



## Banking Conditions

*Providing Tenth District insights on regional and national banks*

### First Quarter 2026 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.*

---

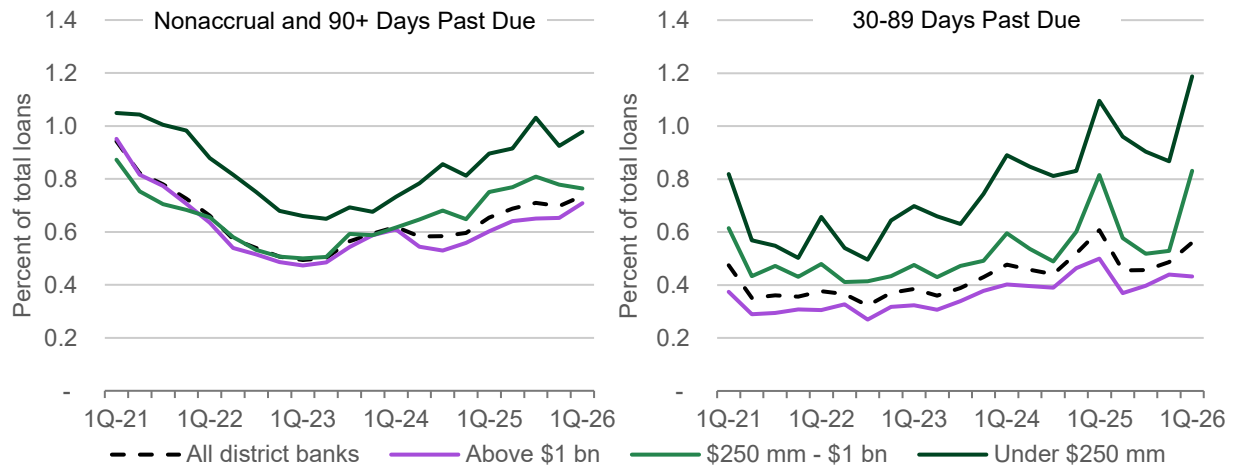
Earnings across Tenth District (District) banks are elevated. Return on average assets (ROAA) increased to 1.37 percent in the first quarter, the highest level since third quarter 2021 (see Chart A6). Net income improvement is largely driven by increases in the net interest margin (NIM), now at 3.89 percent, though expansion slowed during the quarter (see Chart A11). Interest expense declined to 1.70 percent of average assets but remains elevated (see Chart A15). Interest income as a percent of average assets also declined, driven by declining loan yields (see Chart A13). In addition, earnings have benefited from moderated provision expenses, which declined from prior periods (see Chart B2), but continue to be impacted by below-average noninterest income (see Chart A17) and a modestly increasing trend in overhead expense (see Chart A19).

District credit quality metrics show modest deterioration, with a continued slow uptick in problem assets (see Chart B7). Nonaccruals and loans 90 or more days past due now total 0.74 percent of total loans, which approximates the 10-year average, though is higher in banks under \$250 million. Additionally, loans 30-89 days past due increased moderately during the quarter, particularly in banks under \$1 billion (see Supplemental Chart 1). Across the major loan types, commercial real estate (CRE) noncurrent loans have experienced the greatest increase over the last year, with noncurrent rates above the 10-year average (see Chart B8). In addition, agricultural noncurrent loans increased moderately in the first quarter but overall remain low (see Chart B10). Despite these indicators, charge-offs moderated during the quarter, following elevated losses in previous periods (see Chart B3). Allowance for credit loss levels are stable at 1.39 percent of loans, impacted by lower loan growth, charge-offs, and provisioning (see Chart B5).

During the first quarter, District banks showed modest but divergent growth patterns across asset sizes. Banks under \$1 billion significantly increased liquid assets, particularly cash items, while loan growth stalled following several strong quarters (see Supplemental Chart 2). As a result, the liquid asset ratio increased to its highest level since early 2023, though remains below the 10-year average (see Chart D9). The reduced loan growth in smaller banks was impacted by declines in agriculture and consumer loans but benefited from modest increases in CRE loans. In contrast, District banks over \$1 billion saw greater loan growth during the quarter, funded by declining investment securities (see Supplemental Chart 2). Larger bank loan growth during the quarter was driven by commercial and industrial (C&I) lending, while agriculture and residential lending fell.

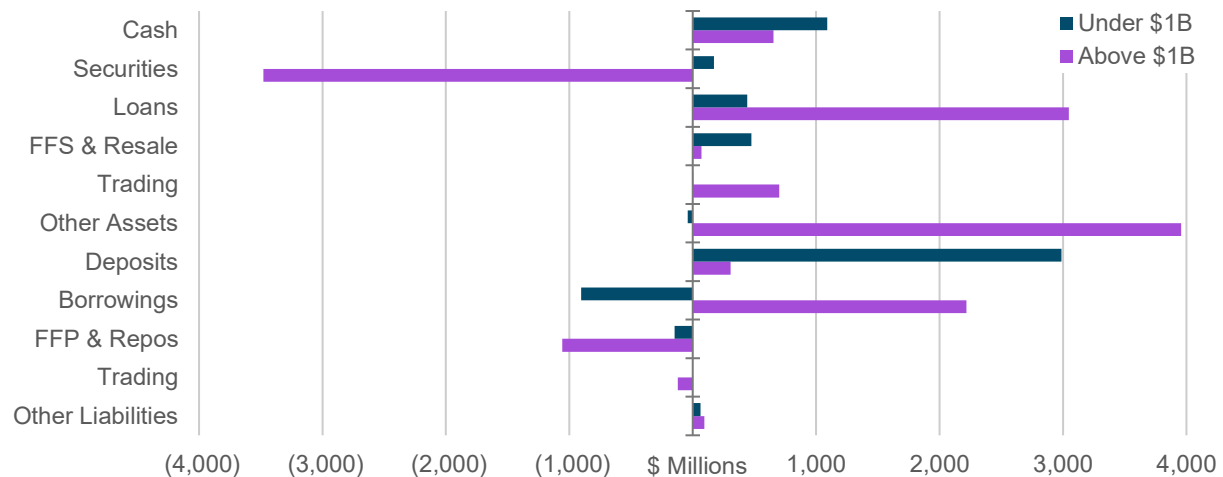
Similarly, funding strategies are mixed across District banks. Banks under \$1 billion saw greater deposit growth and reduced wholesale funding, including borrowings and brokered deposits (see Supplemental Chart 2). In contrast, banks over \$1 billion saw minimal deposit growth and instead took on more borrowings (see Supplemental Chart 2). Across all bank sizes, capital levels remain elevated, with an aggregate District Tier 1 Leverage ratio of 10.2 percent, which remains well above the 10-year average despite a small quarter-over-quarter decline (see Chart A2).

**Supplemental Chart 1. Past Due and Noncurrent Loans, Tenth District Commercial Banks**



Source: Reports of Condition and Income

**Supplemental Chart 2. Balance Sheet Changes in Millions, Quarter-Over-Quarter, Tenth District Commercial Banks**



Source: Reports of Condition and Income

Note: Change metrics are adjusted for merger activity. See Technical Notes in the Appendix.

*Mary Bongers is a risk specialist in the Division of Supervision and Risk Management at the Federal Reserve Bank of Kansas City.*

## Table of Contents

Select links below to advance to specific charts. Technical notes and a glossary of terms are provided in the [appendix](#).

### Banking System Overview

- [All U.S. Commercial Banks](#)
- [Tenth District Commercial Banks](#)

### Section A. Capital and Earnings

- Leverage Ratio
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Quarterly Dividend Trends
- Return on Average Assets Summary
- Return on Average Assets
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Quarterly Revenue Trends
- YTD Change in Income and Expense Items
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Net Interest Margin
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Interest Income
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Interest Expense
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Noninterest Income
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Noninterest Expense
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)

### Section B. Allowance & Credit Conditions

- Loan Loss Provisions
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Quarterly Allowance for Credit Losses Trends
- Allowance for Credit Losses
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Problem Assets
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Noncurrent CLD and CRE Loans
- Noncurrent Loans by Other Loan Types
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Noncurrent Loans by Loan Type, Tenth District States
- Coverage Ratio

- [All U.S. Commercial Banks](#)
- [Tenth District Commercial Banks](#)

### Section C. Balance Sheet Composition

- Loan Portfolio Breakdown
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Balance Sheet Shifts
- Quarterly Investment Securities Trends
- Investment Securities
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Cash and Reserve Holdings
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Change in Loan Portfolio Composition
- Loans to Assets
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Loans to Assets, Tenth District States
- Year-Over-Year Loan Growth
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Year-Over-Year Loan Growth by Loan Type
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)

### Section D. Maturity and Funding

- Loan Portfolio Maturity and Repricing Distribution
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Securities Portfolio Maturity and Repricing Distribution
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Loan-to-Deposit Ratios
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Quarterly Liquid Asset Trends
- Liquid Asset Ratios
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Unrealized Gains/Losses on Available-for-Sale Securities
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)
- Quarterly Wholesale Funding Trends
- Wholesale Funding Ratios
  - [All U.S. Commercial Banks](#)
  - [Tenth District Commercial Banks](#)

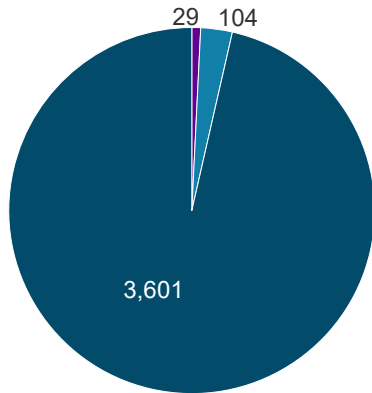
### Select Ratios by Tenth District State

# Banking System Overview

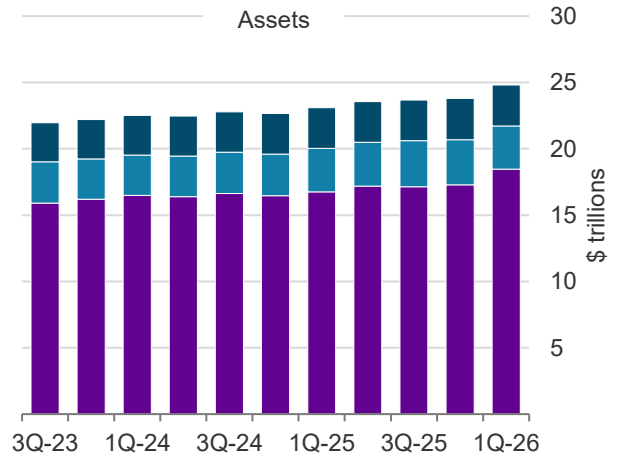
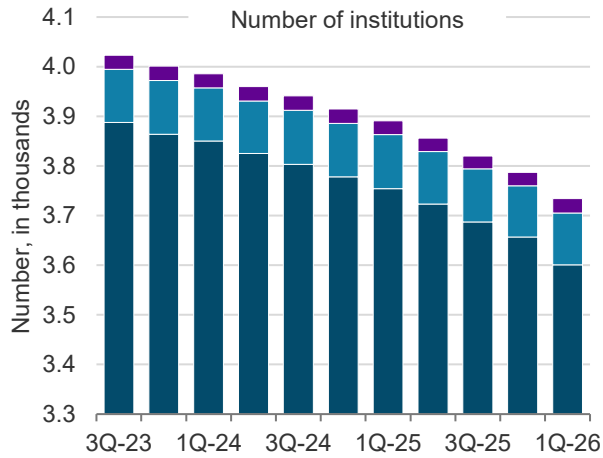
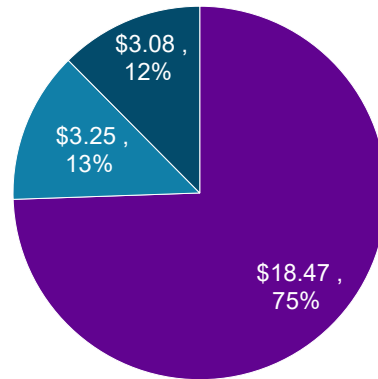
## All U.S. Commercial Banks

Large banks    Regional banks    Community banks

Number of institutions



Assets, in trillions

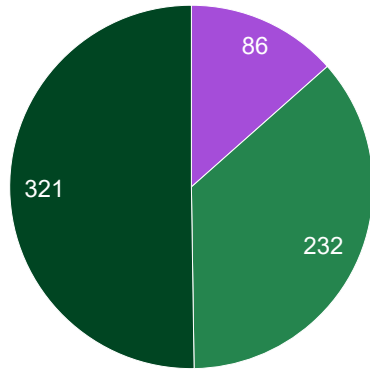


# Banking System Overview

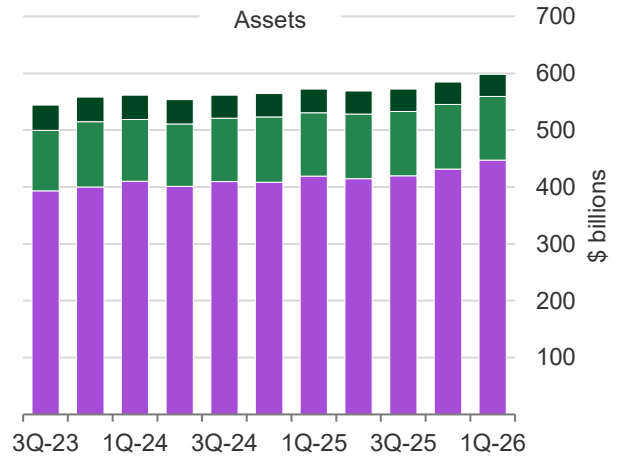
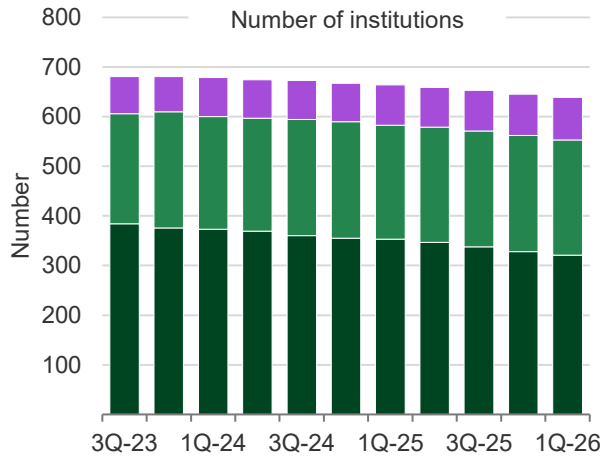
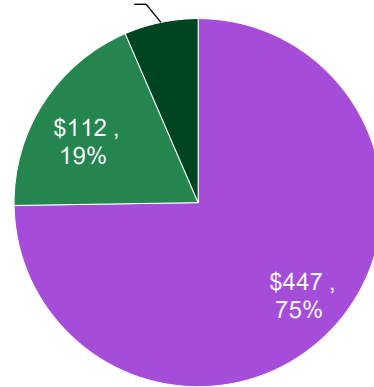
## Tenth District Commercial Banks

