

FDIC State Profile

Minnesota

Fourth Quarter 2017

ECONOMIC INDICATORS

Employment Growth Rates (change from year ago, unless noted)

	Q4-17	Q3-17	Q4-16	2017	2016
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.1%	1.1%	1.1%	1.3%	1.3%
Manufacturing (11%)	0.3%	0.2%	-0.2%	0.2%	0.1%
Other (non-manufacturing) Goods-Producing (4%)	2.4%	2.5%	0.1%	3.0%	0.2%
Private Service-Providing (70%)	0.9%	1.1%	1.7%	1.4%	1.9%
Government (14%)	2.1%	1.4%	-0.4%	1.2%	0.1%
Unemployment Rate (% of labor force)	3.3%	3.4%	4.0%	3.5%	3.9%

Other Indicators (change from year ago, unless noted)

	Q4-17	Q3-17	Q4-16	2017	2016
Single-Family Home Permits	11.8%	2.9%	16.4%	7.9%	11.3%
Multifamily Building Permits	-36.0%	-39.0%	85.9%	-3.9%	24.1%
Home Price Index	6.6%	7.0%	5.1%	6.7%	5.0%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	1.58	1.66	1.58	1.70	1.68

BANKING TRENDS

General Information

	Q4-17	Q3-17	Q4-16	2017	2016
Institutions (#)	306	309	311	306	311
Total Assets (in millions)	73,488	74,710	72,301	73,488	72,301
New Institutions (# < 3 years)	0	0	0	0	0
Subchapter S Institutions	224	225	224	224	224

Asset Quality

	Q4-17	Q3-17	Q4-16	2017	2016
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.12	1.13	1.16	1.12	1.16
Noncurrent Loans / Total Loans (median %)	0.57	0.65	0.59	0.57	0.59
ALLL/Total Loans (median %)	1.24	1.28	1.25	1.24	1.25
ALLL/Noncurrent Loans (median multiple)	1.80	1.66	1.82	1.80	1.82
Net Loan Losses / Total Loans (median %)	0.01	0.00	0.01	0.04	0.05

Capital / Earnings

	Q4-17	Q3-17	Q4-16	2017	2016
Tier 1 Leverage (median %)	10.24	10.32	10.16	10.24	10.16
Return on Assets (median %)	0.97	1.28	0.95	1.07	1.06
Pretax Return on Assets (median %)	1.09	1.35	1.04	1.17	1.16
Net Interest Margin (median %)	3.87	3.91	3.76	3.85	3.80
Yield on Earning Assets (median %)	4.32	4.34	4.14	4.24	4.21
Cost of Funding Earning Assets (median %)	0.41	0.40	0.34	0.39	0.35
Provisions to Avg. Assets (median %)	0.05	0.03	0.02	0.06	0.05
Noninterest Income to Avg. Assets (median %)	0.41	0.41	0.44	0.41	0.43
Overhead to Avg. Assets (median %)	2.90	2.71	2.85	2.77	2.80

Liquidity/Sensitivity

	Q4-17	Q3-17	Q4-16	2017	2016
Net Loans to Assets (median %)	67.42	67.44	65.87	67.42	65.87
Noncore Funding to Assets (median %)	6.03	6.37	5.69	6.03	5.69
Long-term Assets to Assets (median %, call filers)	18.74	19.34	20.23	18.74	20.23
Brokered Deposits (number of institutions)	119	121	113	119	113
Brokered Deposits to Assets (median % for those above)	4.05	4.70	3.95	4.05	3.95

Loan Concentrations (median % of Qualifying Total Capital)

	Q4-17	Q3-17	Q4-16	2017	2016
Commercial and Industrial	77.48	78.14	75.31	77.48	75.31
Commercial Real Estate	160.91	158.27	145.70	160.91	145.70
Construction & Development	20.45	21.12	20.10	20.45	20.10
Multifamily Residential Real Estate	7.10	6.67	6.58	7.10	6.58
Nonresidential Real Estate	115.26	116.92	112.01	115.26	112.01
Residential Real Estate	123.13	123.22	127.18	123.13	127.18
Consumer	20.76	21.21	20.87	20.76	20.87
Agriculture	85.36	87.10	84.36	85.36	84.36

BANKING PROFILE

Largest Deposit Markets (from 2017 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	
			Assets	Institutions
Minneapolis-St. Paul-Bloomington, MN-WI	153	189,316	< \$100 million	142 (46.4%)
Fargo, ND-MN	28	7,631	\$100 million to \$250 million	97 (31.7%)
Rochester, MN	36	5,430	\$250 million to \$1 billion	59 (19.3%)
St. Cloud, MN	32	5,113	\$1 billion to \$10 billion	7 (2.3%)
Duluth, MN-WI	30	4,336	> \$10 billion	1 (0.3%)