

FDIC State Profile

Tennessee

Third Quarter 2018

ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

Employment Growth Rates (change from year ago, unless noted)	Q3-18	Q2-18	Q3-17	2017	2016
Total Nonfarm (share of trailing four quarter employment in parentheses)	2.0%	1.8%	1.3%	1.5%	2.5%
Manufacturing (11%)	1.5%	0.4%	1.0%	1.4%	3.3%
Other (non-manufacturing) Goods-Producing (4%)	1.7%	1.4%	4.2%	4.2%	1.6%
Private Service-Providing (70%)	2.4%	2.2%	1.4%	1.6%	2.8%
Government (14%)	0.3%	0.7%	0.5%	0.5%	0.7%
Unemployment Rate (% of labor force, seasonally adjusted)	3.6%	3.5%	3.4%	3.7%	4.7%
Other Indicators (change from year ago, unless noted)	Q3-18	Q2-18	Q3-17	2017	2016
Single-Family Home Permits	4.4%	6.3%	9.2%	11.5%	12.8%
Multifamily Building Permits	4.2%	-7.9%	71.1%	-5.1%	3.7%
Home Price Index	7.7%	8.2%	7.9%	7.4%	6.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	5.20	5.09	5.16	5.18	5.29

BANKING TRENDS

General Information	Q3-18	Q2-18	Q3-17	2017	2016
Institutions (#)	146	146	151	151	157
Total Assets (in millions)	134,501	133,506	116,182	130,576	102,862
New Institutions (# < 3 years)	2	2	0	1	0
Subchapter S Institutions	31	31	30	31	33
Asset Quality	Q3-18	Q2-18	Q3-17	2017	2016
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.48	1.41	1.38	1.52	1.72
Noncurrent Loans / Total Loans (median %)	0.65	0.64	0.68	0.67	0.80
ALLL/Total Loans (median %)	1.13	1.12	1.21	1.18	1.24
ALLL/Noncurrent Loans (median multiple)	1.59	1.66	1.54	1.47	1.63
Net Loan Losses / Total Loans (median %)	0.03	0.01	0.03	0.07	0.07
Capital / Earnings	Q3-18	Q2-18	Q3-17	2017	2016
Tier 1 Leverage (median %)	10.78	10.53	10.48	10.34	10.41
Return on Assets (median %)	1.09	1.12	1.02	0.87	0.89
Pretax Return on Assets (median %)	1.28	1.39	1.34	1.23	1.21
Net Interest Margin (median %)	4.06	4.00	4.03	3.97	3.93
Yield on Earning Assets (median %)	4.83	4.68	4.61	4.53	4.47
Cost of Funding Earning Assets (median %)	0.73	0.61	0.51	0.49	0.46
Provisions to Avg. Assets (median %)	0.06	0.04	0.04	0.06	0.05
Noninterest Income to Avg. Assets (median %)	0.56	0.62	0.60	0.61	0.62
Overhead to Avg. Assets (median %)	3.03	2.99	3.00	2.98	3.00
Liquidity/Sensitivity	Q3-18	Q2-18	Q3-17	2017	2016
Net Loans to Assets (median %)	70.71	70.70	68.88	68.73	69.03
Noncore Funding to Assets (median %)	9.77	9.45	9.60	9.35	9.19
Long-term Assets to Assets (median %, call filers)	27.71	27.43	27.68	26.90	27.36
Brokered Deposits (number of institutions)	64	59	67	69	66
Brokered Deposits to Assets (median % for those above)	5.16	5.19	5.01	5.36	5.54
Loan Concentrations (median % of Qualifying Total Capital)	Q3-18	Q2-18	Q3-17	2017	2016
Commercial and Industrial	60	60	62	64	64
Commercial Real Estate	253	246	248	254	233
Construction & Development	61	57	53	58	56
Multifamily Residential Real Estate	9	10	8	9	7
Nonresidential Real Estate	167	167	162	166	155
Residential Real Estate	189	187	185	185	178
Consumer	25	26	25	26	22
Agriculture	16	15	14	15	15

BANKING PROFILE

Largest Deposit Markets (from 2018 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Nashville-Davidson--Murfreesboro--Franklin, TN	63	61,451	< \$100 million	22 (15.1%)
Memphis, TN-MS-AR	54	31,852	\$100 million to \$250 million	53 (36.3%)
Knoxville, TN	46	17,142	\$250 million to \$1 billion	54 (37%)
Chattanooga, TN-GA	28	9,741	\$1 billion to \$10 billion	15 (10.3%)
Kingsport-Bristol-Bristol, TN-VA	26	4,457	> \$10 billion	2 (1.4%)