



Comptroller of the Currency
Administrator of National Banks

Small Bank

PUBLIC DISCLOSURE

May 5, 1998

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**American National Bank
Charter Number 17764**

**1901 North Commerce
Ardmore, Oklahoma 73401**

**Office of the Comptroller of the Currency
Southwestern District
1600 Lincoln Plaza
500 North Akard
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 **American National Bank, Ardmore, Oklahoma** as prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of May 5, 1998. 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***. Consistent with its resources and capabilities, the bank is meeting the credit needs of its assessment area, including those of low- and moderate-income individuals, in a reasonable manner.

The following table indicates the performance level of **American National Bank, Ardmore, Oklahoma**, with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>American National Bank</u> PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area		X	
Lending to Borrowers of Different Incomes and to businesses of Different sizes		X	
Geographic Distribution of Loans		X	
Response to Complaints	There have been no complaints received since the prior examination.		

DESCRIPTION OF INSTITUTION

American National Bank is headquartered in Ardmore, Oklahoma. It is 99.97 percent owned by Amcorp Financial, Incorporated, a one-bank holding company. The main bank is located at 1901 North Commerce in Ardmore, Oklahoma. Full-service branches are located at 205 N. Commerce in Ardmore (inside the Winn Dixie Supermarket), 6295 W. Broadway in Ardmore, Oklahoma (Lone Grove branch), 222 West Main in Wilson, Oklahoma, and 133 Oak Main in Comanche, Oklahoma. Drive-in facilities are located at the main bank and at the Lone Grove, Wilson, and Comanche branches. Automated Teller Machine (ATM) services are available at the main bank, the Winn Dixie branch, Lone Grove branch, Wilson branch, and also at the Wal Mart store located at 1715 North Commerce. The ATM at the Comanche branch is cash dispensing only. In 1997, a mortgage center was opened at 1407 West Broadway in Ardmore, Oklahoma, which accepts applications for long-term residential loans. The bank's primary focus is to serve commercial, agricultural, and consumer customers in its assessment area. American National Bank meets these needs by providing various types of loan and deposit products and services.

As of March 31, 1998, American National Bank's total assets equaled \$85,904,000, of which \$48,001,000 or 55.88 percent, were composed of various types of loans to individuals and businesses. The \$48,001,000 in loans and leases outstanding consisted of \$22,024,000 in real estate loans, (45.88 percent), \$16,824,000 in consumer loans, (35.05 percent), \$4,644,000 in commercial loans, (9.68 percent), and \$4,509,000 in agricultural loans, (9.39 percent).

There are no known legal, financial, or other factors impeding management's ability to help meet the credit needs of the assessment area. The last review of performance under the Community Reinvestment Act was completed as of September 30, 1994.

DESCRIPTION OF THE ASSESSMENT AREA

The assessment area adopted by American National Bank's Board of Directors meets the requirements of the regulation and does not arbitrarily exclude any low or moderate income geographies. The assessment area is described in more detail below.

American National Bank Assessment Area

The assessment area is located in south central Oklahoma and contains 13 Block Number Areas (BNA's). The assessment includes all eleven BNA's located in Carter county, one BNA in Stephens County and one BNA in Jefferson County. American National Bank's main bank and Wal Mart ATM are located in BNA #9926 in Carter County. The Winn Dixie branch and the mortgage center are located in BNA #9930 in Carter County. The Lone Grove and Wilson branches are located in BNA #9924 in Carter County. The Comanche branch is located in BNA #11 in Stephens County.

The adopted assessment area is appropriate for the bank. As of March 31, 1998, 83 percent of the dollar volume or 76 percent of the total number of outstanding loans were located within the assessment area.

Based on 1990 United States Census Bureau census data, none of the thirteen BNA's in the assessment area are identified as low income. BNA #9928 in Carter County and BNA #9716 in Jefferson County are identified as moderate income BNA's. BNA #9928 encompasses the area south of U.S. Highway 199 and north of McLaine Road, between the railroad tracks on the west and Mary Niblock Street on the east. BNA #9716 encompasses the eastern section of Jefferson County. Seven of the BNA's are identified as middle income BNA's. These are BNA's #9921, #9922, #9923, #9924, #9929, #9931 in Carter County and #11 in Stephens County. The four remaining BNA's identified as upper income BNA's. These are #9925, #9926, #9927 and #9930 in Carter County.

United States Census Bureau information as of 1990 reflected a total population of 50,490 for the assessment area. The area contained 22,855 housing units with 14,366, or 63 percent, owner-occupied. Additionally, there were 14,338 families and 19,518 households in the area. Sixty-eight percent of the households derive their income from wages or salaries. The largest employment sectors were services, retail trades, and manufacturing related entities.

