

# Banking CONDITIONS

*Providing Tenth District insights on regional and national banks*

## Second Quarter 2025 Banking Conditions

*By Mary Bongers*

*The Federal Reserve Bank of Kansas City dedicates staff to monitor banking trends nationally and across our seven-state region.*

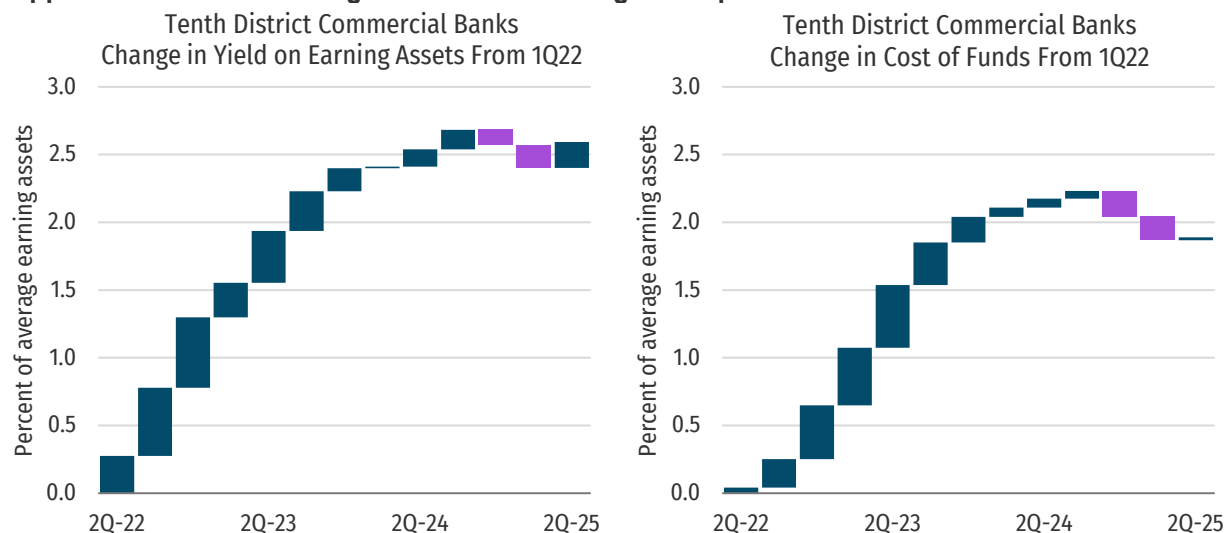
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District bank earnings increased during the quarter, with an aggregated quarterly return on average assets (ROAA) of 1.32 percent (see Chart A6). Earnings improvement was largely due to net interest margin (NIM) expansion (see Chart A4). The District NIM increased to 3.75 percent during the quarter, its highest level since 2019 (see Chart A11). Margins benefited from increasing yields on earning assets, particularly loans, which reversed a previously declining trend. Funding costs remained stable (see Supplemental Chart 1). Despite a small increase in the second quarter, non-interest income remained below the historical average (see Chart A17). However, overhead expense also remained below average, offsetting the effect of reduced noninterest income (see Chart A19). Finally, provision expenses impacted earnings: District banks under \$250MM increased provisions (now at a multi-year high) while larger bank provisions returned to average following an uptick in the prior quarter (see Chart B2).

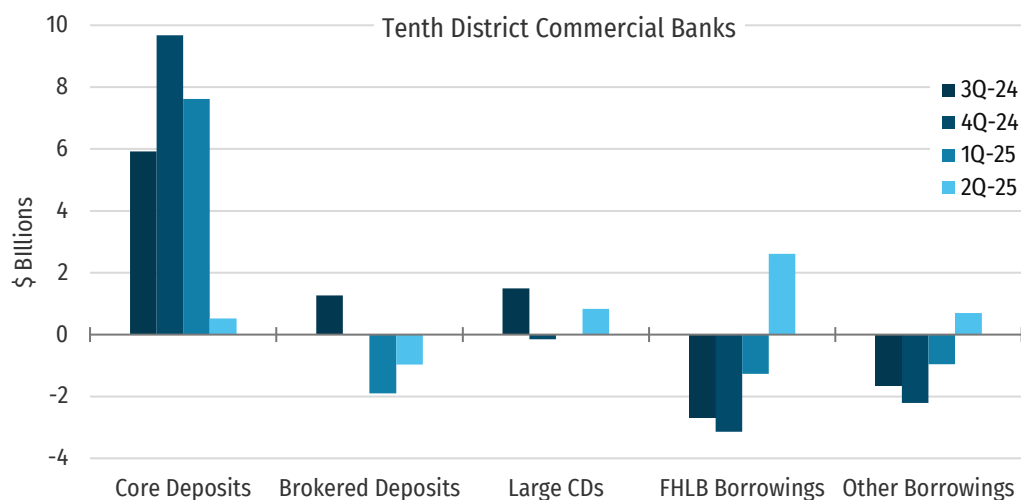
Balance sheets grew modestly during the quarter as banks increased loans, shed liquid assets, and took on more borrowings amid limited deposit growth (see Chart C3). Most notably, loan growth rebounded, totaling more than \$6B quarter-over-quarter (see Chart C4). Loan growth increased across all major loan types, with the exception of construction and land development (CLD) lending, which declined slightly (see Chart C11). Conversely, District banks reduced liquid assets, primarily cash and due from balances, resulting in a decreased liquid asset ratio of 14.6 percent (see Chart D9). Investment securities portfolio balances remained stable, and while securities continue to be hindered by large levels of unrealized losses, unrealized positions on available-for-sale securities improved to 12.7 percent of Tier 1 capital (see Chart D11).

Funding profiles were impacted by limited deposit growth and increased borrowings, reversing the trend of previous periods (see Supplemental Chart 2). Core deposits were stable, following significant growth in the prior three quarters. Instead, banks primarily turned to Federal Home Loan Bank (FHLB) borrowings, which increased 17 percent, as well as uninsured time deposits, which increased 3 percent, during the quarter. Capital levels continued an increasing trend, with the District Tier 1 leverage ratio exceeding 10.1 percent (see Chart A2).

Asset quality trends are characterized by increasing noncurrent levels. Noncurrent loans totaled 0.7 percent of total loans, the highest level since 2021 (see Charts B8, B10). District banks under \$250MM have the highest noncurrent rates and have experienced the greatest increase in delinquency measures. Across the major loan types, commercial real estate (CRE) delinquencies have increased the most, with noncurrent rates moderately above the 10-year average. Additionally, net charge-offs remained above average despite a modest quarter-over-quarter decline (see Chart B3). Allowance levels were steady at 1.39 percent of total loans as provisions are managed in line with loan growth and charge-off rates (see Chart B5).

**Supplemental Chart 1. Change in Net Interest Margin Components**

Note: Yield on earning assets is calculated as total interest income as a percent of average earning assets. Cost of funds is calculated as total interest expense as a percent of average earning assets.

**Supplemental Chart 2. Quarterly Changes in Liabilities**

Note: Core deposits are as defined in the Uniform Bank Performance Report (UBPR). Growth rates are adjusted for merger activity. Merger-adjusted calculations add the assets and liabilities of acquired institutions to the acquiring institutions in previous periods.

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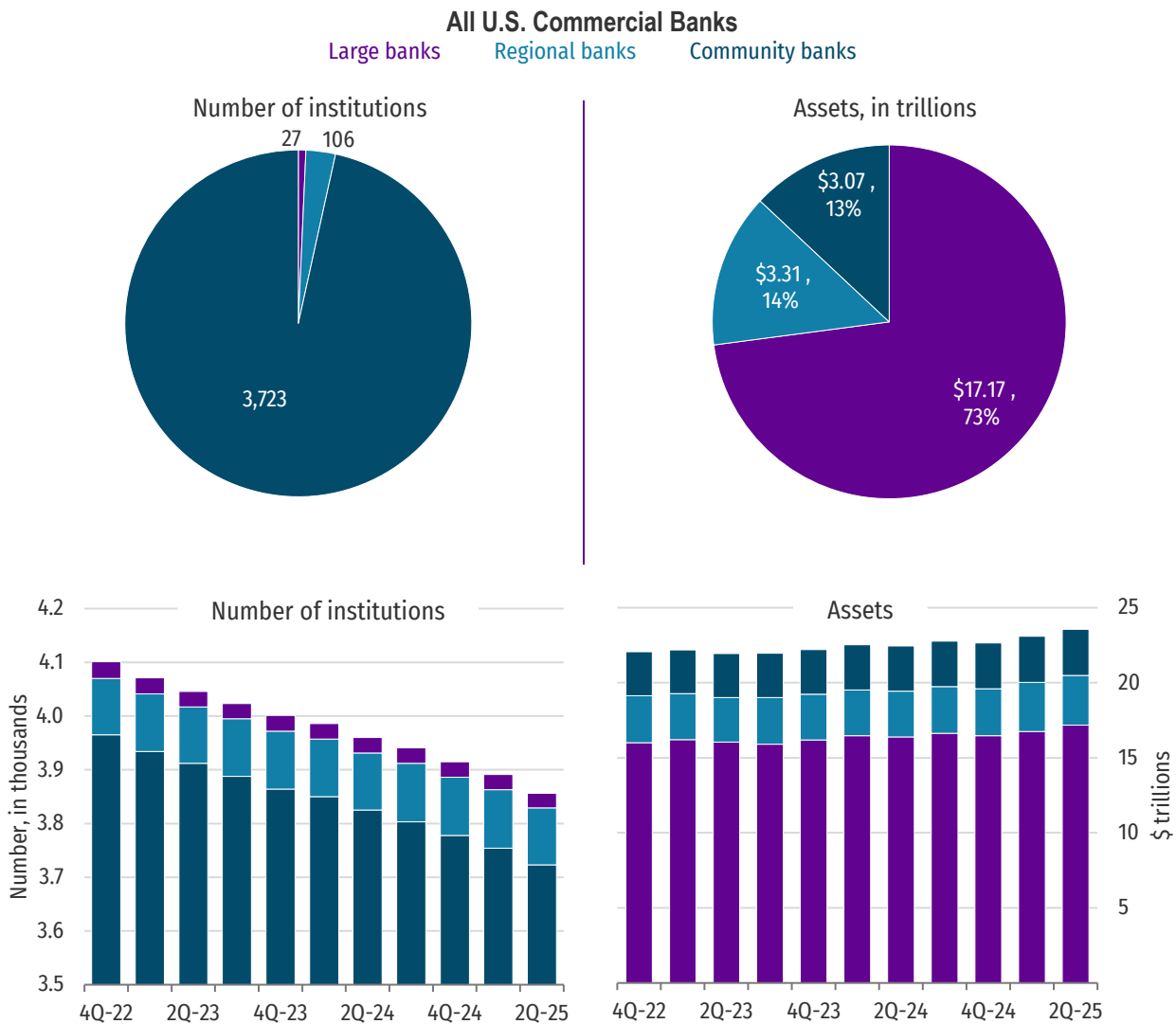
Wholesale Funding Ratios

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## Select Ratios by Tenth District State

# Banking Institutions Overview

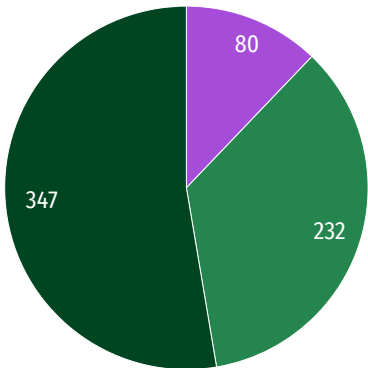


# Banking Institutions Overview

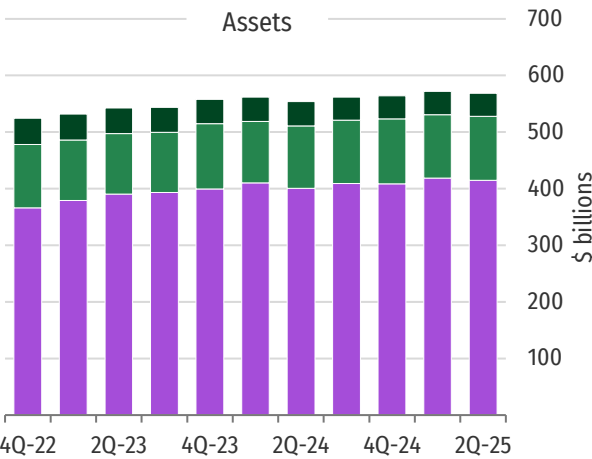
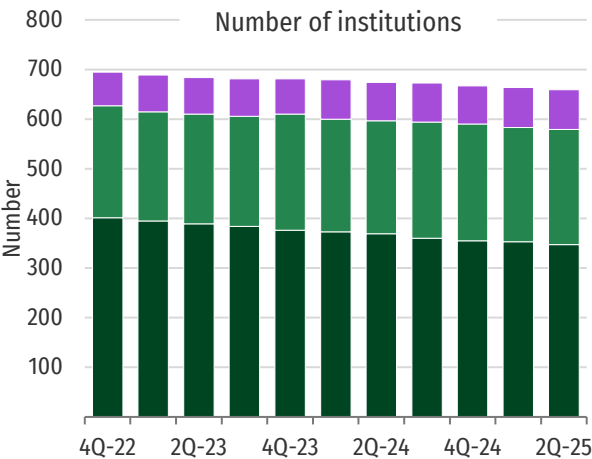
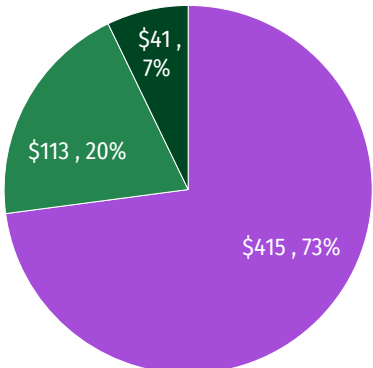
Tenth District Commercial Banks

Above \$1 bn      \$250 mm - \$1 bn      Under \$250 mm

Number of institutions



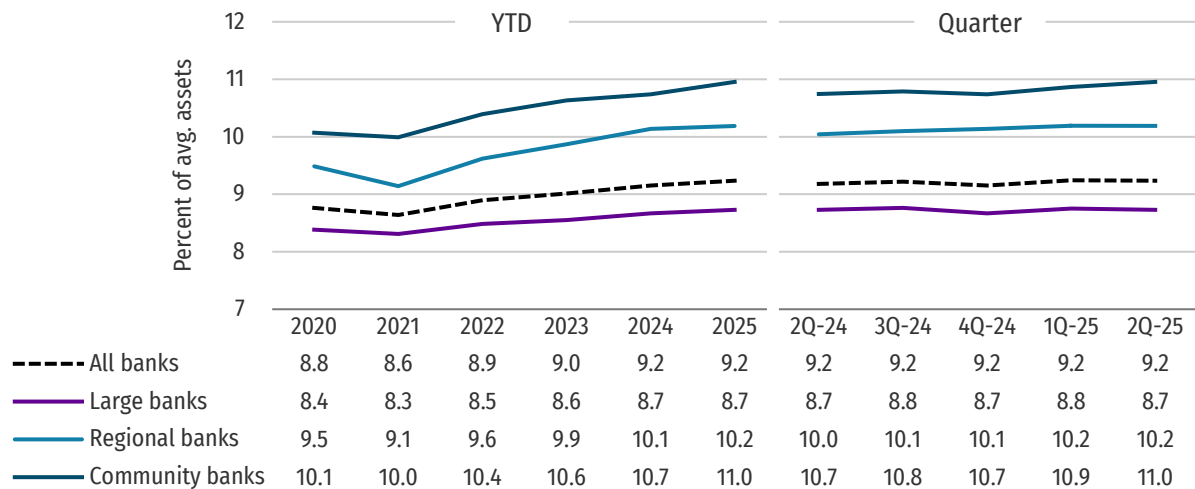
Assets, in billions



## A. Capital and Earnings

- Net income increased across District banks, driven by increasing interest income.
- The Tier 1 leverage ratio remains stable as capital accretion has kept pace with asset growth.

