



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

The First National Bank of Bryan
Charter Number: 3446

2807 Texas Avenue
Bryan, Texas 77802

Office of the Comptroller of the Currency

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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 the 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.

Description of Institution

The First National Bank of Bryan (FNB) serves the cities of Bryan and College Station, Texas. Its main office and four branches are all located in the Bryan-College Station Metropolitan Statistical Area (MSA). The bank has designated this entire MSA as its assessment area (AA). The AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income (LMI) areas. For additional information on FNB's AA, see Market Profile – Demographic Information Tables in Appendix B.

At June 30, 2003, FNB had total assets of \$345 million. Tier 1 capital of \$35 million represents 10.2% of total assets. The bank's primary focus is on small business customers and to a lesser extent to individuals for home loans, small farms, and consumer credit. Most of the bank's customers are small family enterprises and closely held businesses. FNB brokers the vast majority of the home mortgage applications they receive into the secondary market. FNB is the largest commercial bank headquartered in the MSA with competition from credit unions, branches of several community banks, three nationwide institutions, and one statewide savings bank. For additional information on the products and services offered by FNB, please refer to the bank's Community Reinvestment Act (CRA) Public File.

FNB's performance was rated "Satisfactory" at the CRA examination in March 1999.

Evaluation Period

We evaluated FNB's small business, small farm, and mortgage lending in the bank's one AA using data for the period beginning January 1, 2000 through December 31, 2002. For community development loans, investments, and services, our evaluation period runs from the ending date of the last CRA examination, which is March 22, 1999, through August 25, 2003, the starting date of this evaluation.

Overall CRA Rating

Institution's CRA Rating: This institution is rated “**Outstanding.**”

The following table indicates the performance level of FNB with respect to the lending, investment, and service tests:

Performance Levels	(The First National Bank of Bryan) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		X
High Satisfactory		X	
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.

Due to FNB's business focus, we gave the greatest weight to their small business lending within their one AA. Although home mortgage lending is not a major product line for FNB, their performance is given some weight because of the volume of loans the bank brokers into the secondary market. The home mortgage loans that FNB originates typically represent accommodation loans to their small business customers. Small farm lending is given minimal weight as it does not represent a significant portion of the bank's loan portfolio and is not a major component of its lending strategy.

The local economy is considered stable with a low unemployment rate, although the number of persons “underemployed” is an acknowledged problem in the Bryan-College Station MSA. One community contact mentioned that venture capital loans for start up businesses were needed in this area. Refer to comments under “Investments” for details on FNB's efforts to meet this credit need.

The major factors that support this overall rating and conclusions with respect to performance tests are detailed below.

Lending

Refer to Table 1 through 12 in Appendix C for facts and data used to evaluate the bank's lending.

Performance is rated “Outstanding.” The geographic and borrower distribution of small loans to businesses is excellent. FNB's housing mortgage originations result in an adequate geographic and borrower distribution. The bank also demonstrates an adequate geographic distribution and an excellent borrower distribution of small loans to farms. FNB originated a high volume of community development loans that address affordable housing and redevelopment needs.

- **FNB's lending activity is outstanding.** The bank's deposit market share is 17.86%, which compares favorably with its small business loan market share of 11.88%. Market share for mortgage loans reportable under the Home Mortgage Disclosure Act (HMDA) was adequate. Market share for small farm loans is excellent with a 50% market penetration.
- **FNB's distribution of small business loans in LMI areas is excellent.** Six percent of small business loans were made in low-income geographies, which exceed the percentage of businesses in those areas of 4%. In moderate-income areas, 16% of small business loans were made, which is consistent with demographics. Home purchase lending is adequate. While the bank does not meet the demographics for LMI areas, the bank provides substantial avenues for home mortgages through their housing loan brokerage program. During the years 2000 through 2002, FNB brokered 707 home mortgage loans totaling \$82.6 million into the secondary market.
- **Ninety one percent of FNB's reportable loans were made inside its AA, which is considered excellent.** The bank's loan-to-deposit (LTD) ratio averaged 62% during the evaluation period, which is considered good.
- **FNB's borrower distribution of small loans to businesses was excellent.** Loans to businesses with revenues of less than \$1 million represented 79% of the bank's reportable loans, which exceeds the 71% of area businesses that had revenues of less than \$1 million. Home purchase lending was adequate. Borrower distribution of loans to small farms is excellent with 99% of the bank's reportable loans made to farms with revenues of less than \$1 million, which exceed the 92% of area farms that had revenues of less than \$1 million.
- **FNB has an excellent level of community development lending in the Bryan-College Station MSA and regional areas adjacent to the AA.** During this evaluation period, the bank made nine community development loans totaling \$4.6 million, which represents 13% of Tier 1 capital. These loans primarily provide affordable housing for LMI residents. The amount of community development lending includes a \$1.7 million loan to finance a hotel. This loan helped to revitalize and stabilize the downtown area of the City of Bryan, which is in a low-income census tract.
- **Innovative/flexible underwriting positively impacted the banks' performance.** For the past several years, FNB has participated in an affordable housing program with the cities of Bryan and College Station (Cities). The bank will provide 20-year fixed-rate home purchase loans to LMI borrowers. The Cities will identify potential borrowers, provide down payment and closing cost assistance, and take a second

lien position on the property. FNB will allow up to 100% of the down payment and closing costs to be funded by the Cities. If the borrowers stay in the home for a certain number of years, the down payment and closing cost assistance will be forgiven. During this evaluation period, FNB originated four loans totaling \$226 thousand under this affordable housing program.

