



FROM THE OFFICE OF THE PRESIDENT & CEO

## **Thoughts on Recent Troubles in the Sub-Prime Loan Market**

August 17, 2007

Dear Customers and Friends:

On the news lately, you may have heard about big banks and mortgage companies facing heat from some bad loans they've made. In recent years, they've been competing aggressively for your business with slick TV ads and big promises.

We think there are a few things you should know. Foremost, BankTexas is not a sub-prime lender – never was and never will be.

BankTexas has been in the banking business since the 1890's. All along, we've believed in hiring experienced local lenders and making safe loans our customers can afford. We're proud of this record.

Because our bank has no exposure to the sub-prime market, our residential mortgage portfolio is in good shape, with past-due loans below industry norms. What's more, this continues to be a good market for consumers with rates standing below historical averages.

I hope you will take faith in our record of stability. Should you have any questions, please feel free to contact me directly at 903-763-2264.

Sincerely,

Troy M. Robinson  
President & CEO