**Chart A1. Leverage Ratio, All U.S. Commercial Banks**



**Chart A2. Leverage Ratio, Tenth District Commercial Banks**

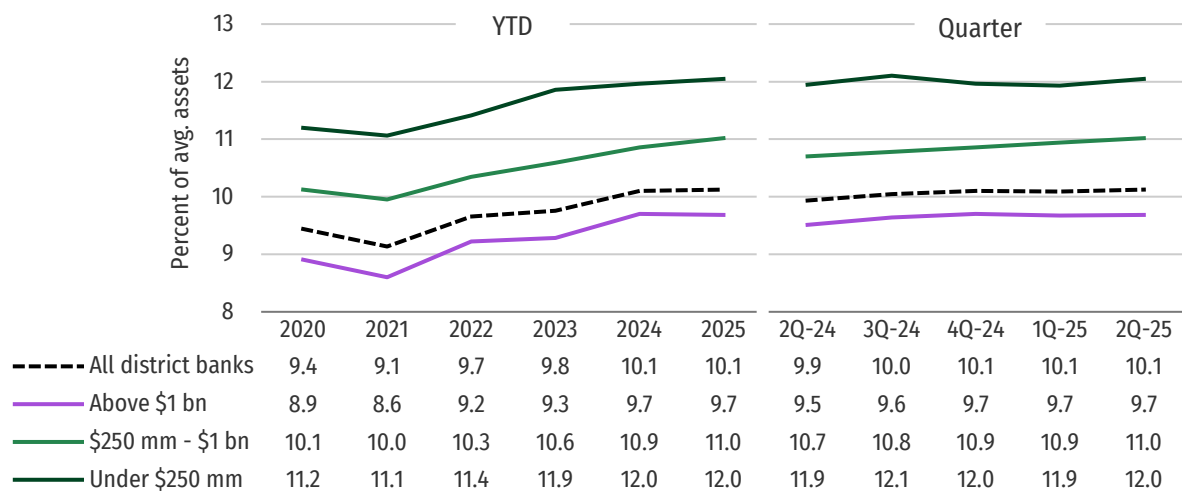


Chart A3. Quarterly Dividend Trends

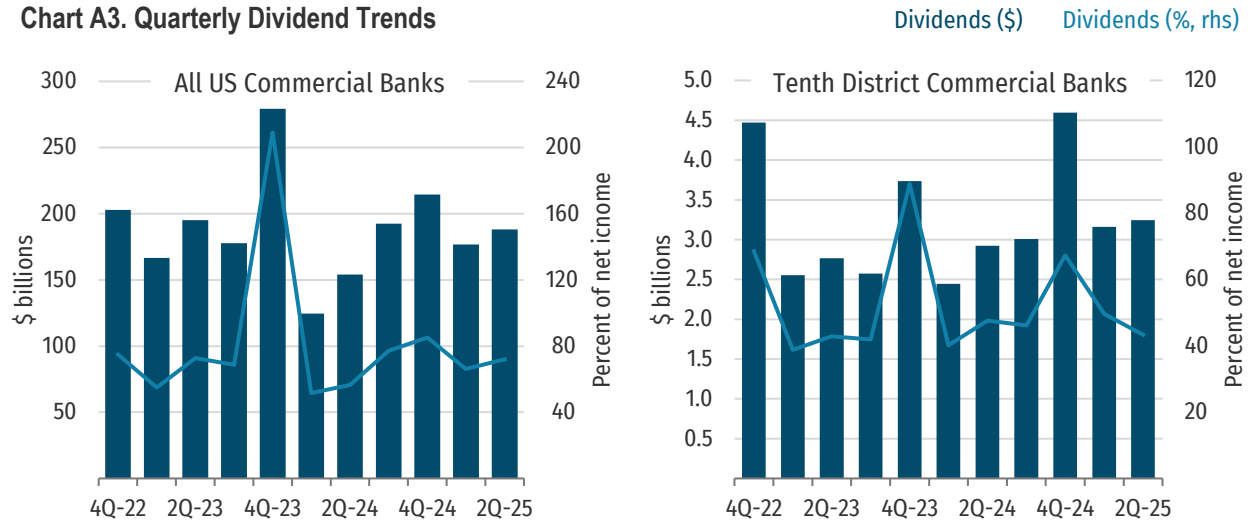


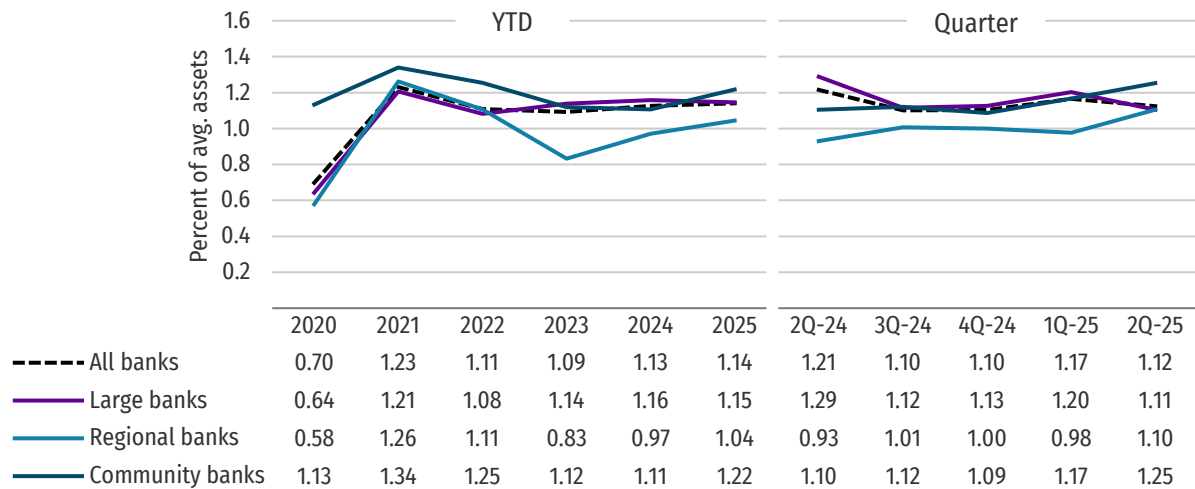
Chart A4. Return on Average Assets Summary

	All US Commercial Banks			Tenth District Commercial Banks		
	YTD		change	Quarter		change
	4Q-23	4Q-24		3Q-24	4Q-24	
Net interest income	2.96	2.88	▼ (0.08)	2.90	2.91	▲ 0.02
Noninterest income	1.32	1.31	▼ (0.01)	1.30	1.30	▼ (0.01)
Total revenue	4.28	4.19	▼ (0.09)	4.20	4.21	▲ 0.01
Provisions	0.35	0.35	▼ (0.00)	0.36	0.35	▼ (0.01)
Noninterest expense	2.54	2.43	▼ (0.10)	2.40	2.45	▲ 0.05
Total expenses	2.89	2.78	▼ (0.10)	2.76	2.79	▲ 0.04
Pre-tax operating income	1.39	1.41	▲ 0.01	1.44	1.41	▼ (0.03)
Net Income	1.09	1.13	▲ 0.03	1.10	1.10	▲ 0.00

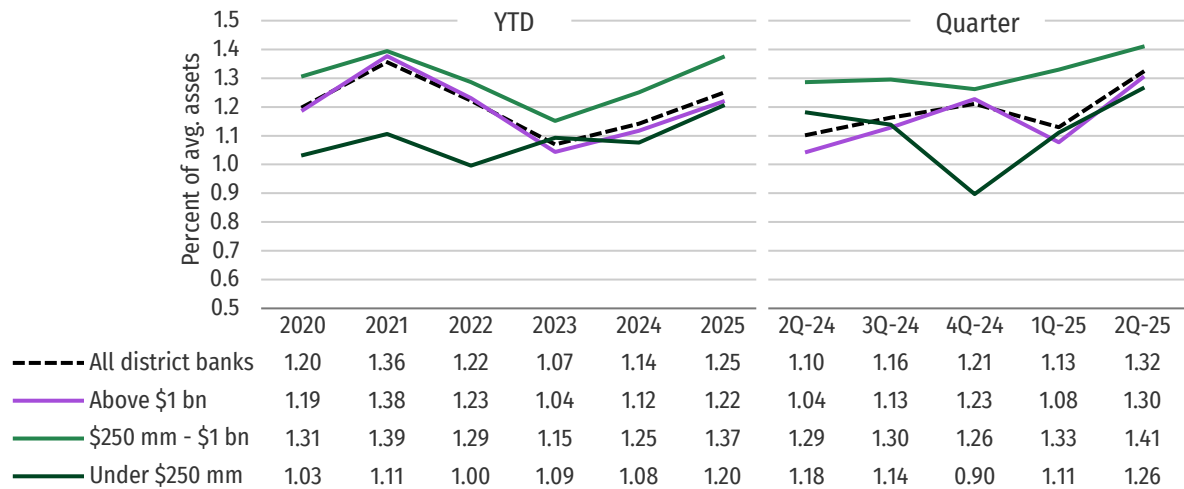
  

	All US Commercial Banks			Tenth District Commercial Banks		
	YTD		change	Quarter		change
	4Q-23	4Q-24		3Q-24	4Q-24	
Net interest income	3.23	3.23	▼ (0.00)	3.26	3.34	▲ 0.07
Noninterest income	0.91	0.94	▲ 0.03	0.94	0.95	▲ 0.01
Total revenue	4.14	4.16	▲ 0.03	4.21	4.29	▲ 0.08
Provisions	0.22	0.20	▼ (0.02)	0.21	0.21	▼ (0.00)
Noninterest expense	2.60	2.56	▼ (0.04)	2.59	2.60	▲ 0.01
Total expenses	2.82	2.76	▼ (0.06)	2.80	2.81	▲ 0.01
Pre-tax operating income	1.32	1.40	▲ 0.09	1.41	1.48	▲ 0.07
Net Income	1.07	1.14	▲ 0.07	1.16	1.21	▲ 0.05

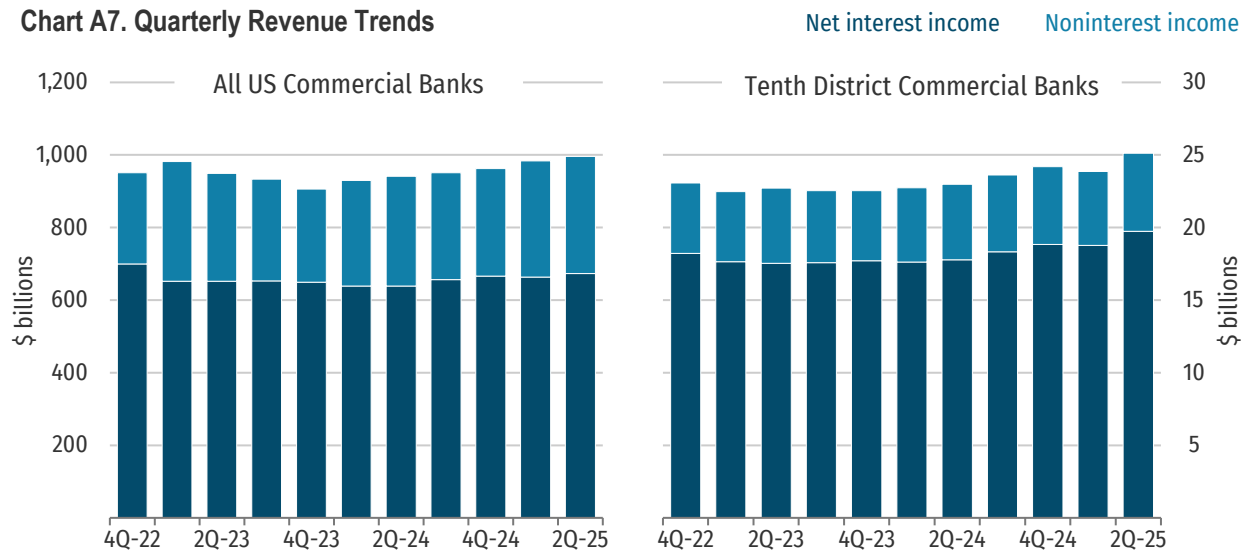
Chart A5. Return on Average Assets, All U.S. Commercial Banks



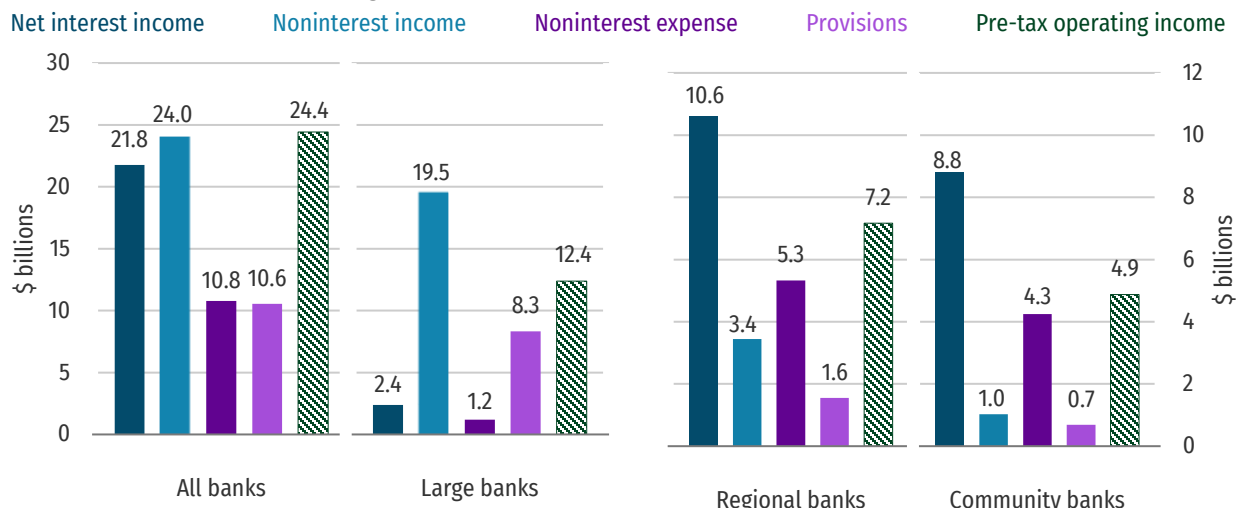
**Chart A6. Return on Average Assets, Tenth District Commercial Banks**



**Chart A7. Quarterly Revenue Trends**

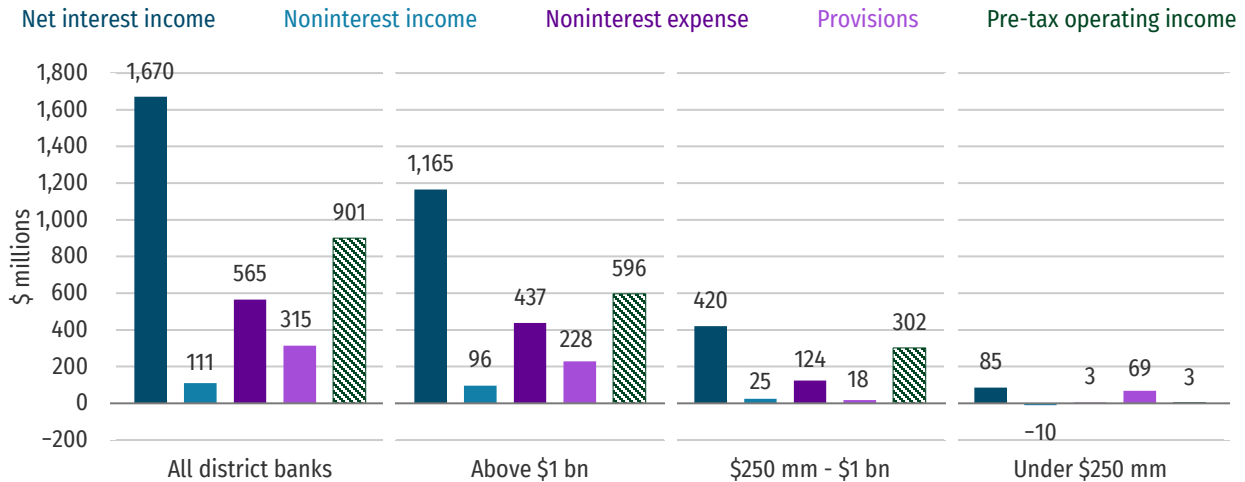


**Chart A8. Year-Over-Year Change in Income & Expense Items, All U.S. Commercial Banks**

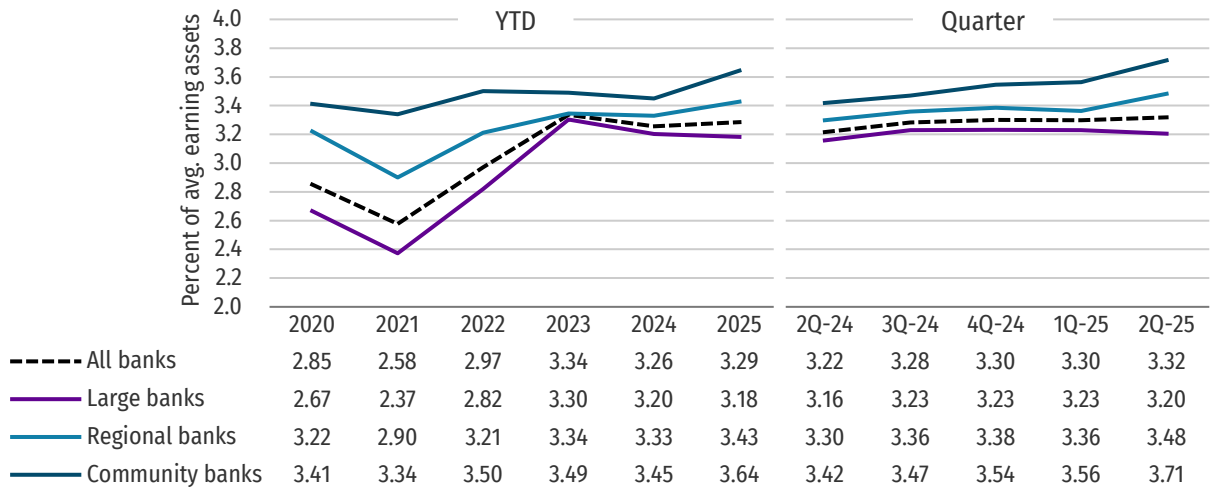




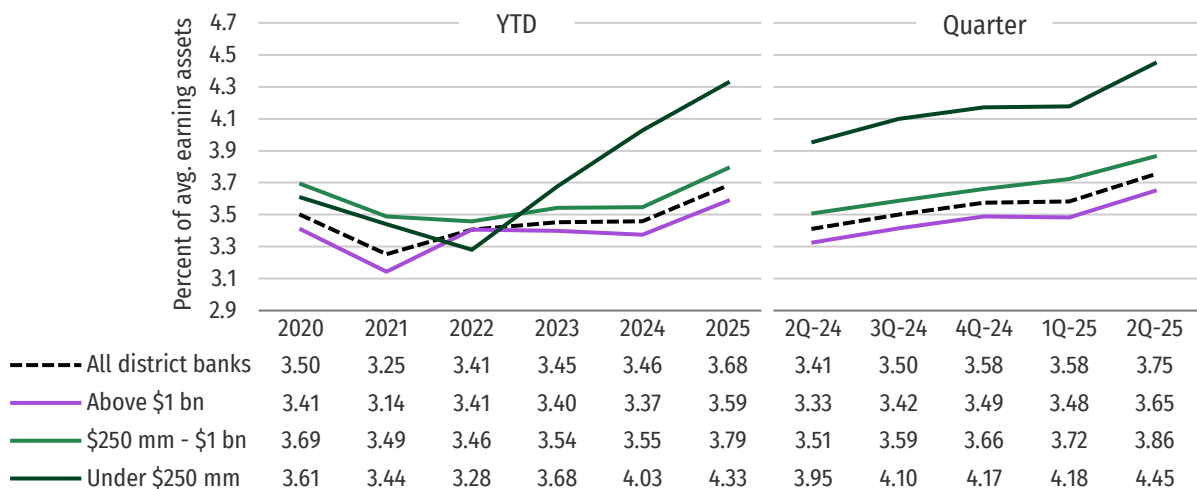
**Chart A9. Year-Over-Year Change in Income & Expense Items, Tenth District Commercial Banks**



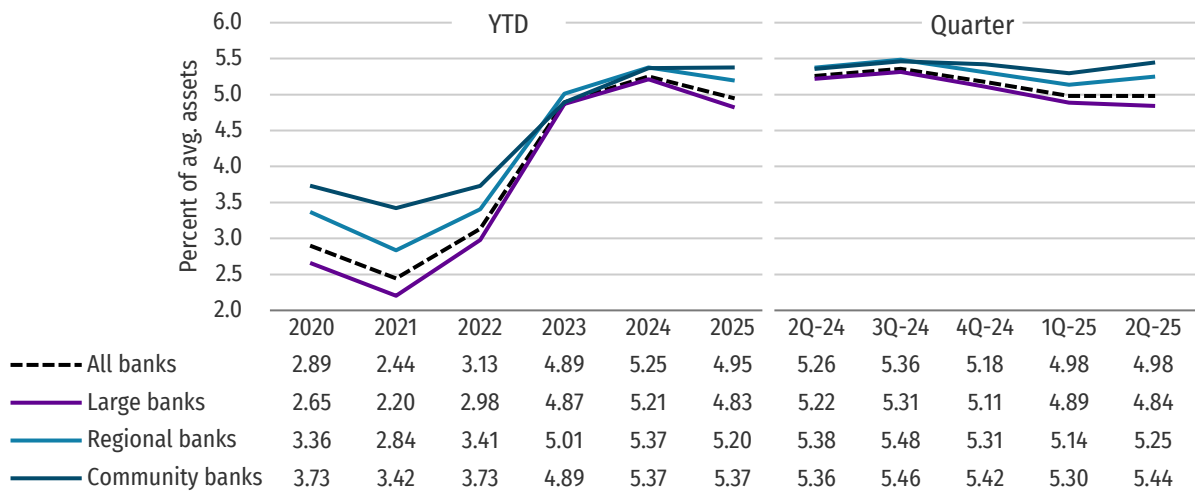
**Chart A10. Net Interest Margin, All U.S. Commercial Banks**