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

Number of institutions

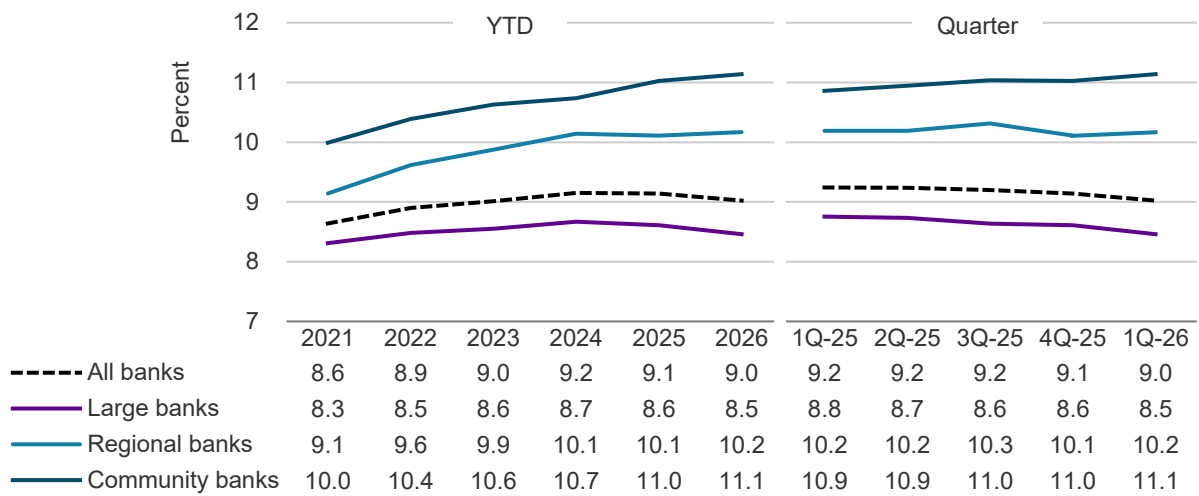


Assets, in billions

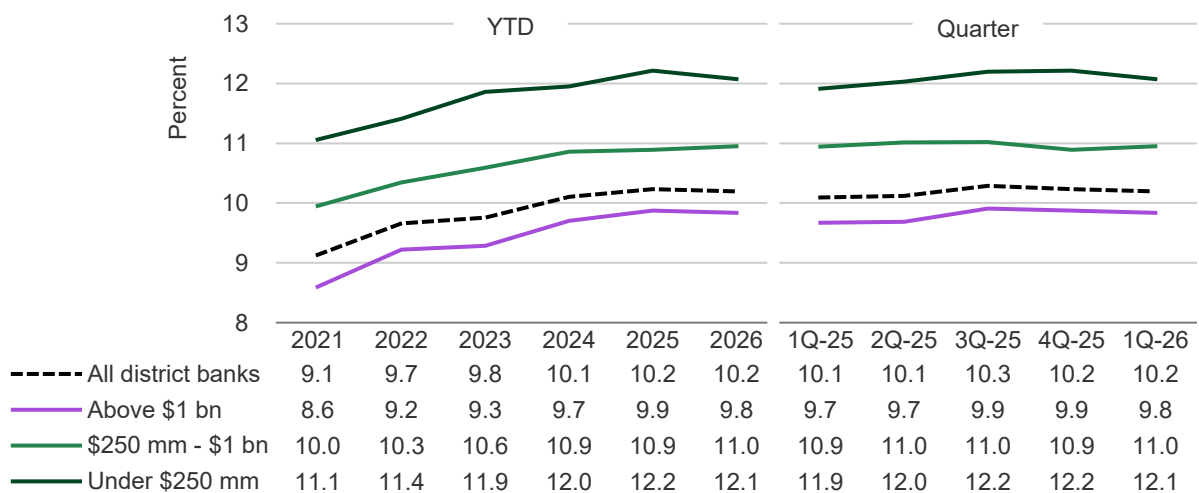


## A. Capital and Earnings

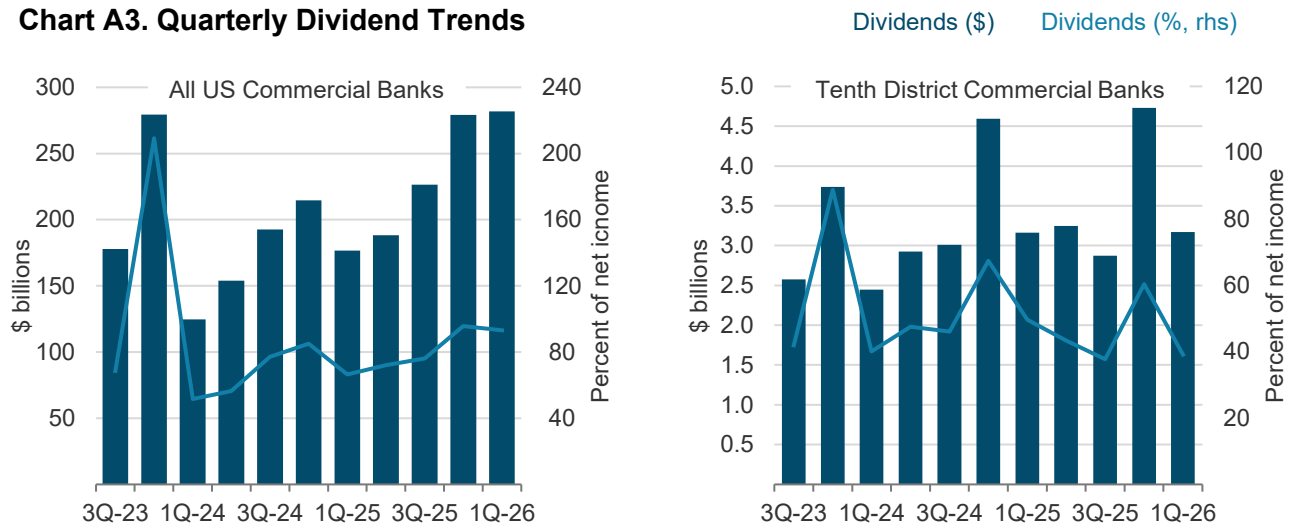
**Chart A1. Leverage Ratio, All U.S. Commercial Banks**



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



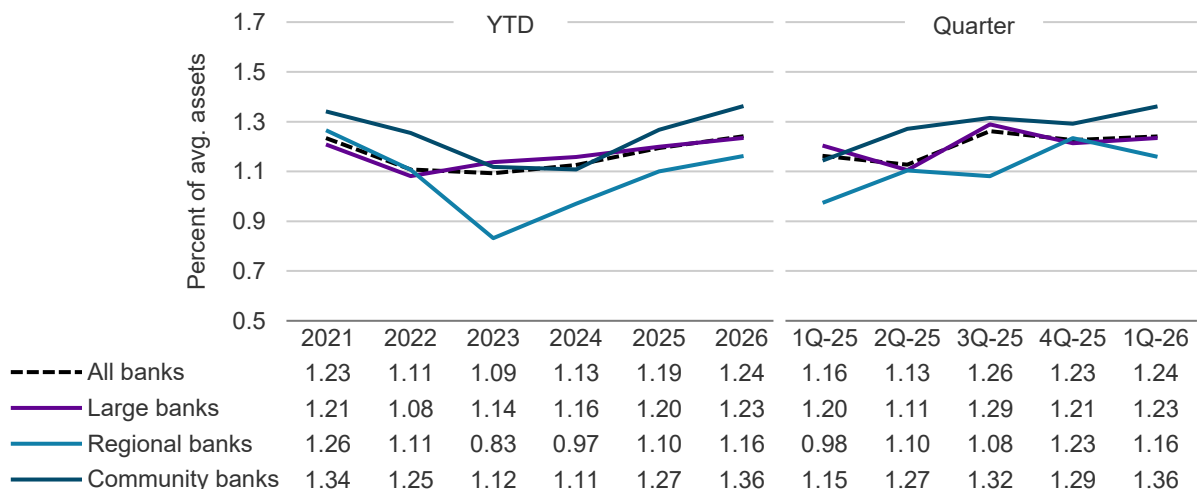
**Chart A3. Quarterly Dividend Trends**



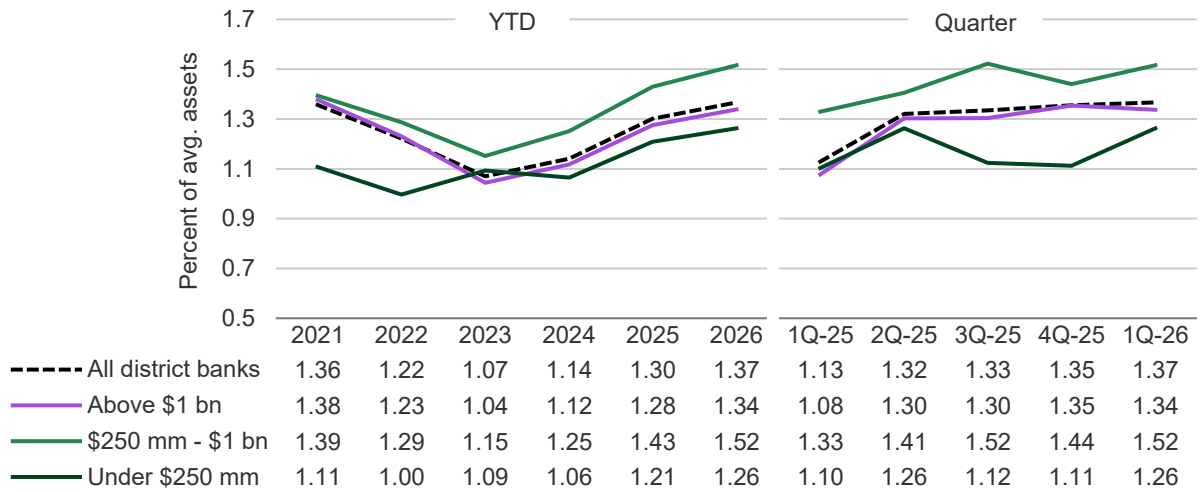
**Chart A4. Return on Average Assets Summary**

	All US Commercial Banks						Tenth District Commercial Banks					
	YTD			Quarter			YTD			Quarter		
	1Q-25	1Q-26	change	4Q-25	1Q-26	change	1Q-25	1Q-26	change	4Q-25	1Q-26	change
Net interest income	2.90	2.92	▲ 0.02	3.01	2.92	▼ (0.09)	3.33	3.60	▲ 0.27	3.62	3.60	▼ (0.01)
Noninterest income	1.40	1.42	▲ 0.02	1.37	1.42	▲ 0.05	0.90	0.94	▲ 0.04	0.95	0.94	▼ (0.01)
Total revenue	4.30	4.34	▲ 0.05	4.38	4.34	▼ (0.04)	4.23	4.54	▲ 0.31	4.57	4.54	▼ (0.02)
Provisions	0.34	0.31	▼ (0.03)	0.27	0.31	▲ 0.04	0.30	0.17	▼ (0.13)	0.23	0.17	▼ (0.07)
Noninterest expense	2.45	2.47	▲ 0.02	2.48	2.47	▼ (0.01)	2.58	2.71	▲ 0.12	2.72	2.71	▼ (0.01)
Total expenses	2.79	2.78	▼ (0.01)	2.75	2.78	▲ 0.03	2.88	2.87	▼ (0.01)	2.95	2.87	▼ (0.08)
Pre-tax operating income	1.50	1.56	▲ 0.06	1.63	1.56	▼ (0.07)	1.35	1.67	▲ 0.32	1.62	1.67	▲ 0.05
Net Income	1.16	1.24	▲ 0.08	1.23	1.24	▲ 0.01	1.13	1.37	▲ 0.24	1.35	1.37	▲ 0.01

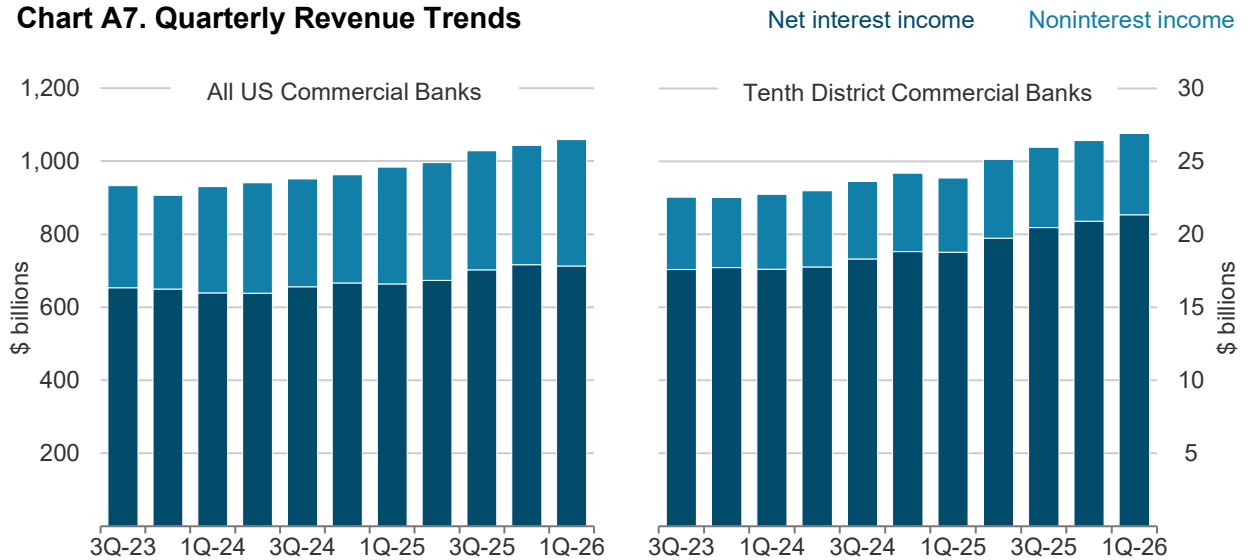
**Chart A5. Return on Average Assets, All U.S. Commercial Banks**



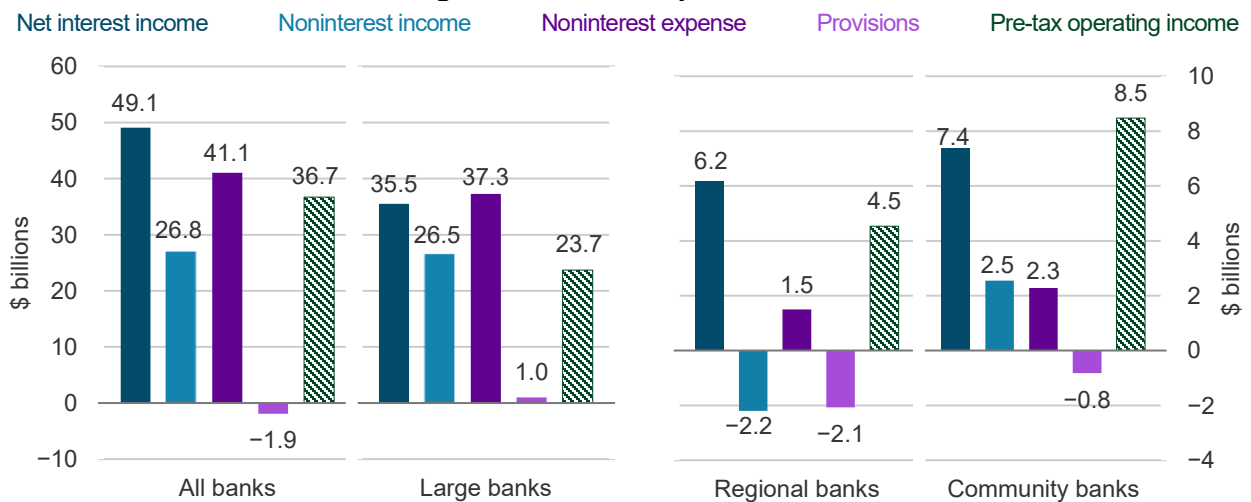
**Chart A6. Return on Average Assets, Tenth District Commercial Banks**



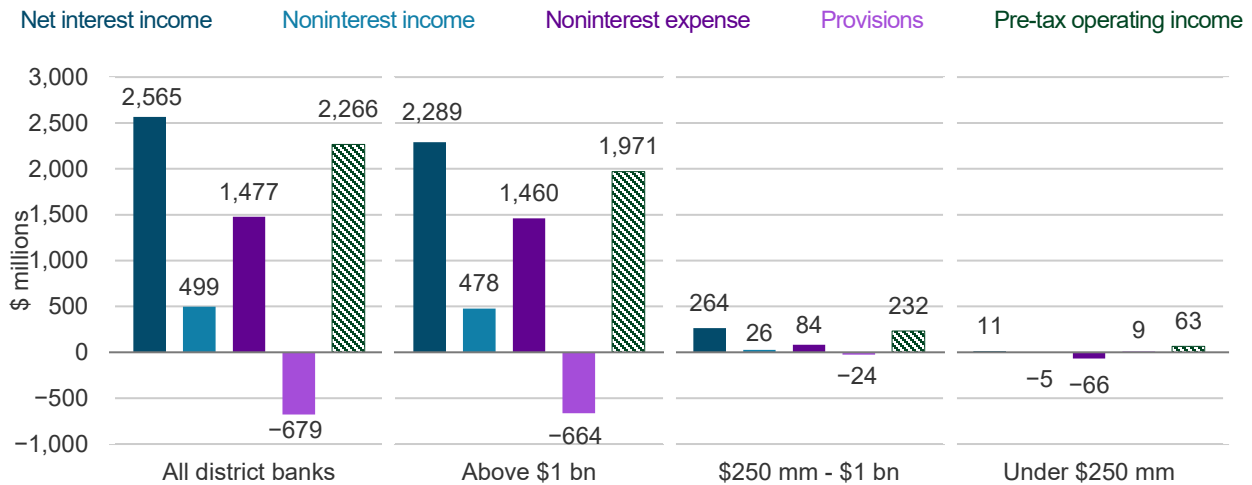
**Chart A7. Quarterly Revenue Trends**



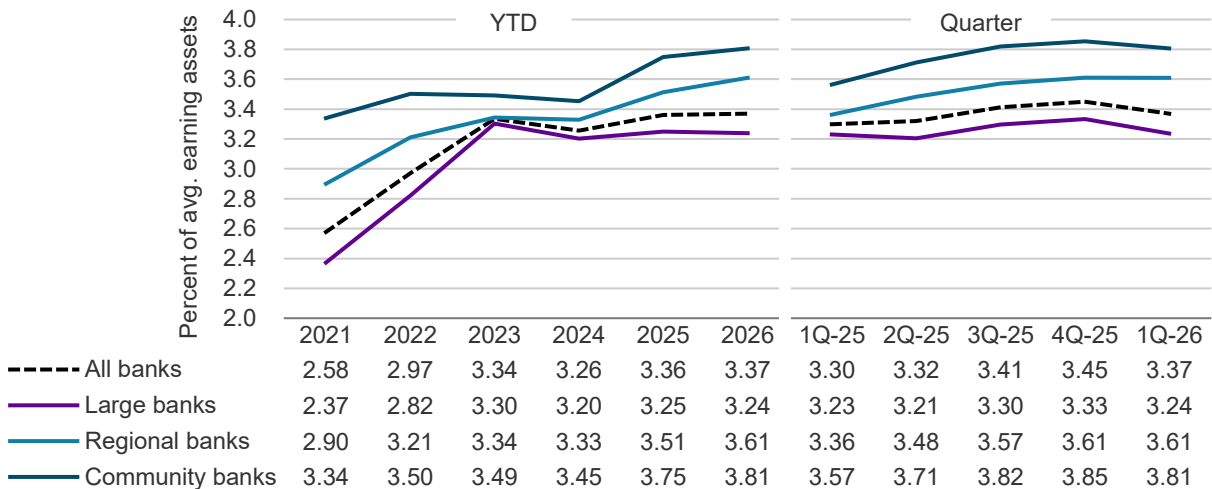
**Chart A8. Year-Over-Year Change in Income & Expense Items, All U.S. Commercial Banks**



