

Third Quarter 2025

ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

Employment Growth Rates (% change from year ago, unless noted)		Q3-25	Q2-25	Q3-24	2024	2023
Total Nonfarm (share of trailing four quarter employment in parentheses)		1.3%	1.4%	1.3%	1.5%	3.3%
Manufacturing	(7%)	-0.3%	0.1%	1.4%	1.7%	3.3%
Other (non-manufacturing) Goods-Producing	(8%)	2.3%	2.4%	3.3%	3.4%	5.5%
Private Service-Providing	(71%)	1.3%	1.4%	0.9%	1.0%	3.1%
Government	(15%)	1.6%	1.8%	2.7%	3.0%	3.0%
Unemployment Rate (% of labor force, seasonally adjusted)		4.1%	4.1%	4.2%	4.1%	4.0%
Other Indicators (% change of 4-qtr moving total, unless noted)		Q3-25	Q2-25	Q3-24	2024	2023
Single-Family Home Permits		N/A	-1.2%	16.3%	11.6%	-7.8%
Multifamily Building Permits		N/A	7.7%	-28.2%	-15.0%	-26.7%
Home Price Index (change from year ago)		1.5%	1.8%	2.4%	3.1%	3.5%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)		N/A	1.06	0.95	0.91	0.74

BANKING TRENDS

General Information	Q3-25	Q2-25	Q3-24	2024	2023
Institutions (#)	361	369	380	379	383
Total Assets (in millions)	\$873,234	\$874,264	\$919,373	\$923,125	\$1,056,130
New Institutions (# < 3 years)	1	2	2	3	2
Subchapter S Institutions (#)	172	173	177	177	183
Asset Quality	Q3-25	Q2-25	Q3-24	2024	2023
Past-Due and Nonaccrual Loans / Total Loans (median %)	0.95	0.94	0.85	0.79	0.77
Noncurrent Loans / Total Loans (median %)	0.28	0.29	0.24	0.24	0.21
Loan and Lease Allowance / Total Loans (median %)	1.21	1.22	1.24	1.24	1.25
Loan and Lease Allowance / Noncurrent Loans (median multiple)	2.59	2.68	3.34	3.19	3.72
Net Loan Losses / Total Loans (median %, year-to-date annualized)	0.02	0.02	0.02	0.03	0.03

Capital / Earnings (year-to-date annualized, unless noted)	Q3-25	Q2-25	Q3-24	2024	2023
Tier 1 Leverage (median %, end of period)	11.46	11.36	11.09	11.08	10.75
Return on Assets (median %)	1.39	1.35	1.17	1.19	1.21
Pretax Return on Assets (median %)	1.56	1.50	1.35	1.36	1.34
Net Interest Margin (median %)	3.99	3.91	3.71	3.77	3.73
Yield on Earning Assets (median %)	5.81	5.74	5.65	5.68	5.12
Cost of Funding Earning Assets (median %)	1.78	1.80	1.93	1.93	1.38
Provisions to Avg. Assets (median %)	0.07	0.05	0.05	0.06	0.06
Noninterest Income to Avg. Assets (median %)	0.51	0.50	0.51	0.50	0.50
Overhead to Avg. Assets (median %)	2.69	2.67	2.60	2.61	2.55

Liquidity / Sensitivity	Q3-25	Q2-25	Q3-24	2024	2023
Net Loans to Assets (median %)	61.86	62.35	61.98	62.29	60.79
Noncore Funding to Assets (median %)	11.70	12.29	12.42	11.66	11.55
Long-term Assets to Assets (median %, call filers)	24.56	25.98	27.23	26.18	29.07
Brokered Deposits (number of institutions)	116	122	127	124	118
Brokered Deposits to Assets (median % for those above)	3.77	4.27	4.55	5.04	3.50

Loan Concentrations

(median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses)	Q3-25	Q2-25	Q3-24	2024	2023
Commercial and Industrial	55	55	55	56	55
Commercial Real Estate	209	208	204	204	210
Construction & Development	52	50	53	52	58
Multifamily Residential Real Estate	5	5	5	5	6
Nonresidential Real Estate	130	128	126	126	125
Residential Real Estate	106	104	99	99	99
Consumer	10	9	10	10	10
Agriculture	22	22	23	23	24

BANKING PROFILE

Largest Deposit Markets (from 2025 Summary of Deposits)	Institutions in Market		Asset Distribution		Institutions	
Dallas-Fort Worth-Arlington, TX	169	\$665,037	< \$100 million	41	(11.4%)	
Houston-Pasadena-The Woodlands, TX	109	\$348,432	\$100 million to \$250 million	81	(22.4%)	
San Antonio-New Braunfels, TX	68	\$174,905	\$250 million to \$1 billion	143	(39.6%)	
Austin-Round Rock-San Marcos, TX	76	\$69,552	\$1 billion to \$10 billion	85	(23.5%)	
McAllen-Edinburg-Mission, TX	20	\$15,368	\$10 billion	11	(3.0%)	