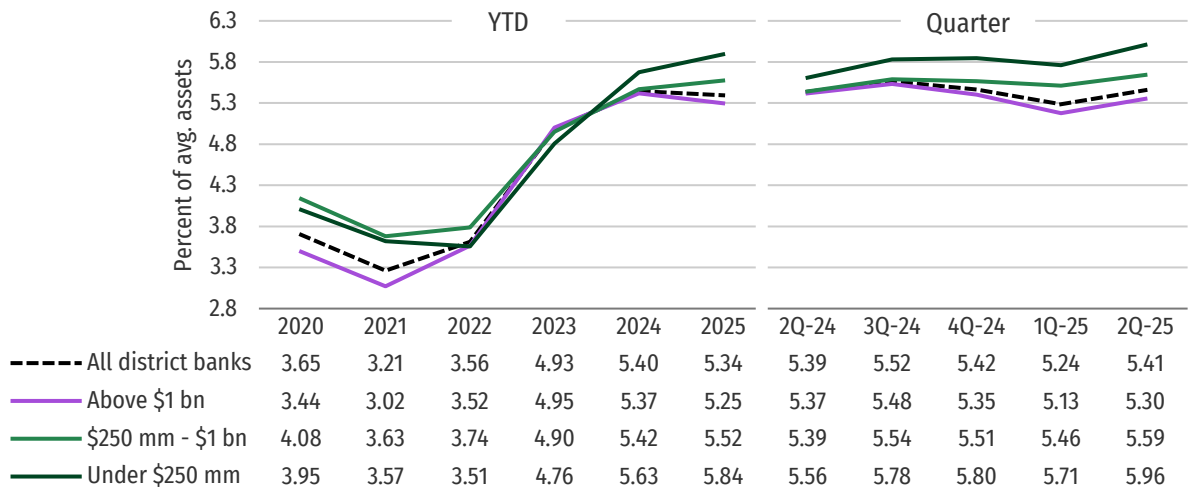
**Chart A11. Net Interest Margin, Tenth District Commercial Banks**



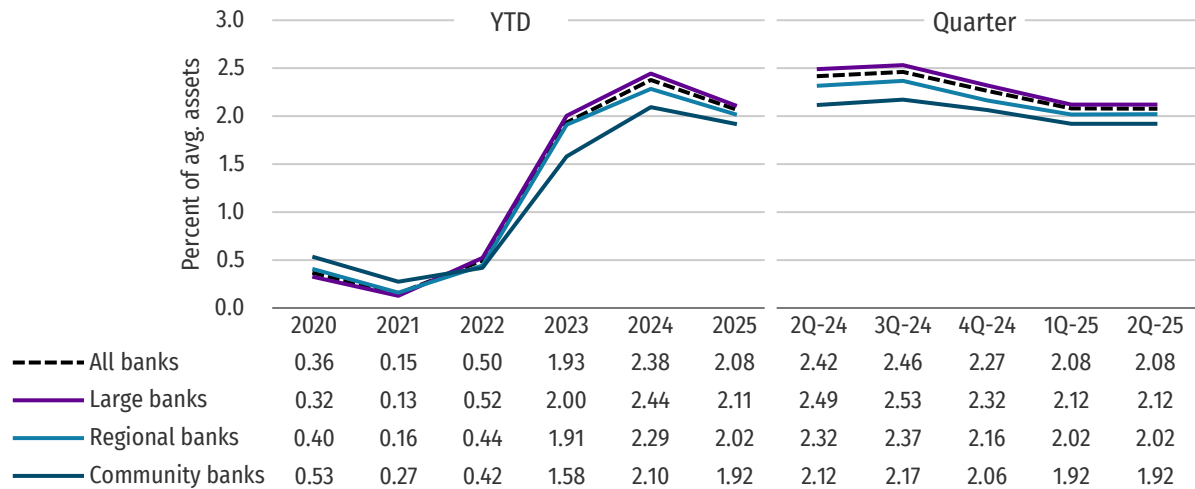
**Chart A12. Interest Income, All U.S. Commercial Banks**



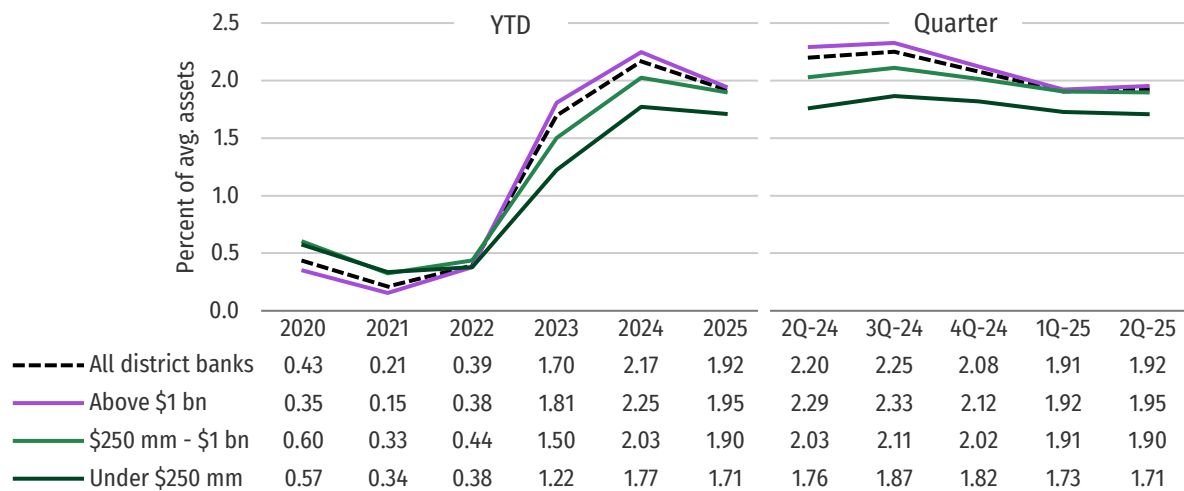
**Chart A13. Interest Income, Tenth District Commercial Banks**



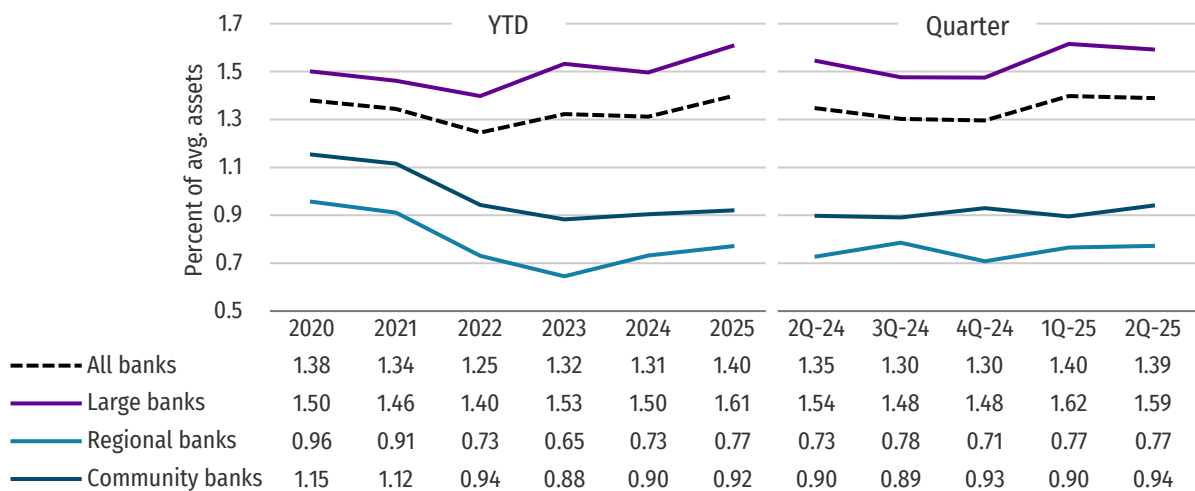
**Chart A14. Interest Expense, All U.S. Commercial Banks**



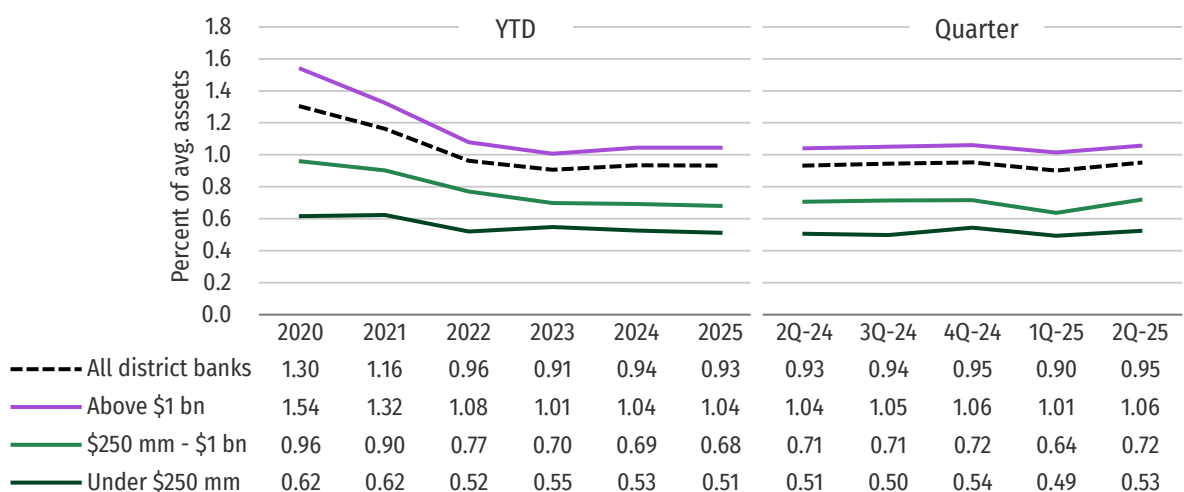
**Chart A15. Interest Expense, Tenth District Commercial Banks**



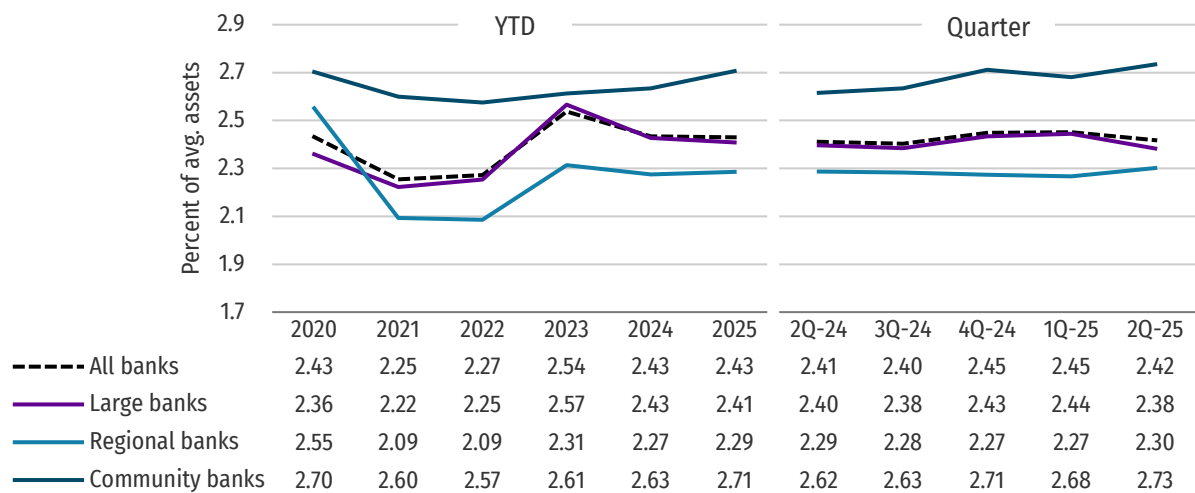
**Chart A16. Noninterest Income, All U.S. Commercial Banks**



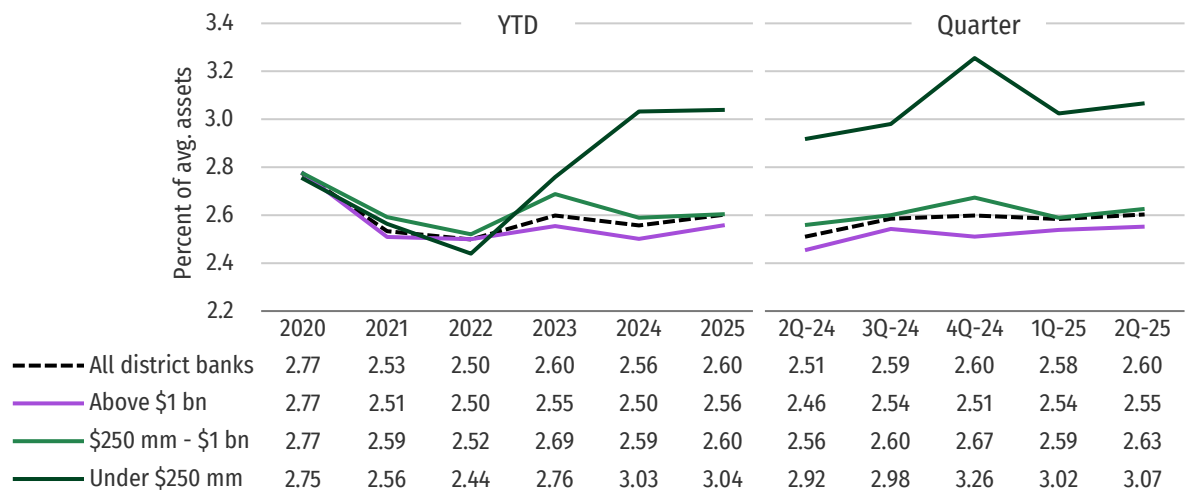
**Chart A17. Noninterest Income, Tenth District Commercial Banks**



**Chart A18. Noninterest Expense, All U.S. Commercial Banks**



**Chart A19. Noninterest Expense, Tenth District Commercial Banks**



## B. Loan Loss Reserves and Credit Conditions

- Noncurrent loan levels continue to rise, but District noncurrent rates remain below nationwide measures.
- Allowance levels as a percent of total loans remain stable.

