IberiaBank acquires 17 of 25 FNB branches

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Business Editor

NEW IBERIA — IberiaBank was the successful bidder for 17 of the 25 First National Bank branches up for sale, including all seven in the Lafayette area.

Founded in 1887, the New Iberia-based financial institution also purchased the 10 Central Bank branches spread among Monroe, West Monroe and Ruston.

The deal adds considerable marketing muscle to IberiaBank, which now has 44 offices in 10 Louisiana parishes; $1.4 billion in assets; $1.2 billion in deposits; $805 million in total loans; and more than 500 employees.

Based on deposits, IberiaBank now ranks second in market share in the Lafayette market. Aggregate deposits involved in Friday's deal total $478 million.

"We are excited about the opportunity to expand our presence in Lafayette," said IberiaBank Chief Executive Officer Larrey Mouton. "Along with the dedicated employees who serve IberiaBank customers, the First National Bank branches will provide a greatly increased level of convenience through 15 branch offices in the Lafayette area."

By order of Justice Department

The bank sales were forced by the U.S. Justice Department in early May in order to accommodate a $3.1-billion merger with Banc One. FNB's parent company, First Commerce, agreed to sell 25 Louisiana banks in order to satisfy U.S. Justice Department requirements that it not exceed a 35-percent market share in any area.

The transaction is expected to be completed in September after regulatory approval. It already has been approved by the U.S. Justice Department and the Federal Reserve Board. A June 12 meeting of First Commerce Corp. shareholders, called in order to vote on the proposal, is expected to be routine.

IberiaBank acquires the services of 73 new employees; all assets, including loans, real estate and equipment; and assumes the deposits of the following seven branches in the Lafayette area:
- Oil Center, 463 Heymann Blvd.;
- Moss Street, 1820 Moss St.;
- Congress, 4010 W. Congress St.;
- Caffery, 37110 Ambassador Caffery Pkwy;
- Scott, 200 Westgate Road in Scott;
- Kaliste Saloom, 420 Kaliste Saloom Road; and
- Carencro, 85 Bernard Road in Carencro.

Total value

The seven Lafayette branches have approximately $207 million in deposits and $72 million in loans.

The business day following completion of the deal in September, the branches will open for business fully converted to IberiaBank signage. Mouton said the deal adds 22,000 deposit accounts and 4,000 loan accounts.

The merger participants that started this financial transaction remain industry giants. Banc One has more than 1,300 offices in 12 states, total assets of $116.3 billion and deposits of nearly $80 billion. First Commerce has 145 offices in Louisiana, total assets of $9.5 billion and total deposits of $7.7 billion.

IberiaBank is a wholly owned commercial bank subsidiary of ISB Financial Corp. Its stock is traded on the Nasdaq Stock Market under ISBF.