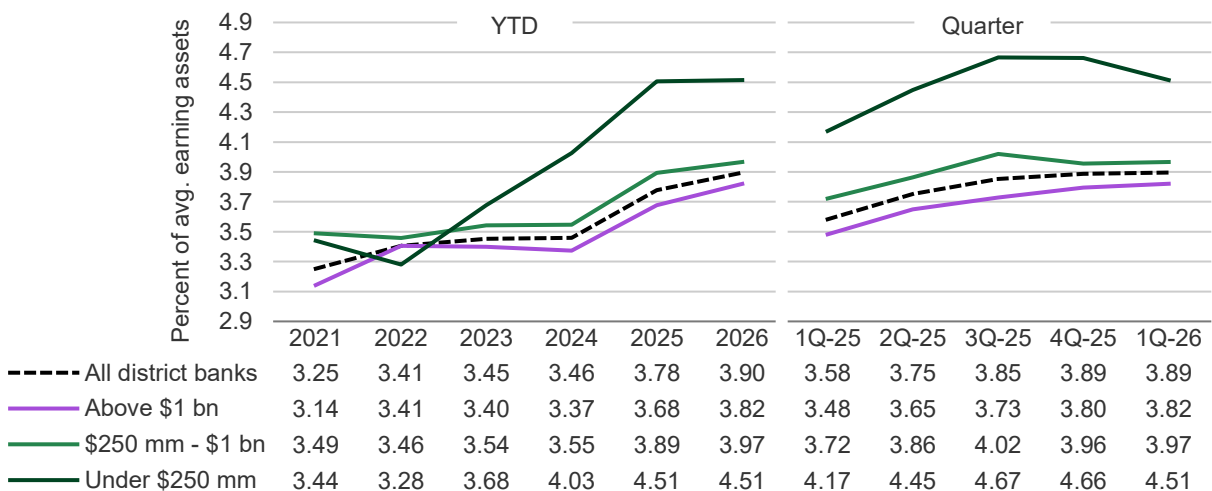
**Chart A9. Year-Over-Year Change in Income & Expense Items, Tenth District Commercial Banks**



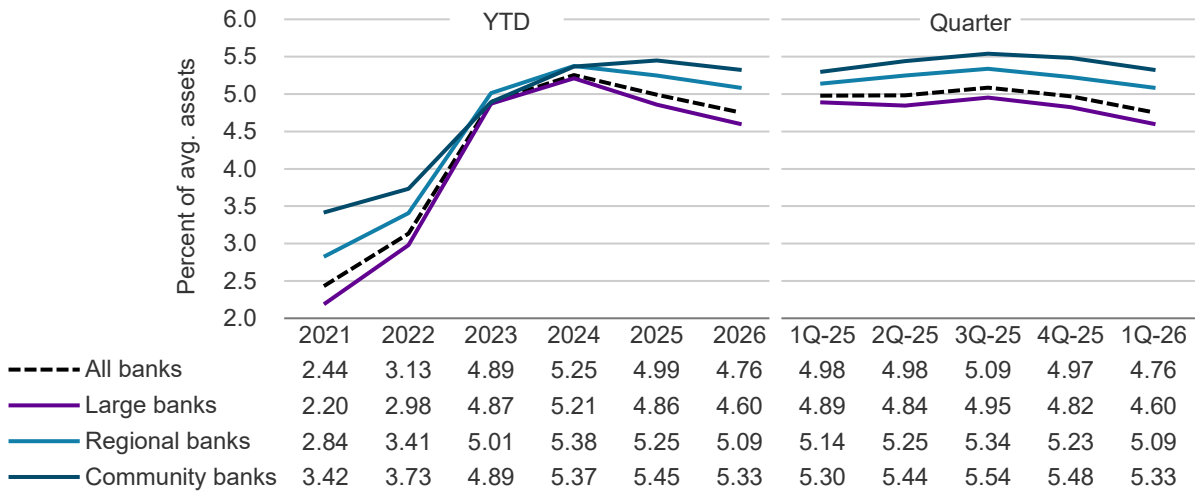
**Chart A10. Net Interest Margin, All U.S. Commercial Banks**



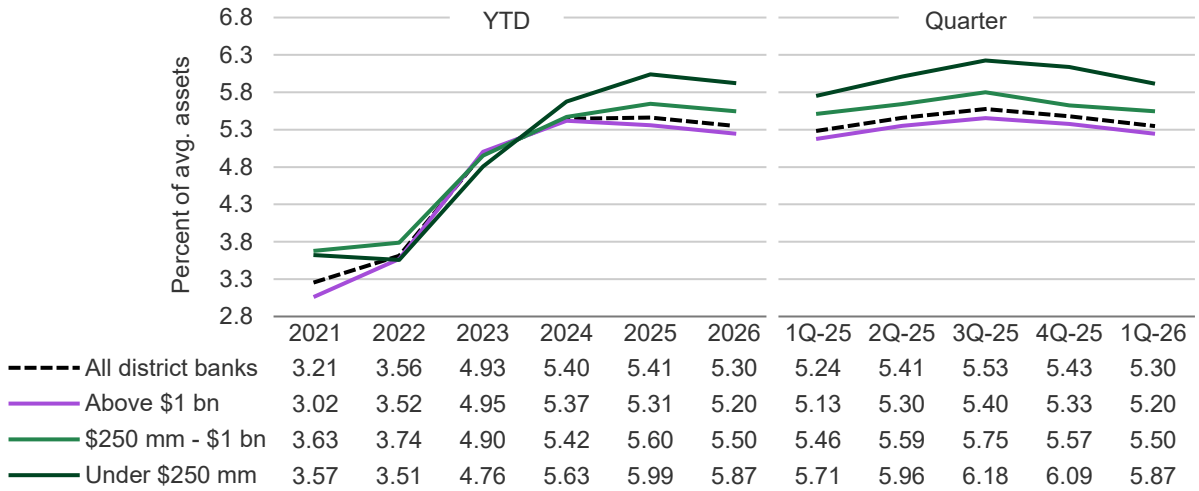
**Chart A11. Net Interest Margin, Tenth District Commercial Banks**



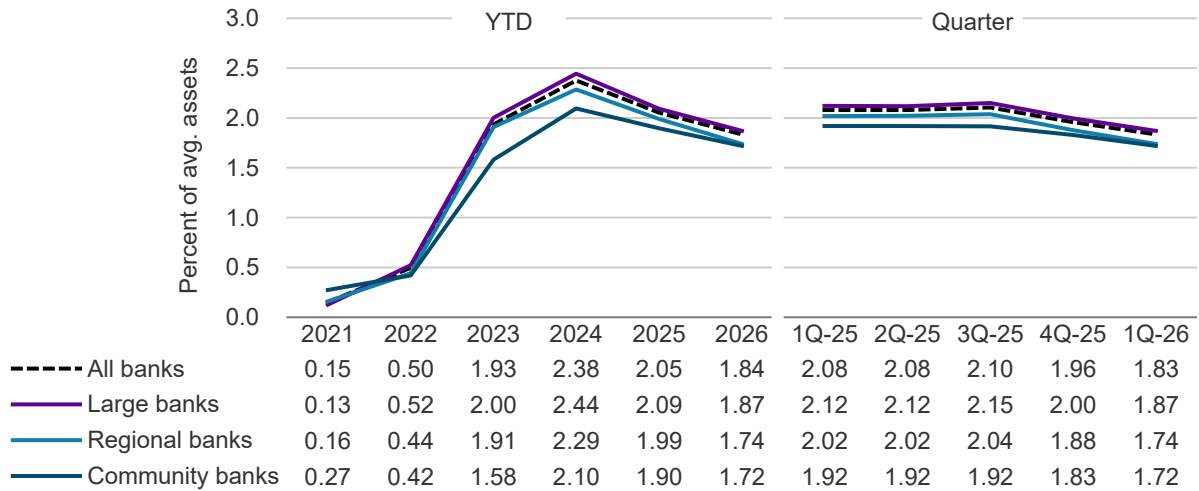
**Chart A12. Interest Income, All U.S. Commercial Banks**



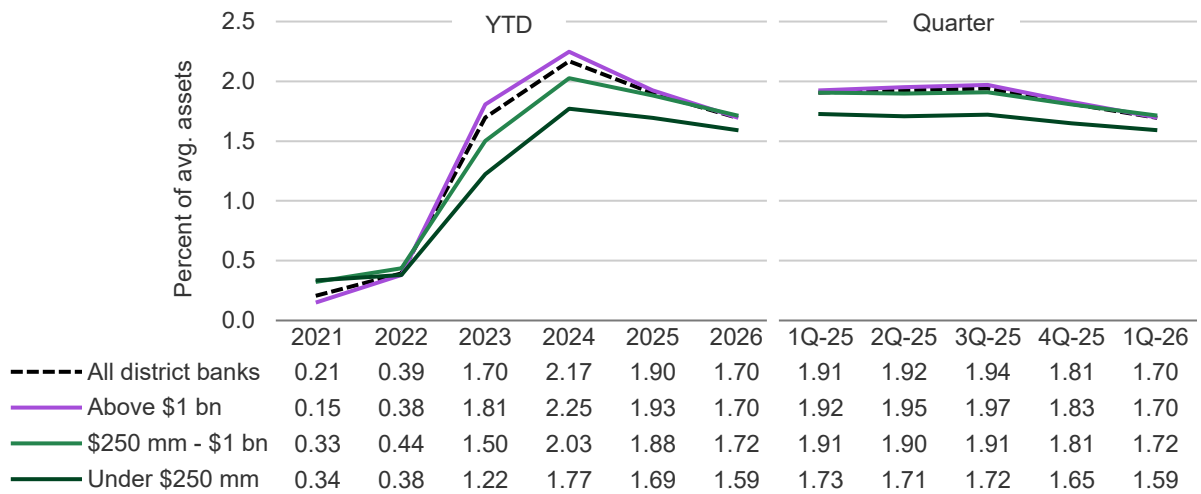
**Chart A13. Interest Income, Tenth District Commercial Banks**



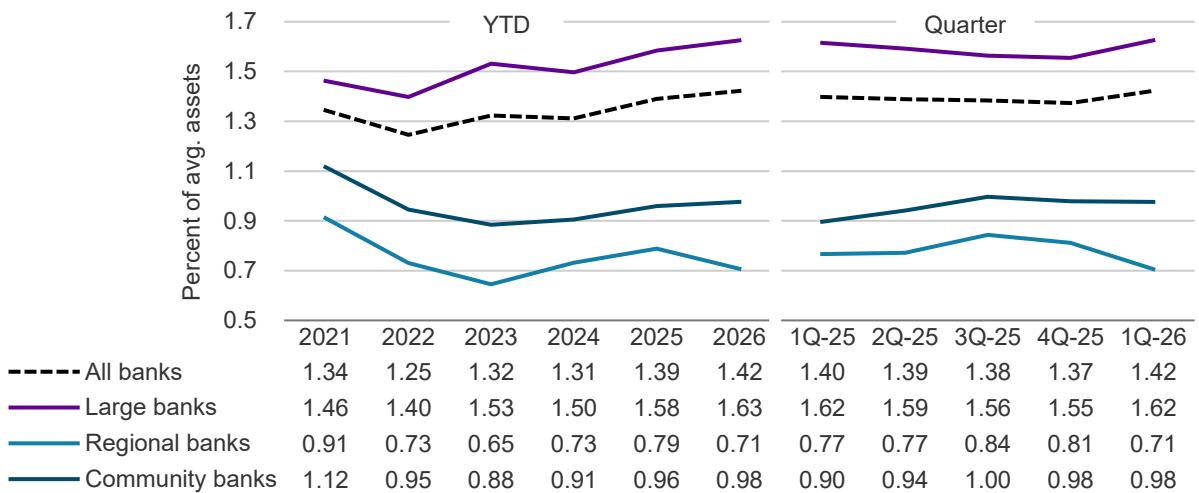
**Chart A14. Interest Expense, All U.S. Commercial Banks**



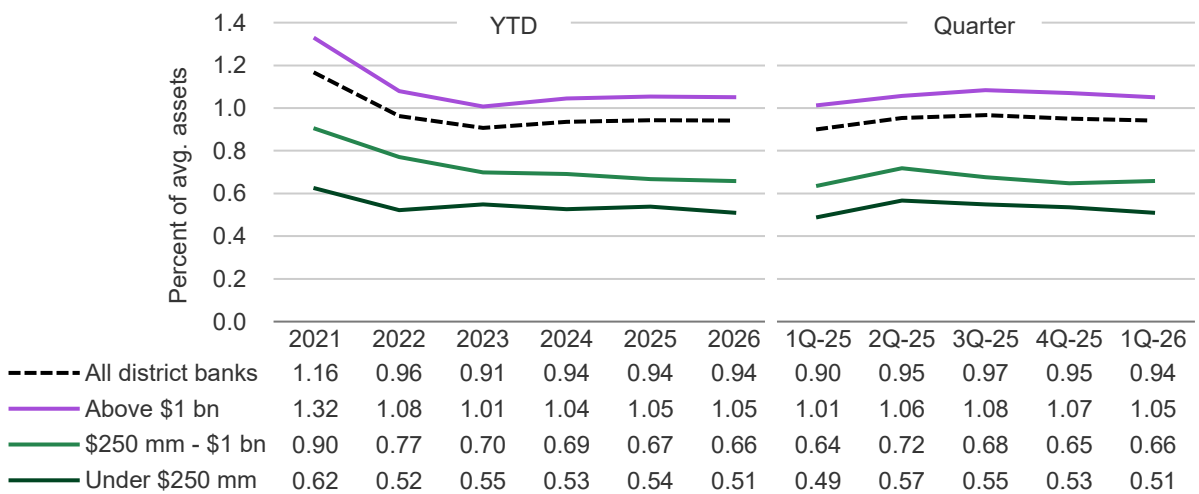
**Chart A15. Interest Expense, Tenth District Commercial Banks**



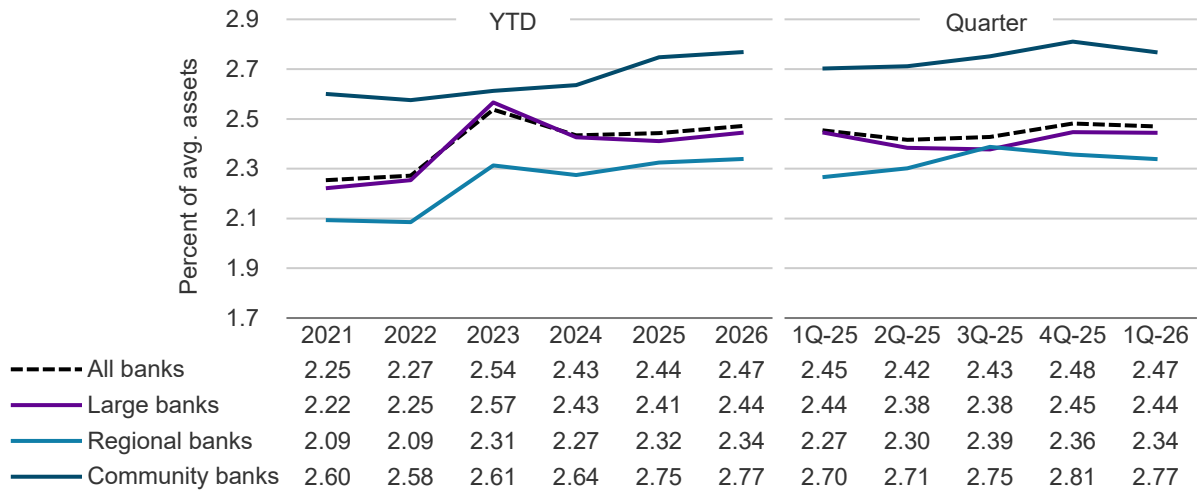
**Chart A16. Noninterest Income, All U.S. Commercial Banks**



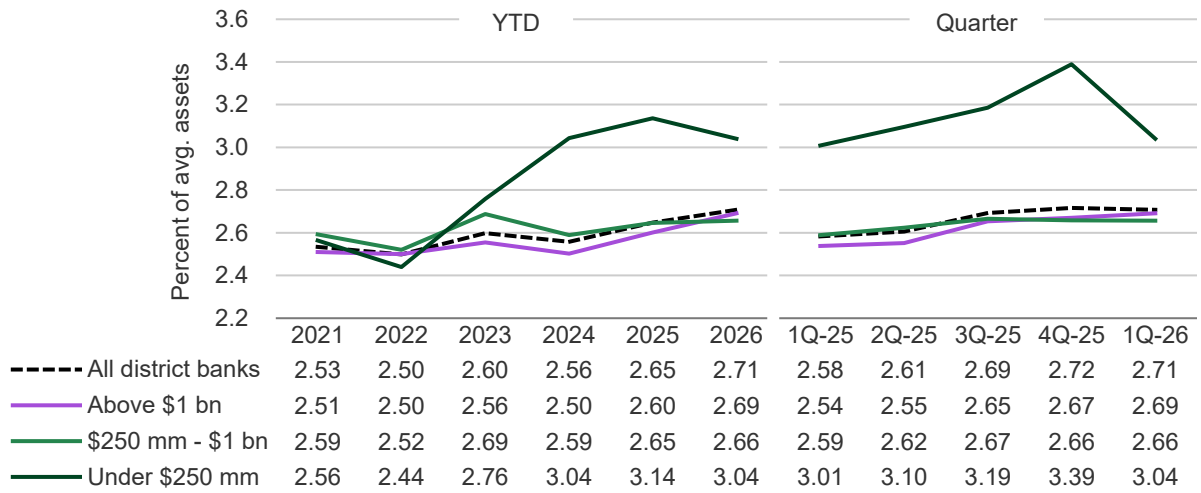
**Chart A17. Noninterest Income, Tenth District Commercial Banks**



