

Banks at a Glance: Utah

Economic and Banking Highlights

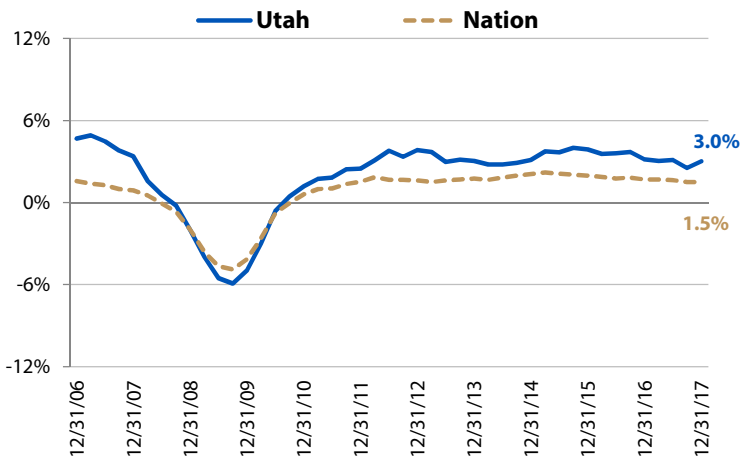
Data as of 12/31/2017

- The Utah economy was again one of the nation's strongest. Job growth was twice the national average, led by the high tech and finance sectors, which helped the unemployment rate fall to 3.2%, 90 basis points under the nation. Home prices were up 10.8% year-over-year, third fastest in the nation. On a per capita basis, single-family permit activity was also a national leader, although it remained below pre-crisis levels.
- With a strong economy, Utah's commercial banks were among the nation's best performers. The average return on average assets ratio continued trending upward, propelled by higher net interest income and lower noninterest expense ratios. Year-over-year loan growth ranked highest in the nation, driven by growth in non-owner occupied commercial real estate and commercial & industrial loans. Capital ratios remained healthy despite the strong loan growth; however, on-balance sheet liquidity tightened as the asset mix shifted towards loans and away from securities and liquid investments.

Key Economic Metrics (ranking #1 = highest in the nation)

Year-over-Year Job Growth: 3.0%

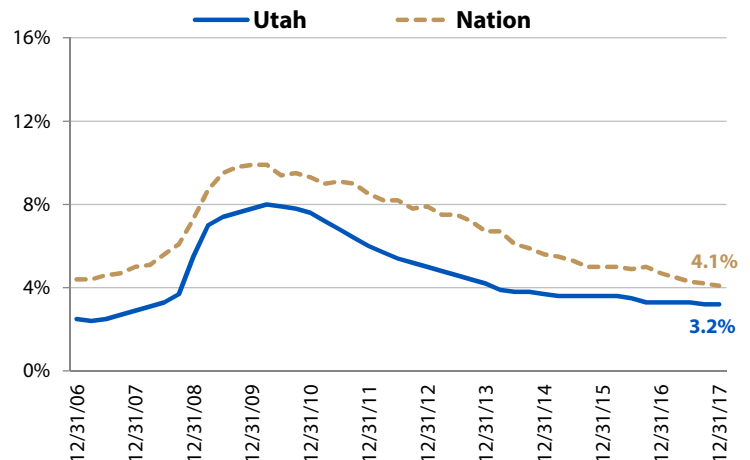
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Establishment Survey, nonfarm payrolls, quarterly average, seasonally adjusted
Source: Bureau of Labor Statistics

Unemployment: 3.2%

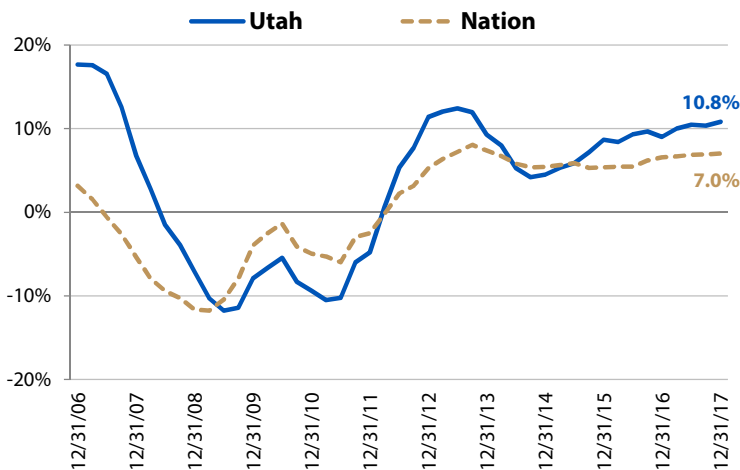
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Household Employment Survey, end of period, seasonally adjusted
Source: Bureau of Labor Statistics