Chart B1. Loan Loss Provisions, All U.S. Commercial Banks

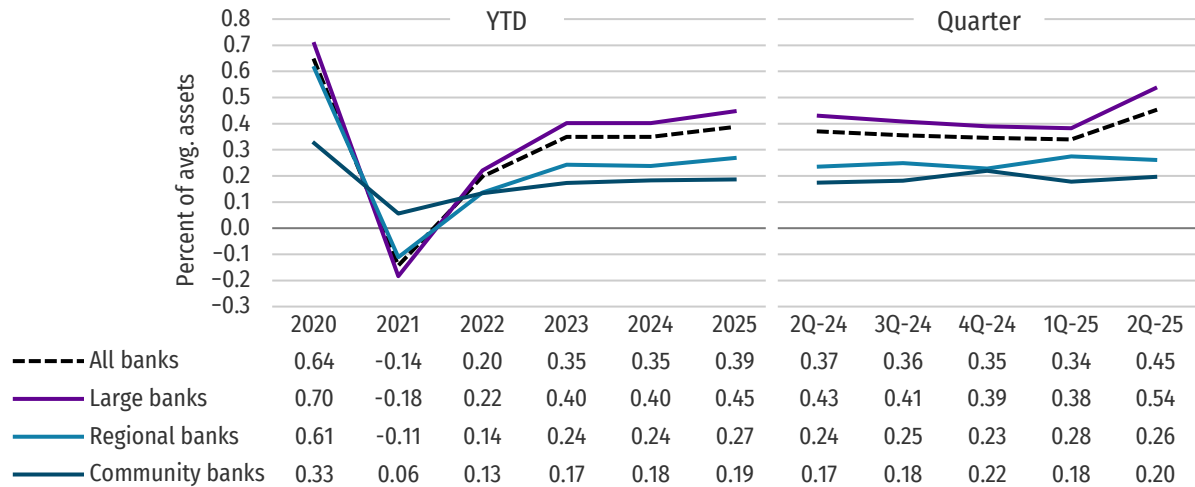


Chart B2. Loan Loss Provisions, Tenth District Commercial Banks

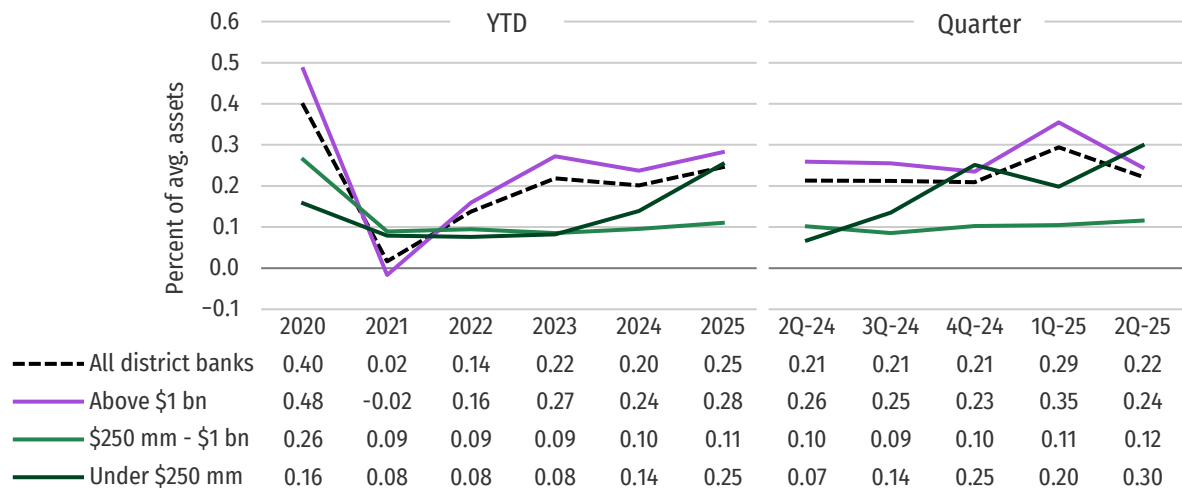


Chart B3. Quarterly Allowance for Credit Losses Trends

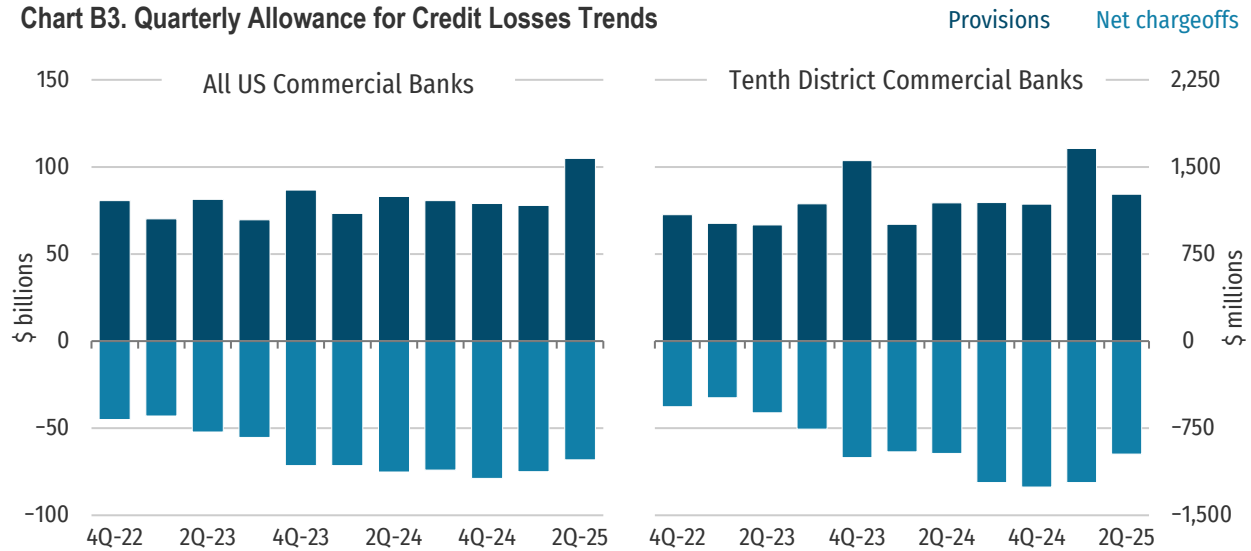


Chart B4. Allowance for Credit Losses, All U.S. Commercial Banks

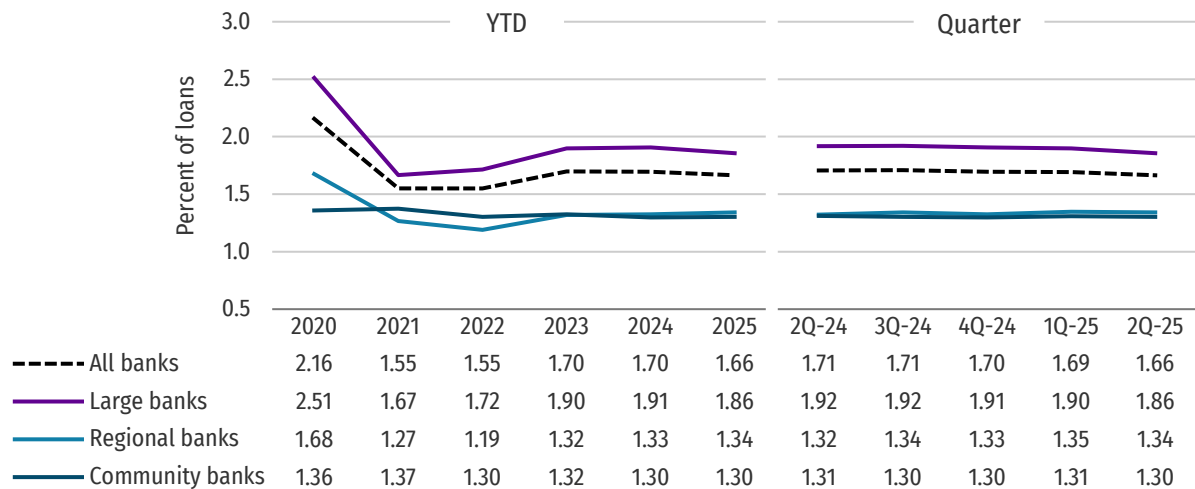
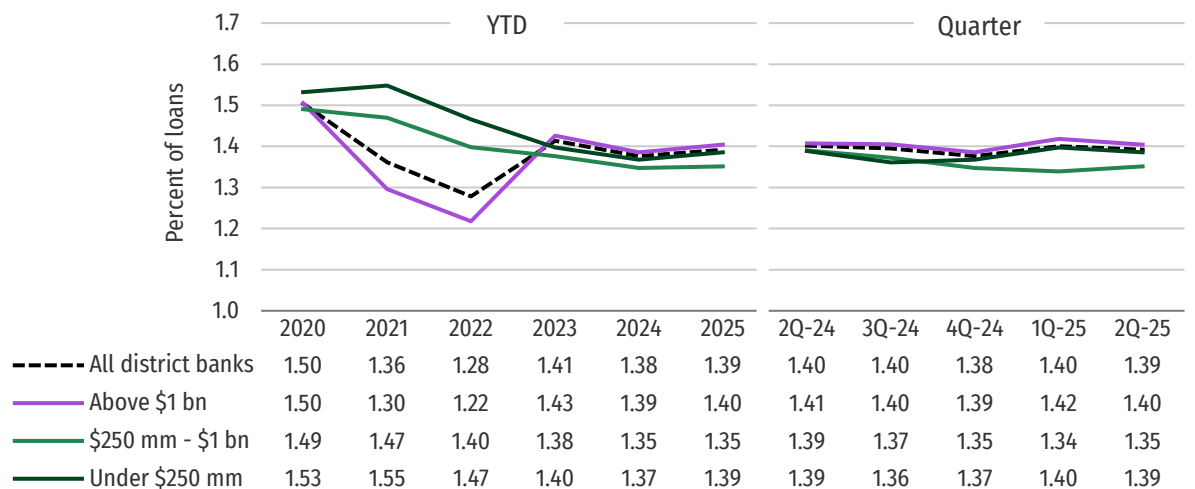
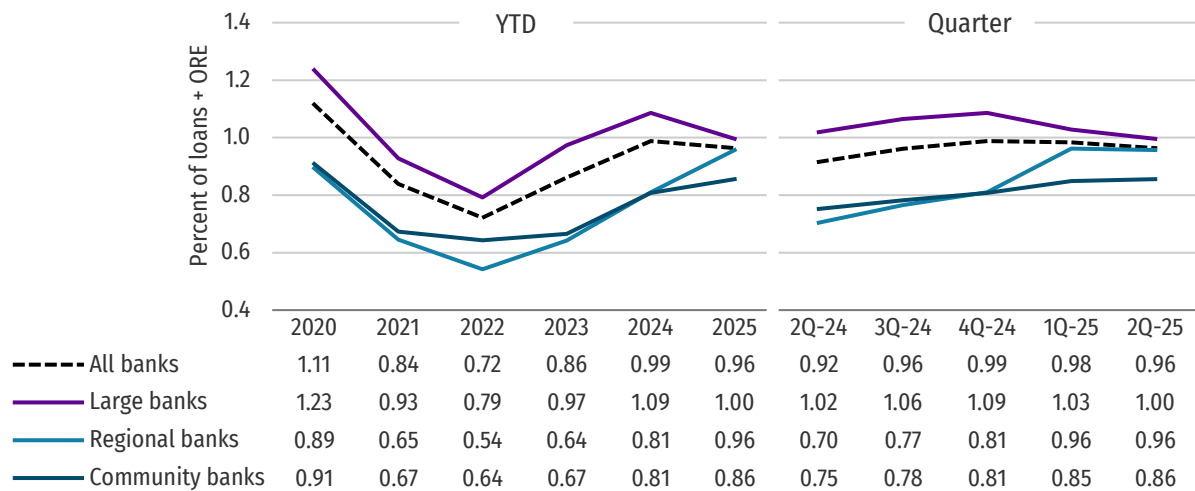


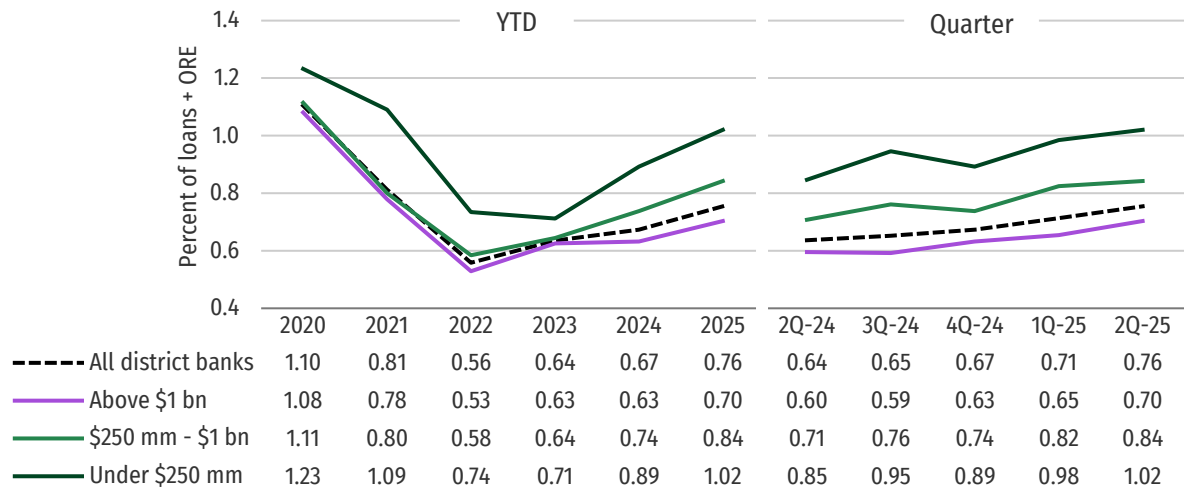
Chart B5. Allowance for Credit Losses, Tenth District Commercial Banks



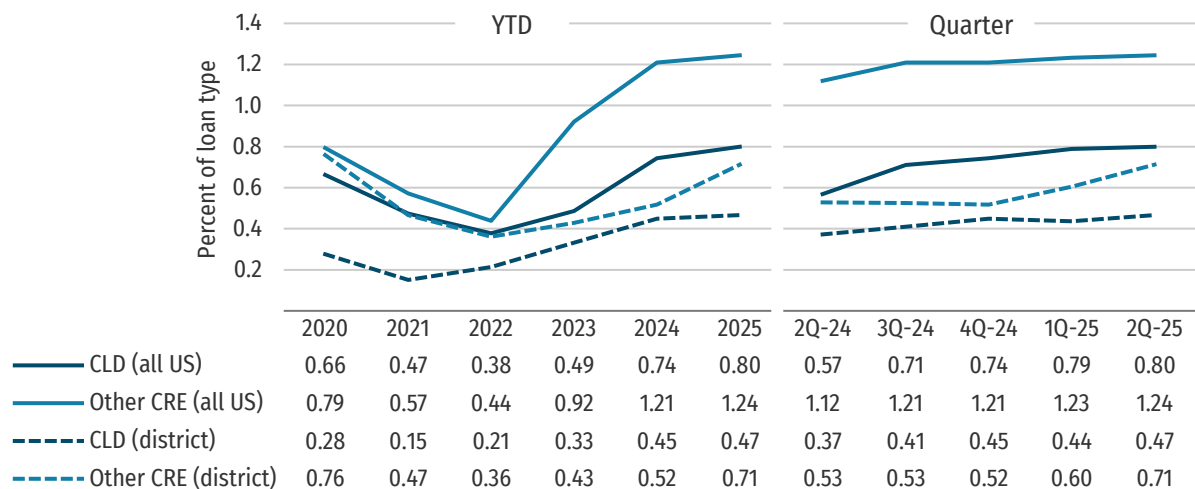
**Chart B6. Problem Assets, All U.S. Commercial Banks**



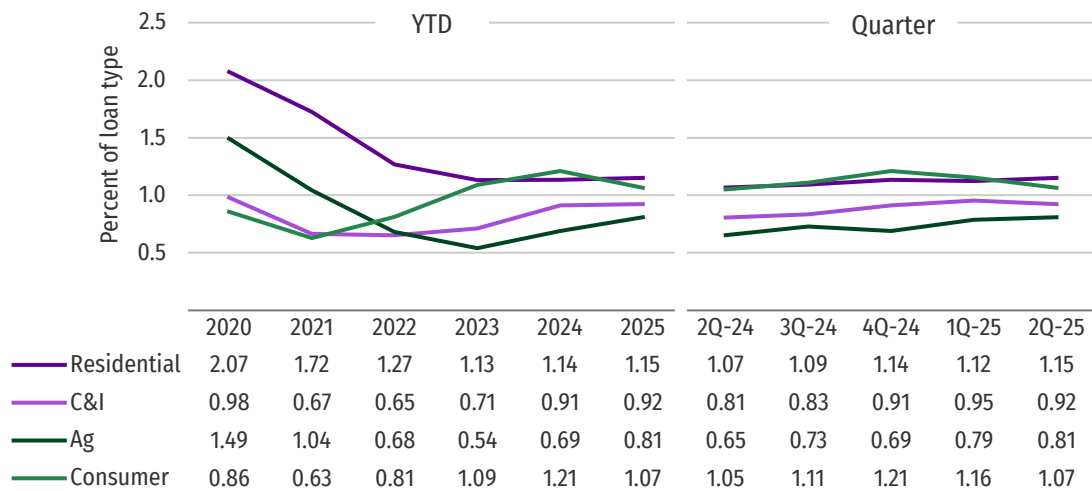
**Chart B7. Problem Assets, Tenth District Commercial Banks**



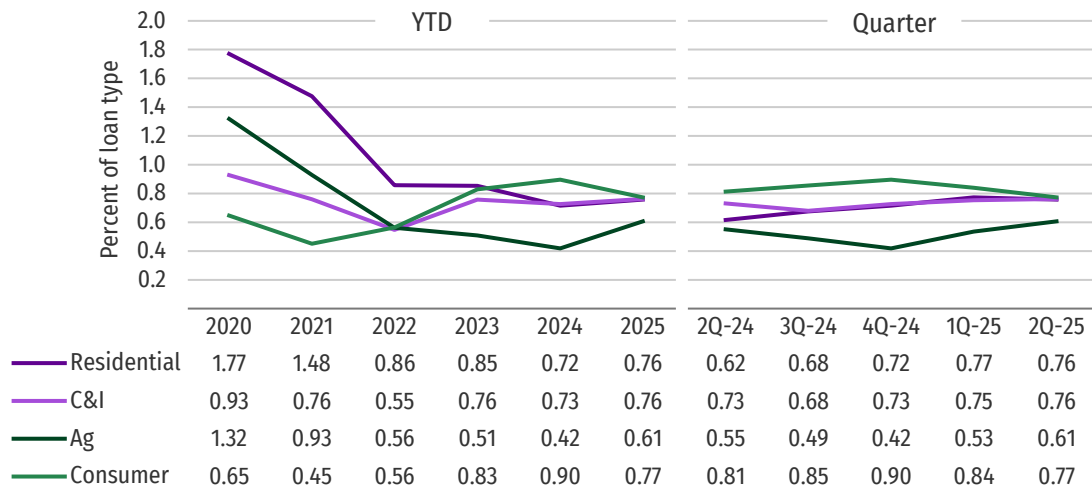
**Chart B8. Noncurrent CLD and CRE Loans**



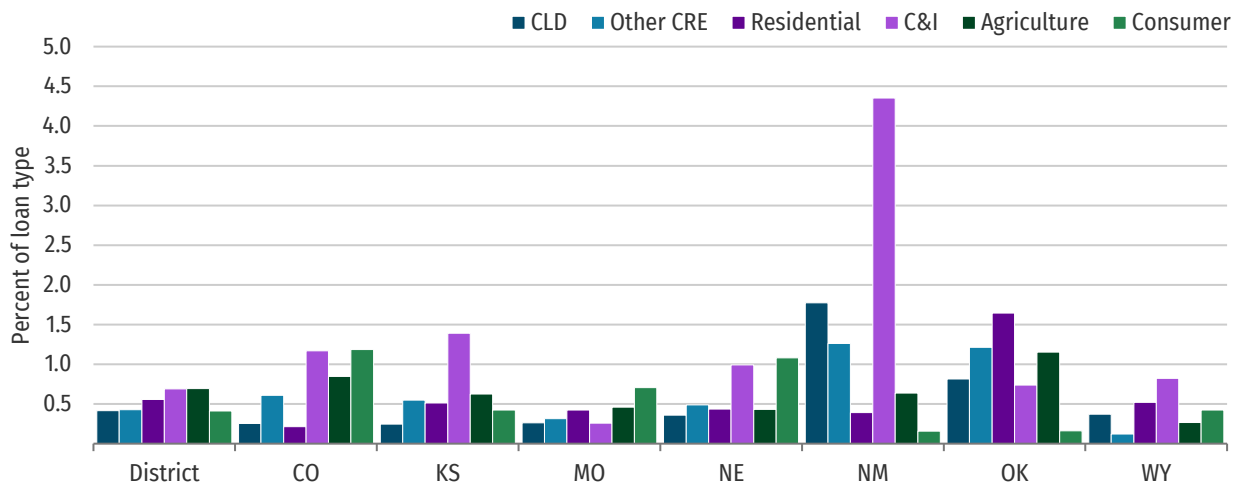
**Chart B9. Noncurrent Loans by Other Loan Types, All U.S. Commercial Banks**



**Chart B10. Noncurrent Loans by Other Loan Types, Tenth District Commercial Banks**

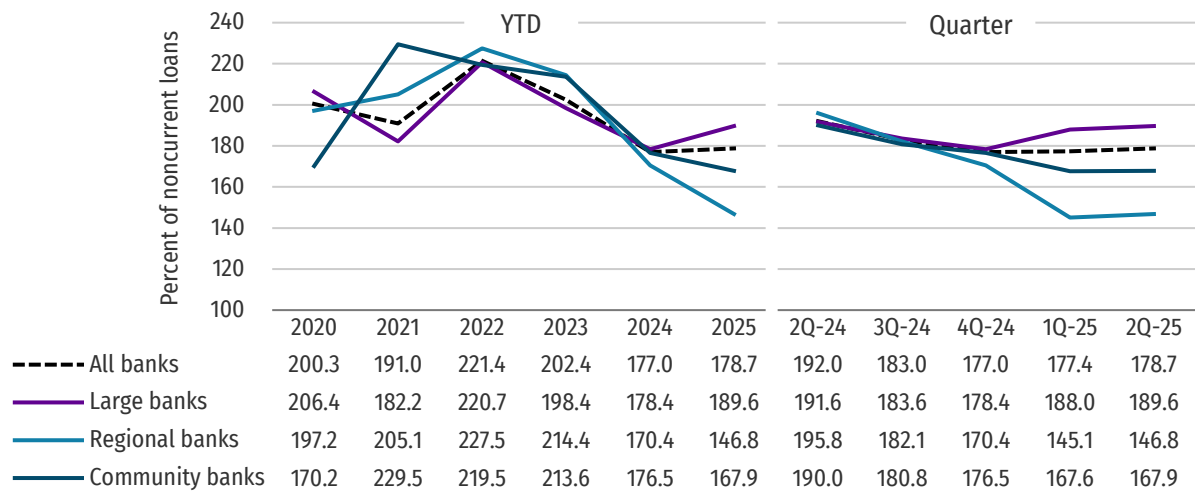


**Chart B11. Noncurrent Loans by Loan Type, Tenth District States**

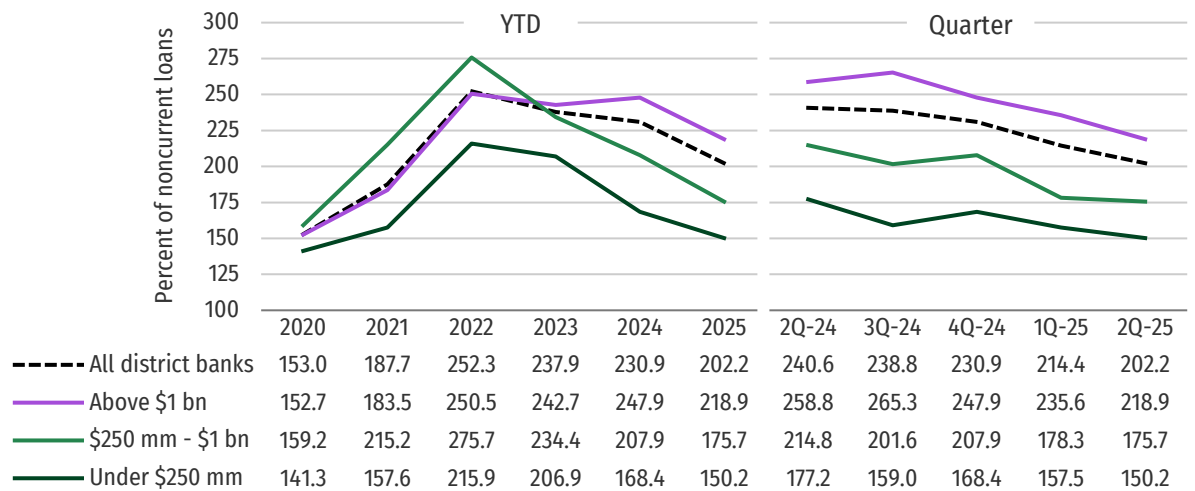




**Chart B12. Coverage Ratio, All U.S. Commercial Banks**



**Chart B13. Coverage Ratio, Tenth District Commercial Banks**



## C. Balance Sheet Composition

- Loan growth rebounded across District banks, with increased lending across all major loan types except CLD.
- Liquid assets, primarily cash and due from balances, declined during the quarter, reversing the trends of recent prior periods.

