

# FDIC State Profile

Minnesota

## Second Quarter 2009

### ECONOMIC INDICATORS (Change from year ago, unless noted)

<b>Employment Growth Rates</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Total Nonfarm (share of trailing four quarter employment in parentheses)	-3.6%	-3.0%	-0.1%	-0.5%	0.5%
Manufacturing (12%)	-10.8%	-7.5%	-1.5%	-1.9%	-1.2%
Other (non-manufacturing) Goods-Producing (4%)	-15.1%	-18.1%	-6.8%	-8.0%	-5.6%
Private Service-Producing (69%)	-2.5%	-2.1%	0.3%	0.0%	1.4%
Government (15%)	0.5%	0.4%	1.0%	0.8%	-0.3%
Unemployment Rate (% of labor force)	8.2%	7.9%	5.3%	5.5%	4.6%
<b>Other Indicators</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Single-Family Home Permits	-31.9%	-44.3%	-39.0%	-39.9%	-36.1%
Multifamily Building Permits	-47.7%	145.4%	-5.7%	-37.0%	-32.0%
Home Price Index	-3.6%	-3.1%	-2.9%	-2.8%	0.1%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	4.12	3.56	3.11	3.02	2.20

### BANKING TRENDS

<b>General Information</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Institutions (#)	426	430	437	431	443
Total Assets (in millions)	79,016	79,268	77,011	78,088	105,167
New Institutions (# < 3 years)	5	6	11	7	11
Subchapter S Institutions	297	298	302	298	302
<b>Asset Quality</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Past-Due and Nonaccrual Loans / Total Loans (median %)	3.67	3.86	2.91	3.51	2.39
Noncurrent Loans / Total Loans (median %)	2.30	2.04	1.38	1.80	1.05
ALLL/Total Loans (median %)	1.38	1.38	1.27	1.33	1.25
ALLL/Noncurrent Loans (median multiple)	0.61	0.61	0.80	0.70	1.11
Net Loan Losses / Total Loans (median %)	0.22	0.10	0.05	0.30	0.14
<b>Capital / Earnings</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Tier 1 Leverage (median %)	9.14	9.06	9.35	9.16	9.57
Return on Assets (median %)	0.60	0.75	0.93	0.79	1.04
Pretax Return on Assets (median %)	0.68	0.87	1.12	0.90	1.21
Net Interest Margin (median %)	4.01	3.90	4.02	4.02	4.14
Yield on Earning Assets (median %)	5.85	5.88	6.51	6.50	7.26
Cost of Funding Earning Assets (median %)	1.81	1.93	2.48	2.46	3.07
Provisions to Avg. Assets (median %)	0.29	0.23	0.14	0.30	0.15
Noninterest Income to Avg. Assets (median %)	0.51	0.47	0.52	0.52	0.55
Overhead to Avg. Assets (median %)	3.19	2.98	3.05	3.06	3.04
<b>Liquidity / Sensitivity</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Net Loans to Assets (median %)	71.1	70.5	71.6	70.6	70.6
Noncore Funding to Assets (median %)	19.0	19.5	18.6	19.6	16.9
Long-term Assets to Assets (median %, call filers)	12.9	12.5	12.2	12.4	9.7
Brokered Deposits (number of institutions)	199	205	195	198	201
Brokered Deposits to Assets (median % for those above)	6.0	5.8	4.4	5.8	5.0
<b>Loan Concentrations (median % of Total Risk-Based Capital)</b>	<b>Q2-09</b>	<b>Q1-09</b>	<b>Q2-08</b>	<b>2008</b>	<b>2007</b>
Commercial and Industrial	104.6	102.7	110.9	102.8	105.6
Commercial Real Estate	196.1	197.0	190.8	200.0	191.5
Construction & Development	30.2	32.3	37.8	35.2	37.2
Multifamily Residential Real Estate	4.3	4.3	3.0	3.6	2.4
Nonresidential Real Estate	141.4	143.4	133.8	140.3	129.0
Residential Real Estate	144.5	147.3	138.4	147.8	135.7
Consumer	31.3	30.7	31.8	30.8	32.6
Agriculture	76.2	74.9	75.2	76.8	73.6

### BANKING PROFILE

<b>Largest Deposit Markets (from 2008 Summary of Deposits)</b>	<b>Institutions in Market</b>	<b>Deposits (\$ millions)</b>	<b>Asset Distribution</b>	<b>Institutions</b>
Minneapolis-St. Paul-Bloomington, MN-WI	175	64,508	< \$100 million	250 (58.7%)
Fargo, ND-MN	29	4,351	\$100 million to \$250 million	114 (26.8%)
Rochester, MN	28	3,618	\$250 million to \$1 billion	56 (13.1%)
Duluth, MN-WI	33	3,464	\$1 billion to \$10 billion	5 (1.2%)
St. Cloud, MN	36	3,178	> \$10 billion	1 (0.2%)