

FDIC State Profile

North Carolina

Third Quarter 2023

ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

Employment Growth Rates (% change from year ago, unless noted)	Q3-23	Q2-23	Q3-22	2022	2021
Total Nonfarm (share of trailing four quarter employment in parentheses)	2.3%	2.5%	4.4%	4.2%	4.5%
Manufacturing (10%)	-0.2%	0.8%	2.7%	2.4%	2.1%
Other (non-manufacturing) Goods-Producing (5%)	0.1%	1.5%	4.1%	3.7%	3.8%
Private Service-Providing (70%)	3.0%	3.1%	5.6%	5.3%	6.4%
Government (15%)	1.5%	1.4%	0.1%	0.8%	-1.6%
Unemployment Rate (% of labor force, seasonally adjusted)	3.3%	3.4%	3.8%	3.6%	4.9%
Other Indicators (% change of 4-qtr moving total, unless noted)	Q3-23	Q2-23	Q3-22	2022	2021
Single-Family Home Permits	-7.4%	-11.1%	3.4%	-0.5%	14.0%
Multifamily Building Permits	9.4%	5.8%	7.2%	-5.2%	60.3%
Home Price Index (change from year ago)	6.2%	7.4%	22.5%	22.4%	15.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	N/A	0.65	0.58	0.56	0.60

BANKING TRENDS

General Information	Q3-23	Q2-23	Q3-22	2022	2021
Institutions (#)	42	42	44	43	44
Total Assets (in millions)	3,267,227	3,258,793	3,100,513	3,122,976	3,152,702
New Institutions (# < 3 years)	0	0	1	1	2
Subchapter S Institutions (#)	1	1	1	1	1

Asset Quality	Q3-23	Q2-23	Q3-22	2022	2021
Past-Due and Nonaccrual Loans / Total Loans (median %)	0.45	0.40	0.46	0.52	0.75
Noncurrent Loans / Total Loans (median %)	0.20	0.23	0.26	0.26	0.36
Loan and Lease Allowance / Total Loans (median %)	1.06	1.06	1.06	1.10	1.06
Loan and Lease Allowance / Noncurrent Loans (median multiple)	3.78	4.01	2.97	3.19	2.21
Net Loan Losses / Total Loans (median %, year-to-date annualized)	0.00	0.00	0.00	0.00	0.00

Capital / Earnings (year-to-date annualized, unless noted)	Q3-23	Q2-23	Q3-22	2022	2021
Tier 1 Leverage (median %, end of period)	11.52	11.43	10.79	11.28	10.62
Return on Assets (median %)	1.03	1.06	0.99	1.02	1.00
Pretax Return on Assets (median %)	1.21	1.26	1.15	1.20	1.15
Net Interest Margin (median %)	3.49	3.50	3.28	3.46	3.20
Yield on Earning Assets (median %)	4.82	4.72	3.52	3.78	3.56
Cost of Funding Earning Assets (median %)	1.22	1.06	0.20	0.27	0.25
Provisions to Avg. Assets (median %)	0.07	0.03	0.04	0.05	0.00
Noninterest Income to Avg. Assets (median %)	0.48	0.47	0.43	0.40	0.54
Overhead to Avg. Assets (median %)	2.66	2.68	2.55	2.57	2.68

Liquidity/Sensitivity	Q3-23	Q2-23	Q3-22	2022	2021
Net Loans to Assets (median %)	66.18	64.78	60.56	61.89	57.17
Noncore Funding to Assets (median %)	11.91	10.80	5.77	7.20	5.19
Long-term Assets to Assets (median %, call filers)	40.10	40.35	41.80	41.02	43.20
Brokered Deposits (number of institutions)	21	18	16	17	14
Brokered Deposits to Assets (median % for those above)	4.23	3.66	2.82	2.47	1.61

Loan Concentrations

(median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses)	Q3-23	Q2-23	Q3-22	2022	2021
Commercial and Industrial	39	37	37	39	39
Commercial Real Estate	231	222	241	239	224
Construction & Development	52	53	50	50	45
Multifamily Residential Real Estate	14	14	18	14	17
Nonresidential Real Estate	151	155	177	165	161
Residential Real Estate	179	171	146	152	150
Consumer	4	3	3	3	4
Agriculture	1	1	2	2	3

BANKING PROFILE

Largest Deposit Markets (from 2023 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Charlotte-Concord-Gastonia, NC-SC	49	382,302	< \$100 million	7 (16.7%)
Raleigh-Cary, NC	36	81,588	\$100 million to \$250 million	7 (16.7%)
Virginia Beach-Norfolk-Newport News, VA-NC	22	33,276	\$250 million to \$1 billion	14 (33.3%)
Durham-Chapel Hill, NC	20	18,935	\$1 billion to \$10 billion	9 (21.4%)
Wilmington, NC	20	18,012	> \$10 billion	5 (11.9%)