

FDIC State Profile

New Jersey

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) | 1.8% | 1.3% | 1.2% | 1.3% | 1.5% |
| Manufacturing (6%) | 3.3% | 3.2% | 1.3% | 1.0% | 1.4% |
| Other (non-manufacturing) Goods-Producing (4%) | -4.9% | -3.1% | 1.4% | 0.9% | 3.4% |
| Private Service-Providing (76%) | 2.3% | 1.6% | 1.3% | 1.6% | 1.8% |
| Government (15%) | 0.1% | 0.3% | 0.1% | 0.1% | -0.1% |
| Unemployment Rate (% of labor force, seasonally adjusted) | 4.2% | 4.4% | 4.7% | 4.6% | 5.0% |
| Other Indicators (change from year ago, unless noted) | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
| Single-Family Home Permits | -3.0% | 11.5% | 20.4% | 0.9% | -3.6% |
| Multifamily Building Permits | -18.7% | -3.8% | 11.5% | 20.4% | -35.1% |
| Home Price Index | 4.2% | 4.4% | 3.3% | 2.9% | 2.8% |
| Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level) | 2.75 | 3.05 | 2.83 | 2.91 | 2.78 |

BANKING TRENDS

| General Information | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|---|--------------|--------------|--------------|-------------|-------------|
| Institutions (#) | 76 | 77 | 85 | 85 | 86 |
| Total Assets (in millions) | 158,697 | 156,911 | 145,761 | 148,566 | 138,563 |
| New Institutions (# < 3 years) | 0 | 0 | 0 | 0 | 0 |
| Subchapter S Institutions | 6 | 6 | 6 | 6 | 6 |
| Asset Quality | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
| Past-Due and Nonaccrual Loans / Total Loans (median %) | 1.02 | 1.01 | 1.19 | 1.18 | 1.26 |
| Noncurrent Loans / Total Loans (median %) | 0.52 | 0.62 | 0.78 | 0.72 | 0.77 |
| ALLL/Total Loans (median %) | 0.99 | 0.96 | 1.00 | 1.05 | 1.05 |
| ALLL/Noncurrent Loans (median multiple) | 1.83 | 1.71 | 1.19 | 1.31 | 1.09 |
| Net Loan Losses / Total Loans (median %) | 0.00 | 0.00 | 0.00 | 0.03 | 0.05 |
| Capital / Earnings | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
| Tier 1 Leverage (median %) | 10.58 | 10.43 | 10.06 | 10.07 | 10.05 |
| Return on Assets (median %) | 0.79 | 0.66 | 0.61 | 0.47 | 0.49 |
| Pretax Return on Assets (median %) | 1.09 | 0.83 | 0.87 | 0.83 | 0.74 |
| Net Interest Margin (median %) | 3.35 | 3.29 | 3.23 | 3.20 | 3.14 |
| Yield on Earning Assets (median %) | 4.06 | 4.02 | 3.86 | 3.81 | 3.78 |
| Cost of Funding Earning Assets (median %) | 0.94 | 0.81 | 0.69 | 0.68 | 0.66 |
| Provisions to Avg. Assets (median %) | 0.05 | 0.06 | 0.05 | 0.07 | 0.06 |
| Noninterest Income to Avg. Assets (median %) | 0.27 | 0.27 | 0.28 | 0.31 | 0.27 |
| Overhead to Avg. Assets (median %) | 2.32 | 2.37 | 2.41 | 2.45 | 2.51 |
| Liquidity/Sensitivity | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
| Net Loans to Assets (median %) | 75.32 | 74.18 | 72.96 | 73.29 | 72.66 |
| Noncore Funding to Assets (median %) | 13.41 | 12.97 | 11.85 | 12.09 | 10.69 |
| Long-term Assets to Assets (median %, call filers) | 48.88 | 49.25 | 50.47 | 48.79 | 51.09 |
| Brokered Deposits (number of institutions) | 34 | 38 | 40 | 40 | 40 |
| Brokered Deposits to Assets (median % for those above) | 4.23 | 4.47 | 3.05 | 3.06 | 2.73 |
| Loan Concentrations (median % of Qualifying Total Capital) | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
| Commercial and Industrial | 31 | 33 | 26 | 26 | 32 |
| Commercial Real Estate | 348 | 339 | 332 | 333 | 320 |
| Construction & Development | 21 | 22 | 25 | 23 | 21 |
| Multifamily Residential Real Estate | 27 | 29 | 26 | 26 | 24 |
| Nonresidential Real Estate | 223 | 227 | 219 | 222 | 224 |
| Residential Real Estate | 203 | 205 | 215 | 216 | 214 |
| Consumer | 1 | 0 | 1 | 1 | 1 |
| Agriculture | 0 | 0 | 0 | 0 | 0 |

BANKING PROFILE

| Largest Deposit Markets (from 2018 Summary of Deposits) | Institutions in Market | Deposits (\$ millions) | Asset Distribution | Institutions |
|--|-------------------------------|-------------------------------|--------------------------------|---------------------|
| New York-Newark-Jersey City, NY-NJ-PA | 201 | 1,823,300 | < \$100 million | 1 (1.3%) |
| Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 117 | 486,325 | \$100 million to \$250 million | 11 (14.5%) |
| Allentown-Bethlehem-Easton, PA-NJ | 32 | 16,922 | \$250 million to \$1 billion | 37 (48.7%) |
| Trenton, NJ | 25 | 16,464 | \$1 billion to \$10 billion | 25 (32.9%) |
| Atlantic City-Hamilton, NJ | 12 | 5,377 | > \$10 billion | 2 (2.6%) |