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Comptroller of the Currency  
Administrator of National Banks

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Large Bank, Licensing, MS 7-13  
250 E Street, SW  
Washington, DC 20219

**CRA Decision #143**  
**June 2008**

May 22, 2008

Ms. Elizabeth Shortley  
Wachovia Bank, National Association  
301 South Tryon Street  
Charlotte, North Carolina 28288

Re: Application by Wachovia Bank, National Association, Charlotte, North Carolina  
CAIS Control Number: 2008-ML-05-0099

Dear Ms. Shortley:

I hereby approve your application to establish a branch at **13101 Preston Road, Dallas, Texas**, to be known as **Preston and LBJ**. This approval is granted after a thorough review of the application, other materials you have supplied, and other information available to the Office of the Comptroller of the Currency (OCC), including commitments and representations made in the application by Wachovia Bank, National Association's (Wachovia) representatives during the application process. Based on this review, I have determined that approval is consistent with the relevant statutory factors set forth in 12 U.S.C. § 36(c), state branching law, and the applicant's record of compliance with the Community Reinvestment Act (CRA). If the branch is not opened within 18 months from this approval date, the approval automatically terminates unless the OCC grants an extension.

This letter also authorizes you to establish Branch No. **142751A** at the above-noted address. Within 10 days after opening, Wachovia must advise this office of the opening date, so the OCC may complete its records. Please reference the CAIS control number in your letter.

If a branch is to be closed, a 90-day advance notice of proposed branch closing must be submitted to the OCC under 12 U.S.C. § 1831r-1. Following the closing of a branch office, a final closing notice should be submitted to this office.

### **Public Comment**

The OCC received one comment letter opposing all pending applications of Wachovia in Texas, including the application relating to the proposed Preston and LBJ branch. The commenter expressed concern that Wachovia has failed to invest in historic Freedmen's Town, located in the Houston Metropolitan Statistical Area (MSA).

In its most recent CRA Performance Evaluation (PE), dated June 30, 2006,<sup>1</sup> Wachovia received an overall “Outstanding” rating, reflecting an “Outstanding” rating under the lending, investment and service tests. The CRA rating for Texas was an overall “Satisfactory” with a “High Satisfactory” in the lending test, an “Outstanding” in the investment test, and a “Needs to Improve” in the service test. Examiners noted that the rating on the service test for Texas was based on a full-scope review of performance in the Dallas Metropolitan Division. While noting a good level of community development services, examiners criticized the branch distribution in low- and moderate-income (LMI) geographies in the Dallas Metropolitan Division. Limited scope reviews of other MSAs, including Houston-Sugar Land-Baytown, were found to be not inconsistent with the overall rating for the service test in Texas.

In its response to the commenter, Wachovia provided updated service, lending, and investment information for the Houston MSA. Since the 2006 PE, Wachovia represented that it has opened 21 new branches in the Houston MSA; 17 of these branches, or 80% are located in LMI census tracts. Two (Preston and LBJ and I-45 and 61<sup>st</sup>) of the branches for which applications are currently pending would be located in LMI census tracts. Wachovia stated that it has plans to open a number of additional branches in Houston’s LMI communities by the end of 2010.

Additionally, Wachovia represented that CRA activities since the last CRA PE that have benefited the Houston MSA include over 80 hours in community development services; over \$175 million in community development loans; \$464 million in small business loans, including \$200 million in LMI census tracts; approximately \$570 million in mortgage loans, including \$78.4 million in LMI census tracts and \$72.4 million to LMI borrowers; \$618 million in consumer loans, including \$75.7 million in LMI census tracts, and \$99.8 million to LMI borrowers; and over \$20 million in community development investments.

In sum, our review of the record of the application, including the materials submitted with the application, public comment, responses to the public comment, representations of the applicant, and our review of supervisory materials, has not revealed any information inconsistent with approval.

This approval, and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable laws and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

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<sup>1</sup> Wachovia was examined using the large bank examination procedures. The overall evaluation periods for the 2006 PE were calendar years 2004 and 2005, with the exception of community development activities. For community development activities, the evaluation period was July 1, 2003, through June 30, 2006.

Wachovia Bank, N.A.  
CAIS Control No.: 2008-ML-05-0099

If you have any questions, contact Deirdre Lang, OCC, Licensing, Mail Stop 7-13, 250 E Street, S.W., Washington, D.C. 20219 or by e-mail at [Largebanks@occ.treas.gov](mailto:Largebanks@occ.treas.gov) or by telephone at (202) 874-5060.

Sincerely,

/s/

Stephen A. Lybarger  
Large Bank Licensing Lead Expert