Sunburst Bank income up 13%

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Sunburst Bank reported Monday that net income rose 13 percent to $612,000 in the three months ending Sept. 30, compared to $540,000 earned in the third quarter of 1989.

The latest figures brought Sunburst's earnings to $1.89 million for the first nine months of 1990 compared to $3.27 million earned by Sept. 30, 1989.

The 1989 total includes a $1.3 million after-tax profit from the March 1989 sale of the bank's credit card portfolio.

"Generally speaking, the third quarter of this year was better than last year," said A. Jackson Huff, Sunburst's president and chief executive officer. "We're growing in loans and we're growing in deposits, which is giving us a larger base to work with."

Sunburst reported net loans increased 33 percent to $129.91 million and total assets grew 35 percent to $406.71 million in the

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It will be Sunburst of Louisiana's first acquisition since it entered the Baton Rouge market in May 1988 with the acquisition of certain deposits and assets of the bridge bank formed from failed Capital Bank & Trust.

Sunburst's Mississippi parent, Grenada Sunburst System Corp., also reported Monday that net income rose 5 percent to $2.51 million in the third quarter and 122 percent to $7.65 million for the first nine months of 1990, compared to the same 1989 periods.

Increased earnings resulted from an improved net interest margin during the period as loan rates held firm and the cost of deposits declined slightly, said Dan Holland, chief financial officer for Grenada Sunburst.

The company's gross loans grew 7 percent to $1.09 billion and total assets increased 8 percent to $1.87 billion during the 12 months ending Sept. 30, Holland said.

Nonperforming loans declined 36 percent to $11.02 million during the period.

Total deposits increased 9 percent to $1.64 billion by Sept. 30, compared to the year before, he said.