

FDIC State Profile

Texas

Third Quarter 2009

ECONOMIC INDICATORS (Change from year ago, unless noted)

Employment Growth Rates	Q3-09	Q2-09	Q3-08	2008	2007
Total Nonfarm (share of trailing four quarter employment in parentheses)	-2.6%	-2.0%	1.9%	2.1%	3.3%
Manufacturing (8%)	-9.7%	-7.8%	-1.3%	-1.1%	1.1%
Other (non-manufacturing) Goods-Producing (8%)	-12.6%	-9.6%	5.0%	5.4%	8.1%
Private Service-Producing (66%)	-1.7%	-1.4%	1.7%	2.1%	3.4%
Government (17%)	3.1%	2.1%	2.6%	2.4%	1.6%
Unemployment Rate (% of labor force)	8.0%	7.1%	5.0%	4.9%	4.4%
Other Indicators	Q3-09	Q2-09	Q3-08	2008	2007
Single-Family Home Permits	-2.1%	-26.5%	-30.6%	-33.1%	-26.8%
Multifamily Building Permits	-74.6%	-64.7%	-9.5%	-14.2%	6.4%
Home Price Index	0.5%	1.2%	2.8%	3.2%	5.7%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	2.20	2.05	1.63	1.69	1.70

BANKING TRENDS

General Information	Q3-09	Q2-09	Q3-08	2008	2007
Institutions (#)	635	640	648	644	659
Total Assets (in millions)	347,586	362,297	360,351	364,986	345,837
New Institutions (# < 3 years)	36	38	40	38	39
Subchapter S Institutions	295	296	290	288	285

Asset Quality	Q3-09	Q2-09	Q3-08	2008	2007
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.89	1.79	1.56	1.77	1.59
Noncurrent Loans / Total Loans (median %)	0.64	0.55	0.46	0.54	0.32
ALLL/Total Loans (median %)	1.27	1.23	1.14	1.18	1.12
ALLL/Noncurrent Loans (median multiple)	1.39	1.42	1.80	1.66	2.21
Net Loan Losses / Total Loans (median %)	0.13	0.13	0.07	0.14	0.09

Capital / Earnings	Q3-09	Q2-09	Q3-08	2008	2007
Tier 1 Leverage (median %)	9.51	9.38	9.61	9.33	9.62
Return on Assets (median %)	0.91	0.83	1.02	0.95	1.16
Pretax Return on Assets (median %)	1.11	0.99	1.25	1.15	1.43
Net Interest Margin (median %)	4.16	4.08	4.21	4.15	4.38
Yield on Earning Assets (median %)	5.48	5.53	6.19	6.23	7.06
Cost of Funding Earning Assets (median %)	1.28	1.38	1.92	1.99	2.58
Provisions to Avg. Assets (median %)	0.21	0.18	0.14	0.19	0.11
Noninterest Income to Avg. Assets (median %)	0.70	0.70	0.75	0.74	0.81
Overhead to Avg. Assets (median %)	3.21	3.32	3.28	3.30	3.32

Liquidity / Sensitivity	Q3-09	Q2-09	Q3-08	2008	2007
Net Loans to Assets (median %)	59.1	59.6	59.1	58.7	56.6
Noncore Funding to Assets (median %)	23.6	23.1	22.1	22.4	20.5
Long-term Assets to Assets (median %, call filers)	20.8	20.6	17.7	19.6	13.9
Brokered Deposits (number of institutions)	185	188	168	190	134
Brokered Deposits to Assets (median % for those above)	4.3	4.7	4.4	3.9	4.6

Loan Concentrations (median % of Total Risk-Based Capital)	Q3-09	Q2-09	Q3-08	2008	2007
Commercial and Industrial	79.7	81.6	83.9	87.3	87.5
Commercial Real Estate	182.1	187.4	180.3	190.6	163.9
Construction & Development	39.9	41.9	46.9	50.1	40.0
Multifamily Residential Real Estate	2.4	2.4	1.6	1.9	1.1
Nonresidential Real Estate	122.4	124.2	114.7	120.4	102.6
Residential Real Estate	107.6	104.9	93.9	99.3	83.5
Consumer	44.1	43.8	47.9	47.7	49.4
Agriculture	31.4	30.9	32.2	31.9	31.3

BANKING PROFILE

Largest Deposit Markets (from 2009 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Dallas-Fort Worth-Arlington, TX	187	157,401	< \$100 million	256 (40.3%)
Houston-Baytown-Sugar Land, TX	119	118,317	\$100 million to \$250 million	210 (33.1%)
San Antonio, TX	63	53,206	\$250 million to \$1 billion	127 (20%)
Austin-Round Rock, TX	73	21,472	\$1 billion to \$10 billion	37 (5.8%)
McAllen-Edinburg-Pharr, TX	19	9,327	> \$10 billion	5 (0.8%)