Investments

In evaluating the bank's volume of investments, we considered community development opportunities in the AA, as well as the capacity for the local infrastructure to create qualified investments. Opportunities for qualified investments are not limited given the size, demographics, and economic conditions within the AA. FNB has the expertise to create and participate in these opportunities. FNB's volume of community development lending was also taken into consideration because loans were what were needed to fund local projects addressing affordable housing and small business issues.

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

The volume of FNB's investments in the Bryan-College Station MSA is rated high satisfactory. During the evaluation period, FNB committed and or funded 12 community development projects totaling \$684 thousand, representing 2% of the bank's Tier 1 capital. This performance is considered good given the banks' resources, known CD opportunities within the AA, and the level of investment activities of their direct competitors. In addition, the bank's primary investment not only meets a credit need not routinely being met within the community but also exhibits innovativeness, which further underscores FNB's commitment to the community and its regional area.

Primary investments made during the evaluation period include:

- A commitment of \$500 thousand, of which \$181 thousand is currently funded to the Independent Banker's Capital Fund, L.P. (IBCF). The IBCF is a small business investment company that provides a source of equity capital for undercapitalized small businesses. Administered by The Independent Banker's Bank in Dallas, the IBCF was created to offer financial institutions a method of meeting the needs for equity financing of small businesses in their communities. This investment specifically meets the need for small business venture capital cited during our interview with a community contact.
- A \$100 thousand equity investment in the Brazos Valley Community Development Corporation, Inc. (BV CDC). The BV CDC is a multi-bank community development corporation operated by the Brazos Valley Affordable Housing Corporation. The BV CDC makes residential loans to LMI individuals who would not otherwise qualify for a traditional bank loan. The U.S. Treasury certified the BV CDC as a Community Development Financial Institution (CDFI) in 2001. Their investment in the entity earned FNB a monetary grant.

Services

In evaluating FNB's services, we considered its size, branch distribution, and distribution of automatic teller machine (ATM) facilities, in relation to the size of the Bryan-College Station MSA and its competitors. FNB has five offices in this 24-census tract MSA, of which two are low- and six are moderate-income.

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

Performance is rated "Outstanding."

- FNB's offices and retail services provide excellent accessibility to geographies and individuals of all income levels. One new branch and an ATM were opened and none were closed during the evaluation period. Although none of its offices are located in low-income areas, only 4% of the area population resides in those areas. FNB's branches are located in close proximity to both low-income tracts, which provide these residents with good accessibility to bank services. FNB has two branches, or 40% of its branch network, in moderate-income areas. This level of service significantly exceeds the 18% of the population residing in those areas.

ATMs, one of FNB's alternative delivery systems, offer consumers and small business account holders access to funds both during and outside traditional banking hours. An analysis of ATM placement indicates that FNB provides excellent accessibility to geographies and individuals of various incomes. FNB has placed 13% and 38% of its ATMs in LMI geographies, respectively. Other alternative delivery systems, telephone and Internet banking, offer account holders 24-hour account access.

- FNB has demonstrated excellent performance in providing community development services within its AA. This assessment is based on the number of organizations served and the impact of these organizations on identified community development needs in the community. During the evaluation period, FNB provided community development services that promote economic development within the community, increased homeownership opportunities for LMI individuals and families, and sponsored the delivery of community services targeted to LMI people. As examples: FNB provided consultant/legal assistance to the Brazos Food Bank, which permitted the group to expand its storage capabilities and facilitate its goal of providing food to LMI individuals. FNB provides consistent and ongoing education or technical assistance to many area organizations including the Brazos Valley CDC, The Research Valley Partnership, Brazos Valley Council of Governments, and Bryan/College Station Chamber of Commerce.
- Bank officers regularly provide leadership to the above organizations, as well as others within the community, through service on committees or Boards.

Fair Lending Review

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

Appendix B Chart: Market Profile - Demographic Information Tables.

