



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

August 06, 2001

Community Reinvestment Act Performance Evaluation

Local Oklahoma Bank, N.A.
Charter Number: 23900

3601 N.W. 63rd Street
Oklahoma City, OK 73116

Office of the Comptroller of the Currency
Kyle M. Jones,
Assistant Deputy Comptroller - Oklahoma City Field Office
The Harvey Parkway Building, Suite 490
301 NW 63rd Street
Oklahoma City, OK 73116

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	7
FAIR LENDING REVIEW	9
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS	10
LENDING TEST	10
INVESTMENT TEST	20
SERVICE TEST	21
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS	B-1
APPENDIX C: TABLES OF PERFORMANCE DATA	C-1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

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

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			X
Low Satisfactory	X	X	
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:

- Given the bank’s performance context, lending levels reflect an adequate responsiveness to the credit needs of the bank’s assessment areas (AAs).
- LOB’s distribution of loans among geographies and borrowers of different income levels is adequate throughout its AAs.
- Community development lending has a neutral effect on the overall lending rating.
- Investments reflect an adequate responsiveness to the needs of its AAs considering available opportunities.
- Accessibility of LOB’s offices to geographies and individuals of different income levels and the responsiveness of LOB services to the needs of its AAs are good.
- LOB maintains adequate performance in providing community development services.

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) dwellings 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

Local Financial Corporation (LFC) is the holding company for Local Oklahoma Bank, National Association (LOB). LFC was chartered in 1992 as a Delaware corporation. LFC and LOB are headquartered in Oklahoma City, Oklahoma. At December 31, 2000, LFC reported consolidated assets of \$2.4 billion; substantially all of which is comprised of its 100 percent ownership in LOB. LFC has three subsidiaries in addition to LOB: Local Acceptance Company (LAC), Local Mortgage Corporation (LMC) and Local Securities Corporation (LSC). The activities of these subsidiaries were not factored into this performance evaluation. On May 11, 1999, LOB was converted from a savings bank to a national banking association.

LOB is an intrastate bank with six assessment areas (AA) in Oklahoma. All areas consist of whole geographies, do not reflect illegal discrimination and do not arbitrarily exclude low- or moderate-income geographies and overall meet the requirements of the CRA regulation. The AA's are: Oklahoma City metropolitan statistical area (MSA)¹, Tulsa MSA², Lawton MSA, Green Country AA (Ottawa and Delaware counties), Southern Oklahoma non-metropolitan area (consists of 5 contiguous counties) and Western Oklahoma non-metropolitan area (consists of 3 contiguous counties). For purposes of our review, the Southern and Western Oklahoma non-metropolitan areas are combined for data presentation. These combined AAs will be referred to as "SW Oklahoma non-MSA AA" in this evaluation. All assessment areas have full service branches.

The bank offers a full range of commercial banking products and related financial services through its branch network within the state of Oklahoma. In addition to the main office in Oklahoma City, LOB has 18 branches and 14 proprietary automated teller machines (ATMs) in the Oklahoma City MSA AA. LOB's distribution network outside of the Oklahoma City MSA AA includes 13 branches in the Tulsa MSA AA, 5 branches in the Lawton MSA AA, 4 branches in the Green Country AA and 10 branches in the SW Oklahoma non-MSA AA. In addition, LOB has 15 ATMs in its AA's outside of the Oklahoma City MSA AA. The Oklahoma City MSA AA branches account for approximately 45 percent of LOB's total deposit dollars and 37 percent of total CRA reportable loans in its AAs. The Tulsa MSA AA, Green Country AA, Lawton MSA AA, and SW Oklahoma non-MSA AA branches account for 24, 5, 11, and 16 percent of total deposits, respectively. CRA reportable loans in these AAs are 18, 23, 12 and 11 percent, respectively.

As of December 31, 2000, LOB reported total loans of \$1.8 billion comprising 78 percent of total assets. The bank's loan-to-deposit ratio was 96 percent. The loan portfolio is segmented as follows: commercial-23 percent, commercial real estate-53 percent, residential real estate-14 percent, and consumer loans- 10 percent. Excluding loans and deposits from outside the state of Oklahoma, the loan-to-deposit ratio is adjusted to approximately 55 percent. This largely reflects the bank's large national real estate loan portfolio.

There are no legal or financial impediments to LOB's ability to help meet the credit, investment, and service needs of its assessment areas. LOB's Tier 1 Capital level is \$175 million representing 7.40 percent of average assets. The bank is financially capable of meeting almost any request for credit, subject to certain legal restrictions applicable to all national banks.

¹ All references to the bank's Oklahoma City assessment area include the Oklahoma City MSA plus 4 census tracts in Lincoln County.

² All references to the bank's Tulsa assessment area includes the Tulsa MSA plus 10 census tracts in Muskogee County.

The bank's business strategy is to provide its customers with the range of products and services of a mid-size bank while retaining the appeal and level of individualized service of a community bank. To this aim, the bank has shifted activities from those of traditional savings and loan to those generally associated with a commercial bank. Commercial and consumer lending has been on the rise over the evaluation period and is expected to continue to grow in the foreseeable future. A new corporate lending unit was formed in 1998 and focuses on commercial lending within the state of Oklahoma.

LOB's CRA performance was last evaluated as of September 21, 1998. The bank was then a savings bank regulated by the Office of Thrift Supervision. At that time LOB's overall level of performance was rated "Satisfactory".

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. In evaluating the bank's lending performance, we reviewed their residential mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA) and small business and small farm loans. With the exception of community development (CD) loans, the evaluation period for the Lending Test is July 1, 1998 through December 31, 2000. For CD loans, and the Investment and Service Tests the evaluation period is September 21, 1998 through August 6, 2001. The Investment Test included a review of investments, grants, and donations made in the bank's AAs that meet the definition of community development investments. The Service Test included a review of retail and community development services provided in the bank's AA.

Data Integrity

As a part of the CRA evaluation, we tested the accuracy of LOB's small business and HMDA loan data. Several errors were noted with the accumulated data that management was able to correct. We evaluated the bank's corrected data and found it to be reliable. We also noted that publicly reported HMDA data for 1999 did not include all home improvement loans originated by the bank. The bank originated home equity credit lines for home improvement and elected not to report them on the bank's HMDA loan application register. Management provided us with a list of these loans and we included them in our evaluation of home improvement loans.

Community Development (CD) loans, investments, and services submitted by LOB management was verified to ensure that they met the regulatory definition for CD. In error, the bank did not publicly report any CD loans. However, the bank originated CD loans during the evaluation period and they were considered in this review.