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

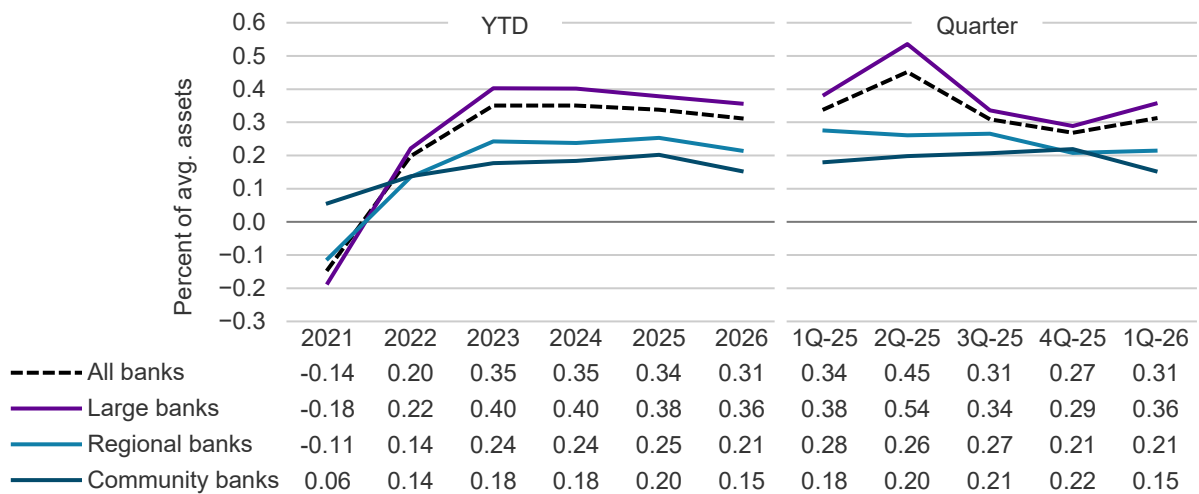


**Chart A19. Noninterest Expense, Tenth District Commercial Banks**

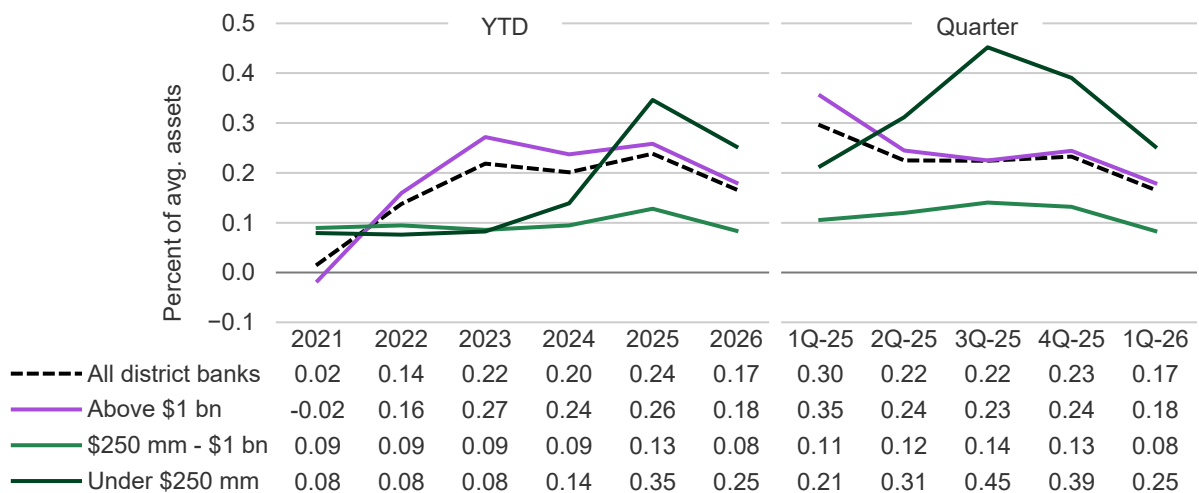


## B. Allowance and Credit Conditions

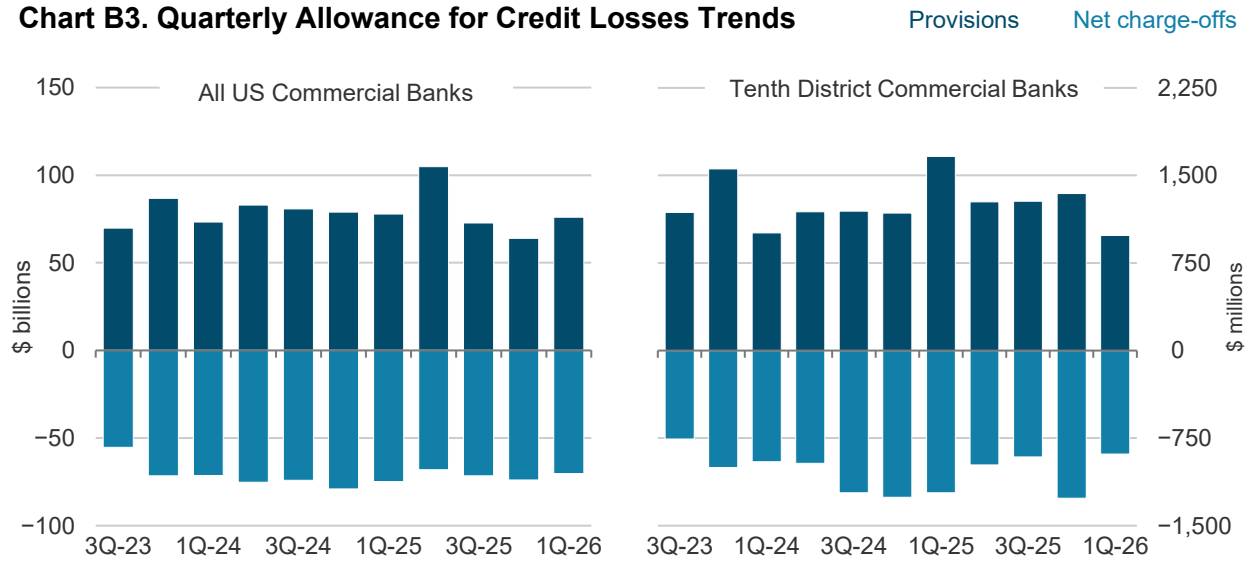
**Chart B1. Loan Loss Provisions, All U.S. Commercial Banks**



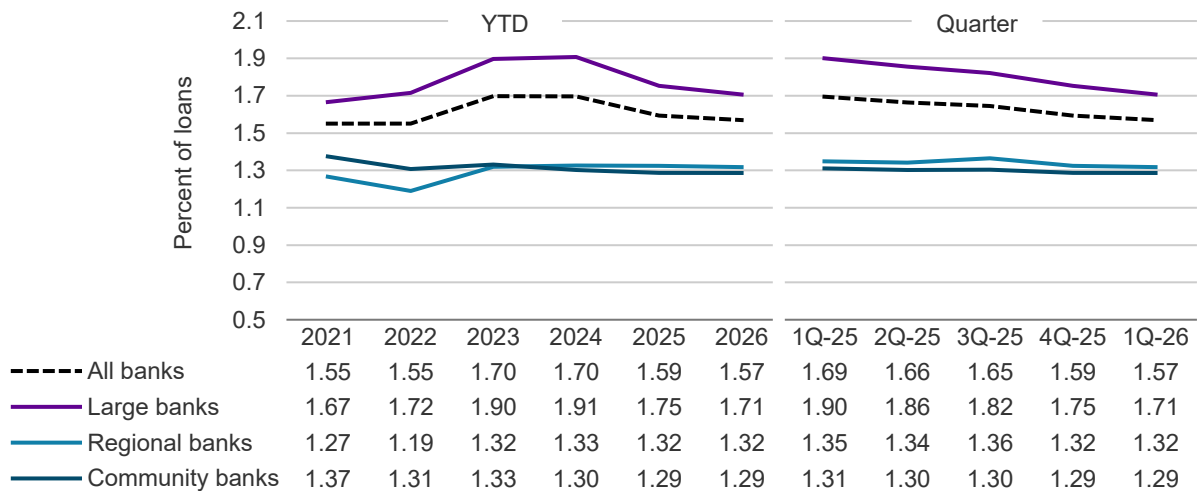
**Chart B2. Loan Loss Provisions, Tenth District Commercial Banks**



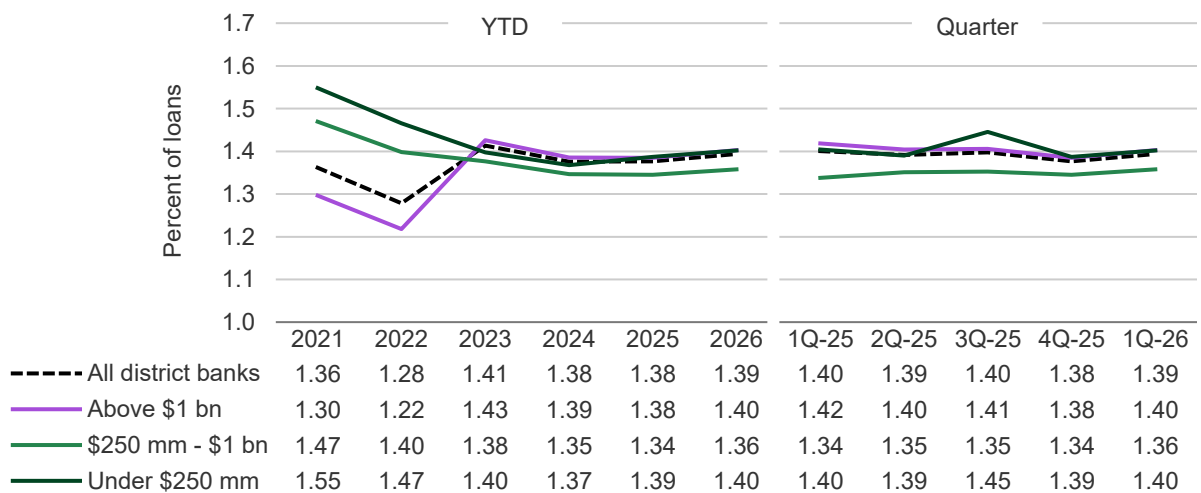
**Chart B3. Quarterly Allowance for Credit Losses Trends**



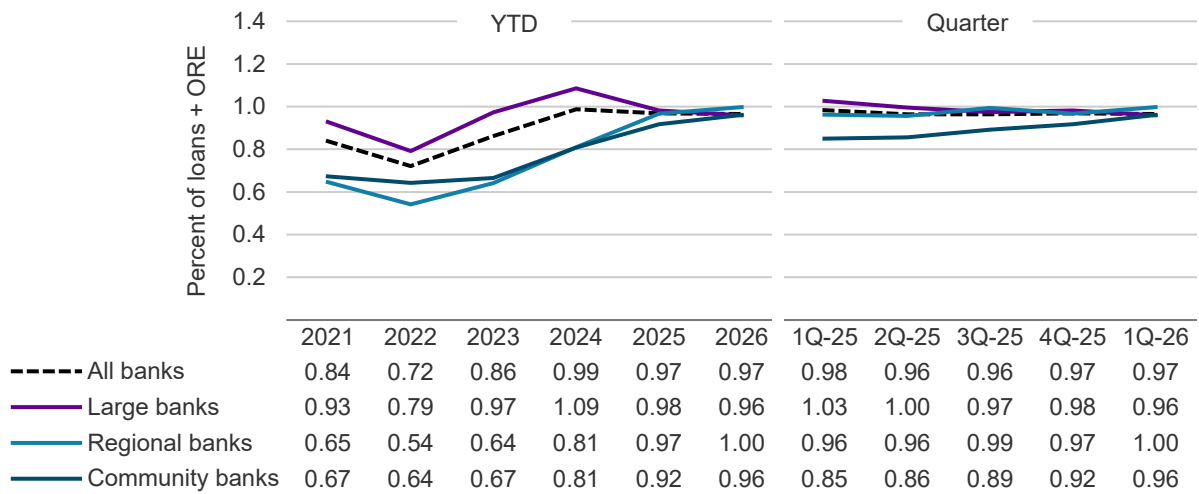
**Chart B4. Allowance for Credit Losses, All U.S. Commercial Banks**



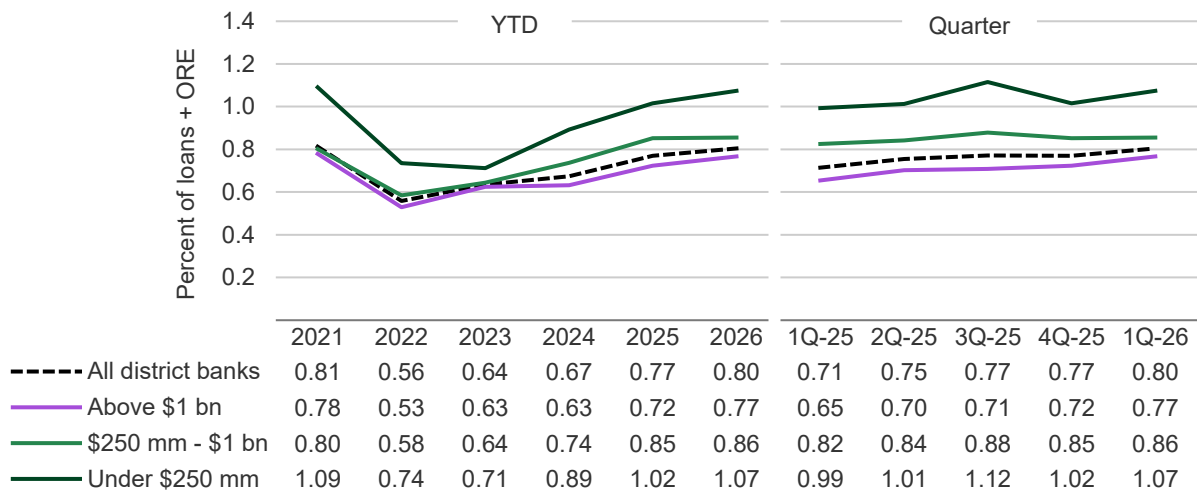
**Chart B5. Allowance for Credit Losses, Tenth District Commercial Banks**



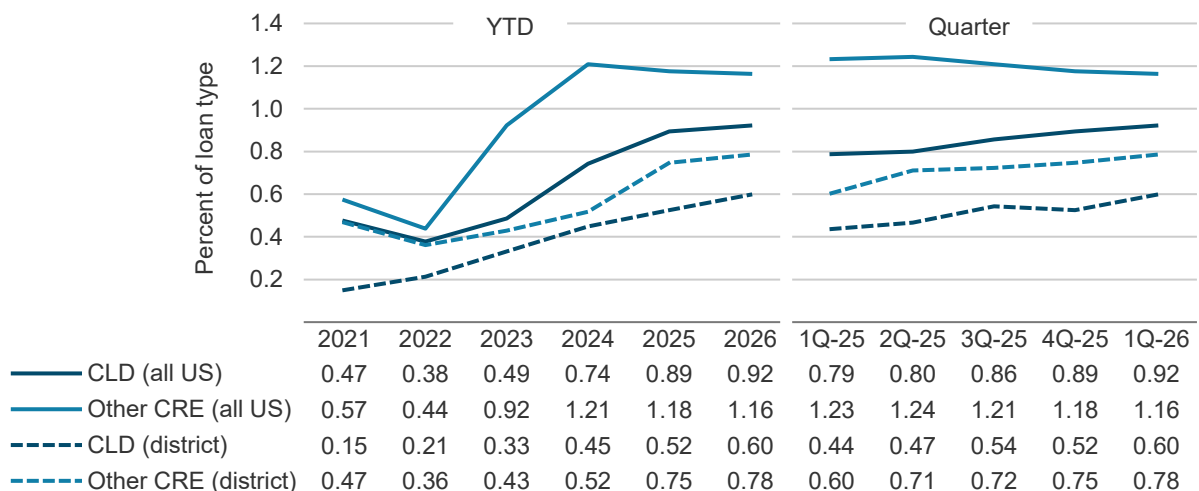
**Chart B6. Problem Assets, All U.S. Commercial Banks**



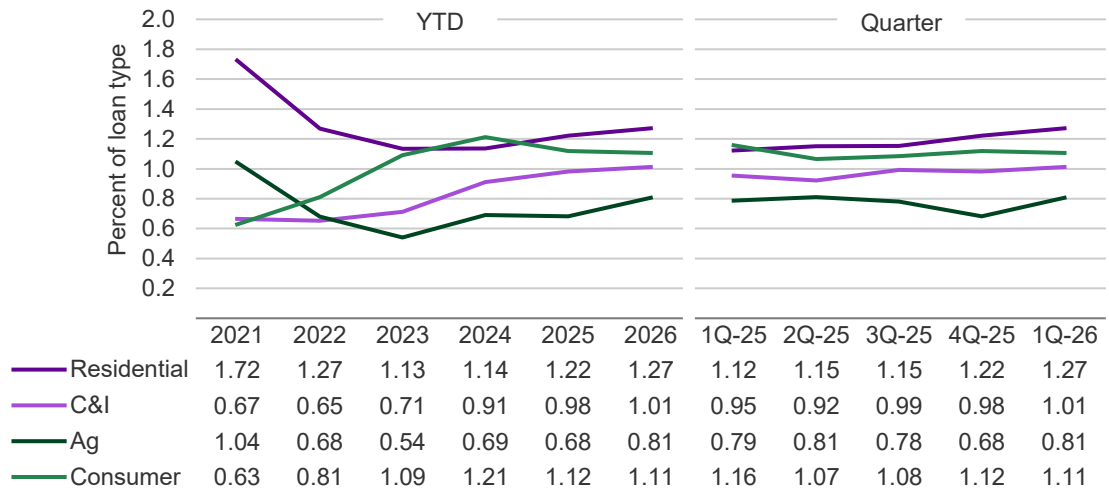
**Chart B7. Problem Assets, Tenth District Commercial Banks**



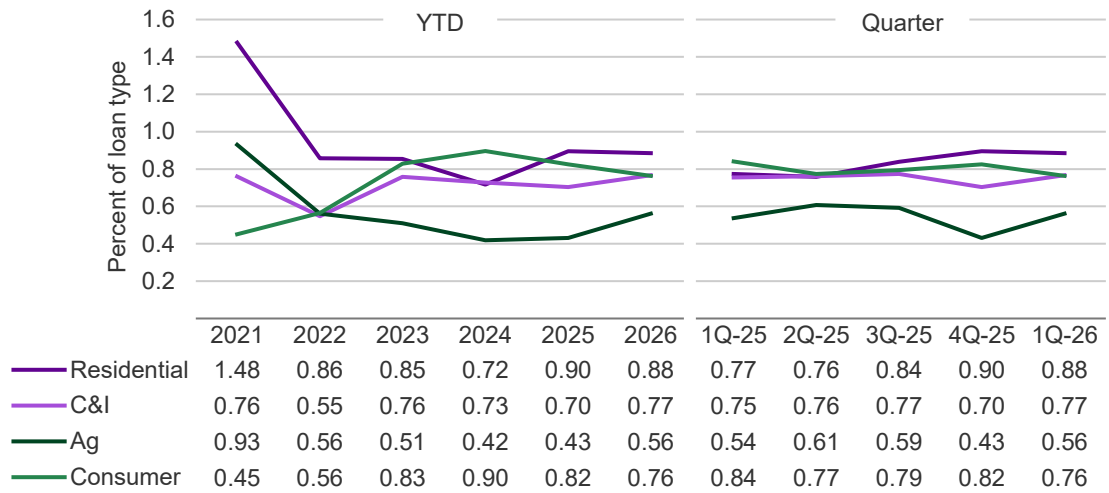
**Chart B8. Noncurrent CLD and CRE Loans**



