

# **Federal Savings Association (FSA) Report of Condition**

## **Briefing Package and Talking Points**



**Trends and Statistics Focusing on OCC's FSA Population**

**Financial and Supervisory Information as of 9/30/2016**

**November 21, 2016**



Federal Savings Association (FSA) Briefing Package  
As of September 30, 2016

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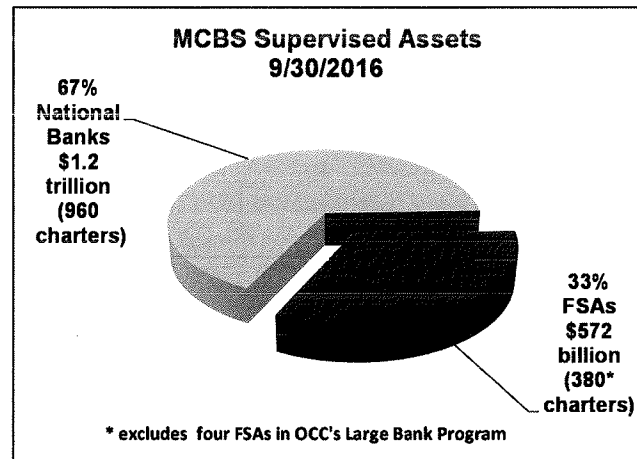
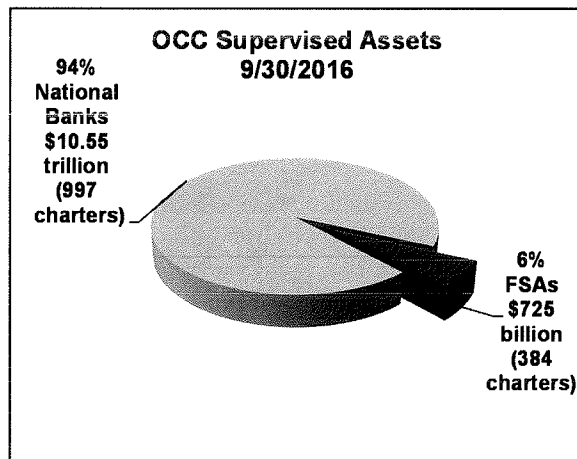
## FSAs: Industry Overview

- As of September 30, 2016, the savings industry is comprised of 774 charters and assets of \$1.1 trillion.
- OCC supervises 50 percent, or 384 of these charters and 66 percent, or \$725 billion of the assets.
- The other 390 institutions consist of state savings banks, state savings & loans, and cooperatives.

### FSAs vs Other Savings Institutions

Prim Reg	# Chart	% Chart	Assets \$ 2016Q3 (000's)	% of Assets
OCC	384	50%	724,942,298	66%
FDIC	390	50%	379,533,709	34%
<b>Total</b>	<b>774</b>	<b>100%</b>	<b>1,104,476,007</b>	<b>100%</b>

- OCC supervised 1,381 bank charters with \$11.4 trillion in assets as of September 30, 2016. FSAs represent six percent of OCC supervised assets and 28 percent of OCC bank charters.
- MCBS supervised 1,340 bank charters and \$1.8 trillion in assets as of September 30, 2016. FSAs represented \$572 billion or 33 percent of MCBS supervised assets and 28 percent of MCBS bank charters.
- See appendix A of this report for a distribution of FSAs by OCC district/business unit.