Selection of Areas for Full-Scope Review

During this examination we performed full-scope reviews for three of the bank's AAs. The AAs selected for review were areas in which the bank maintains a substantial share of its business; 73 percent of deposits and approximately 77 percent of total reported CRA loans in the bank's AAs. The areas reviewed are the Oklahoma City MSA AA, Green Country AA and the Tulsa MSA AA. A limited scope review was conducted in the Lawton MSA AA and the SW Oklahoma non-MSA AA. Please refer to the table in Appendix A for more information.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews. Overall conclusions were weighted heavier in the Oklahoma City MSA and Green Country AA's since these two areas accounted for 60 percent of the CRA reportable loans in the bank's AAs. Regarding the evaluation of home mortgage products, home improvement loans were weighted heavier than home purchase and refinance loans since they are a business focus and represent a larger percentage of the total number of CRA reportable loans. We gave little weight to small farm loans since the number of small farm originations was less than 1 percent of the total number of CRA reportable loans.

Other

Numerous community contacts were made during the assessment period by the OCC and other regulatory agencies to better understand the public's perception of LOB's and other bank's performance in the noted AAs. The community contacts were also made to determine credit needs and opportunities in the AAs. A total of 18 community contacts were made during the review period in the AAs that received a full-scope review. The group of contacts included small business development and economic development agencies, and neighborhood associations. Community contacts most commonly cited the continuing need for small business and affordable housing lending, and financial and credit education programs. Some Tulsa area contacts cited the need for additional bank participation in the redevelopment of North Tulsa. Several commentators noted that investment opportunities in Oklahoma were limited. One commentator stated that all the larger banks in the state were "engaged" in identifying potential investment needs and quickly absorbed any opportunities. In aggregate, the comments received were positive concerning the manner in which LOB and other bank's provided needed credit, investment, and services.

Fair Lending Review

We performed a fair lending examination on January 2, 2001. Our analysis focused on a comparison of underwriting standards between five denied American Indian applications (prohibited basis group) and sixty-seven approved White applications (control group). The sample of approvals included all loans with policy overrides during the period reviewed. The product reviewed was home improvement loans originated between August 1, 2000 and December 31, 2000. This prohibited basis group was selected because of the number of applications and a higher denial rate than the control group for this primary bank product. As a result of this examination, we found no evidence of illegal discrimination or other violations of fair lending laws and regulations with regard to processing these loan applications.

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 the bank's performance context and the full-scope review of the specific AA's, the bank's overall lending performance is adequate in the OKC MSA AA, excellent in the Green Country AA, and poor in the Tulsa MSA AA.

Lending Activity

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

LOB's approximate loan-to-deposit ratio in each of the three full-scope AAs are: 83 percent in Oklahoma City, 146 percent in Green Country, and 41 percent in Tulsa. The bank has experienced considerable loan growth since the last CRA evaluation, primarily through acquisitions. The most growth has occurred in the commercial loan portfolio (including commercial real estate) of approximately \$498 million or 54 percent since December 31, 1998. Conversely, residential real estate loans have contracted over this period by \$94 million or 27 percent. This is also reflective of the bank's conversion from a savings institution and increased focus on the origination of commercial business loans. At less than one percent, the volume of small farm originations/purchases is not material. It is not a primary business line of the bank and as such, we do not make an assessment on the performance of small farm lending in this performance evaluation.

During the evaluation period, the bank has not aggressively pursued the origination of home purchase and home refinance loans. Home purchase or refinance loans originated by the bank are done primarily on an accommodation basis for existing customers. These loans typically have steep amortization periods and require relatively large downpayments. As such, they are not products typically utilized by low- or moderate-income borrowers. For the most part, beginning in August of 1999, the bank has addressed the home purchase needs of the community through underwriting loans for sale in the secondary market using the Fannie Mae Desktop Underwriter program. Several products are offered, including some with low downpayments. From August 1999 through year-end 2000, the bank has underwritten 450 home purchase loans totaling over \$31 million using this program.

Oklahoma City MSA AA:

In the Oklahoma City MSA AA, LOB ranks 5th in deposit market share at 7.78 percent. The bank's loan volume in this assessment area is adequate within the CRA performance context. Based on 1999 HMDA aggregate data, LOB's overall market share for the origination and purchase of home purchase and refinanced loans was less than 1 percent. In home improvement loans, LOB ranked 5th with a 6.78 percent overall market share. Based on 1999 aggregate small business data, LOB ranks 18th in small business loans with a 1.30 percent market share. As a relatively new entrant in the small business market, this represents a 76.2 percent increase from 1998. This compares to LOB's peer group of bank's increase at 2.4 percent over this period. However, significant market share growth will likely be slow in this competitive small business lending market.

Green Country AA:

LOB ranks 2nd in deposit market share in this AA at 15.60 percent. The bank’s loan volume in this assessment area is excellent, again in the context of the CRA assessment factors. The bank is the dominant lender regarding HMDA and small business loan products. The market share rank and percentages for the primary CRA reportable loan products are broken down as follows:

Loan Type	Market Rank	Market Share
Home Purchase	1 st	19.63%
Home Improvement	1 st	28.82%
Home Refinance	1 st	17.50%
Small Business	1 st	38.76%

Table based on 1999 HMDA and small business aggregate data.

LOB’s market share in each category of HMDA and small business loans exceeds the deposit market share for the AA. The bank is particularly dominant in small business lending market share. This reflects two principal factors: 1) LOB’s aggressive approach to small business lending in this region and 2) a prior practice of refinancing many business lines in 90 day intervals. LOB is expected to continue to be a dominant lender in the AA, although future market share will likely decline some given changes in the practice of refinancing loans.

Tulsa MSA AA:

In the Tulsa MSA AA, LOB ranks 7th in deposit market share at 3.77 percent. The bank’s loan volume in this assessment area is poor given the CRA assessment factors. Based on 1999 HMDA aggregate data, LOB’s overall market share for the origination and purchase of home purchase and refinanced loans was less than 1 percent. In home improvement loans, LOB ranked 4th with a 7.58 percent overall market share. Based on 1999 aggregate small business data, LOB ranked 19th in small business loans with only 0.41 percent market share. Additionally, while the overall market reflected a 34.15 percent increase in the number of small business loans in 1999, LOB increased less than half that amount at 13.89 percent. This is primarily a result of LOB’s emphasis on larger commercial loans and the lack of resources for small business lending in this AA. Additionally, the small business lending market is very competitive in this AA and significant market share growth will likely be slow.

Distribution of Loans by Income Level of the Geography

LOB's overall distribution of loans by income level of geographies is adequate.

Home Mortgage Loans

Refer to Tables 2, 3 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans:

Oklahoma City MSA AA:

The bank's geographic distribution of home purchase loans is good in the Oklahoma City MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. The distribution of home purchase loans is near to the percentage of owner-occupied housing units in moderate-income CTs. This demographic gains significance when noting the large percentage of households living below the poverty level at 21 percent in the moderate-income CTs. It is very difficult for households living below the poverty level to qualify for home purchase mortgages. Also, the bank's market share in moderate-income CTs exceeds its overall market share.

