



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

October 1, 2001

Community Reinvestment Act Performance Evaluation

**American Bank, N.A.
Charter Number: 15820**

**800 North Shoreline
Suite 100 South
Corpus Christi, TX 78401**

Office of the Comptroller of the Currency

**San Antonio South Field Office
5350 South Staples, Suite 405
Corpus Christi, Texas 78411-4654**

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.

Table of Contents

OVERALL CRA RATING	2
DEFINITIONS AND COMMON ABBREVIATIONS	3
DESCRIPTION OF INSTITUTION	5
SCOPE OF THE EVALUATION.....	6
FAIR LENDING REVIEW	8
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	9
LENDING TEST	9
INVESTMENT TEST	15
SERVICE TEST	17
APPENDIX A: SCOPE OF EXAMINATION.....	1
APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS	1
APPENDIX C: TABLES OF PERFORMANCE DATA	4

Overall CRA Rating

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

The following table indicates the performance level of **American Bank, N.A. (ABNA)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	American Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		✓	
Low Satisfactory	✓		✓
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:

- Lending activity reflects adequate responsiveness to credit needs in ABNA's assessment area.
- ABNA's geographic distribution of small loans to businesses by income level of census tracts is excellent.
- ABNA's distribution of small loans to small businesses (gross annual revenues less than or equal to \$1 million) is adequate.
- The bank has a good level of investments and grants/donations given its size, resources, and opportunities in the assessment area.
- ABNA's branch network is reasonably accessible to geographies and individuals of different income levels.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation. 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.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. The U.S. Census Bureau has established BNAs in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the U.S. Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

Full-Scope Review - Performance under the lending, investment, and service tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area delineated by the U.S. 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 statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more

families) dwelling loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

Low-Income - Income levels that are less than 50 percent of the median family income.

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 Statistical Area (MSA) - Area defined by the director of the U.S. Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80 percent and less than 120 percent of the MFI.

Moderate-Income - Income levels that are at least 50 percent and less than 80 percent of the MFI.

Small Loans to Businesses - Loans with original amounts of \$1 million or less that are: (1) secured by non-farm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Loans to Farms - Loans with original amounts of \$500,000 or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

Tier 1 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 - Income levels that are 120 percent or more of the MFI.

Description of Institution

American Bank, N. A. (ABNA) is an intrastate bank that is based in Corpus Christi, Texas. As of June 30, 2001, ABNA's total assets were \$420 million. The bank has nine branches of which seven are located in the city of Corpus Christi, one in the city of Port Aransas, and one in the city of Austin. The Austin branch was opened September 6, 2001. ABNA is a subsidiary of American Bank Holding Corporation (ABHC), a one-bank holding company headquartered in Corpus Christi, Texas. Consolidated holding company assets total \$406 million as of December 31, 2000. The parent organization owns ABHC Delaware, Inc. and ABNA. A full range of credit products, depository accounts, trust services, insurance products, and retail nondeposit investment services are offered through ABHC. ABNA has one wholly owned subsidiary, American Financial Insurance Services, Inc.

The loan portfolio is \$268 million, or 64% of total assets. Management's lending strategy of focusing on commercial lending is evident in the distribution of the loan portfolio. Commercial and commercial real estate loans make up 75% of net loans. Residential loans total \$39 million or 15% of net loans, consumer loans total \$21 million or 8% of net loans, and agricultural loans total \$7 million or 2% of net loans.

As of June 30, 2001, the bank's loan-to-deposit ratio measured 69%, reflecting a gradual, slight increase from December 31, 1997 when the ratio was 44%. The bank's return-on-assets is 1.95%, and the Tier 1 Capital Leverage Ratio is 7.32%. Based on the bank's financial condition, size, product offerings, and branch configuration, there are no legal, financial, or other impediments which inhibit its ability to meet the assessment area's credit needs.

The prior CRA examination is dated August 24, 1998 and the assigned rating was "Satisfactory". A review of OCC records, as well as the bank's CRA Public File, did not reveal any complaints relating to the bank's CRA performance.

During the evaluation period, ABNA's strategic plan has been to provide a wide array of financial services to consumers and small businesses, and excellent customer service within the market areas. The bank offers a variety of loan products, including the following types of loans: residential mortgages, home equity, home improvement, construction, commercial, commercial mortgages, and personal. The bank has not elected to include consumer loans in this CRA evaluation.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for this CRA Performance Evaluation covers August 24, 1998 to October 1, 2001, excluding loan data. These dates reflect the date of the last CRA Performance Evaluation and the date for the current CRA Performance Evaluation. Loan products used to assess the bank's performance under the Lending Test include home mortgage loans and small loans to businesses and include originations from January 2, 1998 to December 31, 2000. Community development loans originated during the evaluation period were also considered for the Lending Test. Qualified investments, including grants and donations, were reviewed for the Investment Test. The bank's branching network, products and services offered, and community development services were considered for the Service Test.

