



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF COMMUNITY BANK, NEW CANEY, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Community Bank, New Caney, Texas, by Channelview Bank, Channelview, Texas.

The failed bank's sole office will reopen on Friday, March 23, 1990, as a branch of Channelview Bank, and its depositors automatically will become depositors of the assuming bank.

Community Bank, with total assets of \$44.1 million, was closed on Thursday, March 22, 1990, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Channelview Bank will assume about \$43.6 million in 9,800 deposit accounts and will purchase approximately \$37.6 million of the failed bank's assets at a discount of \$3,749,000.

The Board of Directors approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC. The transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by Channelview Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

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