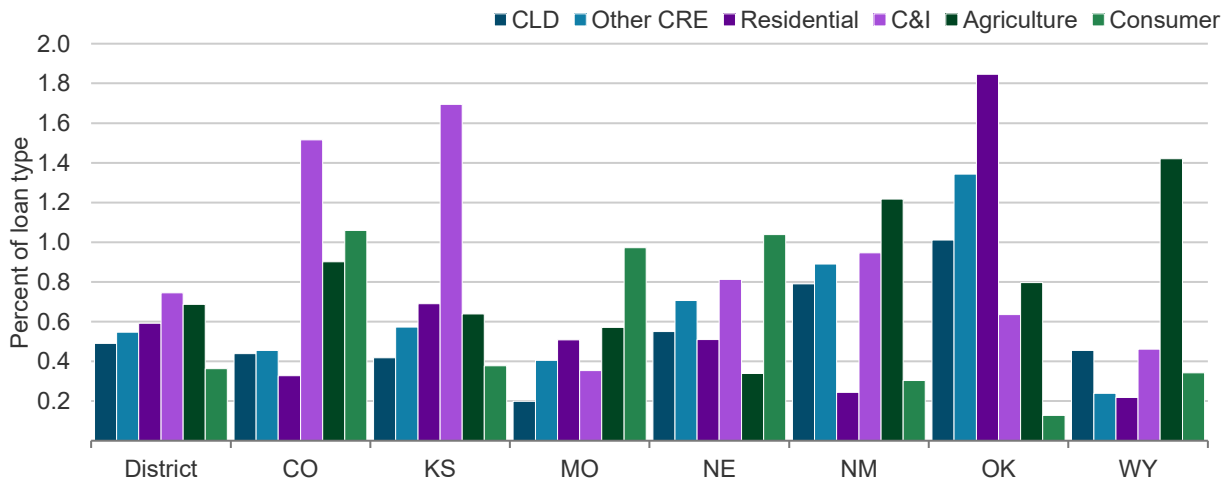
**Chart B9. Noncurrent Loans by Other Loan Types, All U.S. Commercial Banks**



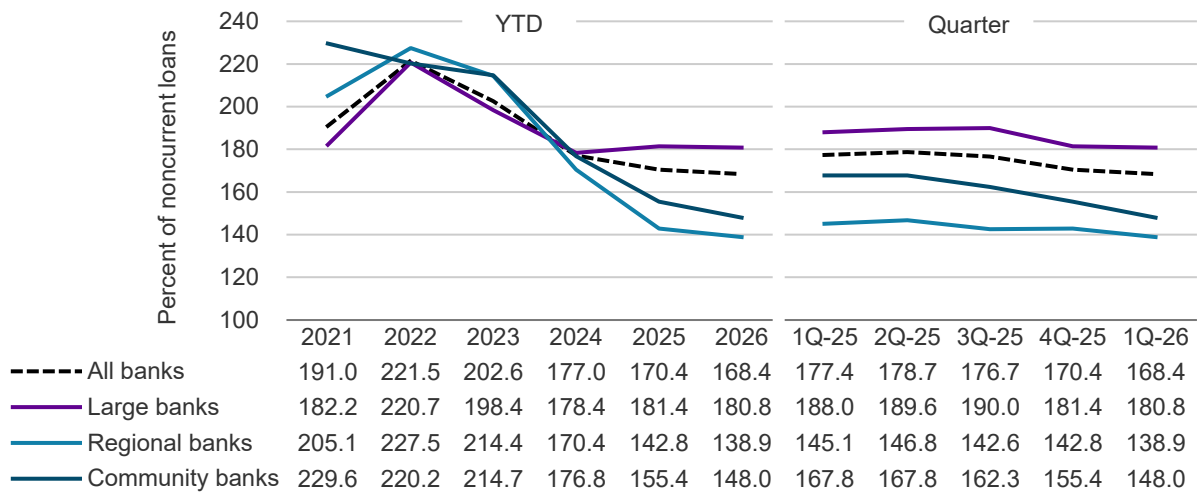
**Chart B10. Noncurrent Loans by Other Loan Types, Tenth District Commercial Banks**



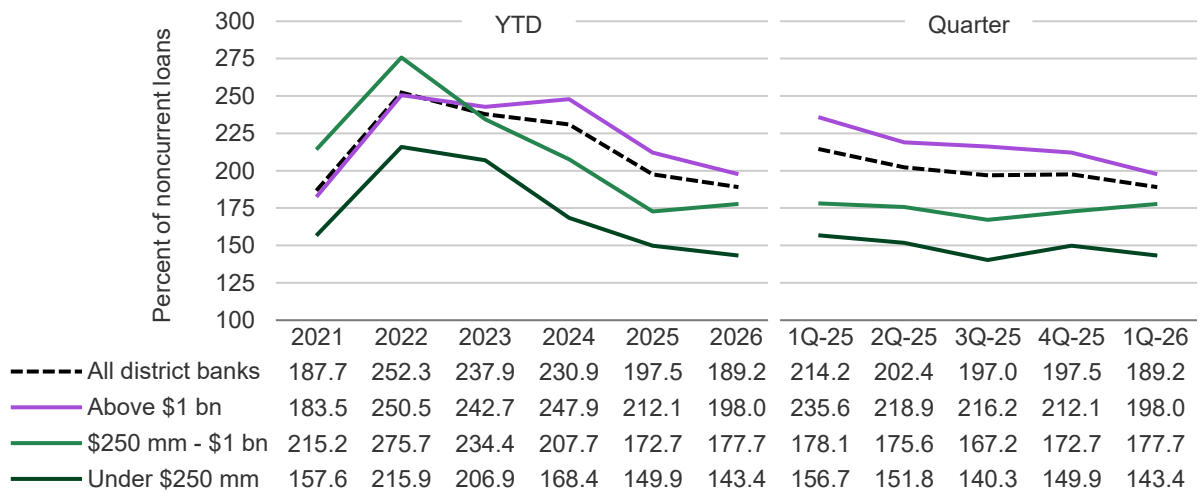
**Chart B11. Noncurrent Loans by Loan Type, Tenth District States**



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



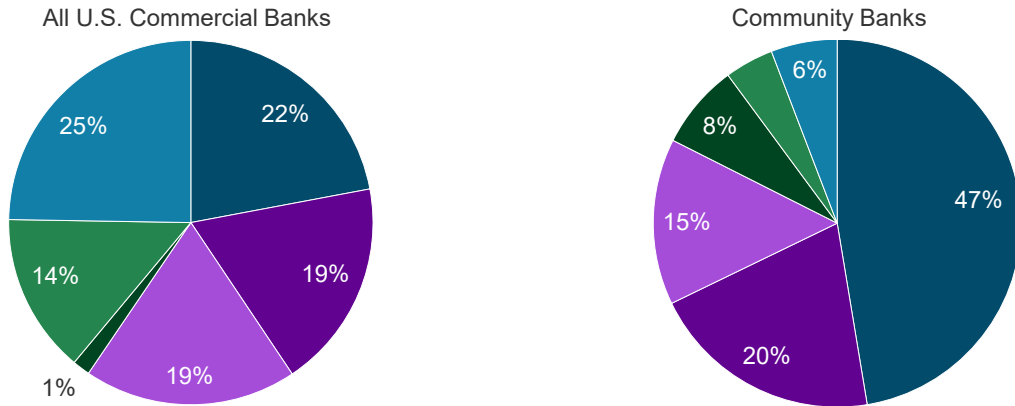
**Chart B13. Coverage Ratio, Tenth District Commercial Banks**



## C. Balance Sheet Composition

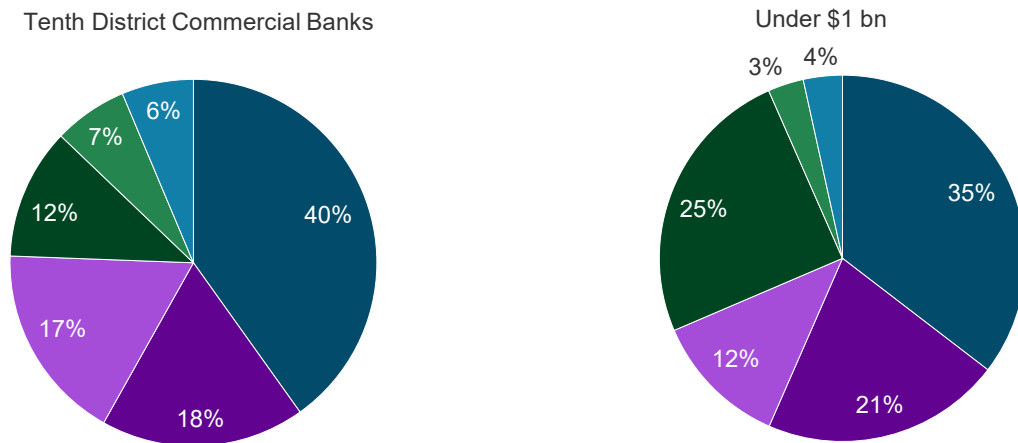
**Chart C1. Loan Portfolio Breakdown, All U.S. Commercial Banks**

CRE      Residential      C&I      Agriculture      Consumer      Other

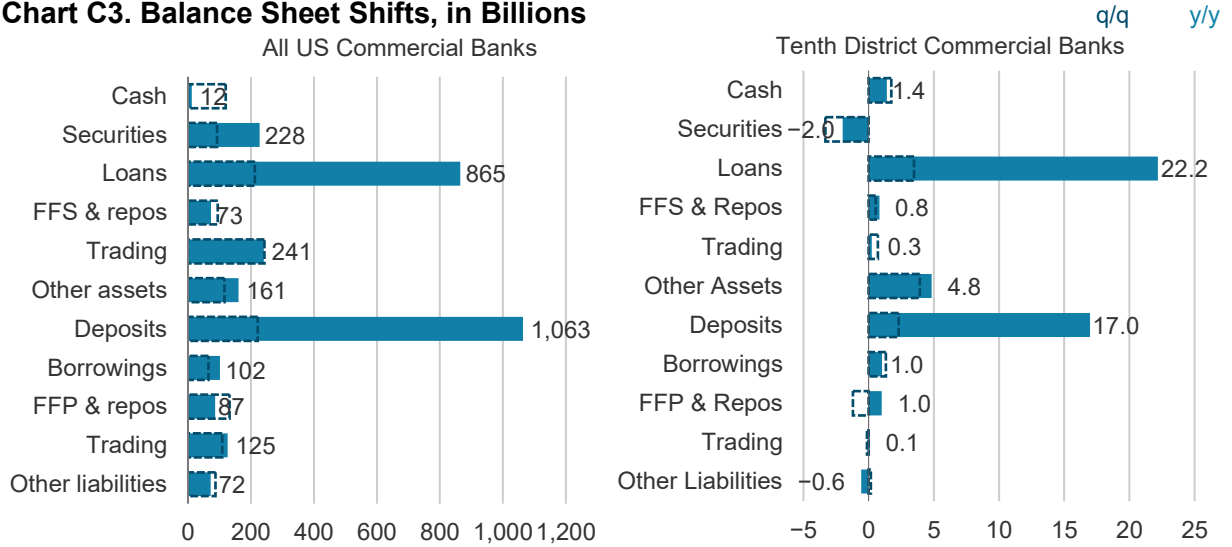


**Chart C2. Loan Portfolio Breakdown, Tenth District Commercial Banks**

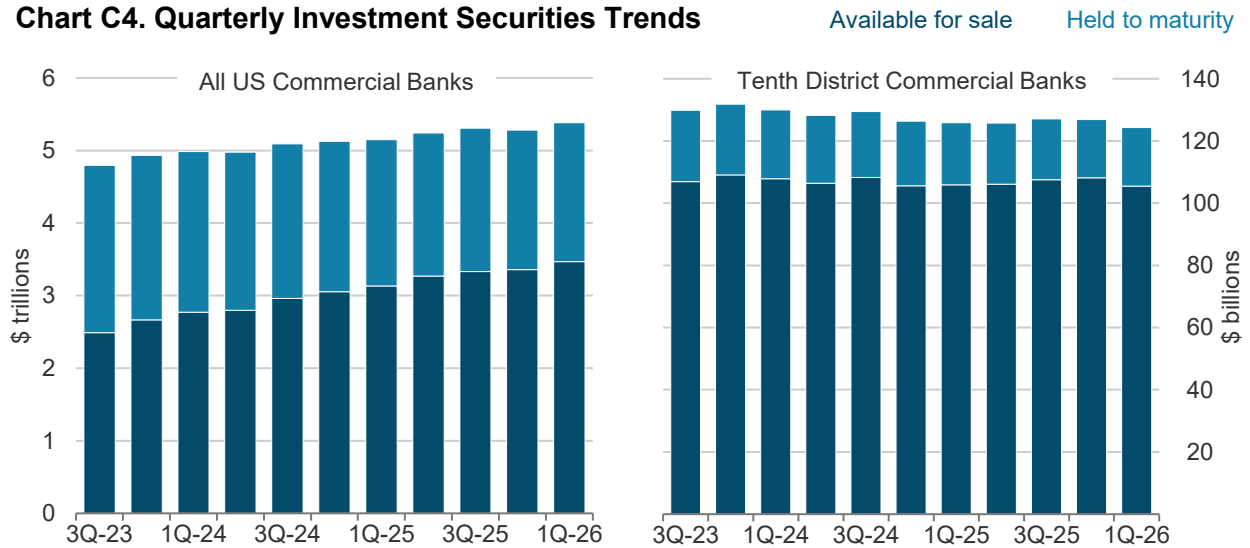
CRE      Residential      C&I      Agriculture      Consumer      Other



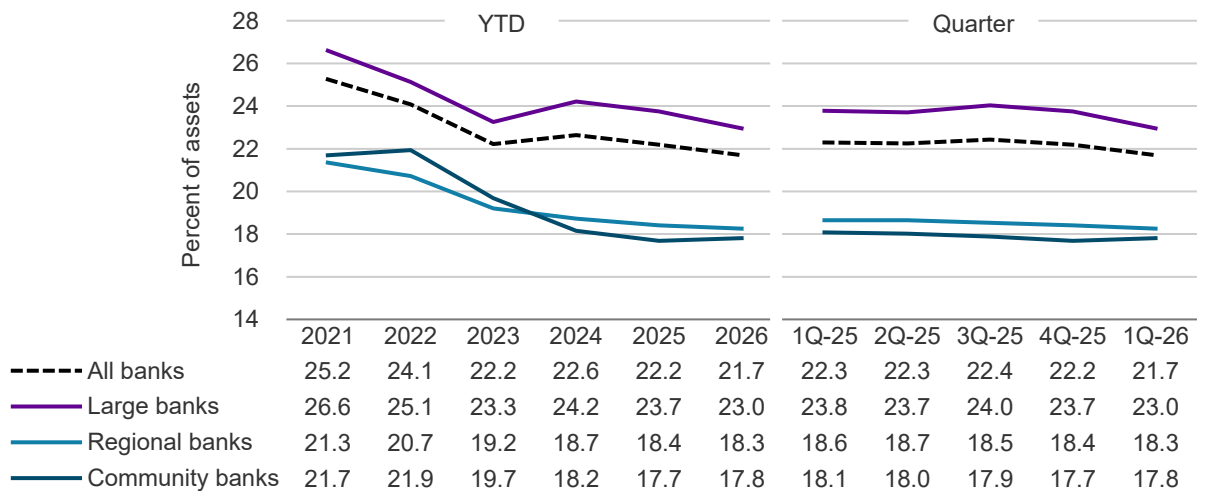
**Chart C3. Balance Sheet Shifts, in Billions**



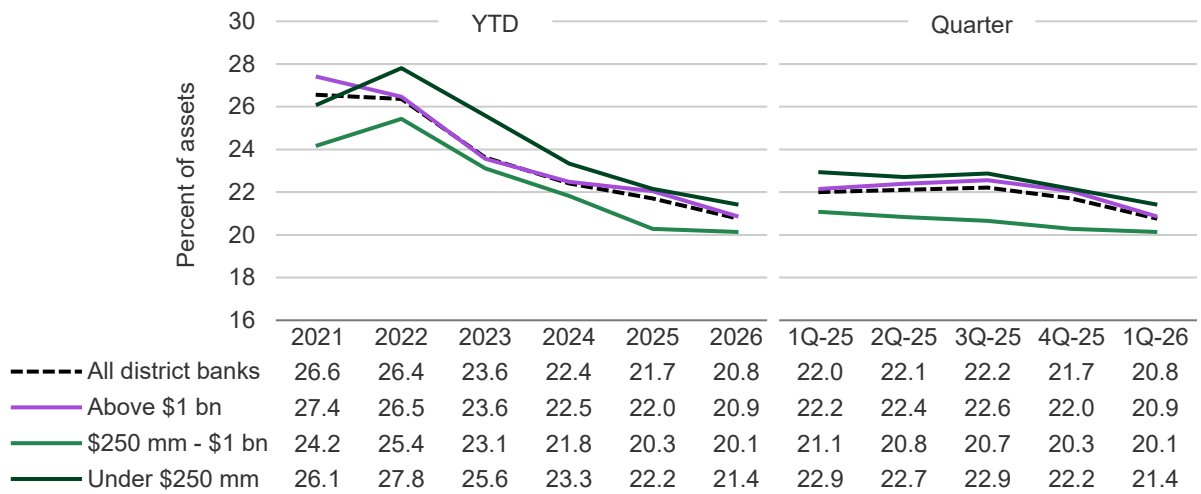
**Chart C4. Quarterly Investment Securities Trends**



