

# Hometown Express

A Quarterly Publication of Community Bank of Pickens County



John Trammell, President/CEO  
Community Bank of Pickens County

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**Community  
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County

*"We can make a difference"*

## OREO.....NOT THE COOKIE!

**A**n all too familiar term these days in the banking industry is OREO. OREO stands for Other Real Estate Owned.

Banks have historically made a large portion of their loans secured in some fashion by real estate. For decades, this was considered the safest loans on the bank's books because once a security deed was properly filed, it was very difficult for a customer to move it or sell it without satisfying the mortgage.

The Wall Street-federal government sub-prime mess has changed the picture. The market has been flooded with mortgage company foreclosures and deeds in lieu of foreclosure. The lack of employment opportunities and job losses have increased the number of homes in foreclosure. This has changed the market value of the homes and real estate over the last three to four years. The amount of homes available has changed the equity positions on most homes, commercial properties and raw land. It has certainly become a buyer's market!

Many mortgage companies financed basically 100% of a home's appraised value counting on the market to continue its steady appreciation in value. Most community banks, as required by regulatory guidance, had to require a larger equity position in a property before financing the property. Even with the additional equity position, banks rarely see property sell for an amount in excess of the loan amount. Usually there are costs to prepare the property for sale, insurance, taxes and a real estate commission to pay. These costs are a big factor in regards to bank earnings.

While many folks go through an agent or broker in looking for properties, I'm often asked if an individual can deal directly with a bank regarding their desire to purchase OREO property. The answer is YES! Our bank has several people available during normal business hours to talk with anyone interested in a property we have.

What are the benefits of purchasing OREO from Community Bank of Pickens County?

1. We are eager to move these assets off our books and get the money back working for us;
2. Sale of OREO property eliminates expenses such as insurance costs as well as tax costs and general upkeep;
3. We often develop a new banking relationship with a buyer by offering financing programs for the property—often on very good terms!;
4. The buyer can get a great deal on a property while the market is down;
5. The bank will consider a lease-purchase agreement; and
6. The buyer can rest assured that proper title work has been taken care of so this is not a future problem.

In the last week, we have received six contracts on properties. These have been purchases and/or lease purchases. The action has picked up. Realtors are telling me they're writing contracts. The good properties will go first! Interested? Give us a call! ●●●

*John*



## Bank Fees Stable

Some of the larger banks, many who were bailed out or received TARP money, have announced new fee schedules adding charges to items that have caused a stir among some critics. I believe Bank of America, for instance, announced a new \$5.00 per month debit card fee. A report on a popular TV show suggested folks move their money to other places. It seems without question that the Dodd-Frank legislation was a motivator in some of these fee increases.

Of the 7,500 banks in the U.S., only 106 banks have assets greater than \$10 billion. THOSE are the banks impacted by the Dodd-Frank Interchange Fee structure. Every bank has to set fees according to their specific plans and goals. Many smaller, community banks have vendors who provide services allowing them to be a community bank, but provide many, if not most, of the services the "big" banks provide. The costs from these vendors continue to rise, thus forcing the smaller banks to absorb the costs, lower their services (where possible), or pass some of the increase along.



The recession has forced every American company to rethink their business model. Banking is no different from others in this respect. Some will invoke new fees, some won't. This is NOT an announcement that we will be raising fees. We haven't in several years and have no immediate plans to do so. Our current stand is that in today's environment, we want your business. We know earning rates are low and paying back loans is difficult. We are committed to keeping these items at the most reasonable levels possible. Another reason to bank local with a community bank. Especially one who has a proven track record of supporting our community! ●●●

## Important Upcoming Technology Enhancements

Beginning Thursday, November 10th at 4:00pm until November 14th at 10:00am, we will be making enhancements to our technology systems. We mailed a detailed letter on October 3rd to our customers outlining services may having temporary interruptions.

*As a result of the enhancements to our technology systems our customers can expect to experience less downtime, a streamlined login process, and enhanced online banking.*

Thank you for your patience as we work to better serve you, our customer. Please refer to your customer letter mailed October 3, 2011 for more complete details. ●●●



2011 Travelers Club Meeting Dates  
October 17 & December 19

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## Refer A Friend to Open A New Account!

**& Become Eligible for A Drawing!**

**\$200 Gas Card**

**Our way of saying thank you! Refer as many friends as possible. Both your name and the person(s) you refer will be entered into separate drawings to be held quarterly. Each of you could win!**

**See a customer service representative for more information.**

**Community Bank of Pickens County**  
"We can make a difference"

"Making A Difference Thru Hometown Commitment"





In each issue of our newsletter we would like to share family recipes that have been around for many years and make family gatherings special.

## Rosemary Cookies

This recipe was submitted by Mary Ann Clayton who lives at Grandview Lake in Jasper. This is a favorite family recipe so popular her son, David, put them on the menu at his fine dining restaurant Cortona in Memphis, TN.

2 Tbsp. Rosemary – finely chopped	½ cup toasted pine nuts or walnuts – finely chopped
4½ cups all purpose flour	2 tsp. baking soda
1 tsp. ground ginger	½ tsp. salt
2½ sticks butter (room temperature)	2¼ cups sugar
4 Tbsp. olive oil	4 Tbsp. heavy cream
2 large eggs, slightly beaten	¼ cup whole pine nuts or walnut halves

Preheat oven to 350°F. In a large bowl stir together the rosemary, nuts, flour, baking soda, ginger and salt. Set aside. In the bowl of an electric mixer, combine butter and sugar. Beat on high speed about 5 minutes. (Don't skimp on the time). Add the oil and reduce speed to low. Add flour mixture, then cream and mix until well combined. Add eggs, then the remaining flour. Shape dough into small balls (about 1 inch), place 2 inches apart on parchment or Silpat lined cookie sheets, then flatten slightly and top with a nut. Bake until edges are golden, about 10-12 minutes. Transfer to cooling racks. Cookies can be frozen and warmed up when ready to serve. •••

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Note: If you have a favorite family recipe you would like to share, drop it off at the bank or email it to [susan.wright@cbopc.com](mailto:susan.wright@cbopc.com) and you may see it published here.

*"We are what we repeatedly do. Excellence, therefore, is not an act but a habit."*

~Aristotle



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**October Marks  
Our 11th Anniversary!**

### On the Inside...

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