Green Country AA:

The bank's geographic distribution of home purchase loans is excellent in the Green Country AA. Note that there are no low-income census tracts (CTs) in this AA. The percentage distribution of home purchase loans exceeds the percentage of owner-occupied housing units in moderate-income census tracts. LOB's market share in moderate-income CTs also substantially meets the bank's total market share in the AA. There are also performance context issues that lead to fewer home purchase lending opportunities in the moderate-income CTs. There are relatively few vacant housing units and the poverty rate is high in these CTs at 27 percent of households.

Tulsa MSA AA:

The bank's geographic distribution of home purchase loans is adequate in the Tulsa MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. In moderate-income CTs, the percentage of loans is lower than the percentage of owner-occupied housing units. This demographic is somewhat offset when noting the large percentage of households living below the poverty level at 22 percent in the moderate-income CTs. It is very difficult for households living below the poverty level to qualify for home purchase mortgages. Additionally, LOB's market share in moderate-income geographies substantially meets the overall market share in this AA.

Home Improvement Loans:*Oklahoma City MSA AA:*

The bank's geographic distribution of home improvement loans is adequate in the Oklahoma City MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. The percentage of loans in moderate-income CTs is less than the percentage of owner-occupied housing units in these CTs. Again, this demographic comparison is somewhat offset given the performance context issues in the Oklahoma City MSA AA as described above. Additionally, the bank's market share substantially meets its overall market share in these CTs.

Green Country AA:

The bank's geographic distribution of home improvement loans is excellent in the Green Country AA. Note that there are no low-income census tracts (CTs) in this AA. The percentage distribution of home improvement loans exceeds the percentage of owner-occupied housing units in moderate-income census tracts. LOB's market share in moderate-income CTs also exceeds the bank's overall market share in the AA.

Tulsa MSA AA:

The bank's geographic distribution of home improvement loans is poor in the Tulsa MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. The percentage of loans in moderate-income CTs is lower than the percentage of owner-occupied housing units in these CTs. LOB's market share is also lower than its overall market share in these CTs.

Home Refinance Loans:*Oklahoma City MSA AA:*

The bank's geographic distribution of home refinance loans is adequate in the Oklahoma City MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. The percentage of loans in moderate-income CTs is near to the percentage of owner-occupied housing units in these CTs. However, the bank's market share in these CTs is less than its overall market share.

Green Country AA:

The bank's geographic distribution of home refinance loans is excellent in the Green Country AA. Note that there are no low-income census tracts (CTs) in this AA. The percentage distribution of home refinance loans exceeds the percentage of owner-occupied housing units in moderate-income census tracts. LOB's market share in excess of 15 percent in moderate-income CTs also substantially meets the bank's total market share in the AA.

Tulsa MSA AA:

The bank's geographic distribution of home refinance loans is poor in the Tulsa MSA AA. Most weight is given to performance in the moderate-income CTs given the level of opportunities for lending. The volume of loans required to meet the demographic in low-income CTs is low and does not provide a significant basis for comparison. The percentage of loans in moderate-income CTs is less than the percentage of owner-occupied housing units in these CTs. The bank's market share in these CTs is also less than its overall market share.

Small Loans to Businesses

Refer to Table 5 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.

Oklahoma City MSA AA:

LOB's geographic distribution of small business loans in the Oklahoma City MSA AA is excellent. The percentage of small business loans made in low-income CTs exceeds the percentage of small businesses in these CTs. The percentage of small business loans made in moderate-income CTs is near to the percentage of small businesses in these CTs. The bank's market share in low- and moderate-income CTs exceeds its overall market share.

Green Country AA:

LOB's geographic distribution of small business loans in the Green Country AA is good. Note there are no low-income CTs in this AA. Overall, the percentage of small business loans made in moderate-income CTs is lower than the percentage of small businesses in these CTs. However, LOB's market share in excess of 42 percent in moderate-income CTs exceeds its overall market share. This reflects on the bank's dominance in the area and efforts to meet the credit needs of its full community.

Tulsa MSA AA:

LOB's geographic distribution of small business loans in the Tulsa MSA AA is excellent. The percentage of small business loans made in low-income CTs exceeds the percentage of small businesses in these CTs. The percentage of small business loans made in moderate-income CTs is near to the percentage of small businesses in these CTs. The bank's market share in low- and moderate-income CTs exceeds its overall market share.

Small Loans to Farms [Not applicable]

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 farms.

Lending Gap Analysis

Maps and reports detailing LOB's lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

A majority of the home mortgage loans, small loans to businesses and farms, and community development (CD) loans originated/purchased by LOB over the evaluation period were within its AAs. Approximately 94 percent of the bank's home mortgage loans, 94 percent of the small business loans, 88 percent of small farm loans, and 100 percent of CD loans were within its AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending.

Distribution of Loans by Income Level of the Borrower

LOB's overall distribution of loans by income level of borrowers is adequate.

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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:

Oklahoma City MSA AA:

The bank's distribution of home purchase loans by borrower income levels is good in the Oklahoma City MSA AA. The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is somewhat mitigated by performance context issues. Roughly 14 percent of the households in this AA earn less than the poverty level of \$8,800 per year. It is very difficult for households living below the poverty level to qualify for home purchase mortgages. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers substantially meets their overall market share. The bank's market share to moderate-income borrowers exceeds their overall market share. Additional weight was placed on the market share data due to the relatively large percentage of households living below the poverty level in this AA.

Green Country AA:

The bank's distribution of home purchase loans by borrower income levels is good in the Green Country AA. The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families in the AA. However, we identified some performance context issues that mitigate some of these results. Based on the updated median family income for the area of \$33,300, low-income families make less than \$16,650 per year. Additionally, 19 percent of the households in this AA earn below the poverty level of \$6,660. These factors combined with the relatively low availability of affordable housing stock for this income level reduces the opportunities for lending. The results of this dynamic are reflected in the market share data. LOB far exceeds their overall market share at 31 percent market share to low-income borrowers. Thus, additional weight was placed on the market share data given the variables discussed above.

The percentage of home purchase loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. Again, the low levels of affordable housing stock contribute to the lower lending volumes. This is reflected in the market share data. The bank's market share to moderate-income borrowers substantially meets their overall market share.

Tulsa MSA AA:

The bank's distribution of home purchase loans by borrower income levels is adequate in the Tulsa MSA AA. The percentage of home purchase loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. This is somewhat mitigated by performance context issues. Roughly 14 percent of the households in this AA earn less than the poverty level of \$8,920 per year. It is very difficult for households living below the poverty level to qualify for home purchase mortgages. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers is lower than their overall market share. The bank's market share to moderate-income borrowers exceeds their overall market share. Additional weight was placed on the market share data due to the relatively large percentage of households living below the poverty level in this AA.

Home Improvement Loans:Oklahoma City MSA AA:

The bank's distribution of home improvement loans by borrower income levels is adequate in the Oklahoma City MSA AA. The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. The percentage of home improvement loans to moderate-income borrowers is near to the percentage of moderate-income families in the AA. However, the bank's market share to low- and moderate-income borrowers substantially meets their overall market share.