Chart C1. Loan Portfolio Breakdown, All U.S. Commercial Banks

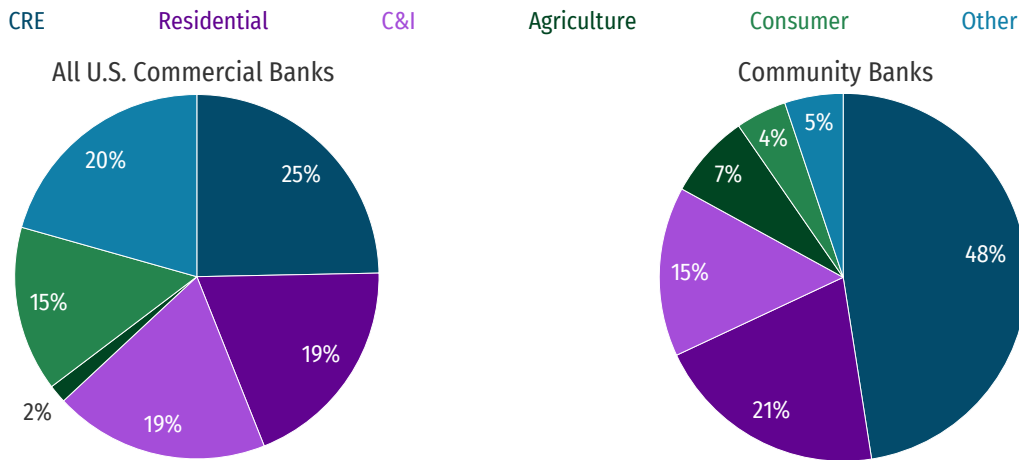
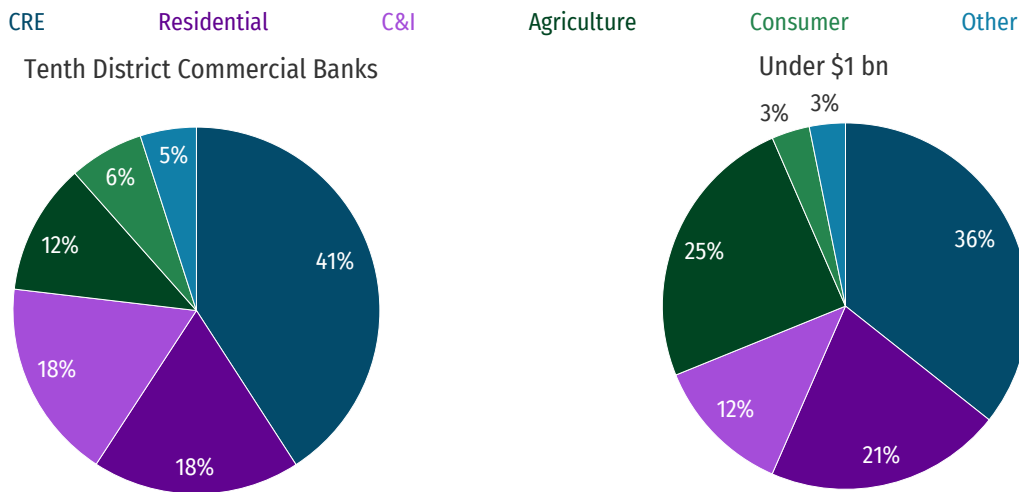
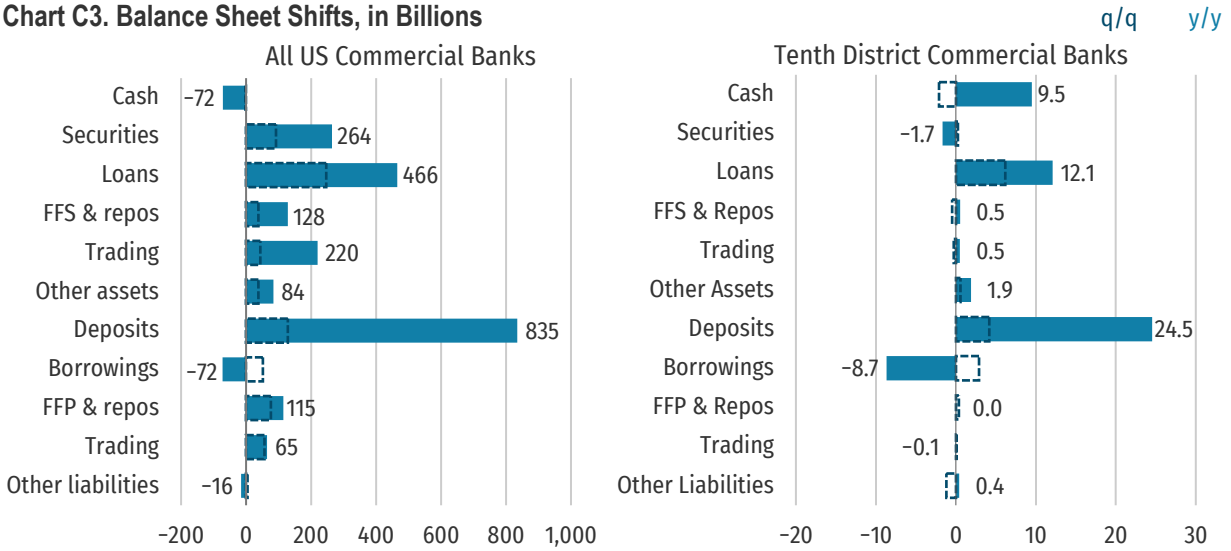


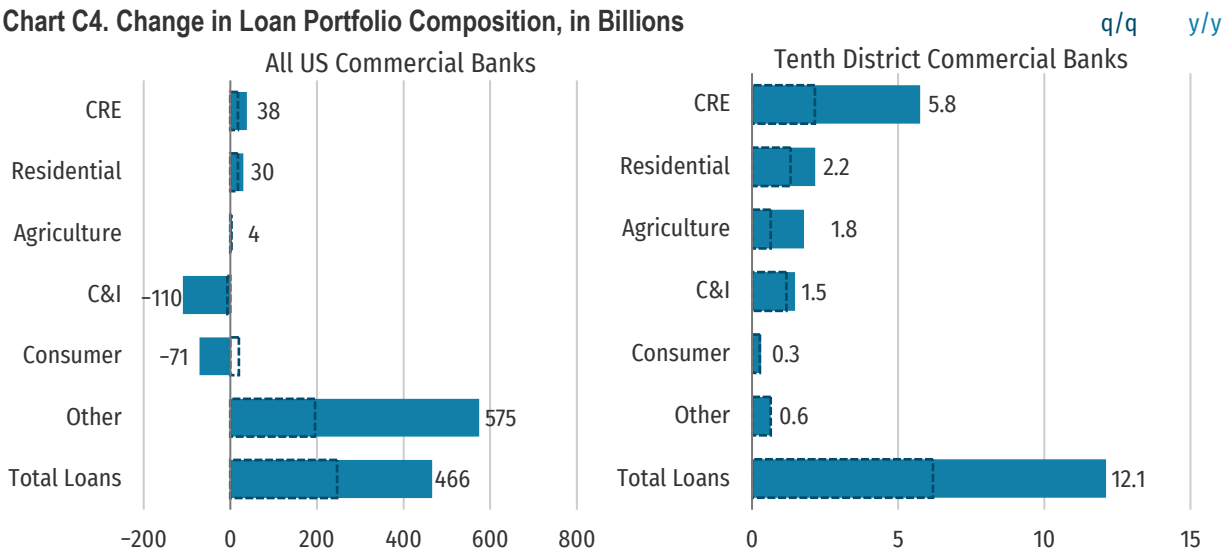
Chart C2. Loan Portfolio Breakdown, Tenth District Commercial Banks



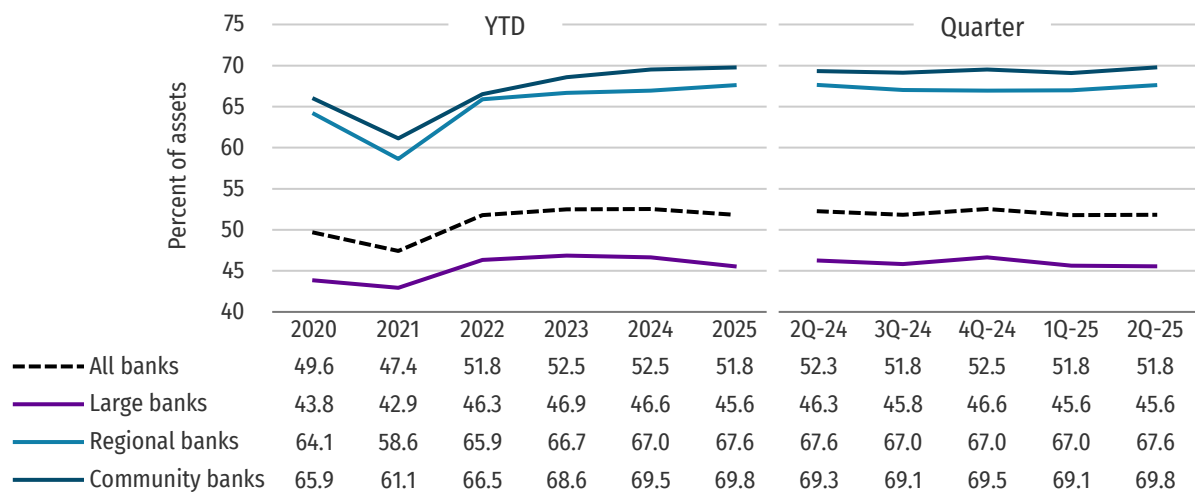
**Chart C3. Balance Sheet Shifts, in Billions**



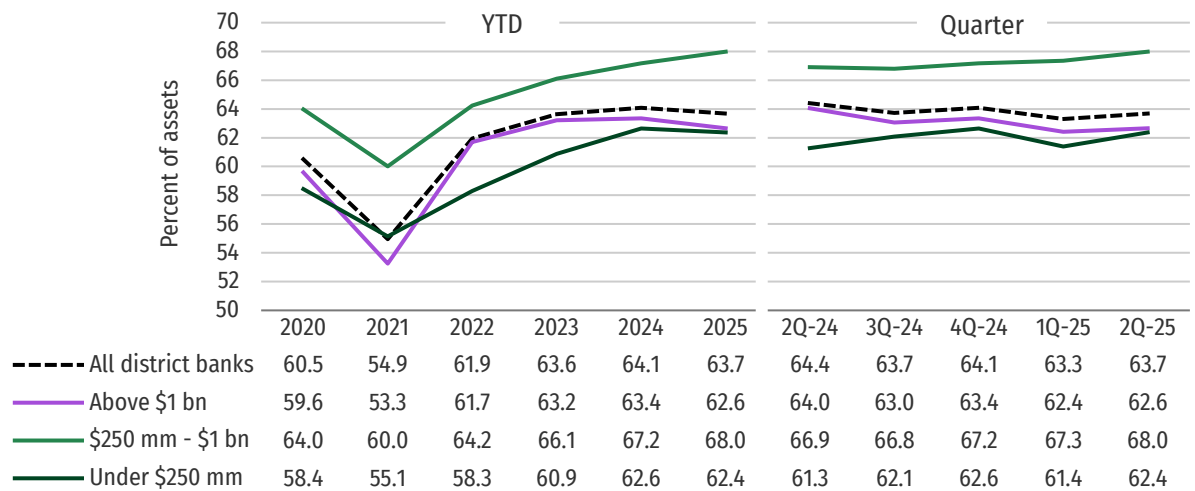
**Chart C4. Change in Loan Portfolio Composition, in Billions**



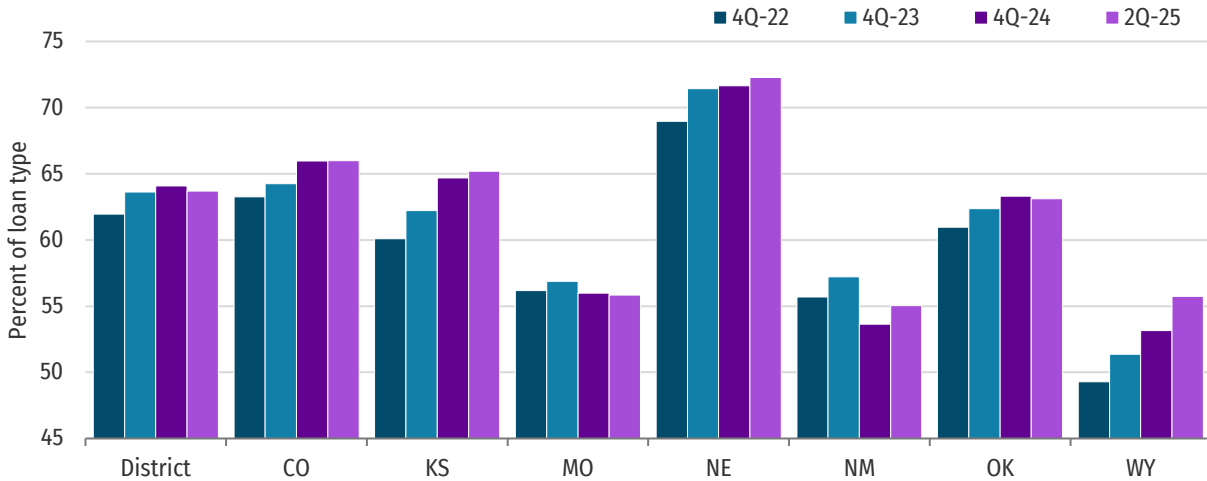
**Chart C5. Loans to Assets, All U.S. Commercial Banks**



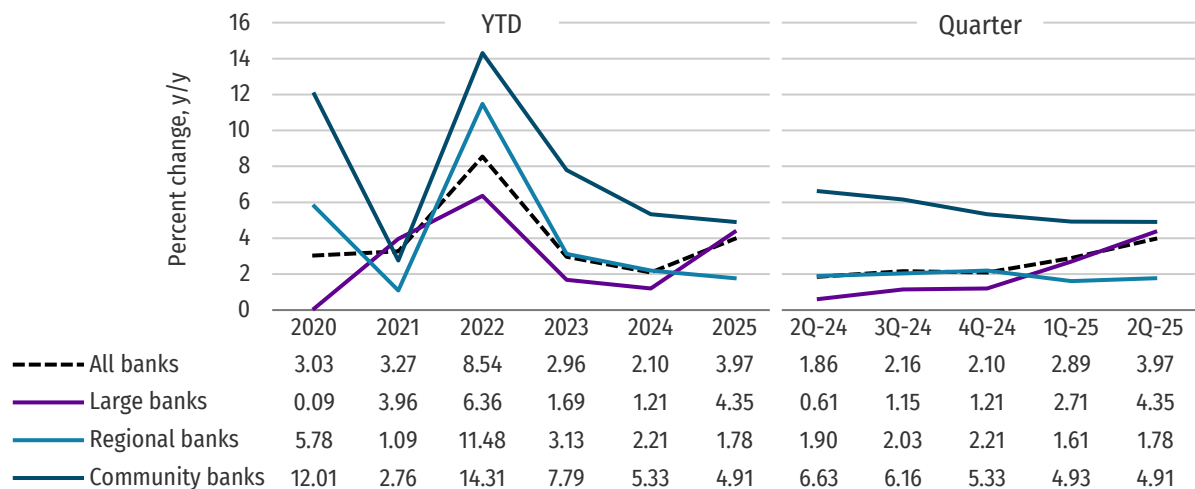
**Chart C6. Loans to Assets, Tenth District Commercial Banks**



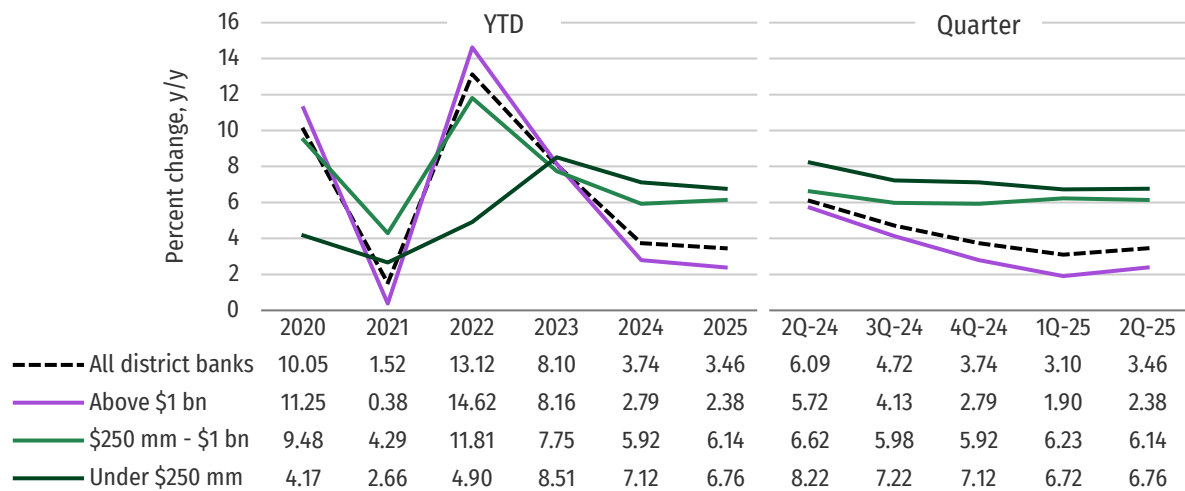
**Chart C7. Loans to Assets, Tenth District States**