Data Integrity

A random sample of fifteen (15) HMDA loans and fifteen (15) small loans to businesses originating in 1999 and 2000 was used to verify the accuracy of the loan data used in this evaluation for the Lending Test. The data collected and reported under the HMDA and CRA Data (small businesses and small farms) was compared to information contained in the loan files for accuracy of reporting. The HMDA data was found to be accurate and reliable. Errors with the CRA data were limited to incorrect census tracts. Bank management corrected all errors and resubmitted the data. All data collected and reported by the bank is used in this evaluation. Additionally, community development loans, qualified investments, and community development services were reviewed to determine if they met the regulatory definition for community development.

Selection of Areas for Full-Scope Review

Appendix A contains the scope of the examination. A full-scope review was performed on Nueces County. As of the examination date, ABNA had two defined assessment areas: Nueces County and five (5) CT's in Austin, Travis County. Travis County became an assessment area in September 2001 when a full service branch opened in Austin on September 6, 2001. Travis County will receive a limited scope review.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews. The bank's CRA performance is not assessed for Travis County because this area became an assessment area towards the end of the bank's evaluation period. At this time, there is no lending or community development activity to evaluate in Travis County.

Other

A community leader in Corpus Christi, Texas was contacted during the evaluation. This individual deals with overall community development issues within the city, and indicated that opportunities exist in the Corpus Christi area to invest in community development primarily in the low- and moderate-income census tracts, which has needed attention for some time. Many of the opportunities are with or through the Community Development Corporation. Specifically identified credit needs include affordable housing loans and loans for small businesses at sizes that are below traditional minimum size guidelines for commercial loans. This size of lending is often for less than \$25,000 and referred to as "gap financing." No contacts were made for the Austin area since the branch was opened prior to the last month of the evaluation period.

Fair Lending Review

An analysis of recent HMDA and small business lending data, public comments, and consumer complaint information was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination was not warranted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed August 24, 1998.

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 full-scope reviews, the bank's performance in the Nueces County assessment area is adequate.

Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's lending activity.

Lending activity reflects adequate responsiveness to credit needs in ABNA's assessment area, considering the number of home mortgage loans and small loans to businesses originated during this evaluation period. In the assessment area, approximately 39% of loans originated/purchased during the evaluation period were home mortgage loans with small loans to businesses comprising 61% of loans. Market share information for HMDA and small business loans is based on 1999 aggregate data. ABNA's overall lending activity in the assessment area is adequate when deposit market share is compared to its loan market share. As of June 30, 2000, the bank had a deposit market share of 15.8% in the assessment area and was ranked third (3rd) among commercial banks. For home mortgage loans, ABNA ranked third (3rd) in the assessment area with a market share of 3.9%. By comparison, the bank's 15.6% market share for small loans to businesses ranked third (3rd) within the assessment area. ABNA is ranked second (2nd) in the assessment area with a 20.2% market share for loans to small businesses (gross annual revenues less than or equal to \$1 million). Small business lending was given more weight in this analysis since the bank's business focus is on commercial lending. The portfolio composition shows commercial and commercial real estate loans at 75% and residential real estate loans at 15% of net loans.

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.

ABNA's distribution and penetration of home mortgage loans by income level of geographies is poor.

Home Purchase Loans

The bank's geographic distribution of home purchase loans is poor. The distribution of home purchase loans is well below the percentage of owner-occupied housing units in both low- and moderate-income tracts. The bank's 1.16% market share in low-income tracts is below the bank's overall market share of 3.61%. The bank's 0.21% market share in moderate-income

tracts is well below the bank's overall market share. A comparison of the geographic distribution of 1999 home purchase loans originated by all lenders in the assessment area to ABNA's distribution revealed that other lenders in the assessment area have a better record of lending in low- and moderate-income tracts. All other lenders had 1.08% and 9.57% of their loans in low- and moderate-income geographies compared to the percentage of owner-occupied units in low- and moderate-income geographies.

Home Improvement Loans

The bank's geographic distribution of home improvement loans is poor. The distribution of home improvement loans is below the percentage of owner-occupied housing units in low- and moderate-income geographies. The bank's 3.45% market share in low-income tracts is below the bank's overall market share. The bank's 3.96% market share in moderate-income geographies also does not meet its overall market share. All other lenders in the assessment area performed substantially better than ABNA in low- and moderate-income geographies based on 1999 HMDA data. Other lenders had 4.38% of home improvement loans in low-income tracts and 15.18% in moderate-income tracts compared to the percentage of owner-occupied units in low- and moderate-income geographies.