Green Country AA:

The bank's distribution of home improvement loans by borrower income levels is adequate in the Green Country AA. The percentage of home purchase loans to low- and moderate-income borrowers is lower than the percentage of low- and moderate-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. LOB substantially meets the overall market share to low-income borrowers and exceeds it to moderate-income borrowers. Some additional weight was placed on the market share data given the performance context issues.

Tulsa MSA AA:

The bank's distribution of home improvement loans by borrower income levels is adequate in the Tulsa MSA AA. The percentage of home improvement loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. The percentage of home improvement loans to moderate-income borrowers is near to the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers is lower than the overall market share. The bank's market share to moderate-income borrowers substantially meets the overall market share.

Home Refinance Loans:Oklahoma City MSA AA:

The bank's distribution of home refinance loans by borrower income levels is adequate in the Oklahoma City MSA AA. The percentage of home refinance loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers is lower than the overall market share. The bank's market share to moderate-income borrowers substantially meets the overall market share.

Green Country AA:

The bank's distribution of home refinance loans by borrower income levels is good in the Green Country AA. The percentage of home refinance loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. The results of these mitigating factors are reflected in the market share data. LOB almost doubles their overall market share in market share to low-income borrowers. Thus, additional weight was placed on the market share data given the performance context issues.

The percentage of home refinance loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. Again, the previously noted mitigating factors in this AA contribute to the lower lending volumes. This is reflected in the market share data. The bank's market share to moderate-income borrowers exceeds their overall market share.

Tulsa MSA AA:

The bank's distribution of home refinance loans by borrower income levels is adequate in the Tulsa MSA AA. The percentage of home refinance loans to low-income borrowers is lower than the percentage of low-income families in the AA. This is partially mitigated by the previously noted performance context issues in this AA. The percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers is lower than their overall market share. The bank's market share to moderate-income borrowers substantially meets their overall market share.

Small Loans to Businesses

Refer to Table 10 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.

Oklahoma City MSA AA:

The bank's loan distribution to small businesses in the Oklahoma City MSA AA is adequate. The percentage of bank loans to businesses with revenues less than \$1 million is lower than the percentage of businesses with revenues less than \$1 million. However, the bank's market share to businesses with revenues less than \$1 million substantially meets its overall market share.

Green Country AA:

The bank's loan distribution to small businesses in the Green Country AA is good. The percentage of bank loans to businesses with revenues less than \$1 million is near to the percentage of businesses with revenues less than \$1 million. The bank's market share to businesses with revenues less than \$1 million far exceeds its overall market share.

Tulsa MSA AA:

The bank's loan distribution to small businesses in the Tulsa MSA AA is adequate. The percentage of bank loans to businesses with revenues less than \$1 million is lower than the percentage of businesses with revenues less than \$1 million. However, the bank's market share to businesses with revenues less than \$1 million exceeds its overall market share.

Small Loans to Farms [Not applicable]

Refer to Table 11 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 businesses.

Community Development Lending

Community development (CD) lending had a neutral effect on the Lending Test Conclusions in the Oklahoma City MSA AA, Tulsa MSA AA and Green Country AA. The dollar volume of LOB's CD lending during the evaluation period is adequate.

During the evaluation period, LOB made a total of 8 CD loans totaling \$1.1 million. These loans help address some of the most pressing needs in the form of affordable housing. None of the CD loans are considered complex or innovative.

LOB has an adequate level of CD loans in the Oklahoma City MSA AA. The bank originated 5 lines of credit totaling \$700 thousand in the Oklahoma City MSA. This CD lending primarily focused on addressing affordable housing. The following is an example of the more significant lines of credit:

- LOB provided a \$250 thousand working capital line of credit to the Central Oklahoma Habitat for Humanity, Inc. Habitat builds affordable homes for low- and moderate-income individuals. In addition, Habitat offers support services for homeowners.
- LOB provided a \$250 thousand line of credit to City Rescue Mission, a not for profit organization serving low- and moderate-income individuals. The Mission provides emergency food, clothing and temporary housing for the homeless and needy persons in Oklahoma City.

LOB has an adequate level of CD loans in the Green Country AA. The bank originated two CD loans totaling \$255 thousand in the Green Country AA. LOB originated one loan to provide affordable housing to low- and moderate-income tribal members of the Seneca-Cayuga and Quawpaw tribes. The loan totaled \$250 thousand and it finances short-term growth in housing inventory until funding can occur from governmental agencies such as HUD.

LOB has an adequate level of CD loans in the Tulsa MSA. The bank originated one CD loan totaling \$67.5 thousand in the Tulsa MSA. The loan provided funding to a certified community development corporation. This organization is a State-certified business incubator providing office space, management/technical assistance, and administrative support services. A micro-loan fund was also established through the participation of 10 local banks each providing \$10 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Lawton MSA and SW Oklahoma non-MSA AAs is not inconsistent with the bank's overall "Low Satisfactory" rating performance under the Lending Test. Refer to Tables 1 through 11 in appendix C for the facts and data that support these conclusions.

Investment Test

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the OKC MSA AA, Green Country AA, and Tulsa MSA AA is adequate. It was noted that many commentators suggested investment opportunities within the bank's AAs were limited and that the bank's in these AAs do a good job of participating in the opportunities that do exist.

Refer to Table 12 of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

LOB has an adequate level of qualified investments in the Oklahoma City MSA. The bank has 39 qualified investments/grants totaling \$601 thousand. Investments include an equity investment in the Oklahoma MetaFund Community Development Corporation (OMFCDC). The OMFCDC is a certified Community Development Financial Institution. It was organized to collaborate with for-profit and non-profit organizations for delivering economic and CD services. These services include loans and assistance for single- and multi-family housing, small business loans, loans and assistance to micro-enterprises, venture capital loans and training. This program serves the entire state of Oklahoma. LOB has a \$1 million investment in the fund distributed among the bank's assessment areas. The OKC MSA AA's portion is \$360 thousand. The remainder of the investments is grants to organizations that target low- and moderate-income people or affordable housing.

LOB has an adequate level of qualified investments in the Green Country AA. The bank has 18 qualified investments/grants totaling \$84 thousand. Green Country's portion of the equity investment in OMFCDC is \$50 thousand. In addition, grants and donations totaling \$5 thousand support the Miami Economic Development Service, which makes loans available for start-ups and small businesses.

LOB has an adequate level of investments in the Tulsa MSA AA. The bank has 10 qualified investments/grants totaling \$360 thousand. The Tulsa MSA AA's portion of the equity investment in OMFCDC is \$240 thousand. The remainder of the investments is grants to organizations that target low- and moderate-income people or affordable housing.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Lawton MSA AA, and the SW Oklahoma non-MSA AA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Investment Test. Refer to Table 12 of appendix C for the facts and data that support these conclusions.

