

FDIC State Profile

Washington

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)	2.4%	3.4%	4.6%	4.7%	2.7%
Manufacturing (8%)	2.0%	3.1%	4.3%	3.4%	-4.3%
Other (non-manufacturing) Goods-Producing (7%)	0.5%	3.1%	5.1%	4.0%	4.6%
Private Service-Providing (70%)	2.7%	3.4%	5.5%	5.8%	4.1%
Government (16%)	2.3%	3.8%	0.6%	1.1%	-0.4%
Unemployment Rate (% of labor force, seasonally adjusted)	3.6%	4.1%	4.3%	4.2%	5.2%

Other Indicators (% change of 4-qtr moving total, unless noted)

	Q3-23	Q2-23	Q3-22	2022	2021
Single-Family Home Permits	-25.2%	-29.3%	-13.2%	-19.6%	8.4%
Multifamily Building Permits	-31.8%	-28.5%	21.8%	-8.0%	45.1%
Home Price Index (change from year ago)	0.5%	-0.9%	14.4%	16.4%	17.0%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	N/A	0.78	0.63	0.64	0.75

BANKING TRENDS

General Information

	Q3-23	Q2-23	Q3-22	2022	2021
Institutions (#)	39	40	40	41	40
Total Assets (in millions)	98,333	97,583	116,387	116,171	114,158
New Institutions (# < 3 years)	0	0	0	0	0
Subchapter S Institutions (#)	5	5	5	5	5

Asset Quality

	Q3-23	Q2-23	Q3-22	2022	2021
Past-Due and Nonaccrual Loans / Total Loans (median %)	0.35	0.31	0.32	0.39	0.42
Noncurrent Loans / Total Loans (median %)	0.20	0.15	0.16	0.17	0.21
Loan and Lease Allowance / Total Loans (median %)	1.21	1.20	1.23	1.20	1.36
Loan and Lease Allowance / Noncurrent Loans (median multiple)	5.11	5.13	5.18	6.11	4.51
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)	10.26	10.26	9.78	10.10	9.21
Return on Assets (median %)	0.91	1.03	1.01	1.04	1.08
Pretax Return on Assets (median %)	1.04	1.07	1.20	1.26	1.27
Net Interest Margin (median %)	3.65	3.56	3.32	3.50	3.38
Yield on Earning Assets (median %)	4.83	4.67	3.67	3.83	3.55
Cost of Funding Earning Assets (median %)	1.28	1.01	0.17	0.20	0.18
Provisions to Avg. Assets (median %)	0.01	0.02	0.00	0.00	0.01
Noninterest Income to Avg. Assets (median %)	0.47	0.45	0.45	0.47	0.60
Overhead to Avg. Assets (median %)	2.76	2.79	2.51	2.57	2.62

Liquidity/Sensitivity

	Q3-23	Q2-23	Q3-22	2022	2021
Net Loans to Assets (median %)	74.00	73.66	61.20	68.88	60.11
Noncore Funding to Assets (median %)	15.70	13.60	2.94	4.74	4.00
Long-term Assets to Assets (median %, call filers)	41.16	42.56	41.78	41.99	40.64
Brokered Deposits (number of institutions)	22	22	14	18	11
Brokered Deposits to Assets (median % for those above)	5.19	3.18	3.89	3.66	2.69

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	53	55	59	58	63
Commercial Real Estate	322	320	311	323	326
Construction & Development	39	42	44	47	38
Multifamily Residential Real Estate	35	32	32	32	34
Nonresidential Real Estate	207	195	220	222	216
Residential Real Estate	125	123	107	116	102
Consumer	6	7	6	5	6
Agriculture	8	8	7	9	9

BANKING PROFILE

Largest Deposit Markets (from 2023 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Seattle-Tacoma-Bellevue, WA	48	145,204	< \$100 million	6 (15.4%)
Portland-Vancouver-Hillsboro, OR-WA	28	67,109	\$100 million to \$250 million	5 (12.8%)
Spokane-Spokane Valley, WA	16	12,868	\$250 million to \$1 billion	11 (28.2%)
Bellingham, WA	13	5,092	\$1 billion to \$10 billion	14 (35.9%)
Olympia-Lacey-Tumwater, WA	16	5,059	> \$10 billion	3 (7.7%)