income families.

### ***Home Refinance***

The distribution of home refinance loans by borrower income level is adequate. The percentage of loans to low- and moderate-income borrowers is below the percentage of low- and moderate-income families in the assessment area and is reflective of the mitigating factors discussed above.

### ***Small Loans to Businesses***

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses is excellent. The percentage of loans to businesses with revenues of \$1 million or less exceeds the percentage of businesses with revenues of \$1 million or less in the assessment area. The market share to businesses with revenues of \$1 million or less slightly exceeds the bank's overall market share.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

The bank's distribution of loans to small farms in the assessment area is excellent. The percentage of bank loans to farms with revenues of \$1 million or less exceeds the percentage of small farms in the assessment area. The market share to farms with revenues of \$1 million or less slightly exceeds the bank's overall market share.

### ***Consumer Loans***

Refer to Table 13 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The distribution of consumer loans by borrower income level is good. The percentage of loans to low-income borrowers is below the percentage of low-income families in the assessment area. However, the percentage of loans to moderate-income borrowers significantly exceeds the percentage of moderate-income families in the assessment area.

### **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Commercial Bank has an adequate level of community development (CD) loans in the assessment area. During the evaluation period the bank made one CD loan totaling \$50M. This loan was to finance the interim construction of affordable houses for LMI individuals.

### **Product Innovation and Flexibility**

Commercial Bank offers several loan products with flexible underwriting guidelines in order to assist low- and moderate-income individuals with affordable housing related credit needs. These programs include FHA and VA loans with reduced down payment requirements. In addition, the bank offers mortgages through FNMA that also reduce the down payment and/or closing costs. In addition to these more traditional products, the bank offers loans through its "No Income No Asset" program that does not require proof of income or verification of assets, helping small business owners qualify. Product innovation and flexibility had an overall positive effect on the Lending Test conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the Investment Test is rated "Low Satisfactory". Based on the full scope review, the bank's performance in the Nacogdoches area is adequate. Management has actively sought qualifying investment opportunities in the bank's assessment area. However, investment opportunities are very limited in the bank's assessment area, which is a non-metropolitan area that is predominantly middle and upper income. Investments are limited to donations to local organizations that provide community services by promoting affordable housing, youth programs that benefit low- and moderate-income children, programs that assist low- and moderate-income families, and business and economic development. The bank made \$19 thousand in donations to these organizations during this evaluation period.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "High Satisfactory". Based on the full-scope review, the bank's performance in the Nacogdoches assessment area is good.

#### *Retail Banking Services*

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The delivery systems of the bank are accessible to geographies and individuals of different income levels in its assessment areas. The bank operates nine banking offices that are conveniently located in each of these assessment areas. These branches are located in seven middle and two upper income block-numbering areas. Due to the close proximity to the boundaries of the moderate-income tracts, the branch locations are easily accessible to all areas.

A wide range of financial services are provided at each branch and are consistent throughout the bank's branch network. The bank offers ATMs at most locations as well as offering telephone and Internet banking services, ACH deposits, and low cost checking accounts. In addition, a bilingual employee is available to provide assistance at most banking offices.

#### *Community Development Services*

In addition to retail banking services, the bank provides an adequate level of community development services. Bank officers and employees are active in providing their financial expertise and technical assistance on financial matters to small businesses, nonprofit groups, affordable housing programs and other community development organizations serving LMI individuals. Employees are also involved in programs that provide financial and technical assistance to low and moderate-income first time homebuyers. Additionally, the bank has held an orientation meeting for local realtors to provide information on the bank's loan products specifically introducing the FNMA Community Homebuyers program which is designed to assist LMI individual in the purchase of a home. A seminar was also held for potential low and moderate-income first time homebuyers in order to provide information on the products

available and the procedures necessary to apply and qualify for the first time homebuyers loan program.



## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 01/01/2000 to 12/31/2002 Investment and Service Tests and CD Loans: 02/01/1999 to 04/14/2003	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Commercial Bank of Texas, N.A. (Commercial Bank) Nacogdoches, Texas	Home Mortgage Loans, Commercial Loans, Agriculture Loans, Consumer Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Nacogdoches Area	Full-Scope	Includes Nacogdoches and Angelina Counties, plus BNA 9511 In Cherokee County and BNA 9506 in Houston County

# Appendix B: Market Profiles for Full-Scope Areas

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### Market Profiles for Areas Receiving Full-Scope Reviews

Nacogdoches Area .....	2
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## Nacogdoches Area