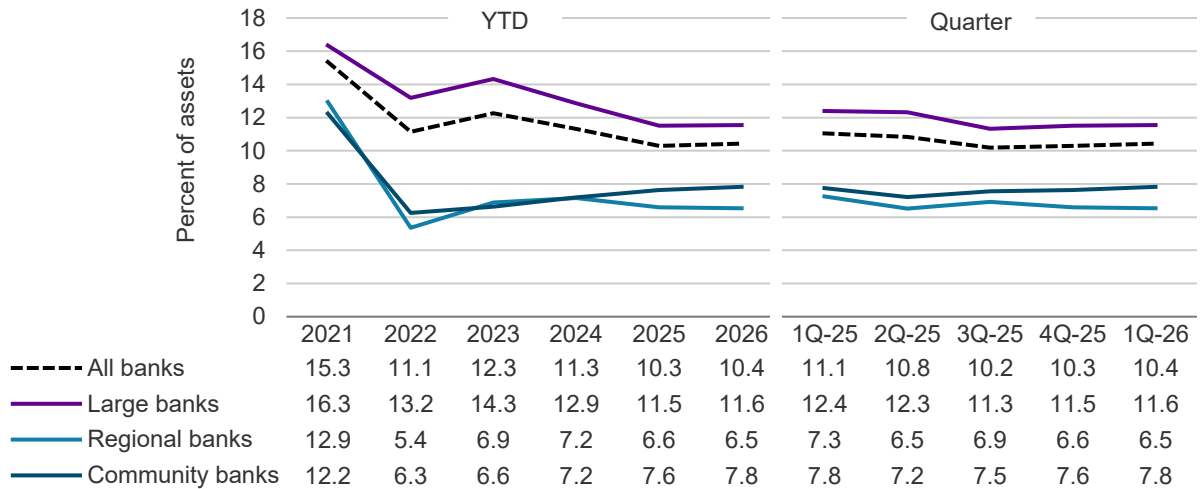
**Chart C5. Investment Securities, All U.S. Commercial Banks**



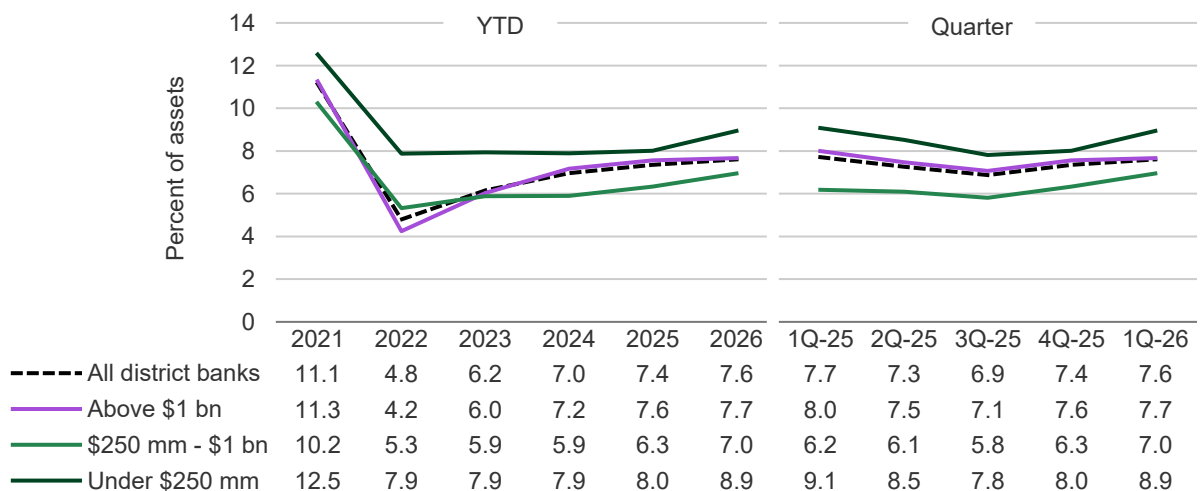
**Chart C6. Investment Securities, Tenth District Commercial Banks**



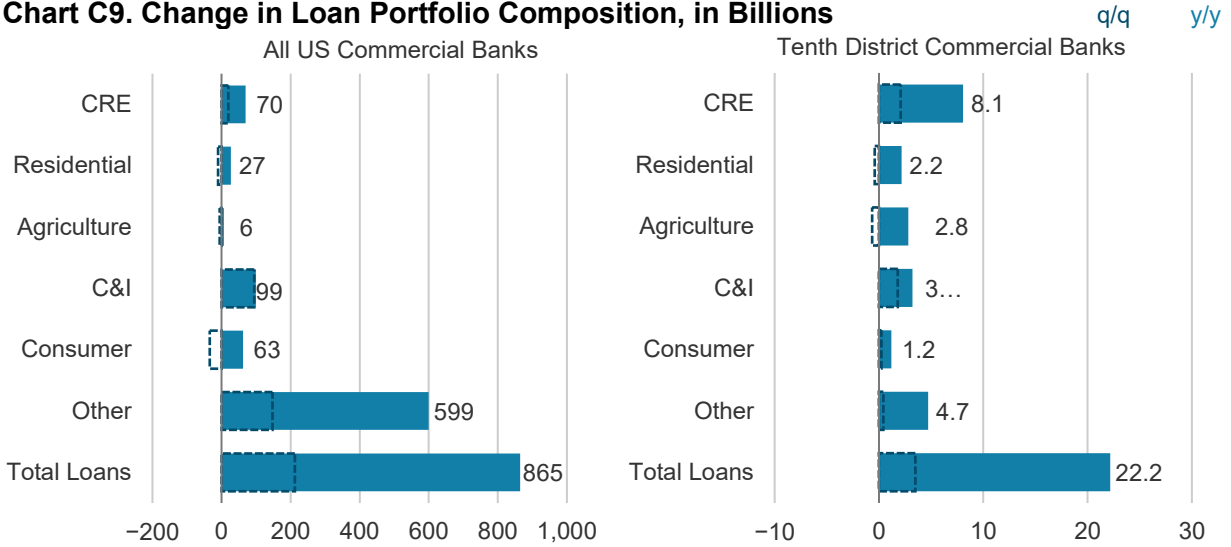
**Chart C7. Cash and Reserve Holdings, All U.S. Commercial Banks**



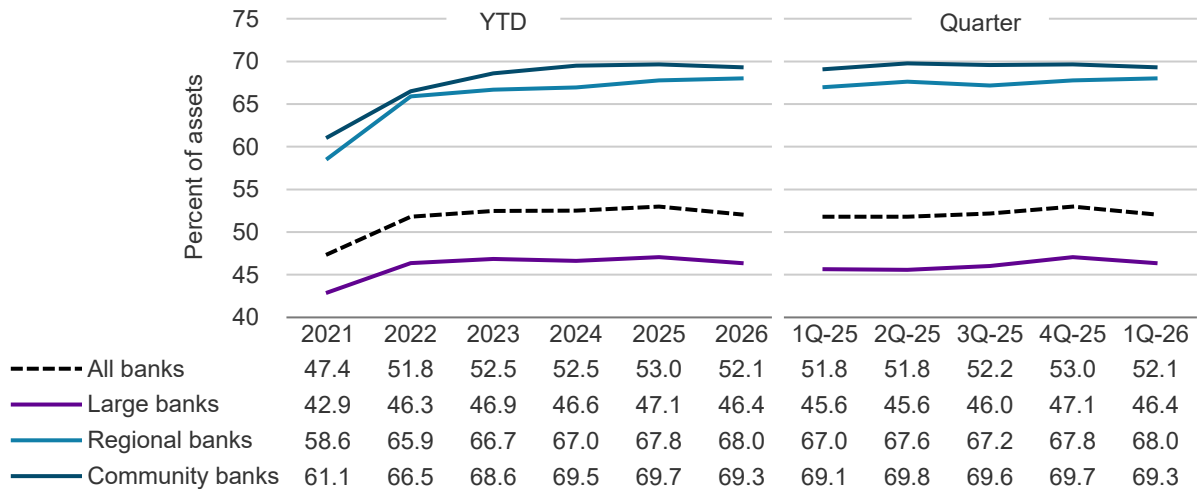
**Chart C8. Cash and Reserve Holdings, Tenth District Commercial Banks**



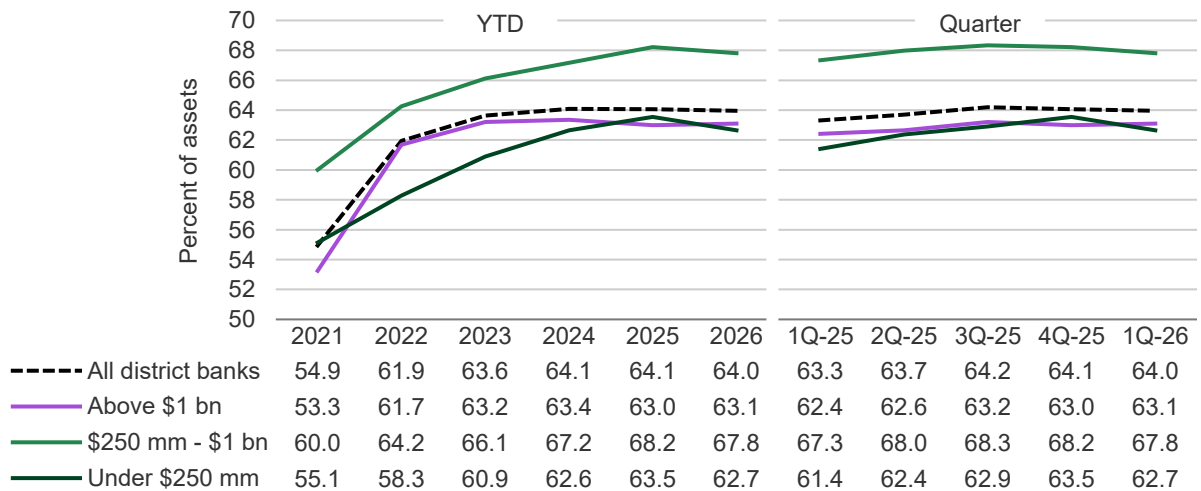
**Chart C9. Change in Loan Portfolio Composition, in Billions**



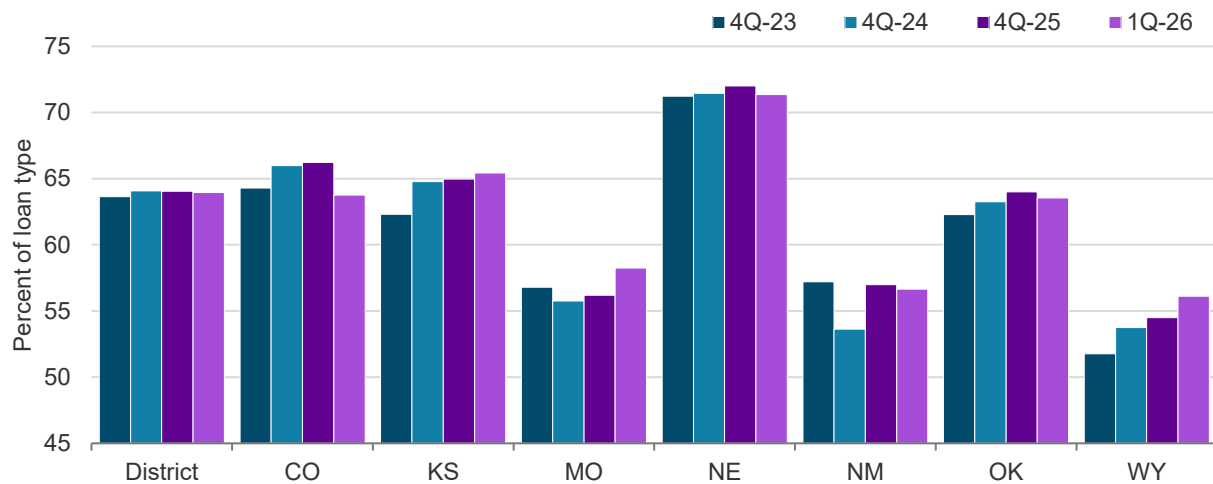
**Chart C10. Loans to Assets, All U.S. Commercial Banks**



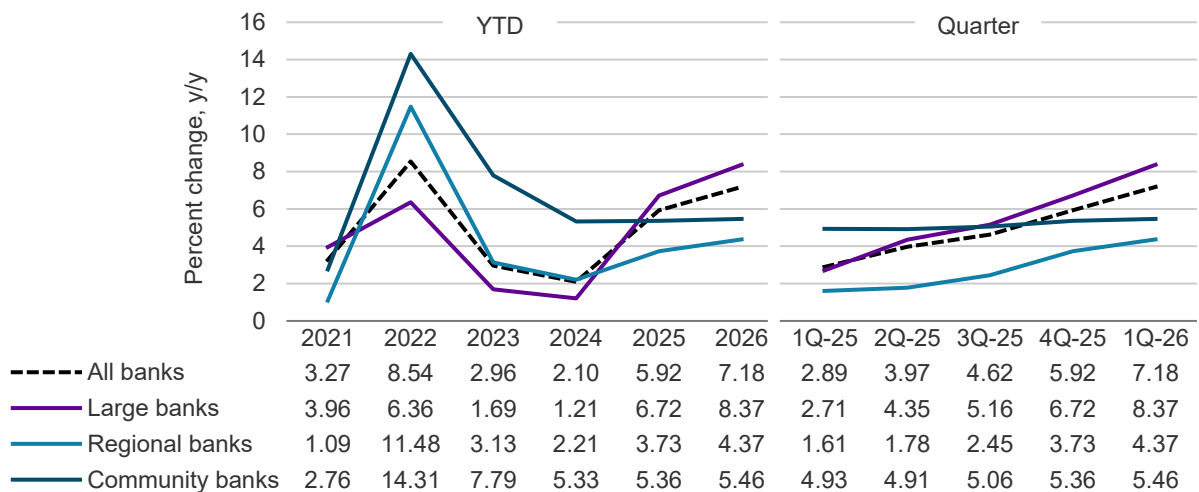
**Chart C11. Loans to Assets, Tenth District Commercial Banks**



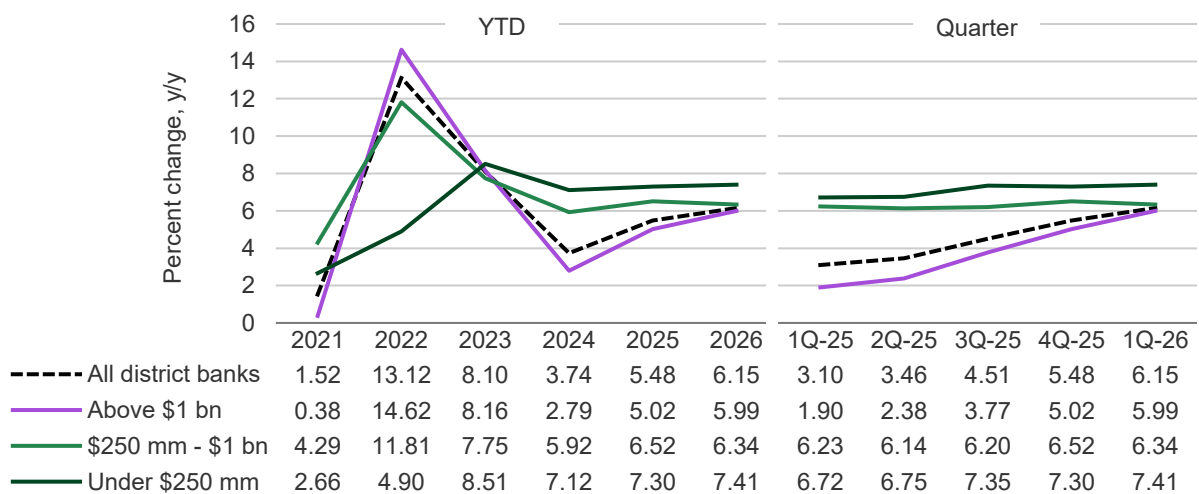
**Chart C12. Loans to Assets, Tenth District States**



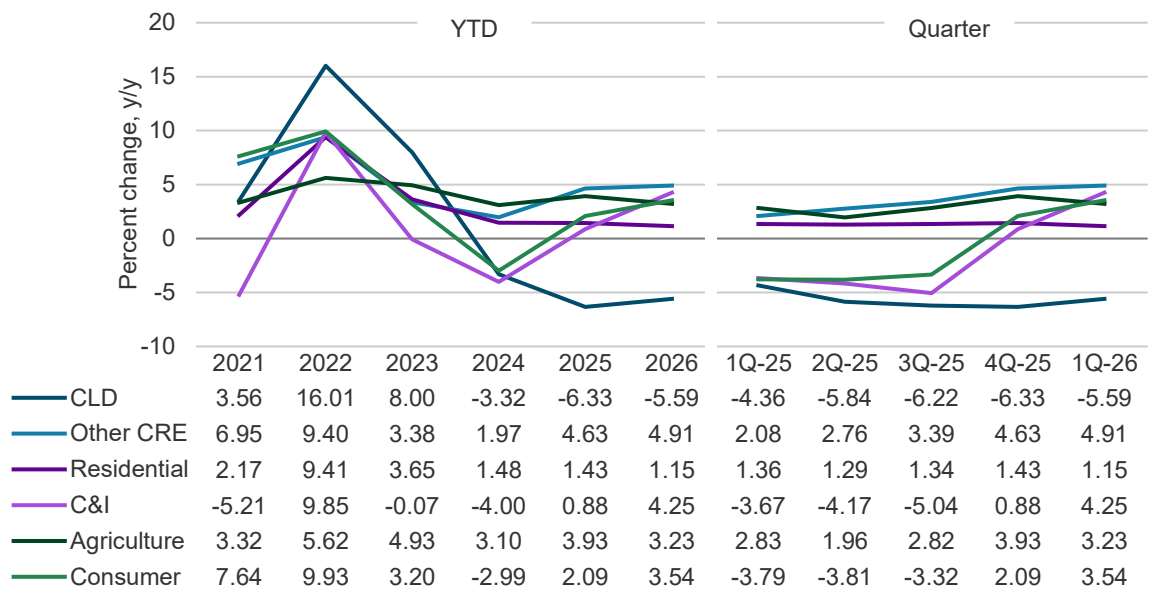
**Chart C13. Year-Over-Year Loan Growth, All U.S. Commercial Banks**