The assessment area is served by several other national and state chartered banks. It is also served by branches of these banks, as well as the branches of other banks and federal savings banks.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Overall, the bank is satisfactorily meeting the credit needs of its entire assessment area, consistent with available resources and capabilities.

Loan to Deposit Ratio

The loan to deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. The average quarterly loan to deposit ratio from December 31, 1994 through March 31, 1998 was 64.94 percent. The ratio as of March 31, 1998 was 64.54 percent. The low ratio for the period was 60.75 percent at September 30, 1996. The high ratio for the period was 70.22 percent at December 31, 1997.

American National Bank's ratio compares favorably to the average loan to deposit ratio for the twenty-four banks operating in Carter and the six surrounding counties in Oklahoma. The average ratio for this group of banks was 59.72 percent at December 31, 1997. The low ratio in this group was 27.56 percent and the high ratio was 87.57 percent.

American National Bank's ratio also compares well to the average loan to deposit ratio for the four other banks headquartered Carter county. The average for this group of banks was 59.04 percent at December 31, 1997. The low ratio in this group was 27.77 percent and the high ratio was 83.27 percent for the same date.

Lending in Assessment Area

A majority of credit extended is within the assessment area. Analysis of internal reports for total outstanding loans as of March 31, 1998, noted the following:

Loan Sample	% of Loans Inside Area	% of Loans Outside Area	% of Loan Dollars Inside Area	% of Loan Dollars Outside Area
Loans (3,909 loans = \$46,928,015)	76.10%	23.90%	83.10%	16.90%

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

The distribution of borrowers reflects a reasonable penetration among individuals as well as businesses and farms of different income levels within the assessment area. The following table uses income data collected from the sample of consumer loans selected for review.

Description	% to Low Income Borrowers	% to Moderate Income Borrowers	% to Middle Income Borrowers	% to Upper Income Borrowers
Number of Loans (50)	26.00%	22.00%	20.00%	32.00%
Dollars of Loans (\$350,878)	20.26%	16.90%	23.72%	39.12%

The number of loans to each income group compares well to the distribution of households and families by income level, as illustrated below:

Description	% Low Income (<50% of Median)*	% Moderate Income (50-80% of Median)*	% Middle Income (80-120% of Median)*	% Upper Income (>120% of Median)*
Households (19,518)	25.27%	14.35%	15.07%	45.31%
Families (14,338)	21.33%	15.62%	18.63%	44.42%

*1990 census median family income for the assessment area was \$26,278. Median household income for the assessment area was \$21,550.

Additionally, a sample of twenty commercial and agricultural loans reviewed revealed that 85 percent were extended to entities with annual gross revenues of less than \$1 million per year.

Geographic Distribution of Loans

The geographic distribution of sampled loans reflects a reasonable dispersion throughout the assessment area when compared to the distribution of population, families, and households based on 1990 census data. This information is illustrated in the following table:

Distribution of Loans Sampled Compared to Population, Families, and Households				
BNA/Type	% of Loans Reviewed (60)	% of Population (50,490)	% of Families (14,338)	% of Households (19,518)
9921 (Middle)	5.00%	4.58%	4.84%	4.62%
9922 (Middle)	1.67%	3.59%	3.66%	3.48%
9923 (Middle)	1.67%	6.08%	6.22%	6.30%
9924 (Middle)	15.00%	6.22%	6.22%	6.21%
9925 (Upper)	23.33%	12.25%	12.58%	10.93%
9926 (Upper)	3.33%	10.67%	11.03%	11.53%
9927 (Upper)	0.00%	8.07%	8.51%	7.44%
9928 (Moderate)	5.00%	10.73%	9.94%	10.34%
9929 (Middle)	3.33%	4.95%	3.93%	5.38%
9930 (Upper)	10.00%	12.04%	12.08%	12.30%
9931 (Middle)	1.67%	5.82%	5.47%	6.37%
11 (Middle)	21.67%	10.65%	11.23%	10.50%
9716 (Moderate)	8.33%	4.35%	4.29%	4.60%
Totals	100.00%	100.00%	100.00%	100.00%

Responses to Complaints

No complaints concerning the Community Reinvestment Act have been received since the last examination of the bank on September 30, 1994.

Fair Lending Matters

No violations of the substantive provisions of anti-discrimination laws and regulations were identified. Additionally, no evidence of discrimination or disparate treatment was found. The lending practices of American National Bank are reflective of anti-discrimination policies.