Refinance Loans

The bank's geographic distribution of refinance loans is poor. The distribution of refinance loans is well below the percentage of owner-occupied housing units in both low- and moderate-income geographies. The bank's 3.45% market share in low-income geographies exceeds the overall market share of 2.47%. The bank's 0.34% market share in moderate-income geographies is below the overall market share. Based on 1999 HMDA data, all other lenders in the assessment area performed substantially better with 2.18% of loans in low-income geographies and 11.31% loans in moderate-income geographies compared to owner-occupied units in low- and moderate-income geographies.

Multifamily Loans

The geographic distribution of multifamily loans is not relevant due to the small number of loans originated during the evaluation period.

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.

Small loans to businesses have excellent distribution and penetration in low- and moderate-income geographies. The bank's geographic distribution of small business loans is excellent. The distribution of small business loans exceeds the distribution of small businesses in low-income and moderate-income geographies. The bank's market share for small business loans in both low-income and moderate-income geographies is near to, but does not exceed, its overall market share. The small business loan market in the assessment area is highly competitive with several regional/national lenders. ABNA holds a market rank of three (3) behind two credit card companies that issue corporate credit cards. ABNA is the leader in small loans to businesses among locally based institutions.

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 geographic distribution of small loans to farms is not relevant due to the small number of originations during the evaluation period. Agricultural loans are not a business focus or a primary product line. Agricultural-related loans comprise approximately 2.5% of the total loan portfolio as of June 30, 2001.

Lending Gap Analysis

There are lending gaps in low- and moderate-income geographies for all home mortgage products. The number of housing units and the percentage of owner-occupied housing units are lower in low- and moderate-income geographies when compared to middle- and upper-income geographies. ABNA had a lower number of applications for home mortgage products in low- and moderate-income CTs when compared to middle- and upper-income CTs. In addition, the percentage of families and households below the poverty level is much higher in low- and moderate-income CTs than in middle- and upper-income CTs. Other lenders in the market are serving low- and moderate-income geographies.

There are no conspicuous lending gaps in small loans to businesses. All low-income geographies are penetrated and nine of thirteen moderate-income geographies are penetrated.

Inside/Outside Ratio

The bank's distribution of loans inside and outside its assessment area is excellent. A substantial majority (85%) of the bank's reported loans were made within its assessment areas. By loan type, 72% of home purchase loans, 88% of home improvement loans, 86% of refinance loans, and 91% of small business loans were originated within the assessment area. While the results of this analysis are positive, they are not given significant weight in the overall conclusion concerning geographic distribution. This analysis indicates that the bank is primarily serving its assessment area; however, the bank's activity within the assessment area provides a better measure of performance relating to geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

ABNA's distribution of home mortgage loans by income level of the borrower is adequate. The bank has an adequate record of lending to businesses with revenues of \$1 million or less. ABNA is the local leader in loans to small businesses.

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.

Home Purchase Loans

ABNA's record of lending to low-income borrowers is poor. The bank's percentage of loans to low-income borrowers is well below the percentage of low-income families in the assessment area. 1999 aggregate HMDA data shows the bank's market share to low-income borrowers is below the bank's overall market share. ABNA is a participant in three housing programs that target low- and moderate-income applicants. Additional information on these programs can be found under the ***Product Innovation and Flexibility*** section of this evaluation.

Loan penetration to moderate-income borrowers is adequate. The percentage of bank loans to moderate-income borrowers is below the percentage of moderate-income families in the assessment area. ABNA's market share to moderate-income borrowers is also below its overall market share for home purchase loans. 1999 aggregate HMDA data shows other lenders in the assessment area with a poor record of lending to low-income applicants (4.7% of loans); and a good record of lending to moderate-income applicants (14.4% of loans).

Home Improvement Loans

The bank's record for lending to low-income borrowers for home improvement loans is adequate. The percentage of bank loans to low-income borrowers is well below the percentage of low-income families in the assessment area. ABNA's market share to low-income borrowers does not exceed the bank's overall market share for home improvement loans. ABNA has an adequate record of lending to moderate-income borrowers for home improvement loans. The bank's percentage of loans to moderate-income borrowers is below the percentage of moderate-income families in the assessment area. ABNA's market share for moderate-income borrowers is near to its overall market share for home improvement loans. Based on 1999 aggregate HMDA data, other lenders in the assessment area report an adequate record of lending to low-income borrowers (12.8% of loans), and a good record of lending to moderate-income borrowers (14.1% of loans).