Service Test

Conclusions for Area Receiving Full-Scope Reviews

The bank's performance under the Service test is rated "High Satisfactory". Based on the full-scope reviews, the bank's performance in the OKC MSA AA, Green Country AA, and Tulsa MSA AA is good.

Retail Banking Services

Refer to Table 13 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.

LOB's delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope AAs. Accessibility is good in the OKC MSA AA, Green Country AA, and the Tulsa MSA AA.

LOB's branch distribution is good. In the OKC and Tulsa MSA AAs, the distribution of LOB branches in low-income geographies is less than the population distribution in such geographies. However, these low-income CTs make-up a very small proportion of the overall populations in the OKC and Tulsa MSA AAs at 3.65 percent and 3.88 percent, respectively. The Green Country AA does not have any low-income census tracts. In the OKC and Tulsa MSA AAs, the number of branches in moderate-income geographies is near to the population distribution in these moderate-income geographies. In the Green Country AA, the number of branches in moderate-income geographies exceeds the population distribution in the moderate-income geographies. More weight is given to the distribution of branches throughout the moderate-income geographies since a much larger share of the population lives in these geographies.

Branch openings and acquisitions had a positive net change of 1 branch in a moderate-income CT in the OKC MSA AA. No other changes in the other AAs had an impact on low- and moderate-income areas. Banking hours and services offered throughout the AAs are adequate and provide reasonable and good accessibility to banking products and services. Lobby and drive-through facility hours for Monday through Saturday are generally the same. Extended hours on Saturday are provided at both the branch lobbies and drive-through facilities. There were not differences noted between banking hours in branches serving low- and moderate-income areas as opposed to branches in middle- and upper-income areas.

LOB is a full service commercial bank offering a wide variety of loan and deposit products. The same products are offered at all branch locations throughout the AAs. Alternative delivery systems include ATM's, telephone banking, and Internet banking services.

Overall, LOB's ATM distribution is good in delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals. LOB has opened 13 ATMs and acquired 15 ATMs since its last CRA examination. Seven percent of LOB's ATMs are located in low-income geographies and 28 percent in moderate-income geographies.

Community Development Services

LOB has demonstrated good community development service performance in the AA's that received full-scope reviews. The bank actively seeks opportunities and provided services to a large number of groups. Activities demonstrate the bank's commitment to its communities primarily through providing financial expertise, technical assistance, low or no cost services, affordable housing assistance, homebuyer assistance, and banking education.

Below are examples of the bank's involvement in community development services in the full-scope review of the OKC MSA AA:

- **Oklahoma Metafund Community Development Corporation** - This is a certified Community Development Financial Institution (CDFI) organized to provide credit and investment opportunities for community, economic, and workforce development; to aid and promote job creation and self employment opportunities, housing and property development/rehabilitation and maintenance; and to assist under served populations and investment areas throughout Oklahoma. It targets low to moderate-income individuals, community revitalization, and small business funding throughout the state. Bank officers serve on the Board of Directors, Asset Review Committee, Executive Committee, Loan Committee, and as the CRA Resource Group Chair.
- **Central Oklahoma Habitat for Humanity** - This nonprofit organization's provides affordable housing for low- and moderate-income individuals. A bank officer serves on the Board of Directors.
- **Salvation Army** - The Salvation Army provides many social services for the needy. Bank officers serve on the board and Finance Committee.
- **The Meadows** - The Meadows Center provides permanent job creation and training for developmentally disabled individuals. Ninety five percent of the employees are low to moderate-income employees. A bank employee provides technical assistance as a board member and is also involved in fundraising.
- **Metropolitan Area Development Corporation** - This non-profit organization targets small businesses in its effort to assist the SBA in underwriting and closing small business loans. Technical assistance is provided by a bank officer as a member of the board, Treasurer, and through services performed, such as, loan underwriting and financial statement analysis.
- **Neighborhood Housing Services, Oklahoma City** - A non-profit organization which distributes funds received from government agencies, such as, Neighborhood Reinvestment Corporation, Federal Home Loan Bank, and HUD in their affordable housing programs targeted to low and moderate-income individuals. A bank officer serves as a member of the board and Loan Committee and is a "Homebuyer Education" instructor on housing and pre- and post closing counseling.
- **Oklahoma City Partners in Home Ownership, Inc.** - This organization provides homebuyer education counseling and information for first time homebuyers. A bank officer provides counseling and serves on the Homebuyer Education Committee.

- **Urban Financial Services Coalition** - This nonprofit organization targets youth and low to moderate-income individuals on financial issues, providing professional development seminars, and establishing a network for minorities pursuing careers in financial services. A bank officer serves as Treasurer for this organization.

Below are examples of the bank's involvement in the community development services in the full-scope review of the Tulsa MSA AA:

- **Tulsa Area United Way** - The United Way allocates funds to affiliate agencies that service low- to moderate-income individuals. The majority of agencies that receive United Way funding meet the definition of CD. The bank also has several officers who hold various positions with this organization.

Below are examples of the bank's involvement in the community development services in the full-scope review of the Green Country AA:

- **Steve Owens Foundation** - This foundation raises funds to benefit The Miami Public Schools Enrichment Foundation that issues grants to teachers for educational use in the Miami Public school system. The Miami School system has an average poverty rate of 49 percent. A bank officer participates as an Officer and Director of Fundraising.
- **Grove High School Future Business Leaders of America** - LOB conducted a "Career Day" seminar for the Grove High School Future Business Leaders of America students. Grove High School has a Title I rating of 43 percent and therefore this activity primarily benefited low to moderate-income individuals. Several bank directors and officers participated in the seminar. The agenda included discussions on money and capital markets, starting a business in your home, capital acquisition strategies, and managing a large corporation.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Lawton MSA AA and SW Oklahoma non-MSA AAs is not inconsistent with the bank's overall "High Satisfactory" performance under the Service Test. Refer to Table 13 section of appendix D for the facts and data that support these conclusions.

