



**SMALL BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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## **PUBLIC DISCLOSURE**

**January 03, 2005**

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Town-Country National Bank  
Charter Number 16708**

**118 Broad Street  
Camden, AL 36726**

**Comptroller of the Currency  
Georgia (Atlanta)  
1117 Perimeter Center West Suite W401  
Atlanta, GA 30338**

**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, 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.**

## **INSTITUTION'S CRA RATING:**

### **Town-Country National Bank is rated Satisfactory.**

We assigned the rating based on the following information.

- Town-Country National Bank's lending performance is satisfactory given its size, financial condition, and the credit needs of the assessment area.
- The level and trend of the bank's loan-to-deposit ratio are satisfactory and compare favorably with national and local peer banks.
- A substantial majority of the bank's primary loan products were originated within the assessment area.
- Management demonstrates a willingness to originate loans to borrowers of all income levels and businesses of different sizes.

## **DESCRIPTION OF INSTITUTION**

Town-Country National Bank (TCNB) is a community bank located in Camden, Alabama. Camden is a rural community located in Wilcox County near the Alabama River. TCNB operates one full service office located in downtown Camden, as well as one stand alone ATM located on the Camden Bypass. As of September 30, 2004, TCNB had total assets of \$75 million and is the second largest bank in Camden. The bank's primary competitor is Camden National Bank, an \$80 million community bank also located in Camden. Other competition is limited but includes some larger bank holding companies and a credit union at the local paper mill. TCNB offers traditional loan and deposit products with consumer installment lending comprising the majority of the bank's lending activities.

<b>Table 1- Distribution of Loan Portfolio</b>		
<b>Loan Type</b>	<b>% by Dollars of Loans Originated/Purchased</b>	<b>% by Number of Loans Originated/Purchased</b>
Consumer Real Estate	18%	5%
Commercial Real Estate	27%	6%
Commercial & Industrial	13%	3%
Farm Loans	2%	2%
Consumer Installment	40%	84%
Total	100%	100%

TCNB is in satisfactory financial condition with no legal impediments that would prevent it from meeting the credit needs of the community. The bank's previous CRA rating was "Satisfactory" as of August 20, 1999.

## **DESCRIPTION OF WILCOX COUNTY, ALABAMA**

TCNB's Assessment Area (AA) is Wilcox County, Alabama, which consists of five census tracts. One of the census tracts is designated as low-income with the remaining four designated as moderate-income areas. The 2000 U.S. Census lists the county population as 13,183 persons, which is a slight decline from 13,568 noted in the 1990 U.S. Census. The AA economy is driven by the timber industry. The largest single employer in the area is the Weyerhaeuser Company, which owns a paper mill in nearby Pine Hill that manufactures pulp, traditional paper, and packaging products. The local economy is depressed as approximately 40 percent of AA households are below the poverty level and 42 percent receive social security or public assistance.<sup>1</sup> As part of our assessment, we met with a representative from a local community development organization to discuss economic conditions and community credit needs. He felt that local financial institutions were meeting the credit needs of the community. The individual had very positive comments regarding TCNB's activities to meet the credit needs of the community.

## **CONCLUSIONS ABOUT PERFORMANCE CRITERIA**

Town-Country National Bank's lending performance is satisfactory given its size, financial condition, and the credit needs of the assessment area. Consider the following:

### **Loan-to-Deposit Ratio**

TCNB's average loan-to-deposit (LTD) ratio since the prior CRA examination reflects good performance given the bank's size, financial condition, and considering the credit needs of the assessment area. Since September 30, 1999, the bank's quarterly LTD ratio averaged 78 percent. Banks of similar size<sup>2</sup> in the state of Alabama averaged 66 percent over the same time frame.

### **Lending in Assessment Area**

TCNB originates a substantial amount of loans within its assessment area. In a sample of 20 consumer installment loans originated in 2003 and 2004, 18 or 90 percent were within the assessment area. In a sample of 20 commercial real estate loans originated in 2003 and 2004, 16 or 80 percent were within the bank's assessment area.

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

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<sup>1</sup> 2000 U.S. Census Data.

<sup>2</sup> All banks in Alabama with total assets between \$50million and \$100million as of 9/30/04.

The bank's pattern of lending to low- and moderate-income individuals and small businesses is satisfactory. In a sample of consumer installment loans originated in 2003 and 2004, the distribution of loans to low- and moderate-income borrowers reasonably approximates the distribution of low- and moderate-income households in the bank's assessment area<sup>3</sup> as seen in Table 2 below.

<b>Table 2- Borrower Distribution of Consumer Loans in Wilcox County</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans						
Consumer Loans	47%	45%	12%	25%	14%	5%	27%	25%

We also reviewed a sample of 20 business loans originated in 2003 and 2004. Of the loans, 18 or 90 percent were to small businesses with annual gross revenues of less than \$1 million. This is in line with the business demographics of the bank's AA with 91 percent of Wilcox County businesses reporting gross annual revenue of less than \$1 million.<sup>4</sup>

### **Geographic Distribution of Loans**

A geographic analysis would be impracticable as there are very few demographically distinct geographies in the assessment area.

### **Responses to Complaints**

TCNB has not received any CRA related complaints since the prior examination.

### **Fair Lending or Other Illegal Credit Practices Review**

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

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<sup>3</sup> 2000 U.S. Census Data.

<sup>4</sup> Source: CRA Wiz reports.