**Chart C8. Year-Over-Year Loan Growth, All U.S. Commercial Banks**



**Chart C9. Year-Over-Year Loan Growth, Tenth District Commercial Banks**



**Chart C10. Year-Over-Year Loan Growth by Loan Type, All U.S. Commercial Banks**

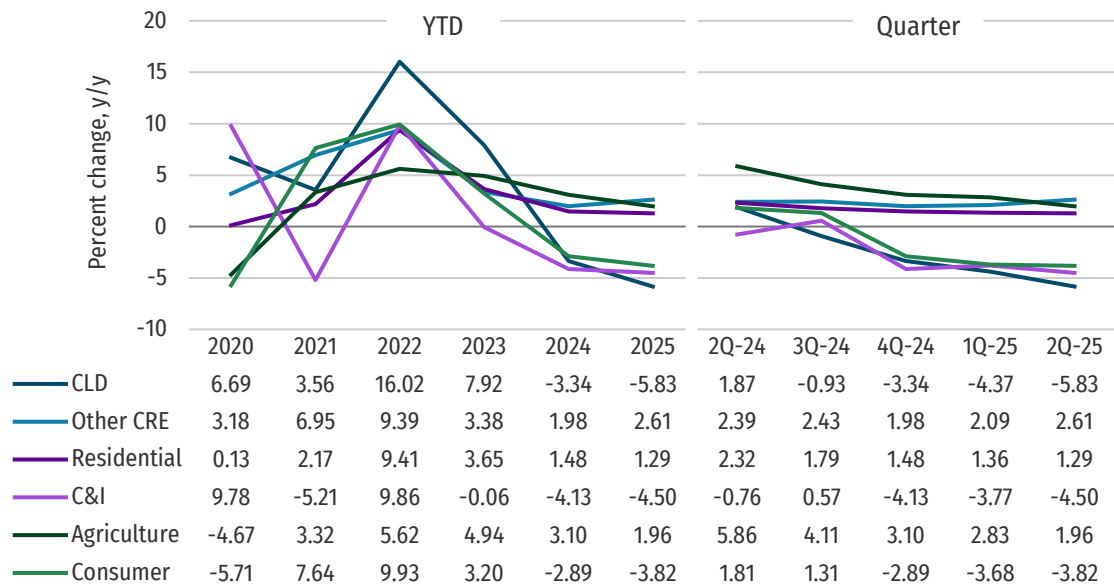


Chart C11. Year-Over-Year Loan Growth by Loan Type, Tenth District Commercial Banks

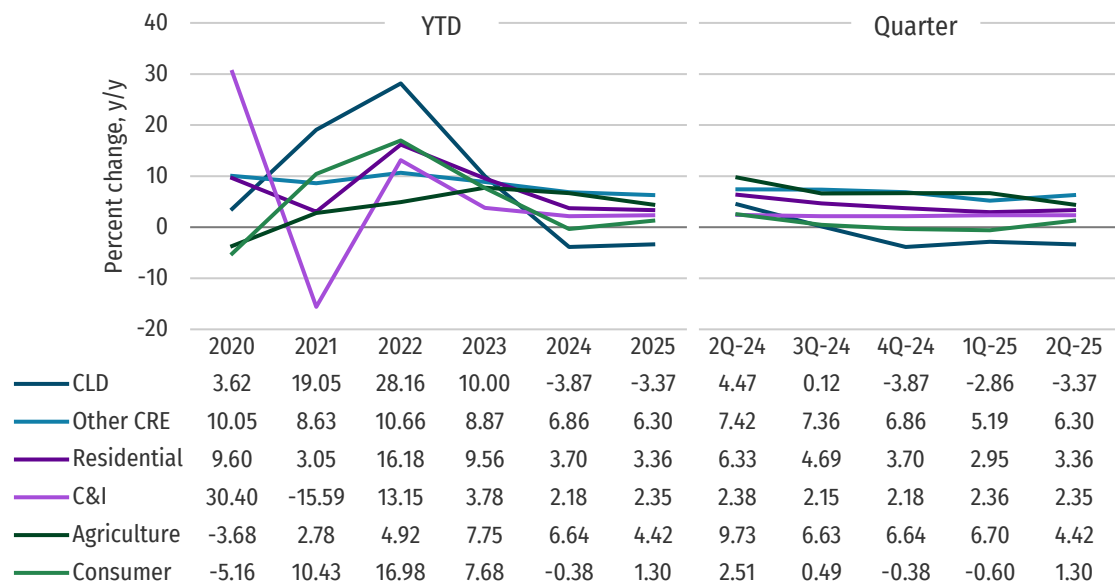
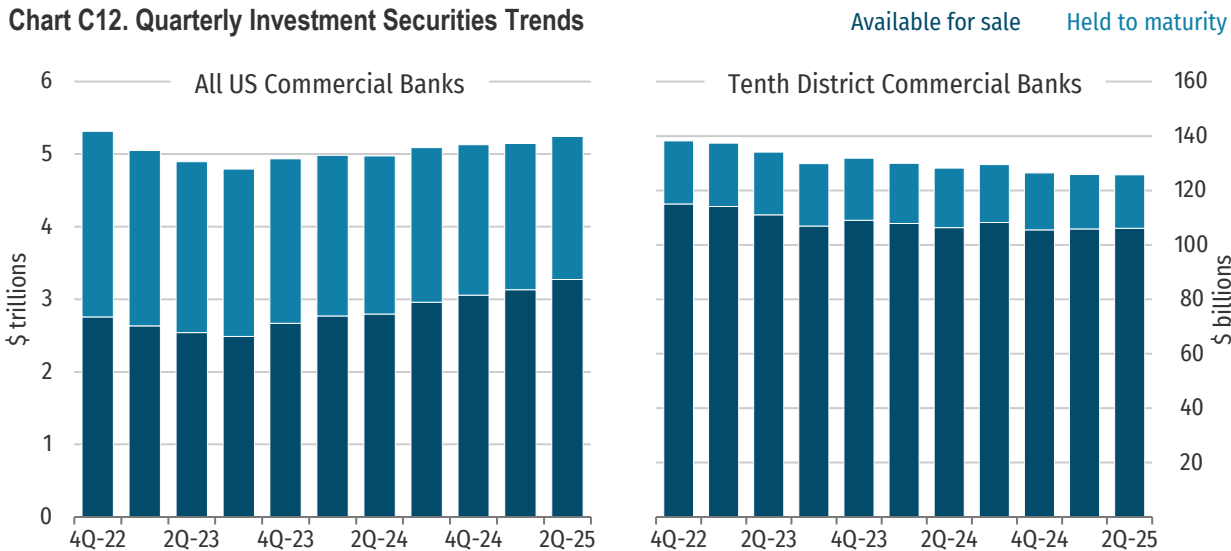
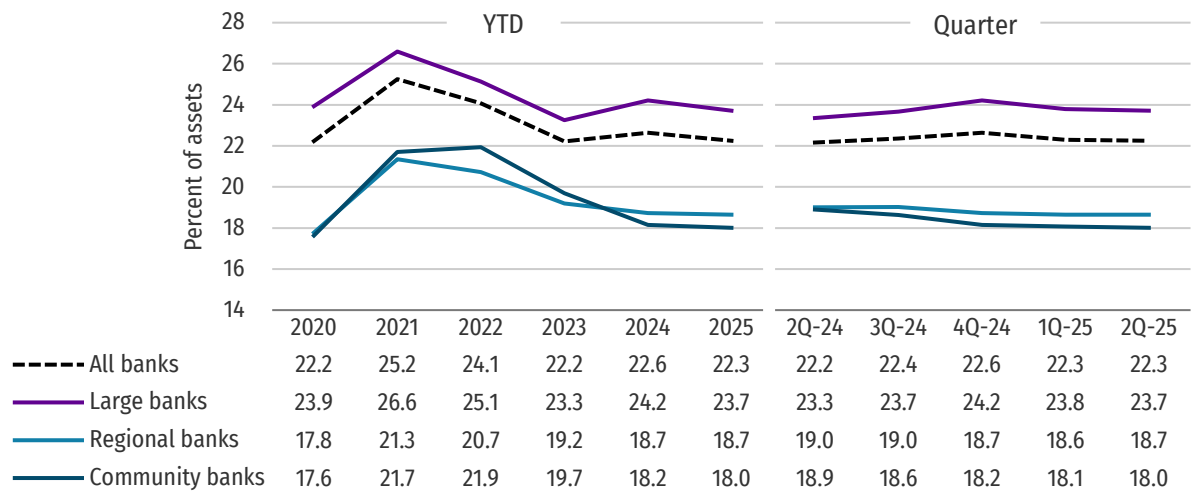


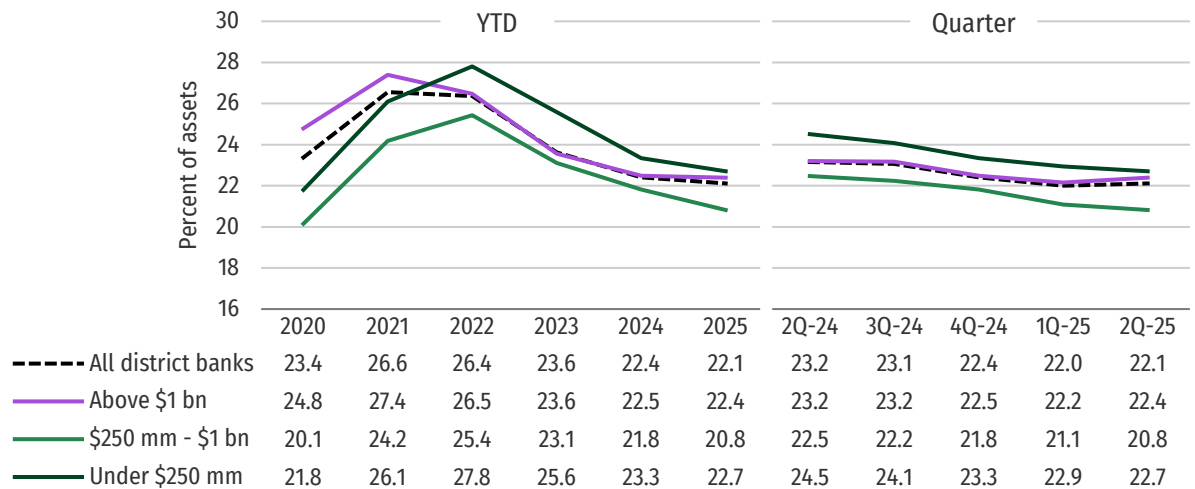
Chart C12. Quarterly Investment Securities Trends



**Chart C13. Investment Securities, All U.S. Commercial Banks**



**Chart C14. Investment Securities, Tenth District Commercial Banks**



**Chart C15. Cash and Reserve Holdings, All U.S. Commercial Banks**

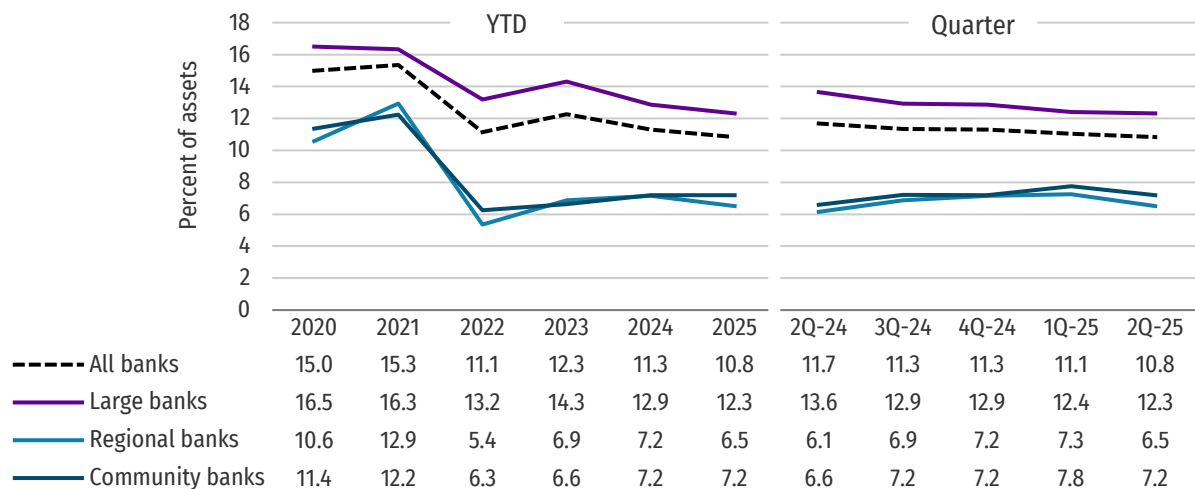
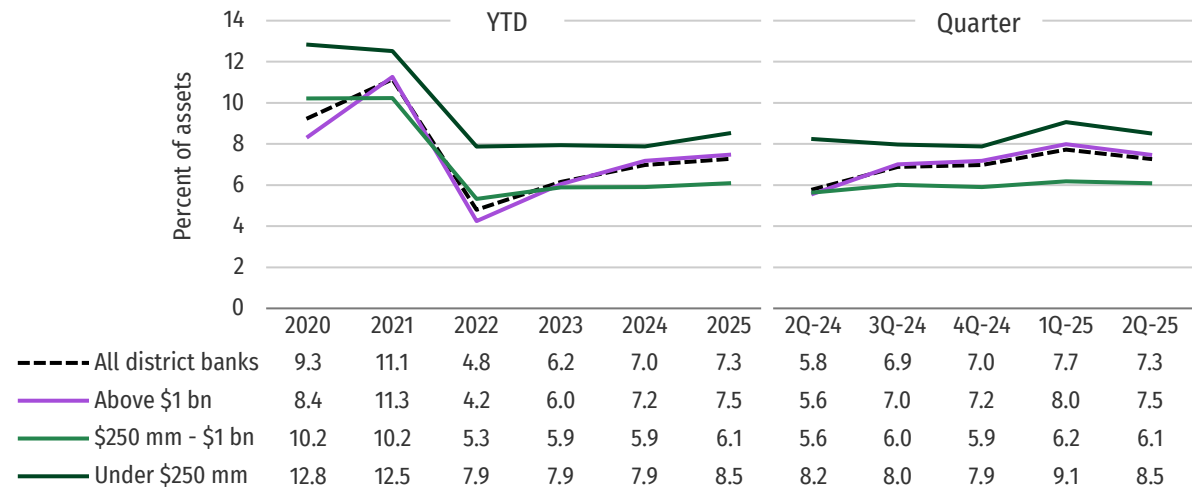


Chart C16. Cash and Reserve Holdings, Tenth District Commercial Banks

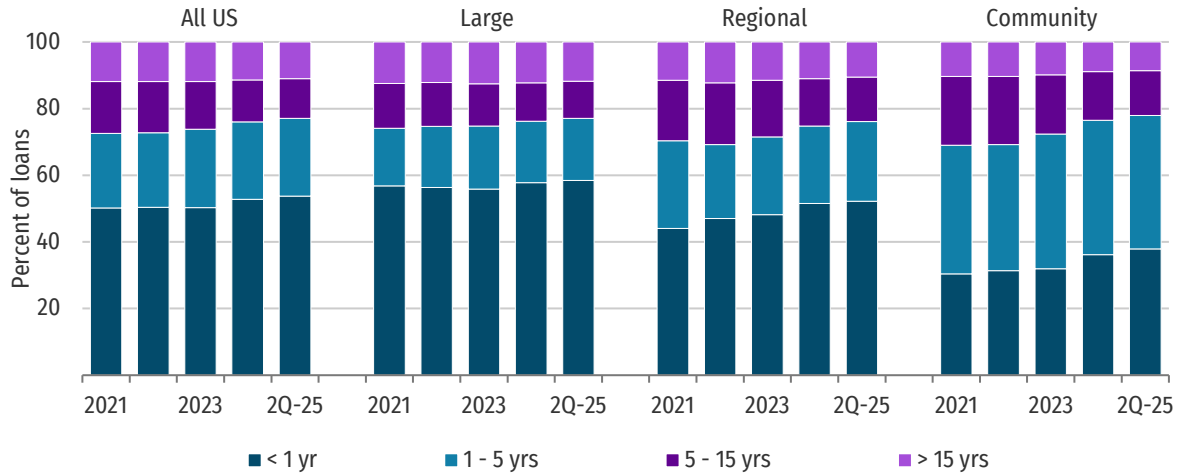




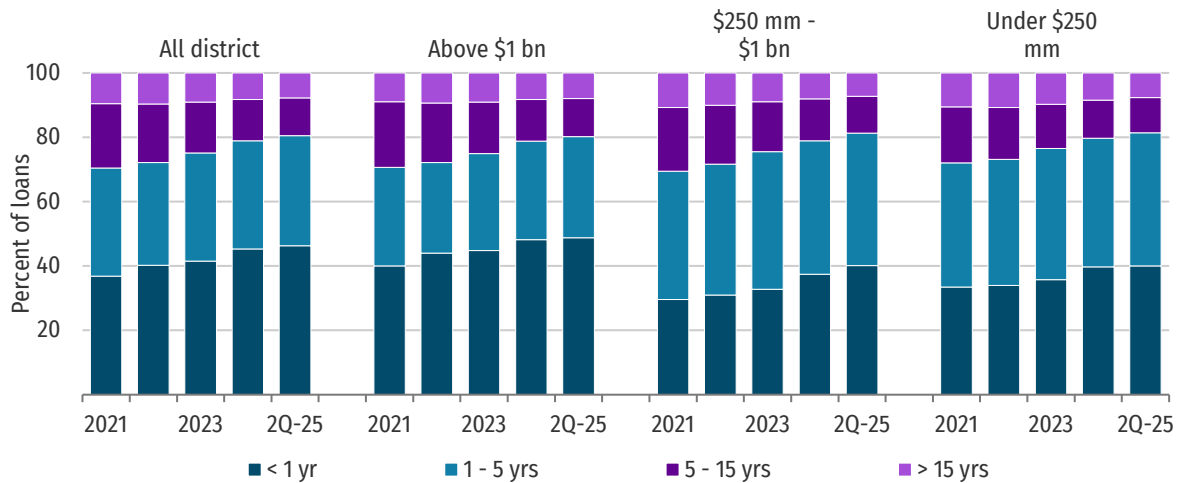
## D. Maturity and Funding

- Investment securities continue to be impacted by large levels of unrealized losses, though unrealized positions have seen some improvement.
- Banks continue to rely on wholesale funding, which increased modestly during the quarter.