Refinance Loans

ABNA's record of lending to low-income borrowers is poor for refinance loans. The percentage of bank loans to low-income borrowers is well below the percentage of low-income families in the assessment area. The bank's market share for low-income borrowers is also well below the overall market share for refinance loans. ABNA has an adequate level of refinance loans to moderate-income borrowers. The percentage of bank loans is below the percentage of moderate-income families in the assessment area. The market share to moderate-income borrowers does not exceed the overall market share for refinance loans. Other lenders in the assessment area show an adequate record of lending to low-income borrowers (5.5% of loans), and an adequate record of lending to moderate-income borrowers (9.3% of loans).

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 bank's record of lending to businesses with revenues less than or equal to \$1 million is adequate. ABNA's lending performance is compared to 2000 Dun and Bradstreet Business Data. The bank's percentage of loans to businesses with revenues less than or equal to \$1 million is below the percentage of such businesses in the assessment area. A substantial majority (85%) of the bank's loans, regardless of revenue size, originated at \$100,000 or less.

Based on 1999 aggregate CRA data, all other lenders in the assessment area originated 55.3% of their loans to businesses with revenues less than or equal to \$1 million. All other lenders in the assessment area originated 92% of their loans at \$100,000 or less.

ABNA's market share to businesses with revenues of \$1 million or less exceeds the overall market share. 1999 Peer Small Business Data shows ABNA ranked third (3rd) in the assessment area for business loan originations. The bank is ranked third (3rd) for loans to businesses with revenues less than or equal to \$1 million. ABNA is ranked second (2nd) for loans less than or equal to \$100,000 in size. The institutions ranked higher than ABNA are credit card banks that issue credit cards to businesses. If these institutions were eliminated, ABNA would be the top lender in the market for loans to small businesses and for loans less than or equal to \$100,000 in size. The bank has a higher market share than regional/national banks in the assessment area.

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.

Due to the small number of loan originations during the evaluation period, no assessment was made of small loans to farms.

Community Development Lending

Refer to Table 1 in appendix C for the facts and data used to evaluate the bank's level of community development lending.

ABNA's community development lending activity is good. Approximately 94% of community development (CD) loans promote activities that have a significant positive impact on the Nueces County full-scope assessment area. CD loans at this evaluation total \$2.8 million. During the evaluation period, ABNA made four direct CD loans totaling \$1.9 million. The bank also received positive consideration for \$891,000 in CD loans originated by the Independent Bankers Capital Fund, L.P., a qualified Small Business Investment Corporation (SBIC), and by the Corpus Christi Community Development Corporation (CDC). During the evaluation period, the SBIC funded \$7.3 million in qualifying small business loans. Of this amount, the bank's qualifying portion is \$158,000. The CDC funded \$4 million in qualifying affordable housing loans of which the bank's qualifying portion is \$733,000. All CDC loans are made to low- and moderate-income families, each of which has received an average of \$15,000 in down payment assistance. Refer to the ***Investment Test*** section of this evaluation for further information on the SBIC and CDC.

The most significant example of the high impact direct CD loans have is the following:

South Texas Lighthouse for the Blind, Inc. This nonprofit corporation's primary purpose is to provide employment opportunities for people who are blind or legally blind, primarily through the corporation's manufacturing enterprises. The bank made two loans for \$750,000 each to fund working capital expenses related to an \$18 million contract with the U.S. Postal Service (USPS). This contract is for one year and provides for three consecutive, one-year extensions. While this contract by itself is not long-term, this organization has historically had prior USPS contracts since at least 1994. Employees who are assigned to this contract total 153, of which 145 or 95% are low- and moderate-income based on the 2001 updated HUD MFI for the MSA. Many of these employees are believed to be from the immediate area. The manufacturing facility is in a CT whose MFI is 23% of the MSA's MFI. The facility is centrally located in the heart of the inner city low- and moderate-income geographies, which have been targeted by the City of Corpus Christi for rehabilitation and economic development. This loan has served to help stabilize the area where the organization is located primarily because of permanent job creation for low- and moderate-income persons. Its impact is significant by virtue of employing an estimated 5% of the total blind population in the ages 18-54 in Nueces County.

Product Innovation and Flexibility

ABNA has partnered with local organizations that offer flexible and affordable loan programs for home purchase and home improvement targeted to low- and moderate-income families.

Corpus Christi Housing Finance Corporation and the Coastal Bend Housing Finance Corporation

This organization makes home ownership more affordable for low- and moderate-income households, especially first-time buyers. The borrower is granted a Mortgage Credit Certificate (MCC) that increases a family's disposable income by reducing its federal income tax obligations. This tax savings provides a family with more available income to qualify for a loan and meet mortgage payment requirements. It allows buyers to receive a tax credit up to 25% of the mortgage interest paid annually which has the effect of reducing the mortgage payment. It is targeted to first-time homebuyers, households who have not owned a principal residence in three years, and buyers interested in purchasing homes in targeted areas provided the program's criteria are satisfied. The MCC Program can also be applied to qualified rehabilitation and home improvement loans. As of August 30, 2001, ABNA had two loans in this program totaling \$88,117.