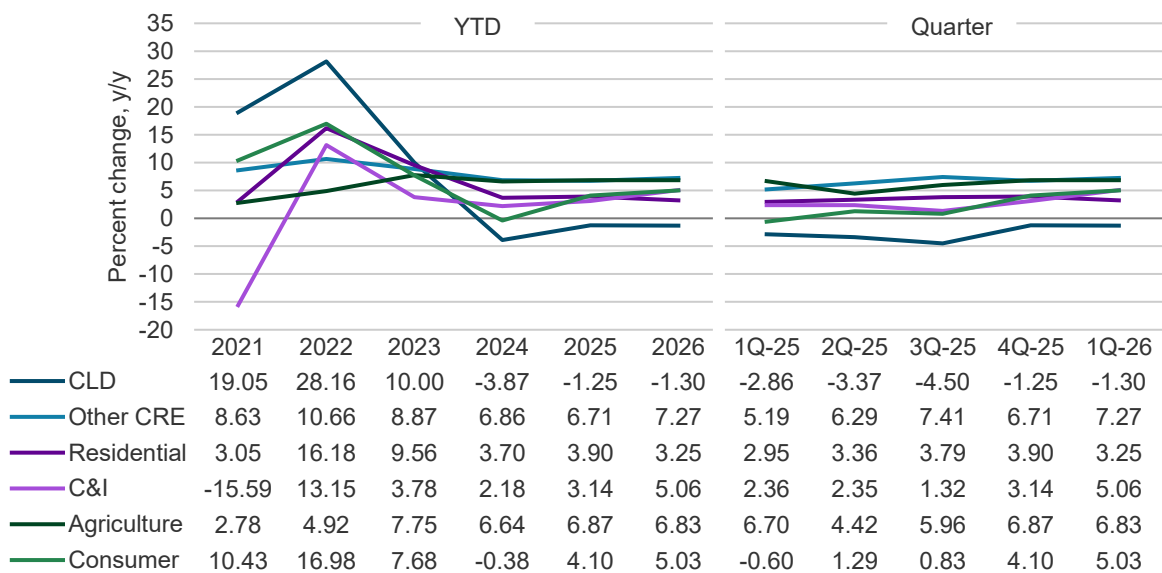
**Chart C14. Year-Over-Year Loan Growth, Tenth District Commercial Banks**



**Chart C15. Year-Over-Year Loan Growth by Loan Type, All U.S. Commercial Banks**

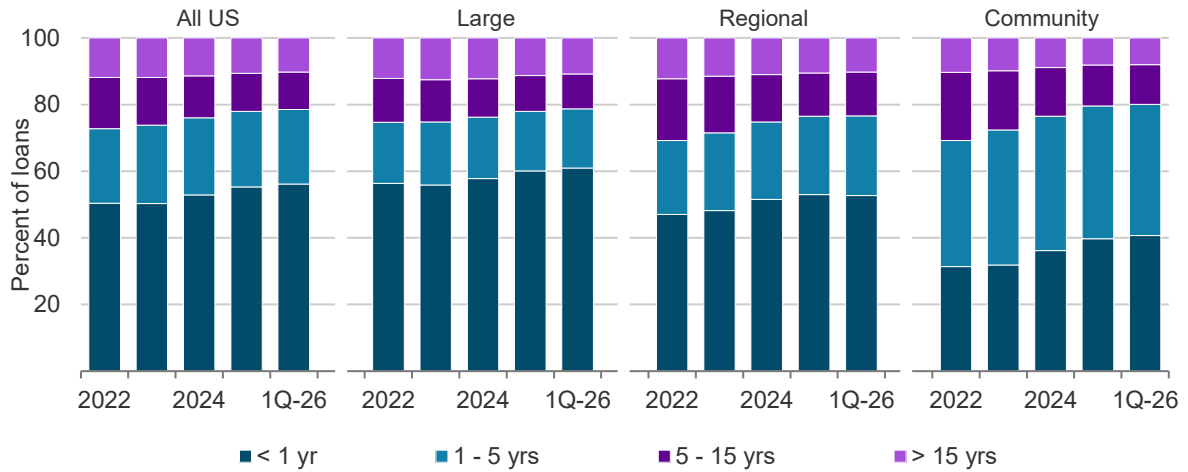


**Chart C16. Year-Over-Year Loan Growth by Loan Type, Tenth District Commercial Banks**

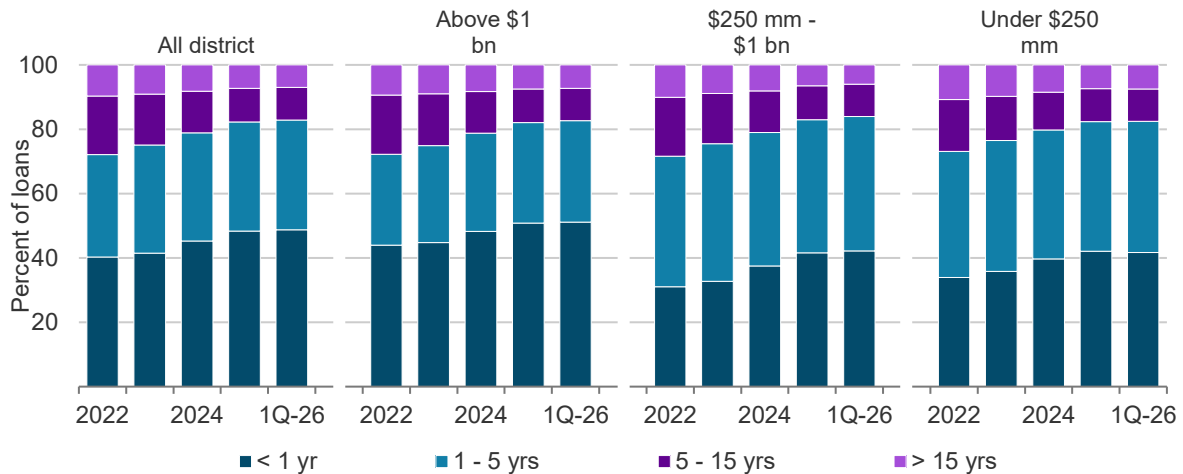


## D. Maturity and Funding

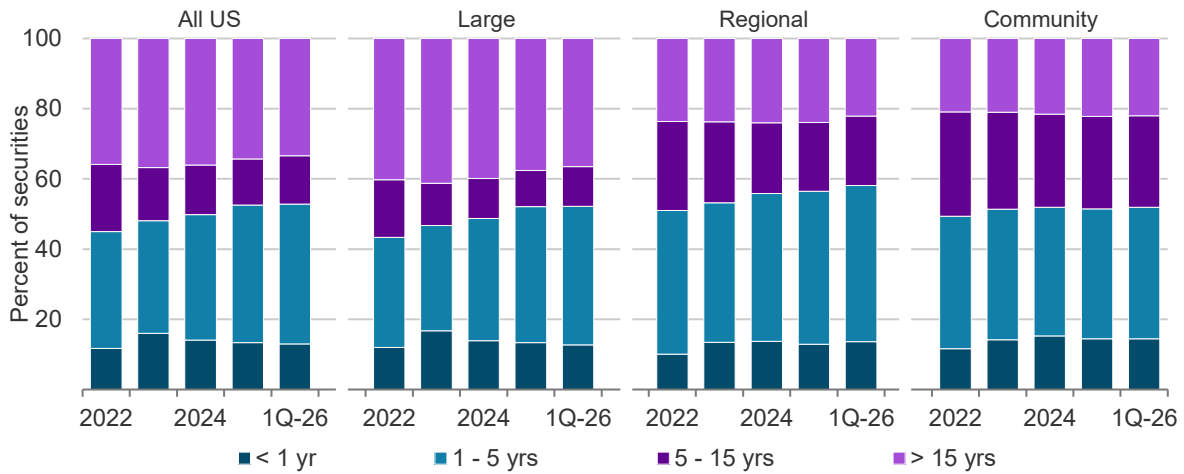
**Chart D1. Loan Portfolio Maturity & Repricing Distribution, All U.S. Commercial Banks**



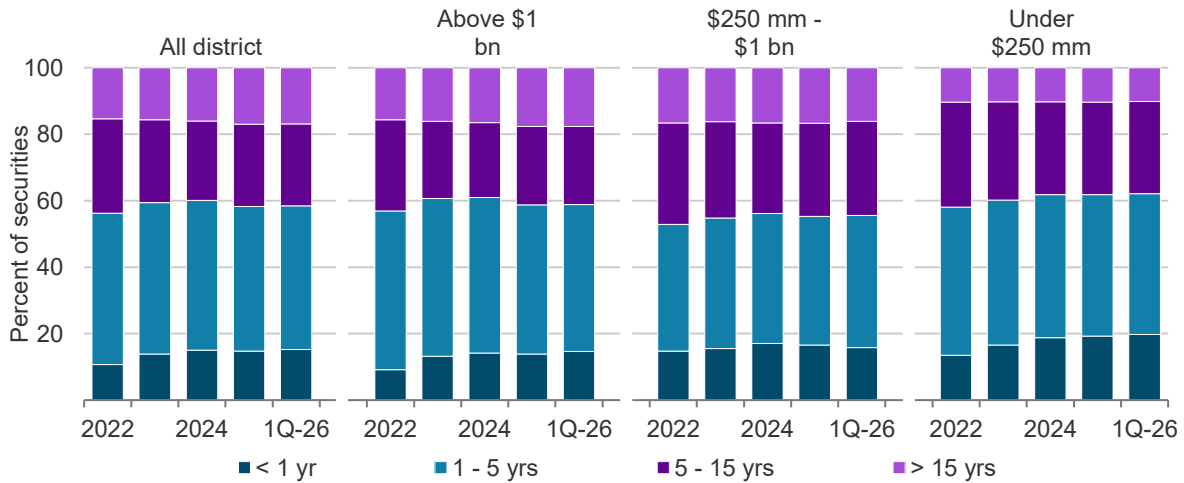
**Chart D2. Loan Portfolio Maturity & Repricing Distribution, Tenth District Commercial Banks**



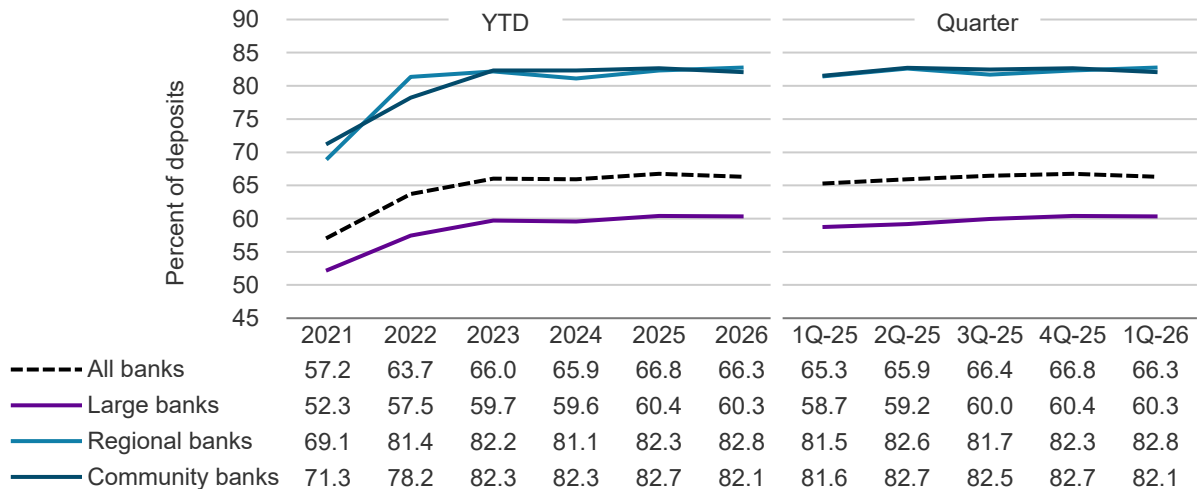
**Chart D3. Securities Maturity & Repricing Distribution, All U.S. Commercial Banks**



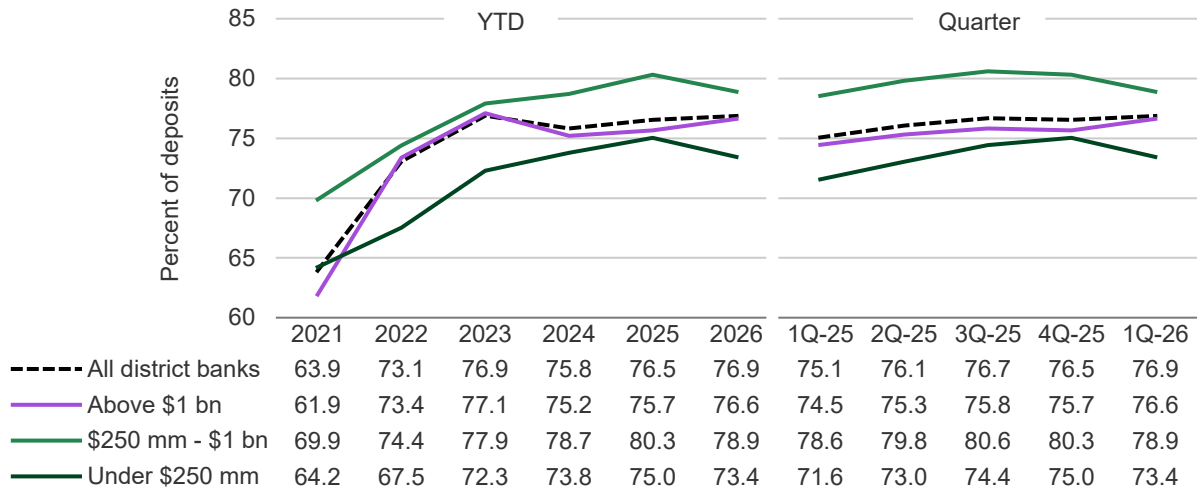
**Chart D4. Securities Maturity & Repricing Distribution, Tenth District Commercial Banks**



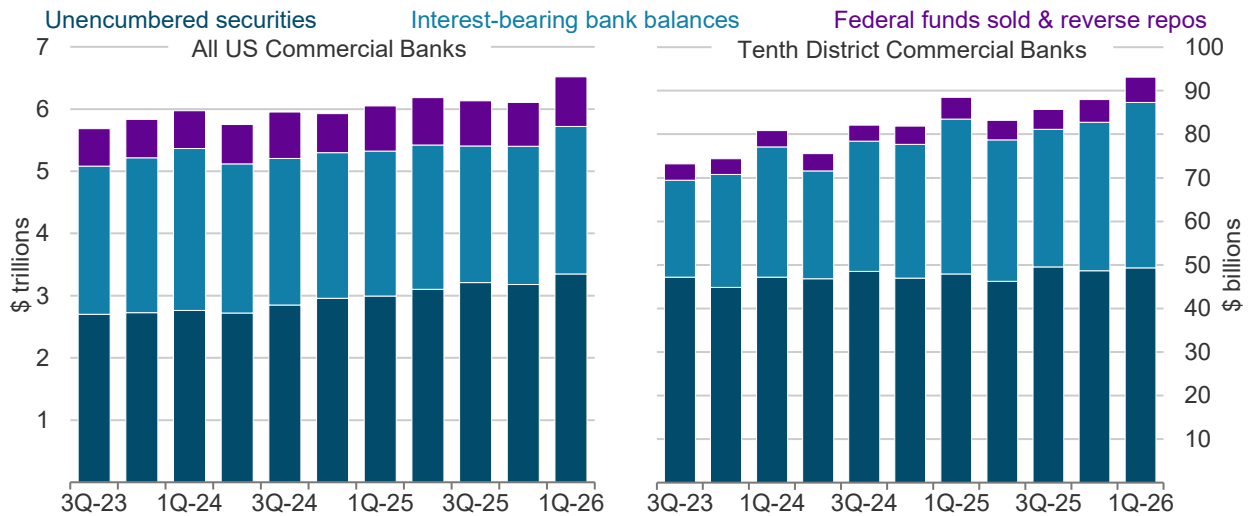
**Chart D5. Loan-to-Deposit Ratios, All U.S. Commercial Banks**



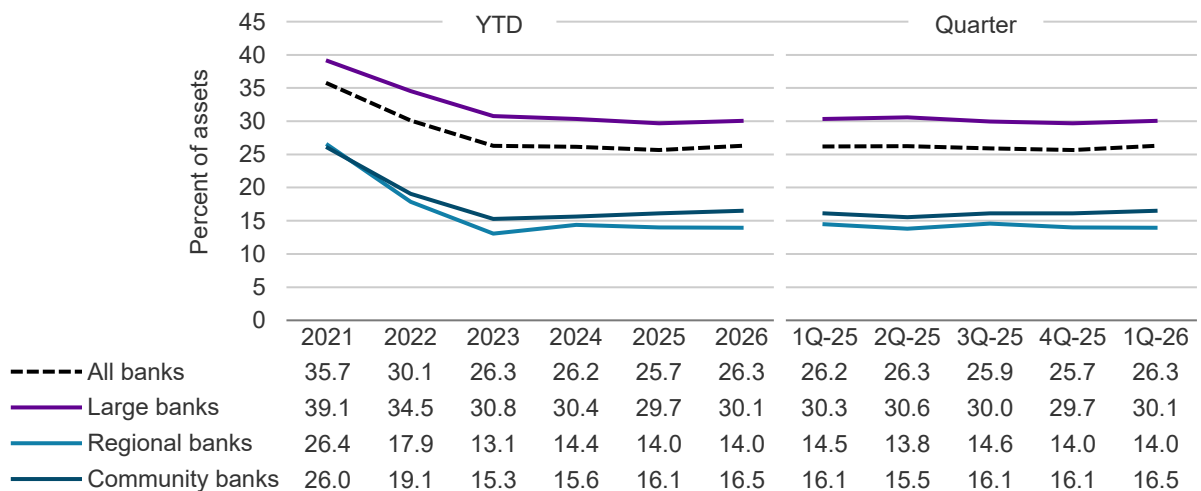
**Chart D6. Loan-to-Deposit Ratios, Tenth District Commercial Banks**



