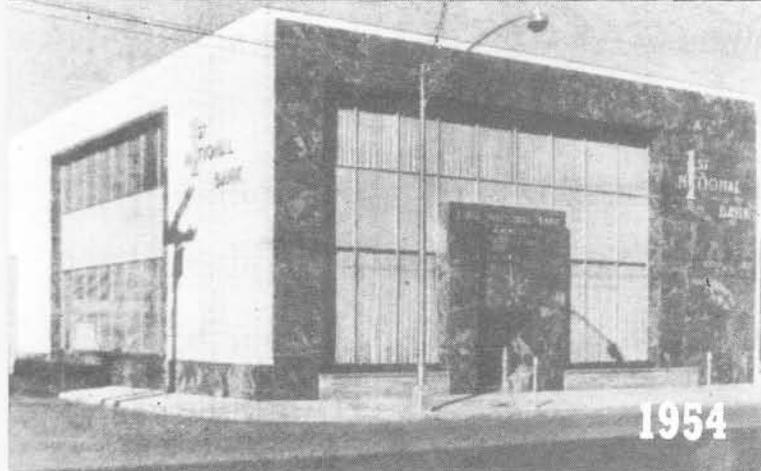


The Second Oldest Bank in the State of Florida

The First National Bank of Gainesville received its charter on June 1, 1888, and is the second oldest active originally chartered bank in the state today, outlived only by the First National Bank of Tampa, chartered in 1886 with the number 3497. The first national bank in Florida was organized at Jacksonville on May 26, 1874, and was given charter number 2174 by the Comptroller of the Currency on August 24, 1874. The First National Bank of Florida opened its doors for business on September 26 that year with a capital of \$50,000. In the last years of its existence the bank became involved with phosphate investments that finally caused its downfall. A receiver was appointed for the bank on March 14, 1903.

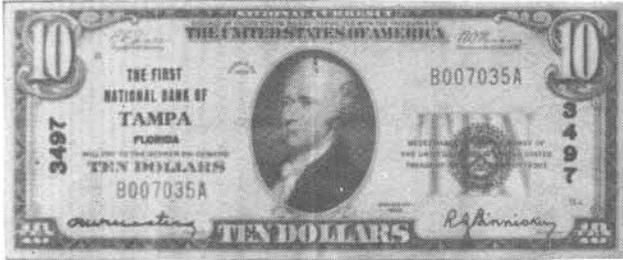
by Mike Carter

The second national bank charter granted in Florida, number 2194, was for the Ambler National Bank of Florida, Jacksonville, which was organized in August, 1874. D.G. Ambler and associates raised a capital of \$42,000 and the bank was chartered in October, but for some reasons not now known, the bank was placed in voluntary liquidation on December 7, 1874, and never issued any National Bank Notes. Ambler later organized and was active in the Bank of the State of Florida, Jacksonville. The latter bank was absorbed by the Atlantic National Bank of Jacksonville, in 1903. The Atlantic National Bank of Jacksonville would eventually become the mother bank of the first "group banking" operation in the state, of which the First National Bank of Gainesville would become a



THE
FIRST NATIONAL
BANK
OF GAINESVILLE
FLORIDA
CHARTER NUMBER
3894

member in 1931. From 1881 to 1890, Ambler was the senior member of Ambler, Marvin, and Stockton which established the Bank of Tampa, later to be chartered as the First National Bank of Tampa, which today is the oldest active bank in the state.



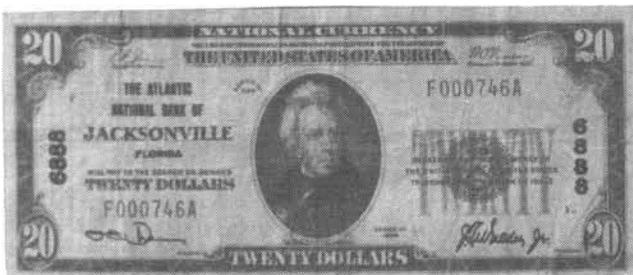
A note from the "oldest" national bank in Florida.

The third national bank, the First National Bank of Pensacola was organized in the summer of 1880 with charter number 2490. Martin H. and J.J. Sullivan, natives of Ireland, were active in the promotion which raised the capital stock of \$50,000. The Pensacola bank continued in operation until a receiver was appointed in January, 1914.