Corpus Christi Community Improvement Corporation (CCCIC)

The purpose of the CCCIC is to increase the level of affordable home ownership for low-income households. There are two programs offered by the CCCIC.

- A deferred, forgivable loan at zero percent (0%) interest by the CCCIC for \$3,000 amortized over 60 months will be provided to low-income, homebuyers for the purpose of meeting down payment and closing cost expenses provided the prospective purchaser meets the eligibility criteria. The criteria for borrowers under this program:

- Must be low-income;
- Must occupy the property as their principal residence and may not currently own a home;
- Must be a resident of the city of Corpus Christi;
- Household income cannot be greater than 80% of the median income as established by HUD adjusted for family size;
- The home can be new or existing housing; and
- Properties must have a value that does not exceed FHA 203(b) mortgage limits as established by HUD (\$131,100 for existing homes).

As of August 30, 2001, ABNA had one loan in this program totaling \$53,696.

- This program assists low-income families in purchasing a newly constructed house by reducing the cost of the house and therefore, reducing the amount that needs to be financed. Through this program a homebuyer may receive a deferred 0% forgivable loan, not to exceed 20 years. The loan cannot exceed \$20,000 and can be applied toward closing costs and down payment, or the full amount can be applied to buy down the cost of the new house. The criteria for this program is as follows:

- :
- Homeowners must occupy the property as a principal residence;
 - Household income cannot be greater than 80% of the median income established by HUD which is adjusted for family size;
 - Homeowner must be a resident of Corpus Christi; and
 - Properties must have a value that does not exceed FHA 203(b) mortgage limits as established by HUD (\$131,100 for existing homes).

As of August 30, 2001, ABNA had one loan in this program totaling \$52,000.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited scope review, the bank's performance under the lending test in the Travis County assessment area is not inconsistent with the bank's overall "Low Satisfactory" performance under the lending test. The bank's lack of performance in this assessment area is mitigated by the fact that this assessment area was added less than one month before the evaluation date. Refer to Description of Institution earlier in this evaluation and to Tables 1 through 11 in Appendix D and for the facts and data that support this conclusion.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated "High Satisfactory". Based on a full-scope review, the bank's performance in Nueces County is good.

Refer to Table 13 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period ABNA made \$305,000 in qualified investments, most of which directly benefited the full-scope area. A commitment for \$373,000 remains. This volume of investments is good given the bank's size and resources and opportunities in the assessment area.

The following are descriptions of two equity investments:

Independent Bankers Capital Fund, L.P., a qualified Small Business Investment Company (SBIC) that serves the state of Texas. The bank made three capital contributions totaling \$127,000 during the evaluation period. An unfunded portion of \$373,000 remains out of a \$500,000 commitment. Based on this investment level, the bank has an equity interest in the SBIC equal to 2.1645%. Since inception in November 1999, this SBIC has funded \$7.3 million in loans in Texas. To date, no loans have originated through the SBIC in Nueces County but eventually loans will be made that benefit Nueces County. This investment is not considered complex or innovative.

Corpus Christi Community Development Corporation (CDC). The bank funded \$250 of a \$100,000 commitment in 1996 (prior evaluation period) when this CDC was organized with six bank investors. ABNA was one of the original investors and took a leadership role in organizing and maintaining the CDC. By asset size, ABNA is the smallest financial institution with an investment in the CDC. The remaining investors are significantly larger than this bank, yet invested comparable amounts to ABNA. In the current evaluation period, the bank funded the remaining portion of its \$100,000 commitment. The CDC's primary purpose is to support the public welfare of Nueces County through support for affordable housing for low- and moderate-income persons and for economic development for small businesses as defined by the U.S. Small Business Administration. The CDC has supported affordable housing in its first two years of operation through two affordable housing home purchase/construction programs in Nueces County. To date, the two programs have closed 56 loans to low- and moderate-income families totaling \$4 million and have another 30 homes under construction. The average loan size is \$72,000 and the borrower receives an average of \$15,000 in down payment assistance. This investment is considered innovative as the bank was one of the charter members with a significant equity interest, especially when compared to the other mid-sized and multinational bank investors. Moreover, loans for affordable housing in low- and moderate-income geographies were an identified need that banks were having difficulty meeting through conventional loan programs.

Specific examples of grants to qualifying community development organizations are described below. Grants to these organizations are routinely provided by others in the assessment area. None are considered complex or innovative.

