



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

March 9, 1998

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Mid-Cities National Bank
Charter Number 17010**

**500 Grapevine Highway
Hurst, Texas 76053**

**Office of the Comptroller of the Currency
Southwestern District
1600 Lincoln Plaza, 500 N. 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 the **Mid-Cities National Bank, Hurst, Texas**, prepared by **Office of the Comptroller of the Currency**, the institution's supervisory agency, **as of March 9, 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**.

The lending performance of Mid-Cities National Bank reflects satisfactory responsiveness to its community's credit needs. The loan-to-deposit ratio is reasonable and comparable to other institutions in the area. The majority of the loans are within the bank's assessment area, reasonably penetrate the different income levels and are reasonably distributed throughout the assessment area.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	MID-CITIES NATIONAL BANK 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, relating to CRA.		

DESCRIPTION OF INSTITUTION

Mid-Cities National Bank is located in the city of Hurst, Tarrant County, Texas. The bank is owned by Mid-Cities Bancshares, Inc., a one-bank holding company. Mid-Cities National Bank has one main office located in Hurst, Texas. The bank has one automatic teller machine (ATM) located at the motor bank facility. As of December 31, 1997, assets totaled approximately \$63 million with \$29 million in gross loans.

The bank offers a standard variety of loan products including consumer, mini-permanent residential mortgage and commercial loans. The loan portfolio is comprised of commercial loans (55%), consumer loans (30%), and home mortgage loans (15%). As of December 31, 1997, the bank had 1 Small Business Administration (SBA) loan totaling \$204 thousand. The bank is actively seeking to expand their SBA lending activities.

The bank's financial condition does not inhibit its ability to meet the credit needs in its community. Additionally, the bank has no legal impediments that would inhibit its ability to meet community credit needs.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area consists of 29 census tracts in northeast Tarrant County. According to 1990 U.S. Census Data, the assessment area is comprised of no low income geographies, 1 moderate income geography, 13 middle income geographies, and 15 upper income geographies. Also according to this data, the population of the assessment area is approximately 180 thousand and the weighted average median family income is \$38 thousand per year. The primary credit needs are small business, housing, and general consumer loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

Mid-Cities National Bank's lending performance is satisfactory. The bank makes consumer, real estate, and small business loans throughout the assessment area to individuals and businesses 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.

Loan-to-Deposit Ratio

As of December 31, 1997, the bank's loan-to-deposit ratio is 48%. Also as of that date, the bank's five quarter average loan-to-deposit ratio is 53%. The loan-to-deposit ratio is reasonable when compared to other banks in the area which have loan-to-deposit ratios ranging from 50% to 88%.

Assessment Area Concentration

A majority of Mid-Cities National Bank's loans are made in the assessment area. Loans originated in the assessment area represent 58% by numbers of loans, and 53% by dollar amount of loans.

Geographic Distribution of Loans

Mid-Cities National Bank's loan distribution reflects a satisfactory penetration among borrowers of different income levels and throughout all census tracts. The bank maintains data on geographic location by census tract on all new and renewed loans made each year.

The data indicates that a reasonable amount of loans are extended into the various census tracts within the assessment area. Loans are distributed throughout the geographies emphasizing those areas that are more heavily populated. No area was arbitrarily excluded.

No income level in the bank's assessment area has been excluded. Approximately 37% of the consumer loans we sampled were to borrowers of low- or-moderate income. The bank is also an active small business lender. Ninety-one percent (91%) of the commercial loans are to businesses with less than \$1 million in gross annual revenues.

Response to Complaints

During this review period Mid-Cities National Bank has not received any consumer complaints regarding its performance in meeting assessment area credit needs.