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): (07/01/98 to 12/31/2000) Investment and Service Tests and CD Loans: (09/21/98 to 08/06/2001)	
Financial Institution	Products Reviewed	
Local Oklahoma Bank, N.A. (LOB) Oklahoma City, Oklahoma	Small loans to businesses HMDA CD loans	
Affiliate Relationship	Products Reviewed	
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Oklahoma City MSA Green Country Non-Metropolitan Tulsa MSA Lawton MSA SW Oklahoma Non-Metropolitan	Full Scope Full Scope Full Scope Limited Scope Limited Scope	Includes 4 CTs from Lincoln County Ottawa and Delaware Counties Includes 10 CTs from Muskogee County

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

Oklahoma City MSA	B-2
Green Country AA	B-4
Tulsa MSA	B-5

Oklahoma City MSA

Demographic Information for Full Scope Area: Oklahoma City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	328	6.71	26.22	39.02	22.87	5.18
Population by Geography	975,564	3.65	24.31	44.34	27.57	0.13
Owner-Occupied Housing by Geography	241,438	2.31	20.96	46.36	30.38	0.00
Business by Geography	44,686	5.11	27.27	39.57	25.66	2.39
Farms by Geography	1,255	1.83	22.39	46.85	28.61	0.32
Family Distribution by Income Level	262,320	20.02	17.69	22.70	39.60	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	98,902	6.75	34.57	44.57	14.11	0.00
Median Family Income		32,406	Median Housing Value		53,871	
HUD Adjusted Median Family Income for 2000		44,100	Unemployment Rate (1990 US		4.32%	
Households Below Poverty Level		13.68%	Census)			

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI

LOB has defined the entire Oklahoma City MSA, in addition to 4 CTs in Lincoln County, as their assessment area (AA), which does not arbitrarily exclude any low- or moderate-income areas. Most of the population is concentrated in the City of Oklahoma City, which is located in the center of the state. LOB operates 19 full service branches and 14 proprietary ATMs within the AA. The bank's presence in low- and moderate-income geographies within the AA is reasonable, and particularly good in moderate-income geographies.

Deposits originating from the Oklahoma City MSA represent 45% of LOB's total deposits in the bank's AAs. In terms of market share, LOB holds approximately 7.78% of total bank deposits in the AA.

Local banking competition is aggressive and includes affiliates of large national banking companies, regional banks, numerous small community banks, credit unions, and non-bank financial service providers.

The Oklahoma City MSA AA is comprised of 328 census tracts. Seventeen of the census tracts, representing 5.18% of the tracts, are not classified by income level and are not included in the above table. The table provides basic demographic information based on the income level of the census tracts and families within the Oklahoma City MSA.

As of the 1990 census, the total population of the AA was 975,564. The population is distributed at 3.65%, 24.31%, 44.34% and 27.57% in low, moderate, middle, and upper-income tracts, respectively. The low and moderate tracts are concentrated in the south central portion of Oklahoma City. Upper-income tracts are concentrated in the northern and western areas of Oklahoma City.

Of the 262,320 assessment area families, 20.02%, 17.69%, 22.70%, and 39.60% report earning low, moderate, middle, and upper incomes, respectively. Approximately 14% of the population lives below the poverty level. A low-income family in Oklahoma City has an income of less than \$22,050. Based on estimates by the Department of Housing and Urban Development (HUD), the adjusted MFI figure of \$44,100 was used to determine the borrowers' income levels for the Oklahoma City MSA in 2000.

The economic conditions in Oklahoma City are stable and the outlook remains good in the short run, as the rebound in the energy industry will continue to help the region by boosting employment and income growth. As of December 31, 2000, unemployment was only 2.4%, employment growth for the year was 2.4%, and income growth was 5.2%. The retail, government, and service sectors account for the majority of the employers in the AA. Principal employers include Wal-Mart Stores, Inc., Fort Sill, Tinker Air Force Base, and American Airlines. With the recent increase in oil and gas production, the energy sector is rebounding, which will feed through to the service and retail industries, to help not only the local businesses, but the public as well.

A review of community contacts conducted within the Oklahoma City MSA noted that there are several opportunities to participate in community service activities, but opportunities are more limited for community development lending and investments. Contacts indicated that local banks are interested and active in seeking community development opportunities. Several contacts stated investment opportunities are limited in Oklahoma. Contacts indicated that affordable housing and rehabilitation of declining areas continue to be the primary needs of the AA.

Green Country AA

Demographic Information for Full Scope Area: Green Country AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	16	0.00	25.00	75.00	0.00	0.00
Population by Geography	58,631	0.00	23.50	76.50	0.00	0.00
Owner-Occupied Housing by Geography	17,672	0.00	20.75	79.25	0.00	0.00
Business by Geography	2,340	0.00	32.65	67.35	0.00	0.00
Farms by Geography	149	0.00	29.53	70.47	0.00	0.00
Family Distribution by Income Level	17,072	21.61	21.83	22.98	33.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	7,415	0.00	25.17	74.83	0.00	0.00
Median Family Income		24,139	Median Housing Value		36,373 4.22%	
HUD Adjusted Median Family Income for 2000		33,300	Unemployment Rate (1990 US			
Households Below Poverty Level		21.67%	Census)			

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI

The Green Country AA is located in the far north and east section of Oklahoma and consists of the Ottawa and Delaware counties. This AA does not arbitrarily exclude any low and moderate-income areas. LOB operates 4 full service branches and one ATM in the AA. The Green Country AA includes 16 census tracts, none of which are designated as being low or upper income. Total population of the AA, according to the 1990 Census, is 58,631. This population is comprised of 17,072 families, of which 21.61%, 21.83%, 22.98%, and 33.59% have low, moderate, middle, and upper-income levels, respectively.

Deposits originating from the Green Country AA represent about 5% of the bank's total deposits in its AAs. LOB's market share in the AA is 15.60%. Local banking competition is aggressive and includes affiliates of large national banking companies, regional banks, numerous community banks, credit unions and savings banks.

A review of community contacts conducted in the Green Country AA indicated that opportunities to participate in community development lending and investments are limited. Contacts did indicate that affordable housing and middle-income housing is still a need. Contacts indicated that local institutions are adequately meeting the credit needs of the community and were not aware of any new credit products that might better serve the area's credit needs.

Tulsa MSA

Demographic Information for Full Scope Area: Tulsa MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	217	5.53	26.27	43.32	23.96	0.92
Population by Geography	745,835	3.88	23.22	49.07	23.83	0.00
Owner-Occupied Housing by Geography	191,211	2.30	21.86	50.33	25.51	0.00
Business by Geography	33,251	3.76	26.39	45.04	24.81	0.00
Farms by Geography	867	1.27	25.49	51.90	21.34	0.00
Family Distribution by Income Level	205,647	20.48	17.59	22.04	39.89	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	78,280	6.28	34.42	48.51	10.79	0.00
Median Family Income		32,578	Median Housing Value		58,521	
HUD Adjusted Median Family Income for 2000		45,100	Unemployment Rate (1990 US Census)		3.85%	
Households Below Poverty Level		13.26%				

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI

LOB has defined all of the Tulsa MSA as its AA for offices located in the Tulsa MSA. The AA consists of Creek, Osage, Rogers, Tulsa, Wagoner counties, plus 10 CTs in Muskogee County, which does not arbitrarily exclude any low- or moderate-income areas. LOB operates 13 full service branches and 4 ATMs within the Oklahoma City AA. The bank's branches are primarily located in central Tulsa County. LOB has no branches in Wagoner and Osage counties. Branch distribution among low and moderate-income geographies is reasonable and particularly good in the moderate-income tracts.