- **The Women's Shelter**. This nonprofit provides shelter and assistance for battered women. The bank donated \$1,575 in cash and property valued at \$45,031 to this organization. In 1999, 80% of the clients lived at or below federal poverty guidelines. In 2000, the figure was 81%. All but \$31 of the property that the bank donated consisted of repossessed assets (women's apparel), which resulted when the bank foreclosed on a loan that was more than four times the estimated value of the donated property.

- **Corpus Christi Metro Ministries.** The bank donated \$4,200 to this nonprofit organization that helps the needy in the Corpus Christi area, particularly the homeless women and children.
- **Food Bank of Corpus Christi.** This nonprofit organization provides free basic foods to low-income people of the City of Corpus Christi. The bank donated \$5,000 to this organization.
- **Youth Odyssey.** This nonprofit group provides youth programs for at-risk children. At least 85% of the youth are from extremely low-, low-, or moderate-income families in Nueces and surrounding counties. The bank donated \$5,031 to this organization.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited scope review, the bank's performance under the investment test in the Travis County assessment area is weaker than the bank's overall "High Satisfactory" performance under the investment test. The bank's nominal performance in this assessment area is mitigated by the fact that this assessment area was added less than one month before the evaluation date. Refer to Description of Institution earlier in this evaluation and to Table 12 in Appendix D and for the facts and data that supports this conclusion.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "Low Satisfactory". Based on a full-scope review the bank's performance in the Nueces County assessment area is adequate.

Retail Banking Services

Refer to Table 14 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 bank's services delivery systems are reasonably accessible to geographies and individuals of different income levels in the Nueces County assessment area, and particularly to those in low- and moderate-income geographies. The bank has no offices in low-income tracts compared to almost 9% of the assessment area's population living in those tracts. This lack of representation in low-income tracts is mitigated by the close proximity of the main office and a new branch to low- and moderate-income tracts. The percentage of the bank's offices located in moderate-income geographies exceeds the percentage of the population located in those tracts.

ABNA's record of opening offices has had a positive impact on the availability of its products and services, particularly to low- and moderate-income CTs and persons. One new branch opened in December 1999 in a moderate-income CT that borders three low-income CTs and one middle-income CT. It is located on one of the principal streets in Corpus Christi and easily accessible by the low- and moderate-income people who reside in the low- and moderate-

income areas next to this geography. The bank has not closed any offices during this evaluation period.

The bank's alternative delivery system is reasonably effective in providing retail banking services to low- and moderate-income areas and persons. The ATM system includes one new deposit-taking location in a low-income CT, two in moderate-income CT's, one of which is new, five in middle-income CT's, and five more in upper-income CT's. ABNA also offers toll-free telephone banking, consumer loan applications via the Internet, telephone or mail, on-line and telephone bill payment, and personal and commercial banking by computer.

ABNA's hours, services, and products offered are generally more accessible by its entire assessment area, primarily because the bank is a leader in offering full service banking on traditional bank holidays. All eight of its offices are open on three customary bank holidays, and all except for one office is open on another traditional bank holiday. In addition, all six drive-in locations, except for one, offer limited hours on two other major banking holidays (Labor Day and Memorial Day). One of the branches located in a middle-income tract, whose lobby is open on Saturdays, is on a major street and in a high retail area and is easily accessible by persons in nearby low- and moderate-income tracts. All locations, including the telephone banking areas, offer services in Spanish.

Community Development Services

On an overall basis, ABNA provides an adequate level of community development services that benefit its assessment area. CD services are concentrated in the assessment area. ABNA is active in providing technical financial assistance and financial education to local nonprofit and municipal organizations that serve the low- and moderate-income individuals, families, or geographies. Organizations that were assisted were involved in three major CD activities - affordable housing, community services, or revitalization/stabilization.

Specific examples of qualifying CD services are:

- **Corpus Christi Community Development Corporation.** The bank's chief lending officer serves on the board of this organization that originates loans for purchasing or constructing homes for low- and moderate-income families or in low- and moderate-income geographies. The officer has helped develop lending policies and implement loan programs, which are focused on low- and moderate-income housing needs. In 2000 and 2001, all 56 loans that this CDC funded were to homebuyers who received an average of \$15 thousand in down payment assistance. An additional 30 affordable housing loans are currently in the construction phase.
- **2000 and 2001 Affordable Homebuyers Fair.** Three officers provided homebuyer education, financing information, and other technical financial information to attendees of this fair for the last two years. This fair is targeted to affordable housing in Corpus Christi.
- **Harbor House/Karen Henry Foundation.** A bank officer is on the Board of Directors and serves on the Finance Committee providing technical assistance on financial matters to this multifamily unit apartment project. This nonprofit provides housing for physically and mentally disabled low-income persons.