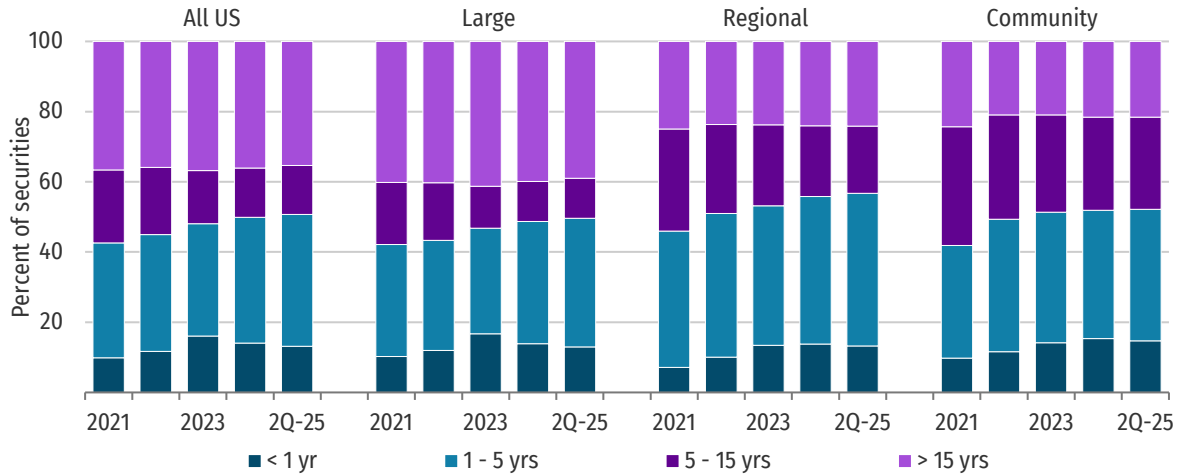
**Chart D1. Loan Portfolio Maturity & Repricing Distribution, All U.S. Commercial Banks**



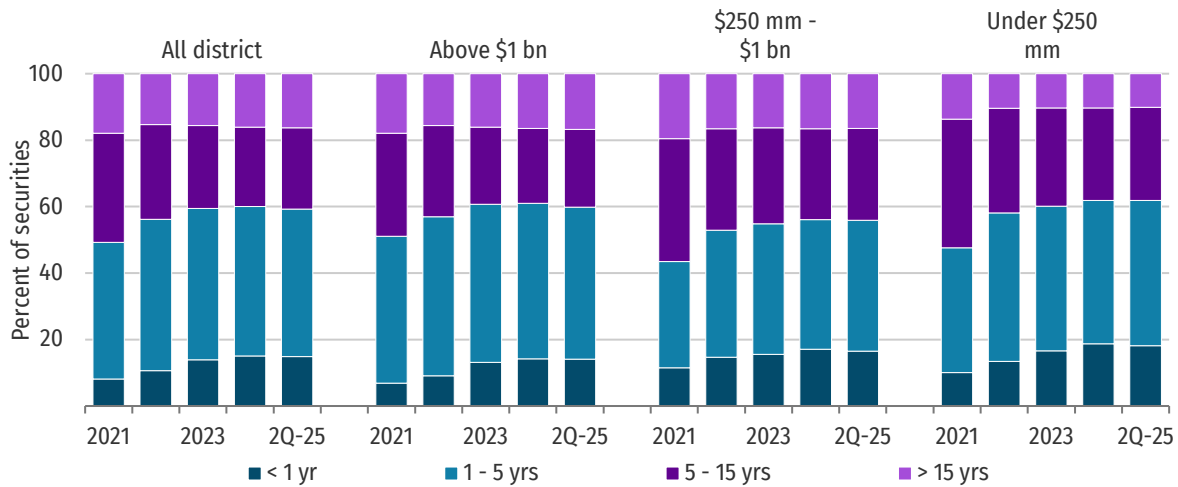
**Chart D2. Loan Portfolio Maturity & Repricing Distribution, Tenth District Commercial Banks**



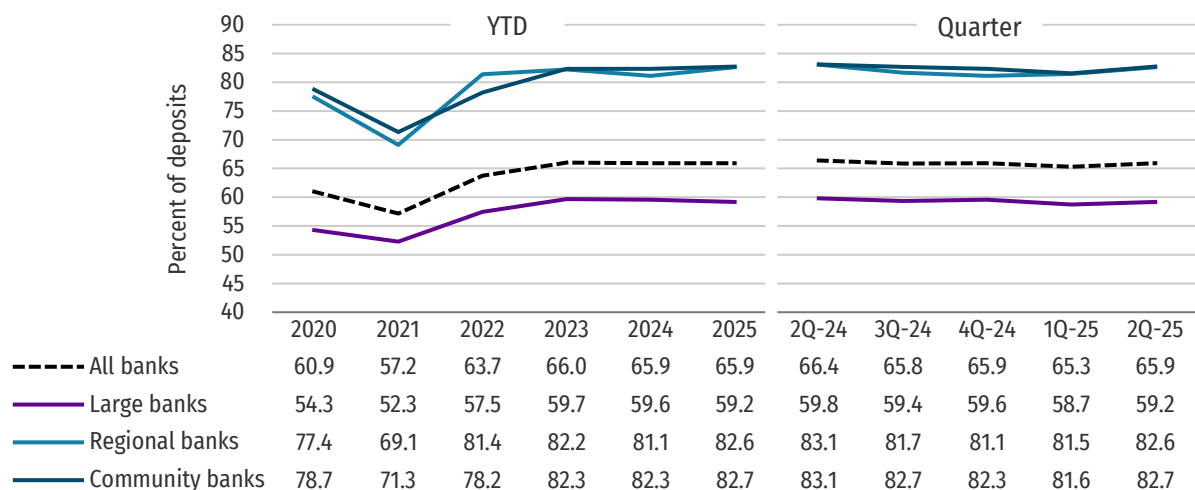
**Chart D3. Securities Maturity & Repricing Distribution, All U.S. Commercial Banks**



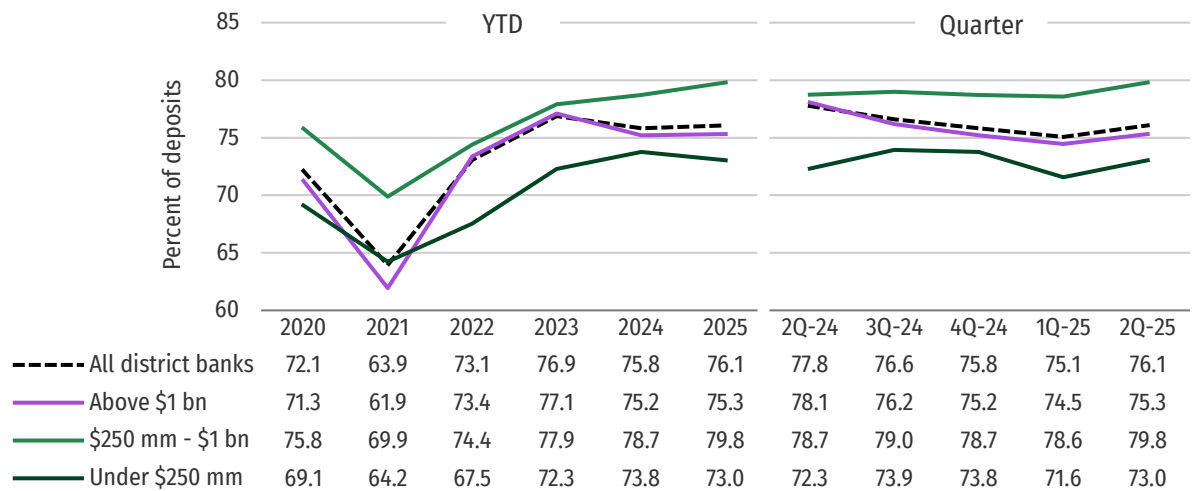
**Chart D4. Securities Maturity & Repricing Distribution, Tenth District Commercial Banks**



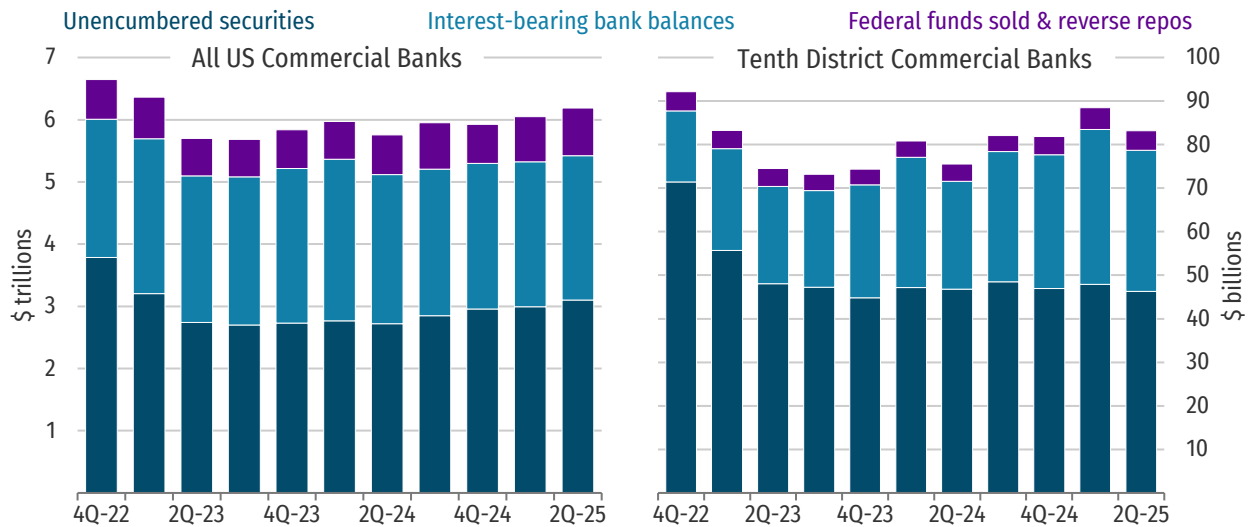
**Chart D5. Loan-to-Deposit Ratios, All U.S. Commercial Banks**



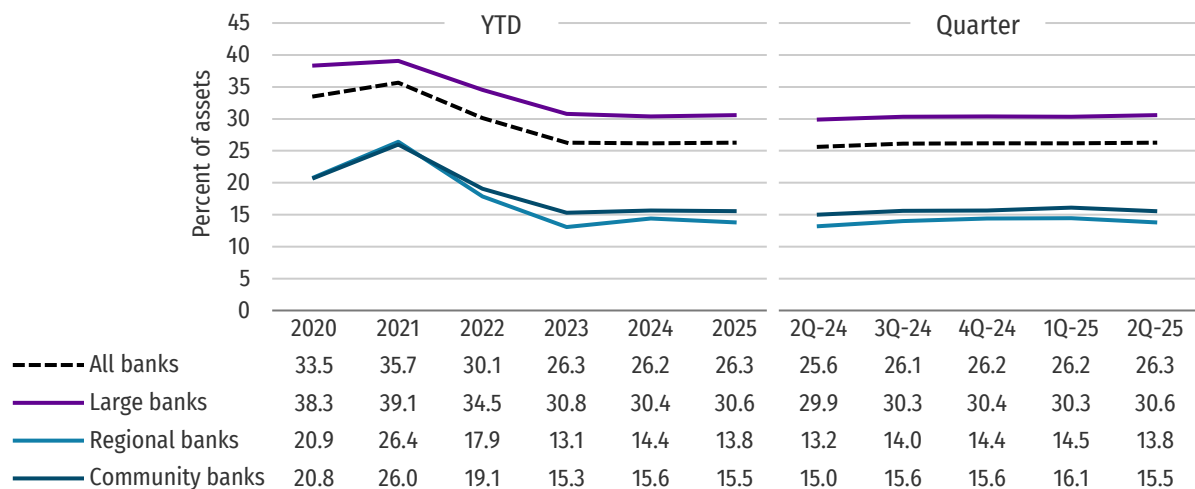
**Chart D6. Loan-to-Deposit Ratios, Tenth District Commercial Banks**



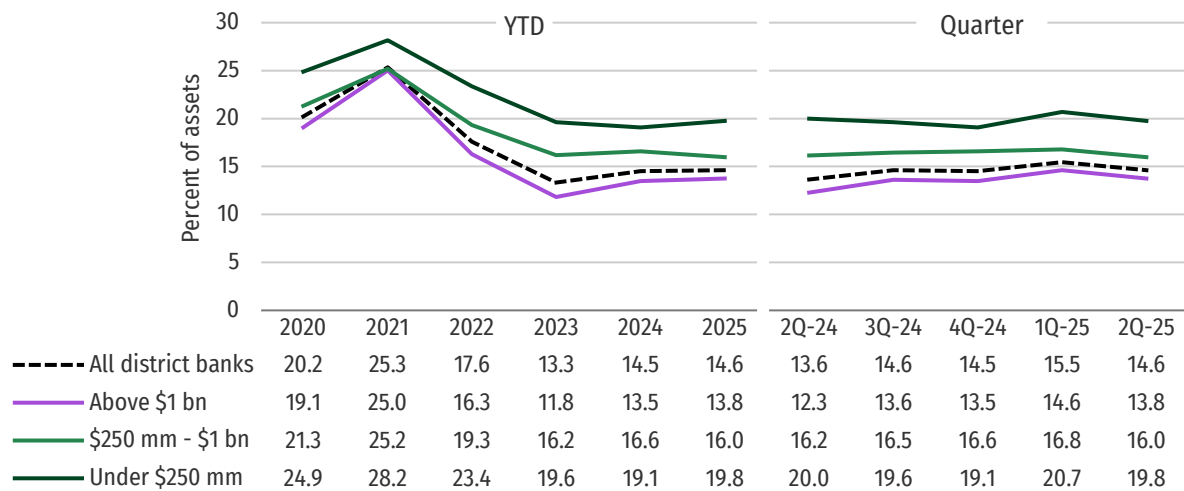
**Chart D7. Quarterly Liquid Asset Trends**



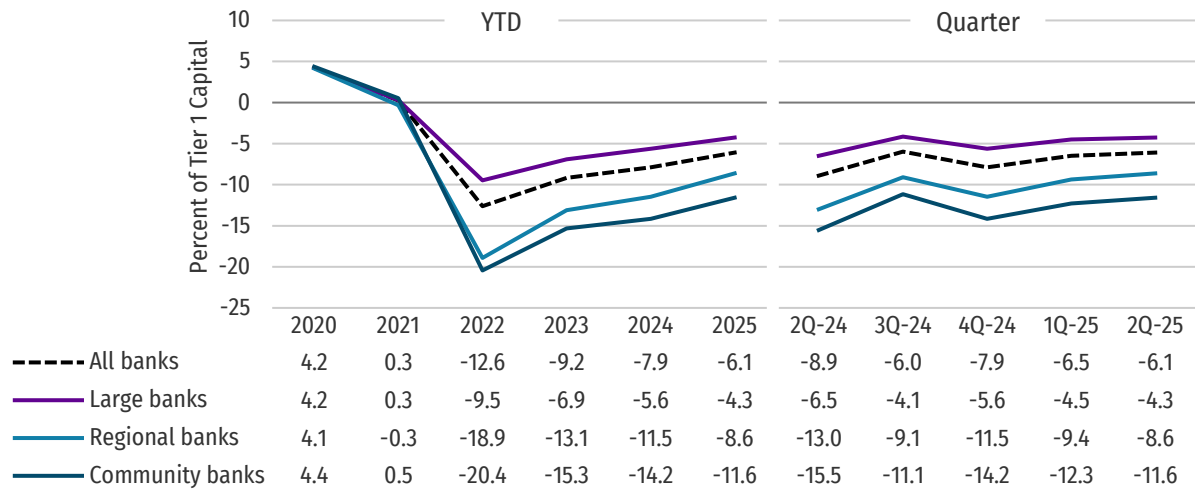
**Chart D8. Liquid Asset Ratios, All U.S. Commercial Banks**



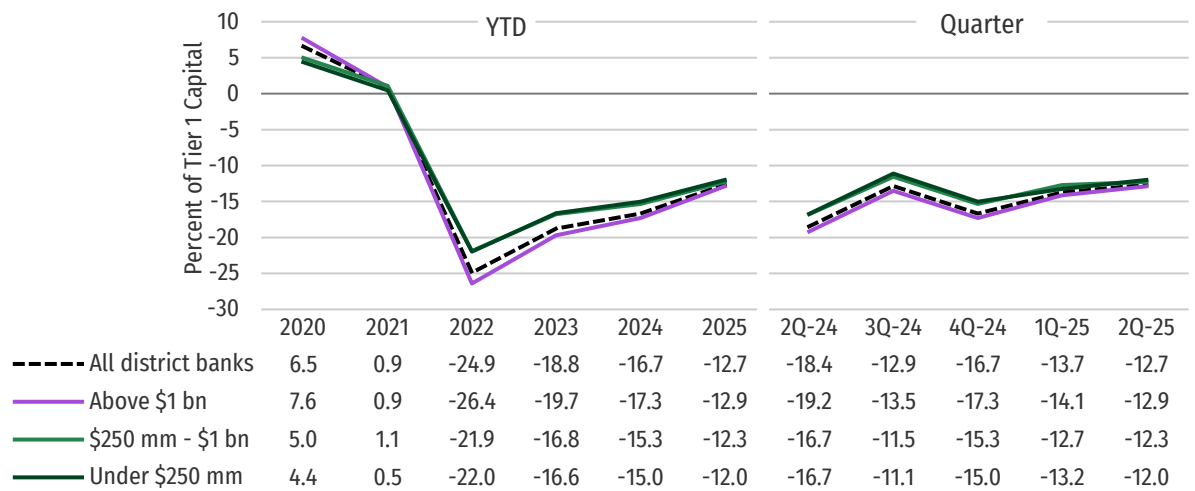
**Chart D9. Liquid Asset Ratios, Tenth District Commercial Banks**