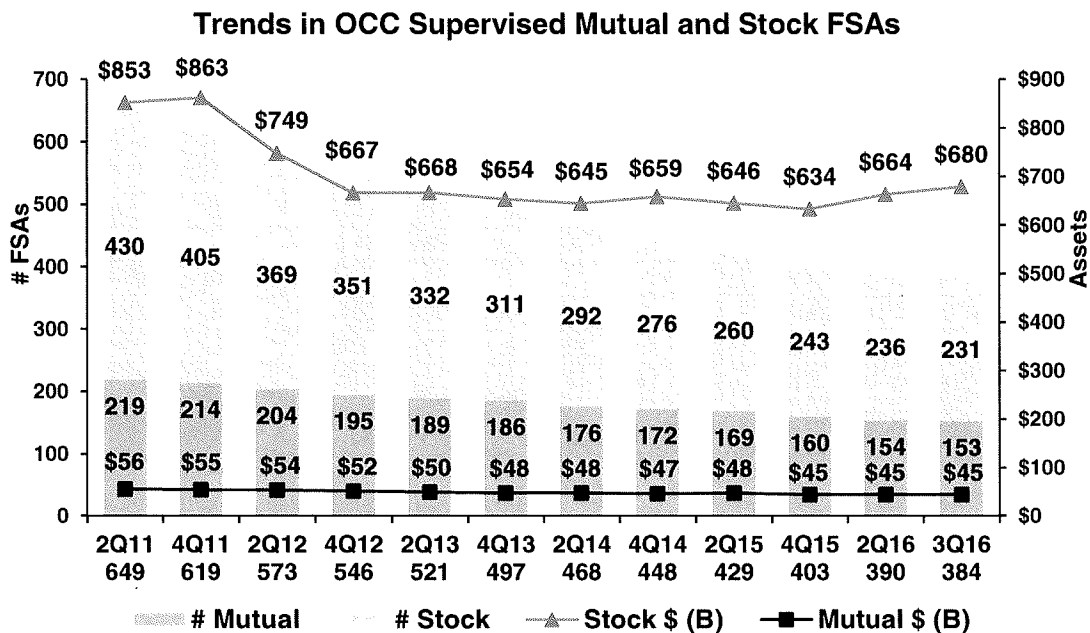


- Within the FSA population, stock FSAs accounted for 94 percent of FSA assets and 60 percent of FSA charters. When you carve out 23 stock FSAs operating in a MHC structure (no shares issued) and add them to the mutual population you have the following adjusted percentages:

### Mutual FSAs vs Stock FSAs (accounting for Stocks in a MHC structure)

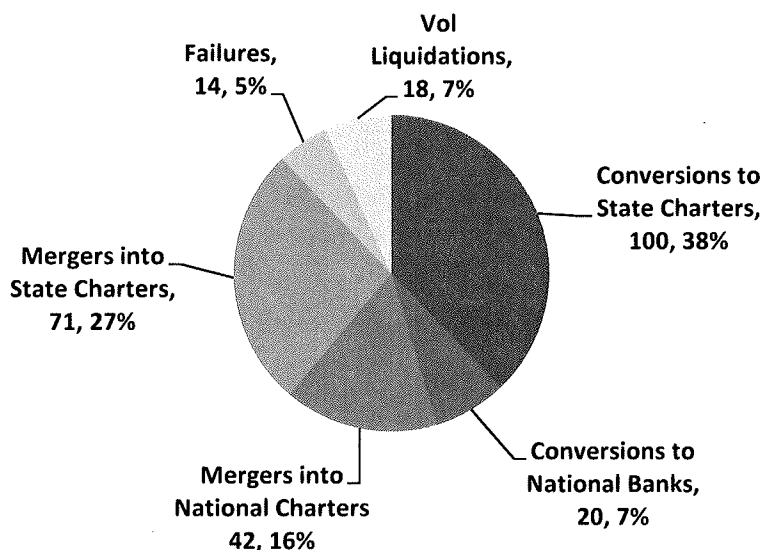
Organizational Form	# Chart	% Chart	\$ Assets	% Assets
Mutual FSAs	153	40%	45,268,032	6%
Stock FSAs in a MHC Structure	23	6%	12,405,839	2%
<b>Total Adjusted Mutual FSAs</b>	<b>176</b>	<b>46%</b>	<b>57,673,871</b>	<b>8%</b>
<b>Stock FSAs</b>	<b>208</b>	<b>54%</b>	<b>667,268,427</b>	<b>92%</b>
<b>Total FSAs</b>	<b>384</b>	<b>100%</b>	<b>724,942,298</b>	<b>100%</b>

- The below charts provide only FSA data. Since June 30, 2011 the number of FSA charters declined by 265, or 41 percent, and assets fell by 20 percent. Mutual FSAs have been faring much better than stock institutions and only declined by 30 percent.



- As of September 30, 2016, about 71 percent of deactivated FSA charter assets remain under OCC supervision (mergers into national charters and conversions to national banks). Conversions to state charters continue to decline relative to other departure categories. Approximately 38 percent, or 100 FSA charters, versus 40 percent for the same period last year, left through conversion as of September 30, 2016. There were also 15 mutual FSAs, reflected in the above counts, which converted to stock FSAs since July 21, 2011.