- **Corpus Christi Community Improvement Corporation Loan Review Committee.** A bank officer is a member and co-chair of the committee, which is under the City of Corpus Christi's Department of Housing and Community Development. This committee reviews loan applications for rehabilitation or demolition/new construction of single-family houses for low-income families, primarily in the low- and moderate-income geographies, and assists in securing financing for these families.
- **HUD SuperNOFA Prioritization Committee.** A bank officer is a member of this committee that reviews, prioritizes, and recommends awards of the city's HUD community development block grant (CDBG) funds to nonprofit groups that serve low- and moderate-income persons in the Corpus Christi area.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited scope review, the bank's performance under the service test in the Travis County assessment area is not inconsistent with the bank's overall "Low Satisfactory" performance under the lending test. The bank's lack of performance in this assessment area is mitigated by the fact that this assessment area was added less than one month before the evaluation date. Refer to Description of Institution earlier in this evaluation and to Table 13 in Appendix D and for the facts and data that supports this conclusion.

Appendix A: Scope of Examination

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”).

Time Period Reviewed	Lending Test (excludes CD Loans): 01/02/1998 to 12/31/2000 Investment and Service Tests and CD Loans: 08/24/1998 to 10/01/2001	
Financial Institution	Products Reviewed	
American Bank, National Association Corpus Christi, Texas	Home mortgage loans, small business, community development	
Affiliate(s)	Affiliate Relationship	Products Reviewed
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Nueces County Travis County	Full Scope Limited Scope	Became an AA 09/06/2001

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews	
Nueces County Metropolitan Statistical Area.....	B-2

Nueces County, TX

Demographic Information for Full Scope Area: Nueces County, TX						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	64	10.94	20.31	31.25	34.38	3.13
Population by Geography	291,145	8.70	22.58	35.73	32.99	0.01
Owner-Occupied Housing by Geography	58,066	5.17	22.17	36.84	35.82	0.00
Business by Geography	13,265	7.78	28.52	34.74	28.96	0.00
Farms by Geography	427	2.11	18.97	45.90	33.02	0.00
Family Distribution by Income Level	74,413	23.70	15.70	18.99	41.61	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	29,318	15.29	30.67	34.89	19.15	0.00
Median Family Income		28,499	Median Housing Value		58,177	
HUD Adjusted Median Family Income for 2000		42,300	Unemployment Rate (1990 US Census)		3.88%	
Households Below Poverty Level		19.25%				

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

Source: 1990 US Census and 2000 HUD updated MFI

NUECES COUNTY ASSESSMENT AREA

ABNA's Nueces County assessment area is located in the Corpus Christi Metropolitan Statistical Area (MSA) 1880 and includes the cities of Corpus Christi and Port Aransas, Texas. This assessment area designation meets the requirements of the regulation and does not arbitrarily exclude low- and moderate-income CT's.

Based on estimates by the U.S. Census Bureau, Nueces County had a population 332,000 for 2000, the bulk of which resided in Corpus Christi with a population of 292,000. The U.S. Census 1990 median family income for the assessment area is \$28,499. The updated 2001 HUD MFI used to determine individual income classifications is \$42,300. There are 64 census tracts, of which seven are defined as low-income, 13 as moderate-income, 20 as middle-income, 22 as upper-income, and 2 that are not designated because they are industrial tracts.

The area's economy is stable. It has diversified from one that was largely oil-based to one where shipping, oil, tourism, and healthcare are major contributors to the economy. The sectors with the largest numbers of employees are education, oil/petrochemical, healthcare, and the U.S. and local government. The most significant employers include the Corpus Christi Independent School District, Christus Spohn Medical System, City of Corpus Christi, U.S. Army Depot, and Columbia Healthcare Corporation. The unemployment rate for Nueces County is 5.6% as of September 2001, which is improved compared to the 2000 annual rate of 6.3%.

Competition for loan and deposit customers is very active in the assessment area. The larger competitors are branch facilities of mid-sized and large/multinational banks that are headquartered outside of the MSA. The major competitors for both loans and deposits are Bank of America, Wells Fargo Bank, and Frost Bank, all of which are much larger institutions that are headquartered outside of the assessment area. In addition, over 20 different credit unions serve the area. Based on data from the FDIC's Summary of Deposits, Market Share

Report for Nueces County as of June 30, 2000, ABNA has the third largest deposit market share with 15.8% of the assessment area's deposits.

Appendix C: Tables of Performance Data

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 MSA/assessment area.

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 MSA/assessment area.
- 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 loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily 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.

- 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.
- 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 MSA/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 Home Mortgage 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. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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.