Deposits originating from the Tulsa MSA represent approximately 24% of LOB's total deposits in the bank's AAs. In terms of market share, LOB holds approximately 3.77% of total bank deposits in the AA. Local banking competition is aggressive and includes affiliates of large national banking companies, regional banks, numerous community banks, credit unions and non-bank financial service providers.

The AA includes 217 census tracts. Two of the tracts, representing about 1% of the total number of tracts, are not classified by income category and are excluded from the table above. The total population of the Tulsa MSA from the 1990 Census is 745,835. This population is comprised of 205,647 families, of which 20.48%, 17.49%, 22.04%, and 39.89% have low, moderate, middle, and upper-income levels, respectively. Of the total population, 3.88%, 23.22%, 49.07%, and 23.83% are located in low, moderate, middle, and upper-income geographies, respectively.

The Tulsa economy has been stable. Job growth has been accelerating in the recent months driven by strong performance in the service-producing industries and construction. High-tech manufacturing, particularly in the telecommunications and IT industries, is making inroads into Tulsa. A growing presence of software developers and fiber optics construction companies is also evident. While the boom in the energy sector has resulted in growth in mining employment elsewhere in the state, it has bypassed Tulsa. Leading industries include eating and drinking establishments, personnel supply services, hospitals, and air transportation. Major employers include American Airlines, Avis Rent-a-Car, Blue Cross & Blue Shield, and Boeing Corporation. As of December 31, 2000, the unemployment rate was 2.8%, the employment rate had increased 2% for the year and personal income growth increased 4.8%.

Based on estimates by the Department of Housing and Urban Development, the adjusted MFI figure of \$45,100 was used to determine the borrower's income levels for the Tulsa MSA in 2000. It is too early to tell the impact of the terrorist actions on the East Coast on the Tulsa economy given the significant presence of the airline and travel industries in Tulsa.

A review of community contacts conducted within the Tulsa MSA indicates that opportunities exist to participate in community development lending, investments, and service activities. A primary need is revitalization of the north Tulsa area, where most of the low and moderate-income tracts are located. Affordable housing, small business loans, and technical assistance for individuals attempting to start a small business were also mentioned as needs for the north Tulsa area. Contacts indicated that generally banks are interested and involved in community development opportunities.

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 Refinance Loans** - See Table 2.
- Table 5. 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 6. 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 7. 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 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 7.
- Table 10. 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 11. 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 12. 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 13. 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 14. 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 MSA/assessment area.

Table 1. Lending Volume

LENDING VOLUME												
Evaluation Period: 07/01/1998 TO 12/31/2000												
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Green Country AA	4.83	686	35,712	440	16,012	19	721	2	255	1,147	52,700	22.75
Oklahoma City MSA	44.59	1,380	65,026	468	86,249	0	0	5	700	1,853	151,975	36.75
Tulsa MSA	23.65	777	28,483	109	18,802	0	0	1	68	887	47,353	17.59
Limited Scope												
Lawton MSA	10.98	394	26,054	223	11,842	2	25	1	105	620	38,026	12.30
SW Oklahoma non-MSA	15.94	470	18,359	57	4,957	8	565	0	0	535	23,881	10.61

* Deposit Data as of February 28, 2001

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% 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	#	% of Total**
Full Scope																
Green Country AA	0.00	0.00	20.75	22.45	79.25	77.55	0.00	0.00	1	19.63	0.00	18.82	19.81	0.00	294	32.89
Oklahoma City MSA	2.31	1.25	20.96	18.75	46.36	32.08	30.38	47.92	37	0.66	0.98	0.86	0.51	0.71	240	26.85
Tulsa MSA	2.30	0.00	21.86	11.32	50.33	54.72	25.51	33.96	72	0.24	0.00	0.21	0.26	0.23	53	5.93
Limited Scope																
Lawton MSA	2.01	0.88	15.33	11.89	58.56	54.63	24.11	32.60	4	11.26	11.11	10.26	11.11	11.95	227	25.39
SW Oklahoma non-MSA	0.97	1.25	6.18	5.00	63.73	63.75	29.12	30.00	15	1.98	5.56	4.21	2.04	1.63	80	8.95

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% 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	#	% of Total**
Full Scope																
Green Country AA	0.00	0.00	20.75	23.61	79.25	76.39	0.00	0.00	1	28.82	0.00	30.51	28.24	0.00	144	7.36
Oklahoma City MSA	2.31	0.67	20.96	14.22	46.36	35.27	30.38	49.83	5	6.78	3.80	6.19	5.20	9.33	893	45.65
Tulsa MSA	2.30	1.01	21.86	9.72	50.33	57.96	25.51	31.32	4	7.58	2.94	4.19	8.35	6.67	597	30.52
Limited Scope																
Lawton MSA	2.01	0.00	15.33	13.04	58.56	56.52	24.11	30.43	3	15.25	0.00	9.26	15.34	21.43	92	4.70
SW Oklahoma non-MSA	0.97	0.00	6.18	0.87	63.73	60.87	29.12	38.26	2	18.38	0.00	2.22	19.75	20.74	230	11.76

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% 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	#	% of Total**
Full Scope																
Green Country AA	0.00	0.00	20.75	25.21	79.25	74.79	0.00	0.00	1	17.50	0.00	15.84	18.03	0.00	242	28.84
Oklahoma City MSA	2.31	0.41	20.96	17.84	46.36	40.25	30.38	41.49	43	0.67	0.00	0.34	0.61	0.91	241	28.72
Tulsa MSA	2.30	0.80	21.86	13.60	50.33	61.60	25.51	24.00	53	0.53	0.00	0.33	0.68	0.42	125	14.90
Limited Scope																
Lawton MSA	2.01	1.37	15.33	9.59	58.56	43.84	24.11	45.21	8	3.55	4.17	2.12	2.44	6.32	73	8.70
SW Oklahoma non-MSA	0.97	3.16	6.18	7.59	63.73	58.23	29.12	31.01	17	1.57	0.00	1.63	1.75	1.39	158	18.83

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution: Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Green Country AA	0.00	0.00	32.65	20.23	67.35	79.77	0.00	0.00	1	38.76	0.00	42.34	40.08	0.00	440	33.92
Oklahoma City MSA	5.11	7.05	27.27	24.79	39.57	36.54	25.66	30.13	18	1.30	3.07	1.63	1.05	1.22	468	36.08
Tulsa MSA	3.76	4.59	26.39	23.85	45.04	40.37	24.81	31.19	19	0.41	1.06	0.53	0.34	0.39	109	8.40
Limited Scope																
Lawton MSA	2.44	3.59	40.58	42.15	41.90	32.29	15.07	21.97	4	17.37	26.67	19.66	13.39	23.13	223	17.19
SW Oklahoma non-MSA	1.40	0.00	4.73	3.51	70.25	73.68	23.62	22.81	12	0.63	0.00	0.00	0.74	0.54	57	4.39