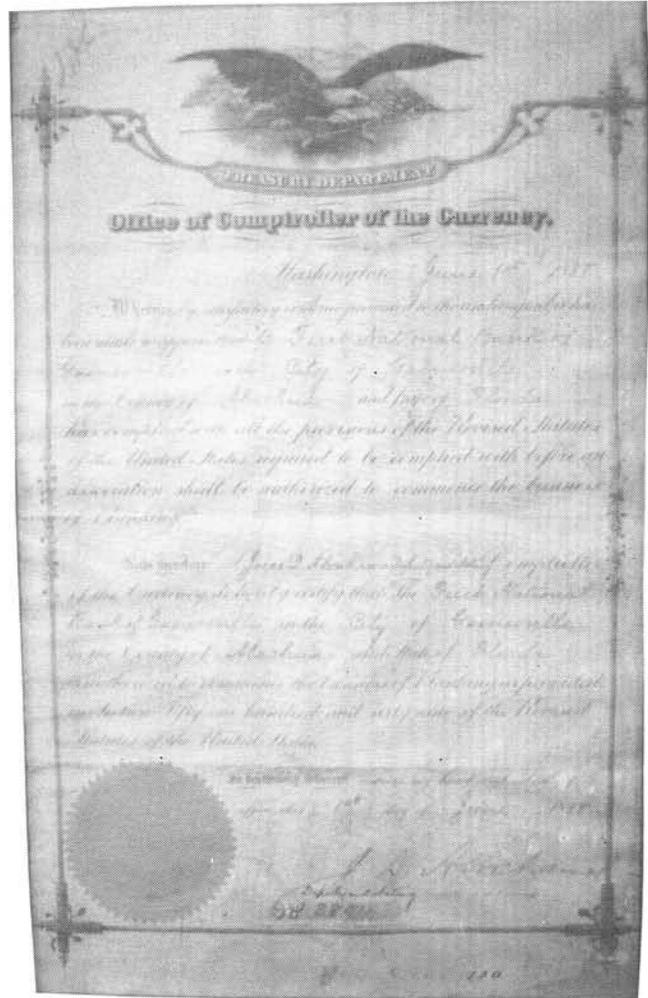
The fourth and fifth national banks were both established in Palatka in 1884. The First National Bank of Palatka, charter number 3223, and the Palatka National Bank charter number 3266, reported resources of \$387,682 and \$93,401, respectively, in 1885. Both banks were short lived, and Palatka National closing in 1887, and the First National in 1891. In 1885, the National Bank of the State of Florida, charter number 3327, with capital stock of \$100,000 succeeded the Bank of the State of Florida in Jacksonville. This bank reported resources of \$387,682, loans of \$170,146, and deposits of \$242,331 within a few months after receiving a national charter. The National Bank of the State of Florida was placed in voluntary liquidation on September 8, 1903, and was absorbed by the Atlantic National Bank of Jacksonville with charter number 6888 as discussed earlier.

In 1886 the number of national banks doubled in the state with the chartering of four new banks. The First National Bank of St. Augustine, the First National Bank of Orlando, the First National Bank of Ocala, and the First National Bank of Tampa. Of the four only the Tampa bank is still an active organization.

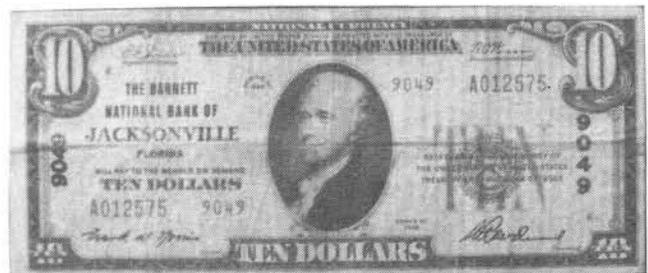
Of the three national banks chartered in 1887, two



The "mother bank" of the first group banking operation in the State, of which the First National Bank of Gainesville would become a member in 1931.



The original charter for the First National Bank of Gainesville, charter 3894, dated June 1, 1888.



The bank named in honor of its founder. The Barnett National Bank was originally the National Bank of Jacksonville, chartered in 1888 with the First National Bank of Gainesville.

closed and one was absorbed; in 1888, the National Bank of Jacksonville and the First National Bank of Gainesville were chartered. The National Bank of Jacksonville was the successor to the Bank of Jacksonville, organized by William B. Barnett in 1877, was capitalized at \$150,000 and listed William B. Barnett as president and Bion H. Barnett as cashier. When William B. Barnett died in 1903, Bion H. Barnett succeeded his father as president. The charter of



An early photograph of the interior of the First National. Note the vault in the background.

the bank expired in 1908 and the National Bank of Jacksonville was liquidated and reorganized as the Barnett National Bank of Jacksonville, taking the new name in honor of the bank's founder.

So, out of the first 15 banks chartered in the state of Florida only the First National Bank of Tampa and the First National Bank of Gainesville remained named and in operation today as they were when originally chartered in 1886 and 1888 respectively. However, on the 15th of October, 1974, the First National Bank of Gainesville was granted permission by the Comptroller of the Currency to include the name of its group bank corporation, the Atlantic Bancorporation. Today the First National Bank of Gainesville is known as the Atlantic First National Bank of Gainesville.