Table 14. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 1. Lending Volume

LENDING VOLUME		Geography: NUECES COUNTY, TX				Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000						
MA/Assessment Area (2000):	% 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)	
Full Review:												
Nueces County, TX	100.00	1,148	100,505	1,795	125,094	10	746	6	2,816	2,959	229,161	100.00
Limited Review:												
Travis County, TX	0.00	0	0	0	0	0	0	0	0	0	0	0.00

* Loan Data as of December 31, 2000. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From August 24, 1998 to October 1, 2001.

*** Deposit Data as of December 31, 2000. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: 10000015820 AMERICAN BANK, NA

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share (%) by Geography*				
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**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Nueces County, TX	665	100.00	5.17	0.75	22.17	1.35	36.84	36.54	35.82	61.35	3.61	1.16	0.21	4.02	4.01	
Limited Review:																
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	25.74	0.00	74.26	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Nueces County, TX	230	100.00	5.17	1.30	22.17	5.22	36.84	37.83	35.82	55.65	11.00	3.45	3.96	13.62	11.90	
Limited Review:																
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	25.74	0.00	74.26	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: NUECES COUNTY, TX						Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000							
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
Full Review:															
Nueces County, TX	246	100.00	5.17	0.81	22.17	4.07	36.84	35.37	35.82	59.76	2.47	3.45	0.34	3.51	2.16
Limited Review:															
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	25.74	0.00	74.26	0.00	0.00	0.00	0.00	0.00	0.00

Institution ID: 10000015820 AMERICAN BANK, NA

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
Full Review:																
Nueces County, TX	7	100.00	5.17	0.00	22.17	0.00	36.84	85.71	35.82	14.29	7.14	0.00	0.00	12.50	0.00	
Limited Review:																
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	25.74	0.00	74.26	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: NUECES COUNTY, TX								Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Nueces County, TX	1,795	100.00	7.78	7.86	28.52	31.59	34.74	33.93	28.96	26.63	15.61	9.62	13.99	13.12	13.73
Limited Review:															
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Institution ID: 10000015820 AMERICAN BANK, NA

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans						
Full Review:																
Nueces County, TX	10	100.00	2.11	0.00	18.97	0.00	45.90	50.00	33.02	50.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Nueces County, TX	665	100.00	23.70	2.65	15.70	8.27	18.99	20.28	41.61	68.80	4.31	2.83	2.54	4.18	5.18	
Limited Review:																
Travis County, TX	0	0.00	6.33	0.00	7.54	0.00	12.63	0.00	73.50	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Nueces County, TX	230	100.00	23.70	5.39	15.70	7.35	18.99	18.63	41.61	68.63	9.78	4.65	8.16	6.25	12.67	
Limited Review:																
Travis County, TX	0	0.00	6.33	0.00	7.54	0.00	12.63	0.00	73.50	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: NUECES COUNTY, TX					Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Nueces County, TX	246	100.00	23.70	0.46	15.70	4.17	18.99	18.52	41.61	76.85	3.35	0.00	1.65	2.19	4.67	
Limited Review:																
Travis County, TX	0	0.00	6.33	0.00	7.54	0.00	12.63	0.00	73.50	0.00	0.00	0.00	0.00	0.00	0.00	

Institution ID: 10000015820 AMERICAN BANK, NA

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NUECES COUNTY, TX			Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000				
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*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Nueces County, TX	1,795	100.00	89.22	72.92	85.18	8.97	5.85	15.61	20.20
Limited Review:									
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 1999 Aggregate Small Business Data Only.

** 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2001).

**** 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 3.96% of small loans to businesses originated and purchased by the bank.

Institution ID: 10000015820 AMERICAN BANK, NA

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: NUECES COUNTY, TX			Evaluation Period: JANUARY 2, 1998 TO DECEMBER 31, 2000				
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*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Nueces County, TX	10	100.00	91.10	100.00	80.00	20.00	0.00	0.00	0.00
Limited Review:									
Travis County, TX	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 1999 Aggregate Small Business Data Only.

** 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.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2001).

**** 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.

Institution ID: 10000015820 AMERICAN BANK, NA

Table 13. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NUECES COUNTY, TX				Evaluation Period: AUGUST 24, 1998 TO OCTOBER 1, 2001			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Nueces County, TX	1	1	30	304	31	305	100.00	1	373
Limited Review:									
Travis County, TX	0	0	1	0	1	0	0.00	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.

Institution ID: 10000015820 AMERICAN BANK, NA

Table 14. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: NUECES COUNTY, TX				Evaluation Period: August 24, 1998 TO October 1, 2001									
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
Full Review:																	
Nueces County, TX	100.00	8	89	0.00	25.00	25.00	50.00	1	0	0	1	0	0	8.70	22.58	35.73	32.99
Limited Review:																	
Travis County, TX	0.00	1	11	0.00	0.00	0.00	100.00	1	0	0	0	0	1	0.00	0.00	23.42	76.58