Year-over-Year Home Price Growth: 10.8%

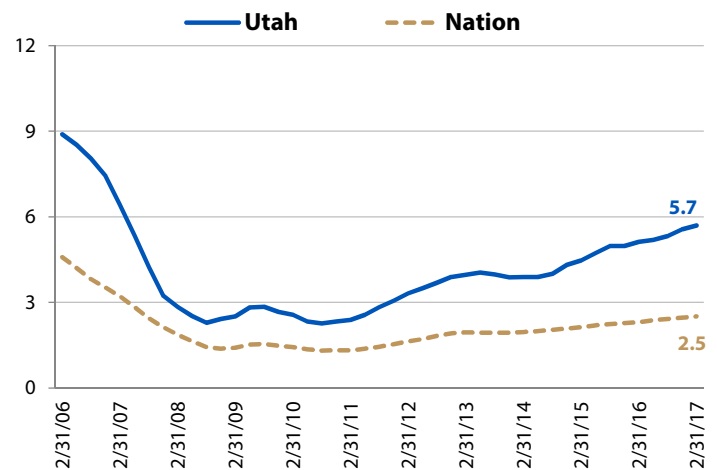
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Housing Price Index, year-over-year change of average home prices
Source: Federal Housing Finance Agency

Single Family Permits / 1,000 Residents: 5.7

Rank: #2

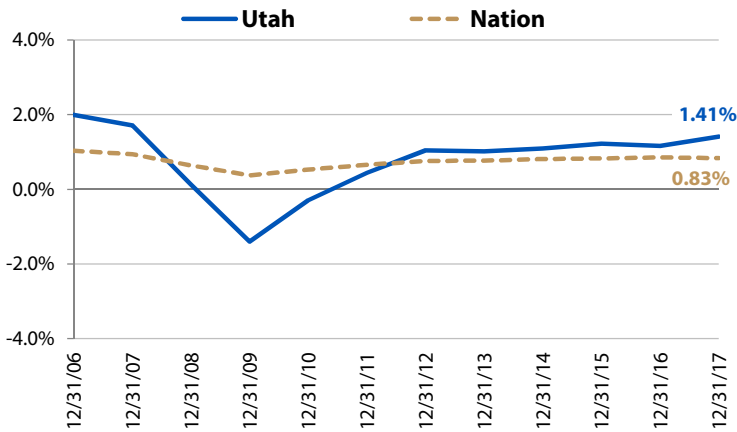


Trailing twelve month single family permits / average twelve month population in thousands, by state
Source: Census Bureau

Key Banking Metrics (averages across banks; ranking #1 = highest in the nation)

Year to Date Return on Average Assets: 1.41%

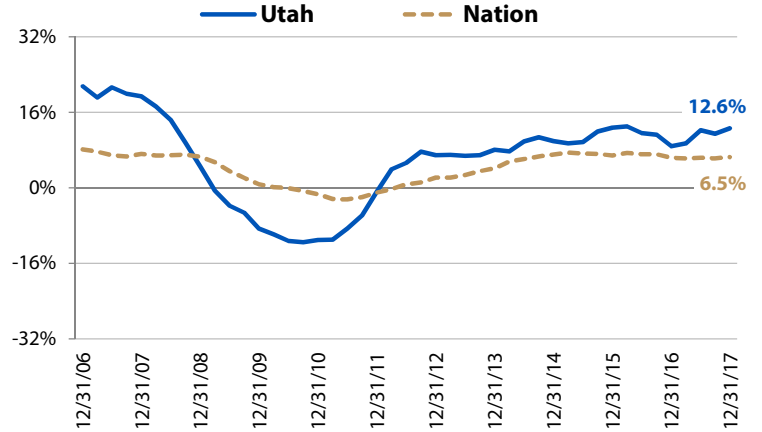
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Net income / average assets, adjusted for S-Corps, annualized