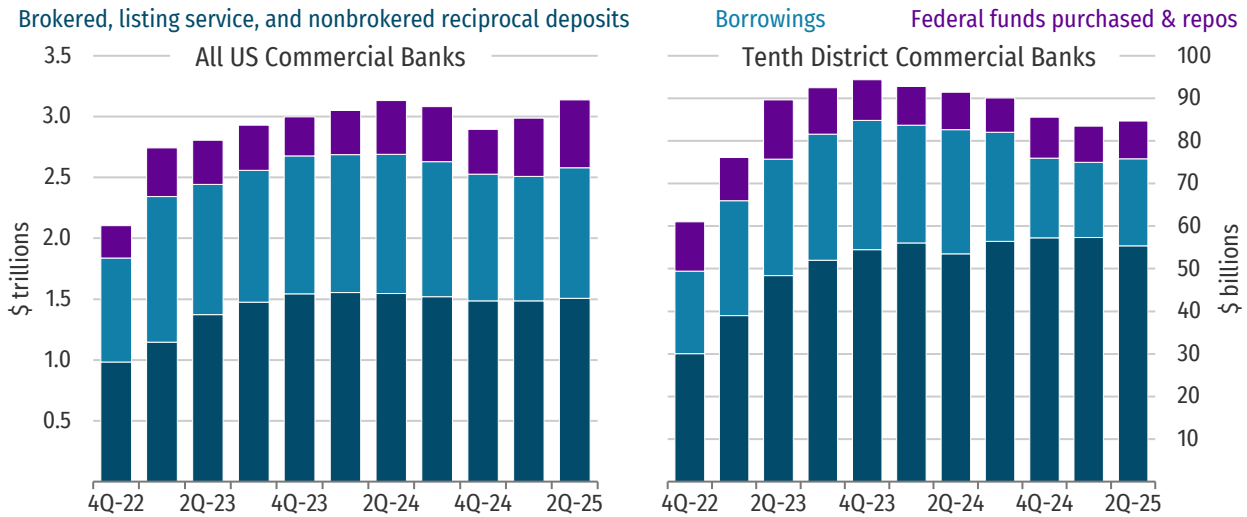
**Chart D10. Unrealized Gains/Losses on Available-for-Sale Securities, All U.S. Commercial Banks**



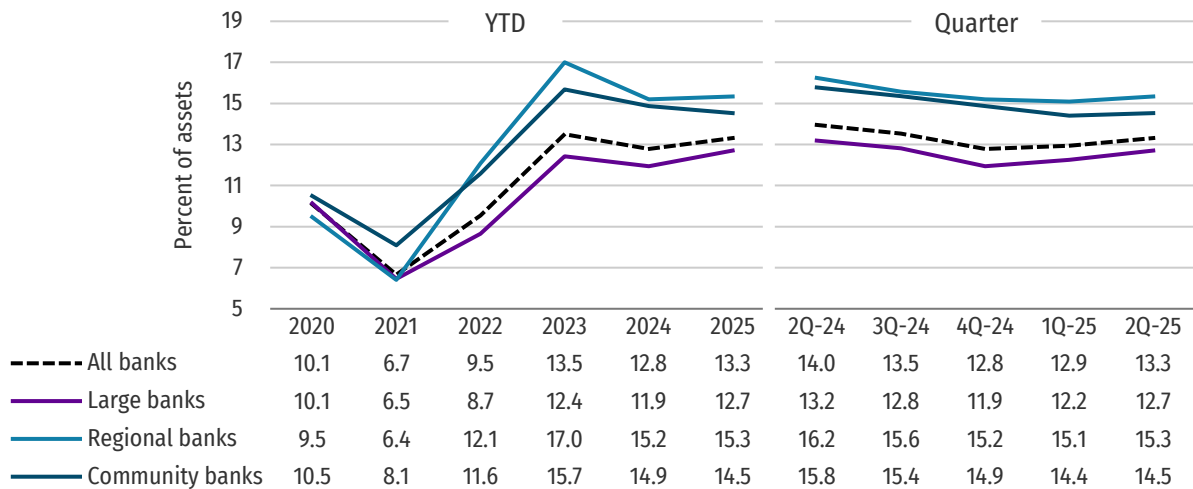
**Chart D11. Unrealized Gains/Losses on Available-for-Sale Securities, Tenth District Commercial Banks**



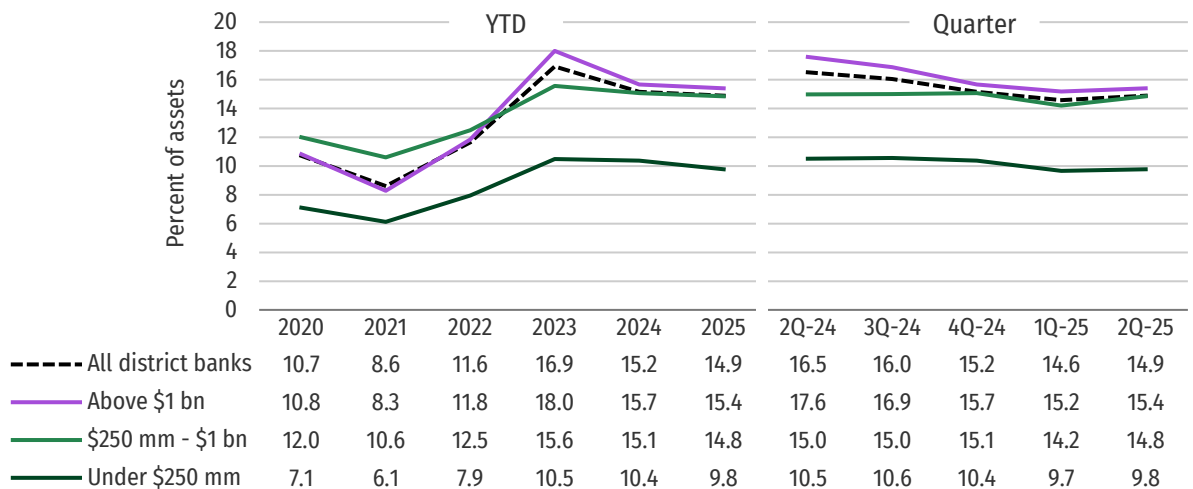
**Chart D12. Quarterly Wholesale Funding Trends**



**Chart D13. Wholesale Funding Ratios, All U.S. Commercial Banks**



**Chart D14. Wholesale Funding Ratios, Tenth District Commercial Banks**



## Select Ratios by Tenth District State

	Colorado		Kansas		Missouri		Nebraska		New Mexico		Oklahoma		Wyoming	
	2Q-25	2Q-24	2Q-25	2Q-24	2Q-25	2Q-24	2Q-25	2Q-24	2Q-25	2Q-24	2Q-25	2Q-24	2Q-25	2Q-24
<b>Overview<sup>1</sup></b>														
Number of Commercial Banks <sup>2</sup>	59	61	185	194	200	201	142	144	27	27	172	175	24	24
Total Assets	\$75,774	\$94,336	\$78,624	\$83,976	\$284,743	\$245,557	\$109,387	\$106,861	\$14,826	\$14,185	\$160,492	\$155,407	\$9,492	\$9,217
Total Loans	\$50,006	\$61,452	\$51,259	\$55,295	\$184,364	\$163,828	\$79,056	\$76,362	\$8,070	\$7,756	\$101,301	\$97,866	\$5,292	\$4,880
Total Deposits	\$65,553	\$80,423	\$66,728	\$70,654	\$241,744	\$207,360	\$90,569	\$87,779	\$13,155	\$12,488	\$131,365	\$125,246	\$8,474	\$8,107
Equity Capital	\$6,656	\$8,058	\$7,711	\$7,650	\$27,931	\$21,851	\$11,227	\$10,172	\$1,289	\$1,139	\$16,406	\$15,031	\$823	\$738
Problem Assets	\$290	\$319	\$388	\$295	\$1,191	\$713	\$532	\$432	\$135	\$100	\$1,171	\$995	\$22	\$21
<b>Earnings<sup>3</sup></b>														
Banks With Losses	5.08%	9.84%	4.32%	2.58%	2.50%	2.49%	2.11%	0.69%	3.70%	0.00%	4.07%	5.71%	8.33%	4.17%
Return on Average Assets	1.16%	0.94%	1.28%	1.06%	1.37%	1.21%	1.27%	1.18%	1.69%	1.79%	1.27%	1.20%	1.10%	1.00%
Net Interest Income to Average Assets	3.06%	2.83%	3.40%	3.07%	3.39%	3.15%	4.02%	3.72%	4.04%	3.90%	3.28%	3.10%	3.26%	2.91%
Provisions to Average Assets	0.11%	0.08%	0.12%	0.11%	0.20%	0.10%	0.64%	0.56%	0.30%	0.19%	0.07%	0.11%	0.13%	0.10%
Loan Losses to Average Loans	0.10%	0.07%	0.08%	0.07%	0.20%	0.09%	0.80%	0.88%	0.08%	0.18%	0.12%	0.12%	0.09%	0.12%
<b>Asset Quality<sup>4</sup></b>														
Problem Assets to Total Loans + OREO	0.58%	0.52%	0.76%	0.53%	0.65%	0.43%	0.67%	0.57%	1.67%	1.29%	1.16%	1.02%	0.41%	0.43%
Noncurrent CLD	0.25%	0.08%	0.25%	0.19%	0.78%	0.37%	0.36%	0.54%	0.67%	0.35%	0.82%	0.63%	0.37%	0.05%
Noncurrent Other CRE	0.61%	0.20%	0.55%	0.37%	0.64%	0.46%	0.49%	0.34%	0.95%	1.66%	1.21%	1.01%	0.12%	0.19%
Noncurrent Residential	0.21%	0.25%	0.51%	0.51%	0.45%	0.29%	0.44%	0.35%	0.41%	0.31%	1.64%	1.28%	0.52%	0.35%
Noncurrent C&I	1.17%	1.31%	1.39%	0.75%	0.69%	0.34%	0.99%	0.76%	3.12%	0.84%	0.74%	0.92%	0.82%	1.23%
Noncurrent Farm	0.75%	0.45%	0.32%	0.32%	0.32%	0.43%	0.37%	0.23%	1.04%	4.85%	0.56%	0.69%	0.66%	0.72%
Noncurrent RE Farm	0.91%	1.95%	0.87%	0.77%	0.53%	0.34%	0.51%	0.31%	2.25%	2.28%	1.62%	1.51%	0.03%	0.11%
<b>Other Financial Ratios</b>														
Coverage Ratio	223.49%	251.54%	206.13%	271.48%	188.34%	291.93%	340.21%	403.81%	127.47%	131.38%	110.48%	132.45%	370.97%	346.14%
Leverage Ratio	9.78%	9.45%	11.00%	10.70%	9.55%	9.59%	10.69%	10.25%	10.25%	10.16%	10.03%	9.75%	10.64%	10.54%
Tangible Equity Capital to Total Assets	7.76%	6.87%	8.93%	8.16%	8.48%	7.94%	9.48%	8.64%	8.40%	7.71%	9.19%	8.54%	8.40%	7.65%
Noncore Funding to Total Assets	11.32%	12.81%	15.76%	17.33%	10.89%	12.10%	16.94%	18.63%	9.18%	10.11%	15.45%	17.38%	14.01%	15.49%

<sup>1</sup> Balance sheet items shown in millions.

<sup>2</sup> Includes all commercial banks located within each state.

<sup>3</sup> Income statement items shown as year-to-date. Average assets are calculated by using the average of YTD average assets.

<sup>4</sup> Problem assets consist of loans 90+ days past due, in nonaccrual status, and other real estate owned (OREO). Noncurrent loans consist of loans 90+ days past due or in nonaccrual status.

## Appendix

*The appendix provides technical notes and definitions of the financial ratios presented in this report.*

*Questions or comments relating to this report may be directed to*

[KC.SRM.SRA.DistrictBankingConditions@kc.frb.org](mailto:KC.SRM.SRA.DistrictBankingConditions@kc.frb.org).

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### Technical Notes:

The population of banks included in this report is limited to commercially chartered state member, nonmember, and national banks. The Tenth District encompasses organizations headquartered in western Missouri, Kansas, Nebraska, Oklahoma, Colorado, Wyoming, and northern New Mexico.

All financial metrics presented in this report are weighted averages. Banks are grouped into asset categories based on total assets reported as of each financial date. For purposes of this report, large banks include banks with total assets greater than \$100 billion, regional banks include banks with assets between \$10 billion and \$100 billion, and community banks include banks with assets of less than \$10 billion. Assets are measured as of each financial date. Charts that present growth rates and changes in balance sheet levels are merger-adjusted consistent with the process that FDIC analysts use to account for mergers.<sup>1</sup>

Items from the Reports of Income are reported on a calendar year-to-date (YTD) basis by financial institutions. Ratios utilizing these items are calculated differently when presented as YTD versus quarterly. For YTD calculations, items are annualized based on values reported calendar YTD and divided by an average of the balance sheet item(s) reported for each quarter YTD. For quarterly calculations, items are annualized based on values reported for the quarter and divided by the balance sheet item(s) for that quarter.

<sup>1</sup> Merger-adjusted calculations add the assets and liabilities of acquired institutions to the acquiring institutions in previous periods. The analysis treats acquired and acquiring institutions as if the merger had already occurred by the beginning of the period being analyzed (Breitenstein and Thieme 2019).

### References

Breitenstein, Eric C., and Derek K. Thieme. 2019. “Merger-Adjusting Bank Data: A Primer.” *FDIC Quarterly*, vol. 13, no. 1, pp. 31–49.

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### Glossary of Terms:

#### Agriculture Loans

The sum of loans secured by farmland (including farm residential and other improvements) and loans to finance agricultural production and other loans to farmers.

#### Allowance for Credit Losses (ACL)

The purpose of the ACL is to reflect estimated credit losses within a bank’s portfolio of loans and leases. Estimated credit losses are estimates of the current amount of loans that are probable that the bank will be unable to collect given the facts and circumstances since the evaluation date (generally the balance sheet date).

#### Assets

The sum of cash and balances due from depository institutions, securities, federal funds sold and securities purchased under agreements to resell, loans and leases (net of unearned income and the allowance for loan and lease losses), trading assets, premises and fixed assets (including capitalized leases), other real estate owned, investments in unconsolidated subsidiaries and associated companies, direct and indirect investments in real estate ventures, intangible assets, and other assets.

**Cash and Reserve Holdings**

The sum of interest-bearing balances (including time certificates of deposit not held for trading) and noninterest-bearing balances, currency and coin (includes cash items in process of collection and unposted debits).

**Commercial and Industrial (C&I) Loans**

Loans for commercial and industrial purposes to sole proprietorships, partnerships, corporations, and other business enterprises, which are secured (other than by real estate) or unsecured, single-payment or installment.

**Commercial Real Estate (CRE)**

The sum of CLD and other CRE.<sup>2</sup>

**Construction and Land Development Loans (CLD)**

Construction, land development, and other land loans. Includes 1–4 family residential construction loans and other construction loans and all land development and other land loans.

**Consumer Loans**

Loans to individuals for household, family, and other personal expenditures. Includes credit cards, other revolving credit plans, automobile loans, and other consumer loans (includes single payment and installment loans other than automobile loans, and all student loans).

**Coverage Ratio**

The ACL divided by noncurrent loans.

**Earning Assets**

The sum of interest-bearing balances due from depository institutions, investment securities, federal funds sold and securities purchased under agreements to resell, loans and leases (net of unearned income and the allowance for loan and lease losses), and trading assets.

**Equity Capital**

The sum of perpetual preferred stock (including surplus), common stock and surplus, retained earnings, accumulated other comprehensive income, and other equity capital components, less treasury stock.

**Interest Income**

The sum of interest and fee income on loans, income from lease financing receivables, interest income on balances due from depository institutions (including interest income on time certificates of deposit not held for trading), interest and dividend income on securities, interest income from trading assets, federal funds sold and securities purchased under agreements to resell, and other interest income.

**Interest Expense**

The sum of interest on deposits, federal funds purchased, securities sold under agreements to repurchase, trading liabilities, other borrowed money, subordinated notes, and debentures.

**Investment Securities**

The sum of the amortized cost of held-to-maturity securities and fair value of available-for-sale debt securities.

**Leverage Ratio**

Tier 1 capital divided by total assets for the leverage ratio. Total assets for the leverage ratio include quarterly average assets less deductions from common equity tier 1 capital and other deductions to total assets for leverage capital purposes.

**Liquid Asset Ratio**

The sum of interest-bearing balances, federal funds sold, securities purchased under agreements to resell, and unencumbered securities divided by total assets. Unencumbered securities include total securities net of pledged securities.

**Loan Loss Provisions**

Adjustments (charges or credits) to the ACL level to reflect management's current estimate of expected credit losses.

**Loans to Assets**

Total loans and leases held for investment and held for sale (less unearned income) divided by total assets.

**Loan-to-Deposit Ratio**

Total loans and leases held for investment and held for sale (less unearned income) divided by total interest-bearing and noninterest-bearing deposits.

**Net Interest Margin (NIM)**

Interest income net of interest expense divided by average earning assets.



**Nonaccrual Loans**

Loans and lease financing receivables that are required to be reported on a nonaccrual basis because (a) they are maintained on a cash basis due to a deterioration in the financial position of the borrower, (b) payment in full of interest or principal is not expected, or (c) principal or interest has been in default for 90 days or longer, unless the obligation is both well secured and in the process of collection.

**Noncurrent Loans**

Loans past due 90 days or more and still accruing and nonaccrual loans.

**Noninterest Expense**

Salaries and employee benefits, expenses of premises and fixed assets (net of rental income), goodwill impairment losses, amortization expense and impairment losses for other intangible assets, and other noninterest expense.

**Noninterest Income**

The sum of income from fiduciary activities, service charges on deposit accounts, trading revenue, income from securities-related and insurance activities, venture capital revenue, net servicing fees, net securitization income, net gains (losses) on sales of loans and leases, other real estate owned, and sales of other assets, and other noninterest income.

**Other Commercial Real Estate (CRE)**

Loans secured by multifamily (5 or more) residential properties, owner-occupied nonfarm nonresidential properties, and other nonfarm nonresidential properties, and loans to finance commercial real estate, construction, and land development activities (not secured by real estate).

**Other Loans**

The sum of loans to foreign governments and official institutions (including foreign central banks), obligations (other than securities and leases) of states and political subdivisions in the U.S., loans to nondepository financial institutions, loans for purchasing or carrying securities (secured and unsecured), all other loans and lease financing receivables.

**Other Real Estate Owned (OREO)**

Other real estate owned.

**Problem Assets**

Loans past due 90 days or more and still accruing, nonaccrual loans, and OREO divided by total loans plus OREO.

**Residential Loans**

Loans secured by 1–4 family residential properties. Includes revolving, open-end loans secured by 1–4 family residential properties and extended under lines of credit, closed-end loans secured by 1–4 family residential properties secured by first or second liens.

**Return on Average Assets (ROAA)**

Net income (loss) attributable to bank divided by average assets. See technical notes for year-to-date and quarter calculations.

**Revenue**

Net interest income and noninterest income.

**Unrealized Losses on Available-for-Sale Securities**

The difference between the fair value and amortized cost of available-for-sale securities.

**Wholesale Funding Ratio**

Federal funds purchased and securities sold under agreements to repurchase, brokered deposits, deposits obtained using deposit listing services that are not brokered deposits, nonbrokered reciprocal deposits, Federal Home Loan Bank advances, and other borrowings divided by total assets.

<sup>2</sup> Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) is a memorandum item on the call report and are reported C&I or other loans of Schedule RC-C, Part I. This item is excluded as part of Other CRE when presented on charts with the C&I or other loan categories to avoid double counting of this item in the loan type groupings.