Demographic Information for Full-Scope Area: Nacogdoches Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	0.00	20.00	64.00	16.00	0.00
Population by Geography	127,695	0.00	16.88	62.04	21.08	0.00
Owner-Occupied Housing by Geography	30,558	0.00	10.65	67.33	22.02	0.00
Businesses by Geography	8,359	0.00	13.36	66.47	20.17	0.00
Farms by Geography	267	0.00	12.36	68.16	19.48	0.00
Family Distribution by Income Level	32,732	20.25	15.26	19.68	44.81	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	11,623	0.00	19.39	68.08	12.53	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below the Poverty Level	= \$24,585 = \$36,100 =22.60%	Median Housing Value Unemployment Rate		= \$47,433 = 2.93%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Nacogdoches Assessment Area consists of Nacogdoches and Angelina Counties and also includes one BNA in Cherokee County (9511) and one BNA in Houston County (9506). There are 25 BNAs in this assessment area with no low-income areas, 5 moderate-income areas, 16 middle-income areas and 4 upper-income areas. The Nacogdoches Assessment Area has a combined population of 127,695. Several other institutions compete in this market with Commercial Bank having the second largest market share of deposits. Commercial Bank is a retail oriented bank with a focus on mortgage and consumer lending. The area economy is considered stable with some growth located in Lufkin, located south of Nacogdoches in Angelina County. Major employers in the assessment area include Pilgrim's Pride, Stephen F. Austin State University, Temple Inland, Lufkin Industries as well as medical and other educational facilities. Based on a recent contact with a local business group, the primary need within the area is for residential loans and consumer loans. Contacts in this area felt the local financial institutions were providing products and financing which help meet these needs. A review of all information obtained during this examination revealed there are limited opportunities for community development loans, investments and services. Community development investments are particularly limited due to the rural nature of the bank's assessment area and it's location in a non-metropolitan area.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Table 1. Lending Volume**

LENDING VOLUME													Geography: TEXAS		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002	
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***				
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)					
<b>Full Review:</b>																
Nacogdoches	100.00	659	59,812	500	25,612	27	1,490	1	50	1,187	86,964	100.00				

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From February 01, 1999 to April 14, 2003.

\*\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Other Products**

LENDING VOLUME														
Geography: TEXAS														
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002														
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
Nacogdoches	100.00	1,354	11,808	0	0	28	761	0	0	0	0	648	9,328	100.00

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From January 01, 2000 to December 31, 2002.

\*\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



**Table 1. Other Products**

LENDING VOLUME		Geography: TEXAS		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002	
MA/Assessment Area (2002):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
Nacogdoches	678	1,719	0	0	

\* The evaluation period for Optional Product Line(s) is From January 01, 2000 to December 31, 2002.

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXAS				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share (%) by Geography <sup>*</sup>				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans					
<b>Full Review:</b>															
Nacogdoches AA	362	100.00	0.00	0.00	10.65	4.42	67.33	58.56	22.02	37.02	NA	NA	NA	NA	NA

<sup>\*</sup> Based on 2001 Peer Mortgage Data: Southwest Region.

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Nacogdoches AA	NA	NA	0.00	0.00	10.65	NA	67.33	NA	22.02	NA	NA	NA	NA	NA	NA									

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Nacogdoches AA	297	100.00	0.00	0.00	10.65	5.72	67.33	52.53	22.02	41.75	NA	NA	NA	NA	NA									

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*																		
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp														
<b>Full Review:</b>																													
Nacogdoches AA	NA	NA	0.00	NA	28.38	NA	31.22	NA	40.40	NA	NA	NA	NA	NA	NA														

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: TEXAS															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Nacogdoches AA	500	100.00	0.00	0.00	13.36	10.20	66.47	66.60	20.17	23.20	3.81	NA	4.12	4.27	3.58

<sup>\*</sup> Based on 2001 Peer Small Business Data: US&PR.

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2002).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: TEXAS															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Nacogdoches AA	27	100.00	0.00	0.00	12.36	0.00	68.16	77.78	19.48	22.22	1.84	NA	0.00	1.47	3.54

\* Based on 2001 Peer Small Business Data: US&PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2002).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Nacogdoches AA	362	100.00	20.25	1.99	15.26	10.80	19.68	21.88	44.81	65.34	NA	NA	NA	NA	NA									

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 2.76% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.



**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Nacogdoches AA	NA	NA	20.25	NA	15.26	NA	19.68	NA	44.81	NA	NA	NA	NA	NA	NA									

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for \*\*\*\*\*% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: TEXAS					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Nacogdoches AA	297	100.00	20.25	0.69	15.26	5.88	19.68	16.61	44.81	76.82	NA	NA	NA	NA	NA	NA	NA							

\* Based on 2001 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 2.69% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXAS			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Nacogdoches AA	500	100.00	74.46	96.20	89.80	6.00	4.20	3.81	4.00

<sup>\*</sup> Based on 2001 Peer Small Business Data: US&PR.

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

<sup>\*\*\*\*</sup> Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TEXAS		Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less
<b>Full Review:</b>									
Nacogdoches AA	27	100.00	93.26	100.00	81.48	11.11	7.41	1.84	2.29

<sup>\*</sup> Based on 2001 Peer Small Business Data: US&PR.

<sup>\*\*</sup> Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2002).

<sup>\*\*\*\*</sup> Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)**

Geographic and Borrower Distribution: CONSUMER LOANS																		
Geography: TEXAS																		
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002																		
MA/Assessment Area:	Geographic Distribution										Borrower Distribution							
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total*	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans
<b>Full Review:</b>																		
Nacogdoches AA	1,354	100.00	0.00	0.00	15.50	9.82	62.09	69.87	22.40	20.31	26.43	23.04	13.52	24.22	15.68	22.01	44.38	30.72

\* Consumer loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

\*\* Percentage of Households is based on the 1990 Census Information.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: TEXAS									
Evaluation Period: FEBRUARY 1, 1999 TO APRIL 14, 2003									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Nacogdoches AA	0	0	26	19	26	19	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: TEXAS																	
Evaluation Period: FEBRUARY 1, 1999 TO APRIL 14, 2003																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Nacogdoches AA	100.00	9	100	0.00	0.00	77.78	22.22	0	2	0	0	2	0	0.00	16.88	62.04	21.08