Bryan/College Station

Demographic Information for Full Scope Area: Bryan/College Station MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	24	8.33	25.00	41.67	16.67	8.33
Population by Geography	121,862	3.57	18.12	45.40	24.42	8.49
Owner-Occupied Housing by Geography	18,312	0.19	16.13	49.08	34.61	0.00
Business by Geography	9,317	4.46	16.93	41.57	35.32	1.72
Farms by Geography	336	1.19	8.93	47.02	41.67	1.19
Family Distribution by Income Level	25,435	24.40	15.32	19.71	40.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	10,104	6.18	29.43	47.24	17.15	0.00
Median Family Income		31,057	Median Housing Value		64,676	
HUD Adjusted Median Family Income for 2002		46,200	Unemployment Rate (1990 US		2.81%	
Households Below Poverty Level		28.19%	Census)			

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

Source: 1990 US Census and 2002 HUD updated MFI

Appendix C: Tables of Performance Data

Content of Standardized Tables

For purposes of reviewing the Lending Test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/AA. Tables without data are not included in this CRA Performance Evaluation (PE).

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/AA. Community development loans to statewide or regional entities or made outside the bank's AA may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The

table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500 thousand) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/AA. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-,

middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/AA.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's AA. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments.

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

Table 1. Lending Volume

LENDING VOLUME												
Geography: FNB BRYAN												
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002												
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Bryan/College Station	100.00	298	35,830	660	41,887	105	2,488	7	2,329	1,063	80,205	100.00
Regional	0	0	0	0	0	0	0	2	2,282	0	0	0

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

** The evaluation period for Community Development Loans is from March 22, 1999 through August 25, 2003.

*** Deposit Data as of June 30, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE															
Geography: FNB BRYAN															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Home Purchase 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:															
Bryan/College Station	169	100.00	0.19	0.00	16.13	11.24	49.08	30.77	34.61	55.03	1.11	0.20	1.58	0.77	0.79

* Based on 2001 Peer Mortgage Data: Southwest Region.

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: FNB BRYAN				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					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:															
Bryan/College Station	60	100.00	0.19	0.00	16.13	8.33	49.08	38.33	34.61	51.67	9.86	0.00	0.00	9.90	13.79

* Based on 2001 Peer Mortgage Data: Southwest Region.

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: FNB BRYAN				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share (%) by Geography *				
MA/Assessment Area:	Total Home Mortgage Refinance 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:																
Bryan/College Station	66	100.00	0.19	0.00	16.13	3.03	49.08	27.27	34.61	62.12	0.63	0.00	0.00	0.41	1.26	

* Based on 2001 Peer Mortgage Data: Southwest Region.

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY															
Geography: FNB BRYAN															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography *				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Bryan/College Station	3	100.00	8.72	0.00	19.19	33.33	54.58	33.33	17.51	33.33	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Southwest Region.

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: FNB BRYAN															
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% 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:															
Bryan/College Station	660	100.00	4.46	6.14	16.93	16.59	41.57	44.70	35.32	32.57	11.88	12.50	24.08	12.15	10.28

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

** 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.

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

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: FNB BRYAN															
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Bryan/College Station	105	100.00	1.19	0.00	8.93	4.76	47.02	73.33	41.67	21.90	50.00	0.00	75.00	51.43	33.33

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

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

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

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: FNB BRYAN				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share [*]				
MA/Assessment Area:	Total Home Purchase 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:															
Bryan/College Station	169	100.00	24.40	3.90	15.32	9.74	19.71	12.99	40.56	73.38	0.98	0.78	0.53	0.69	1.19

^{*} Based on 2001 Peer Mortgage Data: Southwest Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 8.88% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT															
Geography: FNB BRYAN															
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Bryan/College Station	60	100.00	24.40	1.72	15.32	5.17	19.71	10.34	40.56	82.76	10.58	7.14	0.00	7.69	13.33

^{*} Based on 2001 Peer Mortgage Data: Southwest Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 3.33% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: FNB BRYAN					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]													
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Bryan/College Station	66	100.00	24.40	0.00	15.32	6.35	19.71	1.59	40.56	92.06	1.01	5.26	0.85	0.00	1.14									

^{*} Based on 2001 Peer Mortgage Data: Southwest Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 4.55% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

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

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: FNB BRYAN			Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share *	
	#	% 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:									
Bryan/College Station	660	100.00	71.05	79.09	85.15	8.48	6.36	11.88	17.06

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

** 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 - 2002).

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

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: FNB BRYAN				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% 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:									
Bryan/College Station	105	100.00	92.26	99.05	95.24	1.90	2.86	50.00	53.65

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

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

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

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

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: FNB BRYAN									
Evaluation Period: March 22, 1999 TO August 25, 2003									
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:									
Bryan/College Station	NA	NA	11	184	11	184	26.9	0	0
Regional	NA	NA	1	181	1	500	73.1	1	319

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: FNB BRYAN																	
Evaluation Period: March 22, 1999 TO August 25, 2003																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Bryan/College Station	100.00	5	100.00	0.00	40.00	20.00	40.00	1	0	0	0	1	0	3.57	18.12	45.40	24.42