



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

October 22, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**RiverBend Bank, National Association
Charter Number 20193**

**2000 Handley-Ederville Road
Fort Worth, Texas 76118**

**Comptroller of the Currency
1600 Lincoln Plaza
500 North Akard Street
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 **RiverBend Bank, National Association in Fort Worth, Texas** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of October 22, 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 lending performance of the RiverBend Bank, N.A. in Fort Worth reflects satisfactory responsiveness to its community credit needs. This is demonstrated by the types of loan products offered, with 62% of total loans in small business and consumer loans. Competition for loans within the assessment area is strong. Despite heavy competition, the bank's loan-to-deposit ratio reflects reasonable performance. In addition, a majority of the loans extended are within the bank's identified assessment area, and 91% of all loans are within Tarrant County. The lending pattern reflects a reasonable penetration among borrowers of all income levels and in all segments of the community.

The following table indicates the performance level of RiverBend Bank, N.A. in Fort Worth, Texas with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	RiverBend Bank, N.A. 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

The RiverBend Bank, N.A. in Fort Worth is an independently chartered national bank, located approximately twelve miles east of downtown Fort Worth, Texas. The bank offers basic banking services, with no ATM's, and currently has no branch offices. As of September 23, 1997, assets totaled \$23 million, while gross loans totaled just over \$14 million. The bank's focus is on consumer and small business lending; 31% of the loan portfolio is in consumer related loans, 31% of loans are to small business enterprises. Other types of lending include 1-4 family mortgages and residential construction loans (30% of gross loans) and commercial real estate (7% of gross loans).

DESCRIPTION OF ASSESSMENT AREA

RiverBend Bank's assessment area is part of the Fort Worth/Arlington Metropolitan Statistical Areas (MSA's). The assessment area includes thirty-three specific census tracts in Tarrant County. Of the thirty-three census tracts, one is low income, thirteen are moderate income, fourteen are middle income, and five are upper income. This designation meets the requirements of the regulation and does not arbitrarily exclude low or moderate income geographies. The economic make-up of the area indicate that the primary credit needs continue to be consumer and small business loans. The focus and structure of the bank's loan portfolio indicate that these needs are generally being met.

The bank's immediate market area is comprised of light manufacturing, warehouse, and service industries. The population of the assessment area is approximately 155,000 with 29% being minority. The MSA median family income for the assessment area, based on 1990 census information, is \$32,865 while the median family income for Tarrant County is \$37,571. According to the same data, low income families comprise 25% of all families in the area, while another 21% are moderate income families, 24% are middle income families, and 30% are upper income families.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

RiverBend Bank's lending performance is satisfactory. The bank makes consumer, small business, 1-4 family mortgages, residential construction, and commercial real estate loans throughout the assessment area to individuals with differing income levels. Our review of fair lending regulations revealed no evidence of discriminatory practices, and no violations of the substantive provisions of antidiscrimination laws.

Assessment Area Concentration

A majority of the bank's lending is within the assessment area. Internal analysis performed by the bank, as of June 30, 1997, reflected 58% of the dollar volume and 55% of the number of outstanding loans booked in 1997 were within the assessment area. According to the same analysis, 91% of all loans were within Tarrant County. A review of 120 consumer loans supported the bank's analysis. Of the sample reviewed, 42% of the loans were made to customers residing in the assessment area.

Loan to Deposit Ratio

The bank's assessment area includes five branches of large regional bank holding companies, one branch of an local bank holding company, and one independently chartered national bank. Competition for loans in the area is strong. Despite heavy competition, RiverBend Bank's loan-to-deposit ratio averaged 66% over the past six quarters and reflects reasonable performance.

Geographic and Income Distribution of Loans

The loan distribution to borrowers reflects a satisfactory penetration among individuals of different income levels and throughout all census tracts. Of the loans sampled within the assessment area, 54% of the consumer loans were extended to borrowers with low to moderate income levels. The sample of small business loans indicated that 100% of these loans were extended to small business borrowers with gross revenues less than \$1 million. While the bank obtains income information on its loan customers, there is no internal analysis to determine the level of penetration into the different income levels. Management plans to implement an income tracking procedure on all future loans. The results of a random sample determined that there is a reasonable penetration of loans among individuals of different income levels.

Also, RiverBend Bank makes loans in original amounts less than \$2,500, typically to low or moderate income individuals. Since August 1, 1996, the bank has made 137 loans under \$2,500, totaling \$117,000. Sixty-six percent of the bank's total number of loans are installment loans.

In addition to the above types of credit, the bank is an active small business lender. As of June 30, 1997, small business loans totaled 31% of the outstanding portfolio.

Response to Substantiated Complaints

During this evaluation period, RiverBend Bank has received no complaints concerning its performance in meeting assessment area credit needs.