First Bankers Trust of Bossier City failed Thursday, the
14th bank to fail in Louisiana so far this year.

First Bankers Trust of Bossier City was ordered closed on
Thursday by Commissioner of Financial Institutions Fred
Dent. First American Bank & Trust of Louisiana in Monroe
was the successful bidder for the single-office First Bankers
Trust.

The bank failure was due to the “unsatisfactory and
unstable real estate market, which is a direct result of the
downturn in the state’s economy experienced in the last
several years,” according to a news release issued from
Dent’s office.

At the time of closing, First Bankers Trust had
approximately $28 million in total assets. With the
acquisition, First American Bank will have assets of
approximately $226 million, according to the news release.

First American Bank assumed about $28.8 million in 2,600
deposit accounts and will purchase approximately $24.9
million of the failed bank’s assets at a discount of $4.5 million,
according to a news release issued by the Federal Deposit
Insurance Corp., which approved the transfer.

George Campbell, president and chief executive officer of
First American, said that with the acquisition of First
Bankers Trust, his bank will now have six branches in the
Shreveport-Bossier area.

“This is our second acquisition in the Shreveport-Bossier
area,” Campbell said. “We acquired failed Republic Bank in
Shreveport in October 1986. We expanded to five locations in
Shreveport as a result of that acquisition.”

First American also has five branches in the Monroe-West
Monroe area, he said.

Campbell said his bank executed a “total asset purchase” of
First Bankers Trust. “We bought all the loans with some
exceptions. We wound up with about $16 million in loans. FDIC took over the other ones.”

First Bankers Trust had 13 employees and Campbell said
he currently plans no reductions in staff.

The condition of First Bankers Trust had deteriorated
considerably between the end of 1988 and the quarter ending
this past March. Total assets fell 2.1 percent to $31 million,
according to the most recent figures available from
Sheshunoff Information Service Inc., a Texas firm that tracks
bank performance. Total loans fell 3.1 percent to $22.5 million
and the total of non-performing loans increased to 9.02
percent of total assets. The bank reported a $59,000 loss for
the quarter.

The failure of First Bankers Trust brought the national
total to 156 bank failures for the year.

When LaSalle State Bank in Jena failed last week, Dent said
his office planned to close four more banks in the state before
the end of the year. With the failure of First Bankers Trust, the
number of banks to be closed is brought to three.