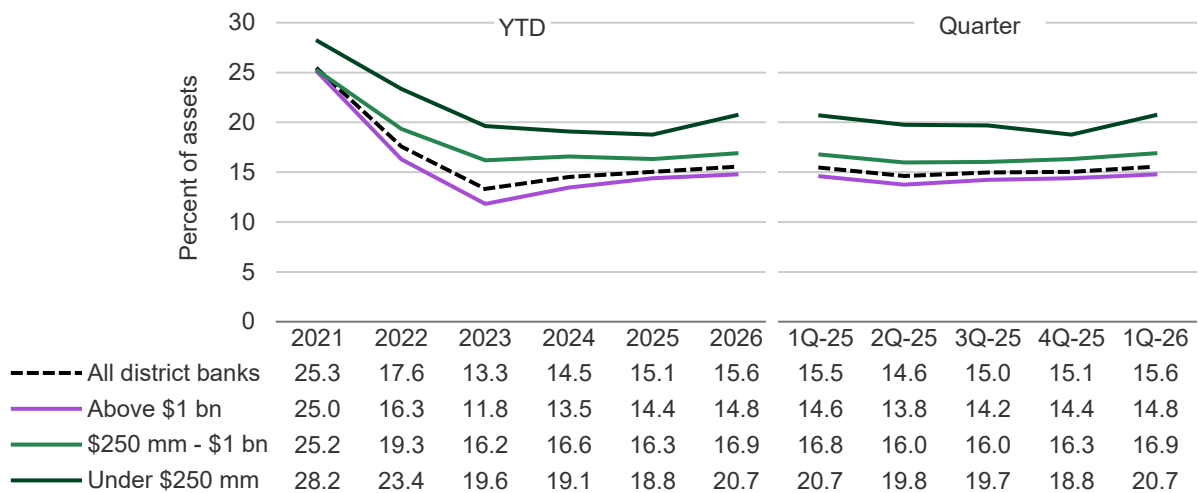
**Chart D7. Quarterly Liquid Asset Trends**



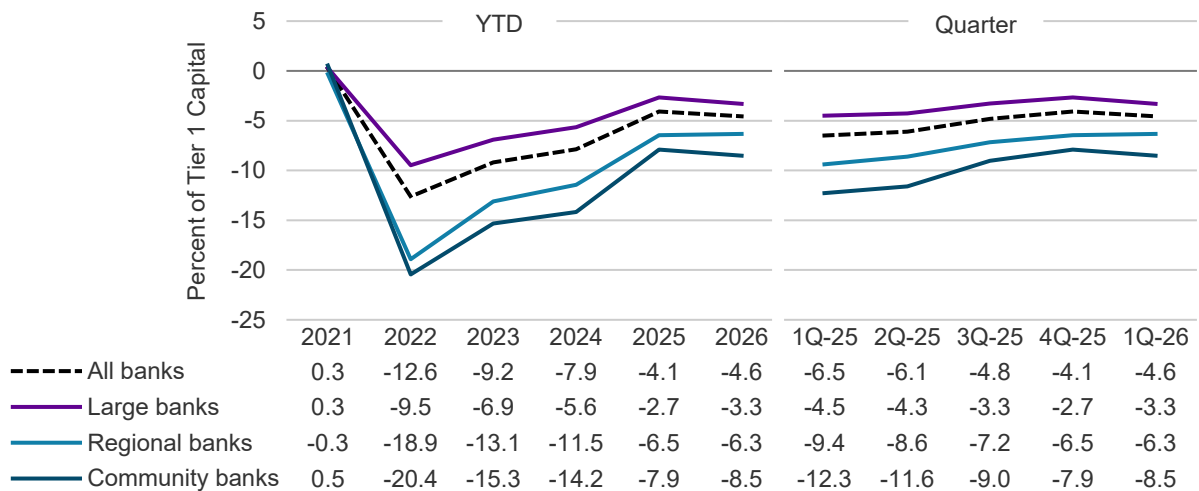
**Chart D8. Liquid Asset Ratios, All U.S. Commercial Banks**



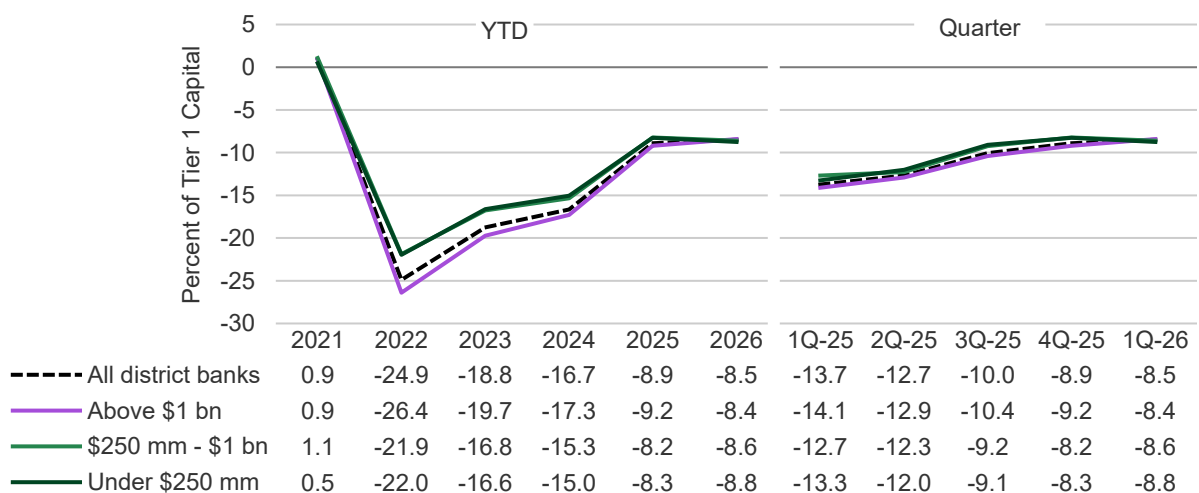
**Chart D9. Liquid Asset Ratios, Tenth District Commercial Banks**



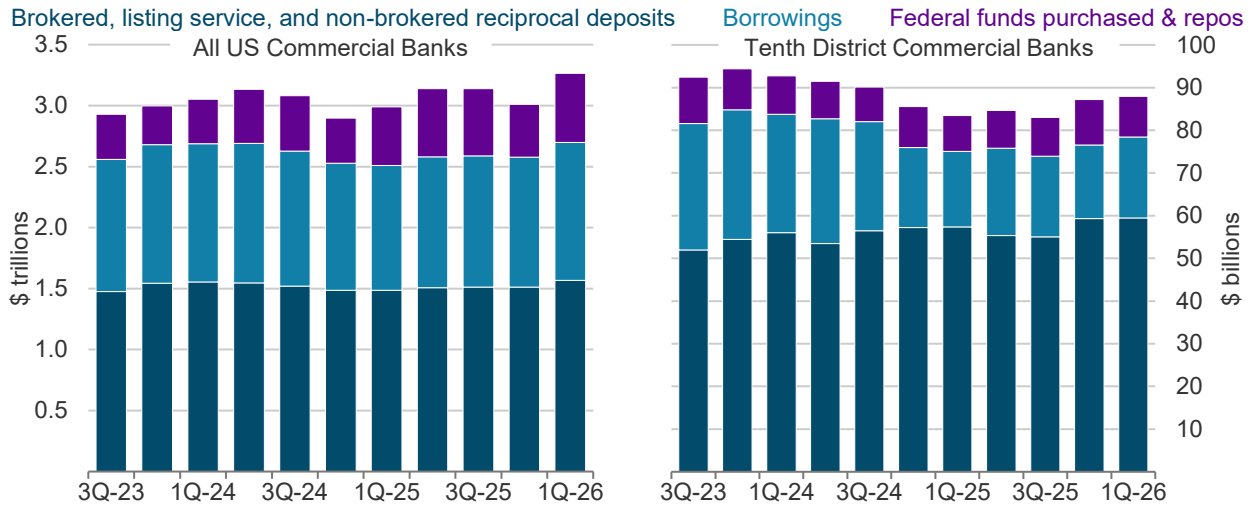
**Chart D10. Unrealized Gains/Losses on Available-for-Sale Securities, All U.S. Commercial Banks**



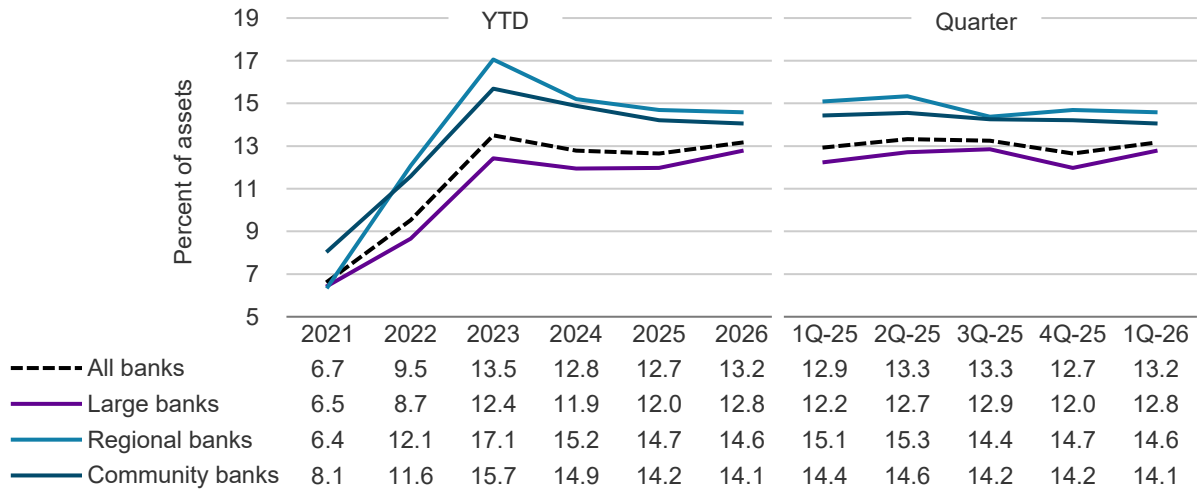
**Chart D11. Unrealized Gains/Losses on Available-for-Sale Securities, Tenth District Commercial Banks**



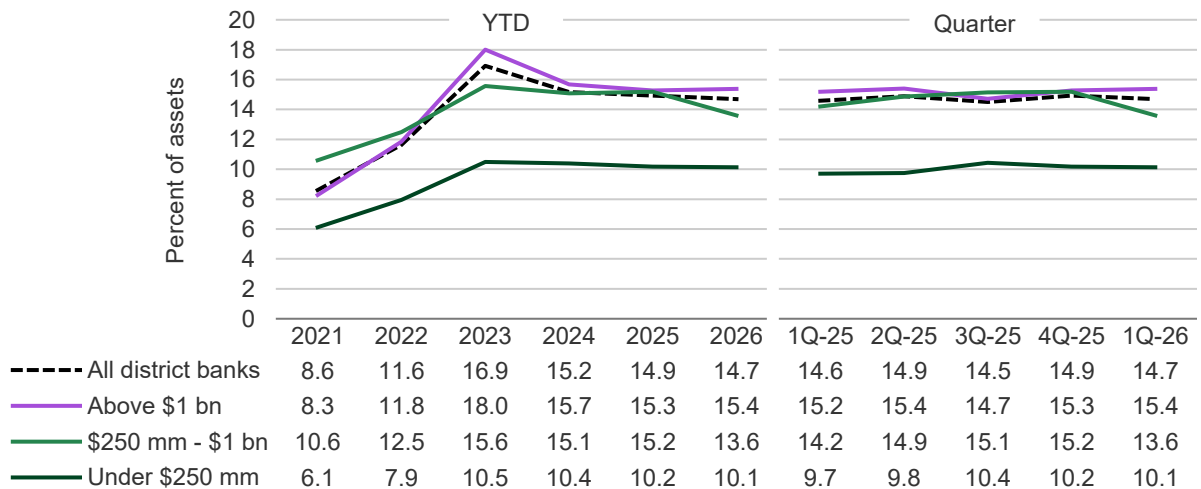
**Chart D12. Quarterly Wholesale Funding Trends**



**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	
	1Q-26	1Q-25	1Q-26	1Q-25	1Q-26	1Q-25	1Q-26	1Q-25	1Q-26	1Q-25	1Q-26	1Q-25	1Q-26	1Q-25
Overview <sup>1</sup>														
Number of Commercial Banks <sup>2</sup>	58	59	179	189	192	200	137	142	27	27	170	173	22	24
Total Assets	\$82,752	\$75,673	\$83,790	\$85,922	\$296,692	\$282,759	\$114,130	\$108,990	\$15,176	\$14,869	\$169,430	\$159,367	\$9,664	\$9,571
Total Loans	\$52,765	\$49,555	\$54,830	\$56,546	\$193,720	\$181,466	\$81,440	\$77,607	\$8,467	\$7,913	\$107,807	\$99,646	\$5,424	\$5,115
Total Deposits	\$68,951	\$65,767	\$71,174	\$73,666	\$251,262	\$240,287	\$95,610	\$91,303	\$13,348	\$13,224	\$138,104	\$131,826	\$8,632	\$8,567
Equity Capital	\$10,238	\$6,495	\$8,579	\$8,290	\$30,066	\$27,107	\$12,172	\$10,860	\$1,441	\$1,261	\$17,610	\$16,074	\$869	\$801
Problem Assets	\$309	\$240	\$468	\$404	\$1,454	\$1,157	\$587	\$538	\$93	\$108	\$1,315	\$1,064	\$28	\$23
Earnings <sup>3</sup>														
Banks With Losses	8.62%	5.08%	2.79%	4.23%	1.56%	2.50%	0.73%	4.23%	0.00%	0.00%	6.47%	3.47%	4.55%	8.33%
Return on Average Assets	1.03%	1.13%	1.40%	0.92%	1.49%	1.27%	1.47%	1.17%	1.94%	1.72%	1.35%	1.23%	1.45%	1.08%
Net Interest Income to Average Assets	3.50%	3.00%	3.61%	3.15%	3.53%	3.31%	4.16%	3.94%	4.14%	3.98%	3.35%	3.24%	3.45%	3.15%
Provisions to Average Assets	-0.09%	0.14%	0.11%	0.31%	0.16%	0.24%	0.51%	0.66%	0.12%	0.13%	0.08%	0.06%	0.01%	0.10%
Loan Losses to Average Loans	0.12%	0.15%	0.05%	0.31%	0.20%	0.19%	0.63%	0.84%	0.09%	0.05%	0.05%	0.08%	0.04%	0.10%
Asset Quality <sup>4</sup>														
Problem Assets to Total Loans + OREO	0.59%	0.48%	0.85%	0.71%	0.75%	0.64%	0.72%	0.69%	1.09%	1.36%	1.22%	1.07%	0.51%	0.45%
Noncurrent CLD	0.44%	0.17%	0.42%	0.24%	1.21%	0.72%	0.55%	0.39%	0.70%	1.68%	1.00%	0.79%	0.45%	0.46%
Noncurrent Other CRE	0.45%	0.36%	0.57%	0.48%	0.70%	0.70%	0.71%	0.42%	0.86%	1.02%	1.33%	1.00%	0.24%	0.15%
Noncurrent Residential	0.33%	0.23%	0.69%	0.47%	0.49%	0.40%	0.51%	0.44%	0.37%	0.40%	1.83%	1.73%	0.22%	0.54%
Noncurrent C&I	1.51%	1.23%	1.69%	1.27%	0.77%	0.66%	0.81%	1.20%	1.49%	1.75%	0.65%	0.69%	0.46%	0.88%
Noncurrent Farm	0.75%	0.23%	0.27%	0.24%	0.48%	0.45%	0.29%	0.38%	0.00%	1.07%	0.50%	0.41%	0.87%	0.75%
Noncurrent RE Farm	1.01%	0.56%	0.93%	0.83%	0.53%	0.42%	0.41%	0.53%	1.67%	2.62%	1.06%	1.33%	1.72%	0.14%
Other Financial Ratios														
Coverage Ratio	233.68%	273.50%	178.10%	226.24%	169.72%	187.76%	323.59%	322.78%	169.09%	132.56%	102.63%	122.38%	293.67%	343.80%
Leverage Ratio	9.18%	9.67%	10.97%	10.76%	9.70%	9.61%	10.71%	10.46%	10.65%	10.23%	10.23%	10.03%	10.43%	10.54%
Tangible Equity Capital to Total Assets	8.76%	7.53%	9.42%	8.73%	8.83%	8.23%	9.78%	9.16%	9.21%	8.18%	9.43%	9.03%	8.76%	8.08%
Noncore Funding to Total Assets	9.85%	10.74%	14.29%	15.71%	10.77%	10.56%	15.24%	16.63%	8.43%	9.41%	15.57%	14.59%	12.75%	13.96%

<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).*

### 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.

### 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.

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

**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.

<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 as C&I or other loans on Schedule RC-C, Part I. This item is excluded as part of Other CRE in Charts C1, C2, and C9 to avoid double counting in the loan type groupings.

**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, 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, securities sold under agreements to repurchase, brokered deposits, listing service deposits that are not brokered deposits, non-brokered reciprocal deposits, Federal Home Loan Bank advances, and other borrowings divided by total assets.