



NEWS RELEASE

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**FDIC ANNOUNCES SALE OF
HEARTLAND FEDERAL SAVINGS AND LOAN ASSOCIATION, PONCA CITY, OKLAHOMA**

The FDIC Board of Directors announced today the sale of Heartland Federal Savings and Loan Association, Ponca City, Oklahoma. All deposits will be assumed by three acquirors. Nearly all of the thrift's loans will be purchased by the three deposit acquirors as well as four other institutions.

Heartland Federal, a federally chartered mutual savings association, is the successor to Frontier Federal Savings and Loan Association, Ponca City, Oklahoma, which was closed on August 31, 1988, by the former Federal Home Loan Bank Board (FHLBB) as part of a plan to consolidate and stabilize 14 insolvent Oklahoma thrifts. This sale represents the return to the private sector of the last such "stabilized" thrift that was controlled by the FDIC as manager of the FSLIC Resolution Fund (FRF).

Heartland Federal, at the time of its inception, was provided financial assistance under an agreement with the former Federal Savings and Loan Insurance Corporation (FSLIC). That agreement has been administered by the FDIC as manager of the FSLIC Resolution Fund, which was established in 1989 as successor to the obligations and responsibilities of the former FSLIC. This assistance obligation will be terminated with the sale of Heartland.

Heartland Federal had, as of April 30, about \$886 million in assets and about \$739 million in deposits in about 65,000 accounts. It currently operates 15 offices in Oklahoma. The following list shows which branches were sold to each of the three deposit acquirors (deposits are as of April 30):

(more)

Commercial Federal Bank, A FSB, Omaha, Nebraska

<u>Branch acquired</u>	<u>Deposits (dollars in millions)</u>
Enid	114.1
Ponca City Main Office	110.4
Tulsa Southeast	74.8
Tulsa Utica	60.1
Oklahoma City Penn branch	56.9
Oklahoma City Windsor	36.2
Ardmore	34.3
Bartlesville	33.3
Cushing	30.9
Oklahoma City Northwest	25.7
Ponca Plaza	18.6
Oklahoma City Quail office	18.4
Subtotal	613.7

Bank of Oklahoma N.A., Tulsa, Oklahoma

<u>Branch acquired</u>	<u>Deposits (dollars in millions)</u>
Tulsa Louisville	54.5
Edmond	35.7
Subtotal	90.2

First National Bank and Trust, Ponca City, Oklahoma

<u>Branch acquired</u>	<u>Deposits (dollars in millions)</u>
Stillwater	35.3
Total deposits	739.2

Depositors in Heartland Federal automatically become depositors of one of the institutions that assumed their accounts.

The combined premium to be paid for the deposits and assets of Heartland Federal is \$33.7 million. The transaction for the sale of Heartland is as follows:

- The acquirors of Heartland's deposits will purchase, at book value, cash and cash equivalents and certain consumer loans that were originated by the thrift's branches.

(more)

- Seven institutions, including two of the deposit acquirors, will acquire approximately \$13 million in consumer loans and about \$261 million in 1-4 family residential loans which were offered separately by the FDIC (see attached chart).
- The FDIC will retain about \$200 million in assets, including other real estate owned (OREO), in-substance foreclosed loans and subsidiaries.

Although the FDIC has accepted the bids of the acquiring institutions, Heartland Federal will not be transferred until the required regulatory approvals are obtained and waiting periods have expired. The FDIC anticipates that Heartland will be transferred to the acquiring institutions by mid-October.

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(A detailed list of assets sold and their acquirors is attached)