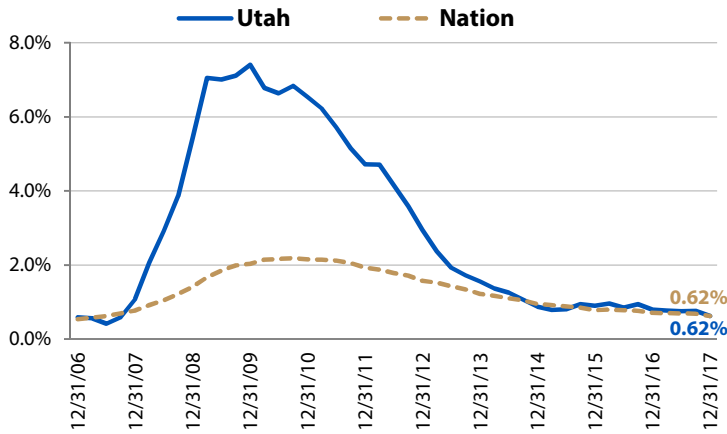
Year-over-Year Net Loan Growth: 12.6%

Rank: #1



Nonperforming Assets / Total Assets: 0.62%

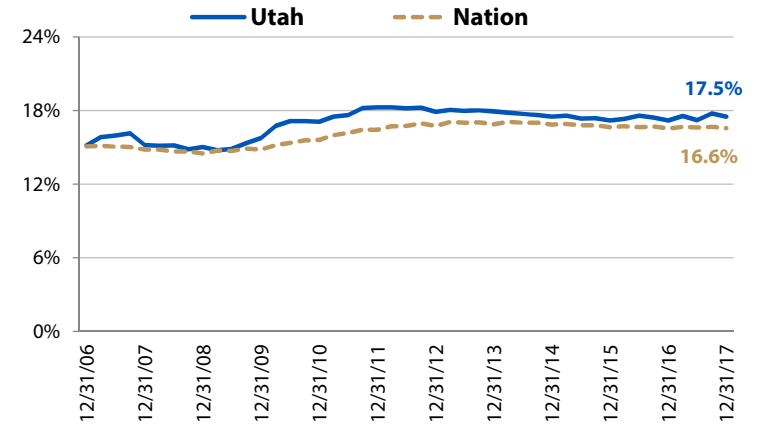
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90+ days past due + nonaccruals + other real estate owned / total assets

Total Risk-Based Capital Ratio: 17.5%

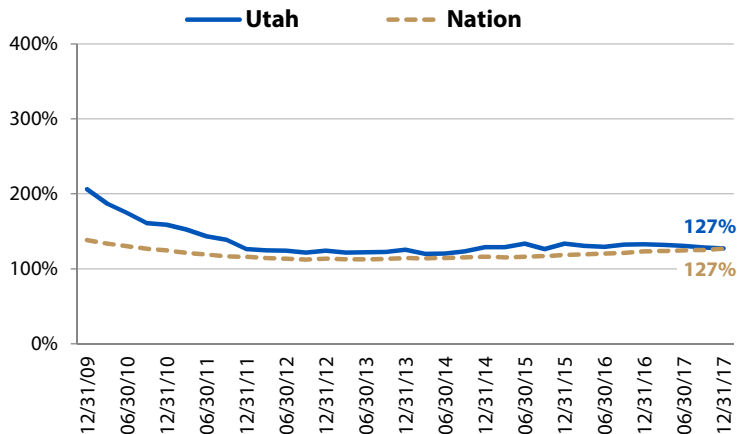
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Total capital / risk-weighted assets

CRE Concentration: 127%

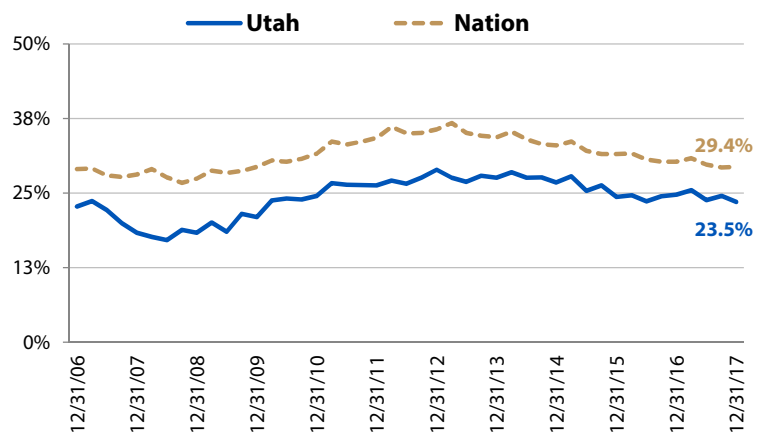
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Total nonowner-occupied commercial real estate / total capital (data first available in 2009)

Securities and Liquid Invest. / Total Assets: 23.5%

Rank: #41



Liquid investments = cash, due from balances, interest bearing bank balances, and Fed funds sold and securities purchased under agreements to resell

Source: Call Report data for commercial banks based upon headquarters location. Averages are calculated on a "trimmed" basis by removing the highest 10% and lowest 10% of ratio values prior to averaging to prevent distortion from outliers. All charts display quarterly data, except for return on average assets which displays the same quarter in each year. Growth rates are not adjusted for mergers. Graphics and data exclude "De Novo" banks (banks less than five years old). As of the latest period, the count of banks included in these statistics were 27 for the state and 4,882 for the nation. Utah banking averages reflect the specialty business models of several banks in the state (even after excluding industrial banks). These lenders often report elevated consumer lending, off-balance sheet activity, and usage of noncore funding.

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