## Twin Cities MSA and US Banking Conditions -- Fourth Quarter 2015

Banks = 90 -- Data from quarterly call reports

**Summary: Year-End 2015 Compared to Year-End 2014**

-- Small increase in problem loans
-- Small gain in profits
-- Loan growth was flat

<table>
<thead>
<tr>
<th>Capital</th>
<th>Median</th>
<th>Change from previous quarter</th>
<th>Change from previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Risk Based Capital Ratio</td>
<td>15.39%</td>
<td>-36 bps</td>
<td>-47 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 6.65% -17 bps 147 bps
- Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 0.00% 0 bps 0 bps
- Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 1.36% 34 bps -7 bps

### Earnings

- Return on Average Assets: 1.00% -1 bps 5 bps
- Net Interest Margin: 3.79% -2 bps -10 bps
- Provisions as a Percent of Average Assets

### Liquidity

- Noncore Funding as a Percent of Liabilities: 11.15% -127 bps -103 bps

### Net Loan Growth (over last four quarters)

- Nation

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<tr>
<td>Total Risk Based Capital Ratio</td>
<td>15.92%</td>
<td>-16 bps</td>
<td>-23 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 7.14% -2 bps -68 bps
- Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 0.00% 0 bps 0 bps
- Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance: 1.21% -11 bps -43 bps

### Earnings

- Return on Average Assets: 0.93% 0 bps 3 bps
- Net Interest Margin: 3.74% 1 bps -1 bps
- Provisions as a Percent of Average Assets

### Liquidity

- Noncore Funding as a Percent of Liabilities: 18.91% -29 bps -36 bps

### Net Loan Growth (over last four quarters)

- Nation