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution: Small Loans to Farms

Geographic Distribution: SMALL FARM																Evaluation Period: 07/01/1998 TO 12/31/2000	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Green Country AA	0.00	0.00	29.53	21.05	70.47	78.95	0.00	0.00	5	3.23	0.00	2.50	3.57	0.00	19	65.52	
Oklahoma City MSA	1.83	0.00	22.39	0.00	46.85	0.00	28.61	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
Tulsa MSA	1.27	0.00	25.49	0.00	51.90	0.00	21.34	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
Limited Scope																	
Lawton MSA	0.00	0.00	20.34	0.00	65.54	100.00	14.12	0.00	6	2.86	0.00	0.00	4.08	0.00	2	6.90	
SW Oklahoma non-MSA	0.21	0.00	4.06	0.00	76.73	100.00	19.00	0.00	0	0.00	0.00	0.00	0.00	0.00	8	27.59	

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Green Country AA	21.61	8.84	21.83	15.65	22.98	24.49	33.59	46.60	1	19.63	31.25	18.97	23.56	19.09	294	32.89
Oklahoma City MSA	20.02	6.67	17.69	18.33	22.70	23.75	39.60	48.33	37	0.66	0.63	0.73	0.81	0.94	240	26.85
Tulsa MSA	20.48	1.89	17.59	20.75	22.04	28.30	39.89	49.06	72	0.24	0.08	0.29	0.32	0.33	53	5.93
Limited Scope																
Lawton MSA	18.81	7.49	18.85	14.98	22.94	34.80	39.40	42.29	4	11.26	15.89	11.04	14.76	13.10	227	25.39
SW Oklahoma non-MSA	20.30	3.75	16.23	23.75	19.49	13.75	43.98	57.50	15	1.98	0.72	4.00	1.04	2.48	80	8.95

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available. No information was available for 2% of loans originated by LOB.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Green Country AA	21.61	6.25	21.83	14.58	22.98	28.47	33.59	46.53	1	28.82	28.57	29.41	33.96	28.16	144	7.36
Oklahoma City MSA	20.02	5.94	17.69	14.67	22.70	26.20	39.60	52.86	5	6.78	6.18	5.41	6.68	8.40	893	45.65
Tulsa MSA	20.48	5.86	17.59	14.57	22.04	21.78	39.89	57.62	4	7.58	3.28	6.42	6.30	9.08	597	30.52
Limited Scope																
Lawton MSA	18.81	10.87	18.85	6.52	22.94	18.48	39.40	59.78	3	15.25	17.86	8.51	10.00	20.33	92	4.70
SW Oklahoma non-MSA	20.30	7.39	16.23	10.87	19.49	15.65	43.98	65.65	2	18.38	17.95	17.02	12.20	24.33	230	11.76

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available. No information was available for 1% of loans originated by LOB.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE										Evaluation Period: 07/01/1998 TO 12/31/2000						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Green Country AA	21.61	8.26	21.83	14.46	22.98	29.34	33.59	41.32	1	17.50	32.43	19.39	26.04	17.17	242	28.84
Oklahoma City MSA	20.02	4.98	17.69	18.67	22.70	24.90	39.60	49.79	43	0.67	0.29	0.62	0.92	1.10	241	28.72
Tulsa MSA	20.48	4.80	17.59	18.40	22.04	36.00	39.89	40.00	53	0.53	0.24	0.52	0.84	0.71	125	14.90
Limited Scope																
Lawton MSA	18.81	2.74	18.85	13.70	22.94	23.29	39.40	47.95	8	3.55	0.00	3.31	4.10	5.37	73	8.70
SW Oklahoma non-MSA	20.30	4.43	16.23	17.09	19.49	21.52	43.98	56.33	17	1.57	0.00	2.46	0.96	2.70	158	18.83

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available. No information was available for 4% of loans originated by LOB.

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

Table 10. Borrower Distribution: Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS		Evaluation Period: 07/01/1998 TO 12/31/2000							
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share [*]			Total Small Loans to Businesses
	% Business ^{**}	% Bank Loans ^{***}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total ^{****}
Full Scope									
Green Country AA	88.59	82.27	91.59	6.59	1.82	38.76	49.38	440	33.92
Oklahoma City MSA	88.82	57.91	57.48	20.09	22.44	1.30	1.25	468	36.08
Tulsa MSA	86.76	68.81	58.72	21.10	20.18	0.41	0.43	109	8.40
Limited Scope									
Lawton MSA	92.11	69.06	86.10	8.97	4.93	17.37	18.59	223	17.19
SW Oklahoma non-MSA	90.00	87.72	71.93	19.30	8.77	0.63	0.73	57	4.39

* The market consists of all other Small Business reporters in LOB's assessment area and is based on 1999 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

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

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

Table11. Borrower Distribution: Small Loans to Farms

Borrower Distribution: SMALL FARM		Evaluation Period: 07/01/1998 TO 12/31/2000							
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% Bank Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Green Country AA	96.64	94.74	89.47	10.53	0.00	3.23	3.25	19	65.52
Oklahoma City MSA	97.21	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Tulsa MSA	97.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Limited Scope									
Lawton MSA	97.74	100.00	100.00	0.00	0.00	2.86	3.08	2	6.90
SW Oklahoma non-MSA	98.29	87.50	75.00	12.50	12.50	0.00	0.00	8	27.59

* The market consists of all other Small Farm reporters in LOB's assessment area and is based on 1999 Aggregate Small Business Data only.

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available. No information was available for 0% of small loans to farms originated and purchased by the bank.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		Evaluation Period: 07/01/1998 TO 12/31/2000							
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Green Country AA	0	0	18	84	18	84	5.78	0	0
Oklahoma City MSA	0	0	39	601	39	601	41.36	0	0
Tulsa MSA	0	0	10	360	10	360	24.78	0	0
Limited Scope									
Lawton MSA	0	0	10	139	10	139	9.57	0	0
SW Oklahoma non-MSA	0	0	13	269	13	269	18.51	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														Evaluation Period: 07/01/1998 TO 12/31/2000			
MSA/Assessment Area	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in MSA/AA	# of Bank Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope																	
Green Country AA	4.83	4	8.00	0.00	50.00	50.00	0.00	0	1	0	0	1	0	0.00	23.50	76.50	0.00
Oklahoma City MSA	44.59	19	36.00	0.00	22.22	38.89	38.89	2	3	0	1	0	0	3.65	24.31	44.34	27.57
Tulsa MSA	23.65	13	26.00	0.00	23.08	61.54	15.38	0	0	0	0	0	0	3.88	23.22	49.07	23.83
Limited Scope																	
Lawton MSA	10.98	5	10.00	20.00	40.00	20.00	20.00	0	0	0	0	0	0	2.16	18.15	60.00	19.69
SW Oklahoma non-MSA	15.94	10	20.00	0.00	10.00	80.00	10.00	0	0	0	0	0	0	1.02	6.41	63.98	28.59

* The percentage of the population in the MSA/AA that resides in these geographies.