The History of the First National Bank of Gainesville

The First National Bank of Gainesville's first president was John W. Ashby who opened the bank's doors in June of 1888 with \$1,013 available for loans. As president of Gainesville's first chartered bank, Ashby set out to provide banking services for rapidly growing North Central Florida.

By 1884, Gainesville was the fourth largest city in Florida. In addition to being an agriculture center with such crops as rice, millet, corn, rye, sorghum cane, cotton, and

oranges; the first confirmed phosphate rock in Florida was discovered just outside the city and a multi-million dollar industry had its beginnings near the city. Gainesville was also the center for the H.F. Dutton and Company cotton gin, where high-grade Sea Island cotton of the area was purchased from area growers, ginned and sold, most especially for thread, to the Williamantic Thread Company, in Connecticut. Some \$600,000 worth of cotton was purchased each year. Gainesville at this time had saw and planing mills, a Spanish Moss-processing plant, a foundry



1882 Brown Back, note signed by James M. Graham, President and H.E. Taylor, Cashier. (photo courtesy Lyn F. Knight)

BALANCE SHEET OF THE FIRST NATIONAL BANK OF GAINESVILLE—1898

James M. Graham, President

H.E. Taylor, Cashier

RESOURCES

Loans and discounts	\$ 95,491.15
Overdrafts	127.40
U.S. Bonds to secure circulation	12,500.00
U.S. Bonds to secure deposits	
U.S. Bonds on hand	1,850.00
Premiums on U.S. Bonds	
Stocks, securities, etc.	30,470.60
Bank'g house, furniture, and fixtures	10,000.00
Other real estate and mortg's owned	4,643.00
Due from other national banks	1,599.81
Due from State banks and bankers	2,415.58
Due from approved reserve agents	16,011.03
Checks and other cash items	600.20
Exchanges for clearing house	
Bills of other national banks	
Fractional currency, nickels, cents	137.17
Specie	3,441.19
Legal-tender notes	11,070.00
U.S. certificates of deposit	
Redemption fund with Treas. U.S.	562.50
Due from Treasurer U.S.	
Total	\$190,919.63

LIABILITIES

Capital stock paid in	\$50,000.00
Surplus fund	10,000.00
Undivided profits less current expenses and taxes paid	6,939.26
National-bank notes outstanding	11,250.00
State-bank notes outstanding	
Due to other national banks	11,485.81
Due to State banks and bankers	
Dividends unpaid	36.00
Individual deposits	101,208.56
United States deposits	
Deposits of U.S. disbursing officers	
Notes and bills rediscounted	
Bills payable	
Liabilities other than those above stated	
Total	\$190,919.63

BALANCE SHEET OF THE FIRST NATIONAL BANK OF GAINESVILLE
BY REPORTS OF CONDITION DEC. 31, 1934

L. Graham, President

W.S. Graham, Cashier

ASSETS

Loans and discounts	\$ 225.962
U.S. Government securities	1,248,138
Other bonds, stocks, and securities	402,116
Cash and exchange including reserve with Federal Reserve Bank	1,164,337
Other assets	43,386
Total	\$3,083,939

LIABILITIES

Capital	\$ 100,000
Surplus	100,000
Undivided profits	6,758
Total deposits	2,865,975
Circulation	10,000
Bills payable and rediscounts	
Other liabilities	1,206
Total	\$3,083,939

and machine works, five major hotels, grocery and dry goods stores, two newspapers, insurance and real estate agents, watchmakers, druggist, harness makers, physicians, and, in short, almost all services and goods needed by its citizens and those of the surrounding area. By October, 1888, total resources of the bank reached \$79,000.

First National's second president was James M. Graham (who signed the 1882 Brown Bank). Graham became president of the bank in 1891. Even though the nation suffered through hard times with its still-young economy in the latter part of the century, the bank continued to grow.

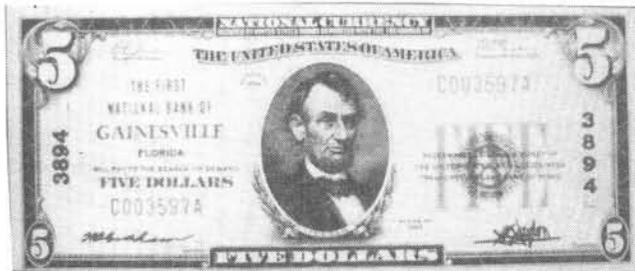
In 1910 Gainesville's population was 6,183. The years immediately prior to World War I were good ones for the citizens of Gainesville. The effects of the great freezes of

1894, 1895, and 1899 which completely destroyed the citrus industry with snow, high winds and temperatures of six degrees were still felt but the establishment of the University of Florida in Gainesville in 1906 was a tremendous stimulus to the city's economy, although its major impact came after the Depression. Cattle became a new business in the area along with the turpentine industry but cotton was still king. Cotton was like money; for it was convertible into cash, whether by the wagon load, bale, or a sack of seed cotton brought to town across the saddle. In 1913, the 25th year of operation for the First National Bank, assets topped \$1 million.

Graham ended 24 years of service as president in 1916 and H.E. Taylor became the third president. Taylor's

presidency would run for 17 years through World War I and the roaring twenties, ushering in the economic boom years and then the 1929 stock market crash and the following Depression.

The pre-war years had bright spots and some very dim ones for the city. With the war came prosperity in many areas. The University of Florida became an army base as dormitories were turned into barracks. Higher wages were luring many to towns and cities. Farm prices were generally good, but the years of the war were the beginning of the end for many area farmers. The boll weevil, in the next few years, destroyed the Sea Island cotton crop forever. Farm prices began to decrease, but even if things were tough on the farm, business seemed better than ever. Land prices jumped and led speculators to appear in increasing numbers. In 1926, a terrible hurricane hit the city and county, leaving its effects on the countryside. The havoc which it worked in other parts of the state ended the boom, and Florida was plunged into a depression two years before the national depression started. For the farmers and ranchers, a new threat had appeared, the Texas fever tick. It had spread rapidly over state's herds. A state-wide eradication program was soon under way, which was successful, and the fever tick was conquered. In between all these happenings there was a tremendous flu epidemic which took scores of lives. So swift were its ravages that it might take a victim in a matter of hours. Urban parts of the state began to be affected by national affairs, and a general

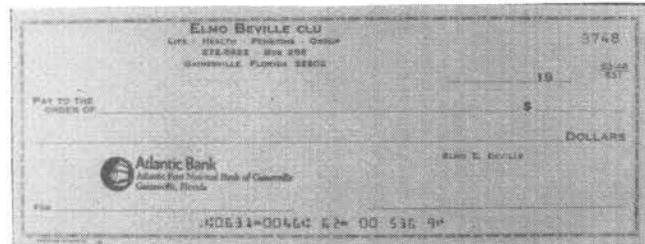


1929 Type I signed by H.E. Taylor, President and W.S. Graham, Cashier.

depression was felt by everyone. As the 1930s dawned a new adversity struck: Banks, long considered the foundation of security, began to fail. Runs on and closing of banks were a common thing in the troubled nation. The First National Bank was the only bank in Gainesville to survive the crisis and continue to serve the public without any interruption.

The presence of the University of Florida provided an economic buffer during the depression, and growth of the University carried over into agricultural research. Substitute crops were developed to replace cotton and the citrus industry. One such crop was tung oil and this crop remained important for years as a basis for paint making and a stimulus to Gainesville's economy. Farming began to recover with the help of such crops as vegetables, peanuts, and tobacco. The University continued to grow and become the cultural center of the state and along with its success Gainesville soon recovered from the depression.

In 1931, the First National Bank became a member of



A recent check on the Atlantic First National Bank

the Atlantic Bancorporation. Two years later, Lee Graham became the bank's fourth president. The resources of the First National greatly aided the rebuilding of the community's economy.

In 1941, as the nation entered into World War II, Wilson Boozer became the fifth president of the bank. In 1946, C.B. Outen became the sixth president and assets went over the \$10 million mark.

In 1954, the bank moved into a new building and reorganized internally by establishing both commercial and installment loan departments. By 1956, resources reached \$15 million, by 1960 \$20 million, \$25 million in 1963, and \$30 million in 1965. In the year 1968 C.B. Outen retired after 20 years as president and Clarence T. Ayers was named the bank's seventh president. By 1973 when the bank moved into its new six-story building, assets reached \$75 million under Ayers leadership.

In this article we have studied the growth of a bank from its early beginning, through all the pains of growth, to the present day. The First National has a long and proud history. Through its 89 years of operation it also has a proud history with syngaphists, for it is one of the few national banks in Florida to issue all types of National Currency. All notes on the bank are extremely rare (\$10,000 outstanding in 1934) as are many notes on banks in Florida. I have only heard of two 1882 Brown Banks on the bank and one of those is pictured here. The 1929 National pictured herein is owned, fittingly, by the current bank president Clarence Ayers. The AU note was sent to him by a fellow banker in Florida when it turned up in a deposit at his bank!

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- Special thanks to Mr. Clarence T. Ayers, President, Atlantic First National Bank of Gainesville.