### FSA Charter Departures by Disposition



## FSA: Asset Size, Age and Trust Powers

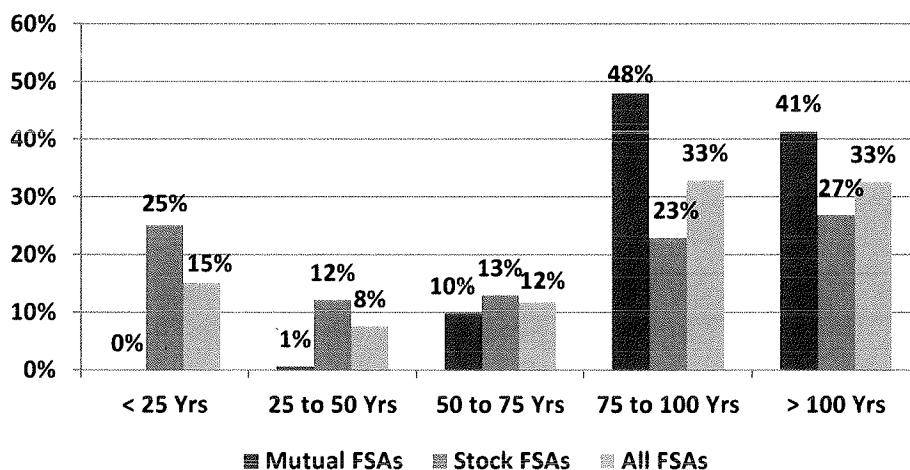
- 88 percent of mutual FSAs are less than \$500 million in size compared to only 64 percent for stock FSAs.
- 22 percent of stock FSAs are greater than \$1 billion in size compared to only 4 percent for mutual FSAs.

### FSA Asset Distribution - 9/30/2016

Asset Size	All FSAs		Mutual FSAs		Stock FSAs	
	#	%	#	%	#	%
Less Than \$50MM	45	12%	28	18%	17	7%
\$50MM To \$100MM	62	16%	36	24%	26	11%
\$100MM To \$250MM	109	28%	41	27%	68	29%
\$250MM To \$500MM	68	18%	30	20%	38	16%
\$500MM To \$1B	44	11%	12	8%	32	14%
Greater Than \$1B	56	15%	6	4%	50	22%
<b>Total</b>	<b>384</b>	<b>100%</b>	<b>153</b>	<b>100%</b>	<b>231</b>	<b>100%</b>

- Approximately 33 percent of FSAs are over 100 years old and 66 percent are over 75 years old.

### FSA Age Distribution - 9/30/2016



- The table below provides detail on the number of FSAs that exercised trust powers. Only 48, or 13 percent of FSAs, exercised trust powers as of September 30, 2016.

### FSAs with Trust Powers Exercised - 9/30/2016

Category	All FSAs		Mutual FSAs		Stock FSAs	
	#	%	#	%	#	%
Trust Exercised	48	13%	5	3%	43	19%
No Trust Powers	336	88%	148	97%	188	81%
<b>Total</b>	<b>384</b>	<b>100%</b>	<b>153</b>	<b>100%</b>	<b>231</b>	<b>100%</b>

**FSA: PCA Categories, Supervisory Cycle and QTL Test**

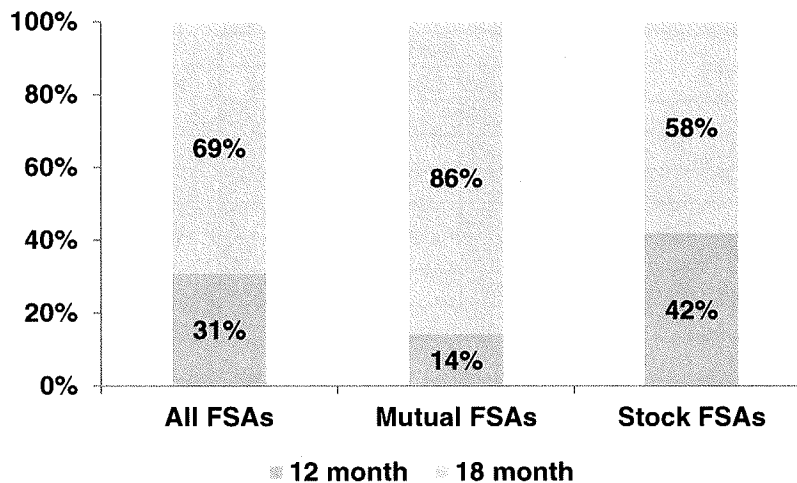
- 96 percent, up from 95 percent last quarter, of all FSAs are well-capitalized per the Prompt Corrective Action provisions of FDICIA.
- 99 percent of the mutual population is well-capitalized versus 94 percent for stock institutions.
- Since mutual FSAs have limited means to increase capital quickly, capital planning is critical. As such, mutual FSAs have historically held higher levels of capital. Mutual FSAs also tend to have higher risk-based capital due, in part, to a higher proportion of lower risk weighted assets.

**FSA PCA Categories - 9/30/2016**

Category	All FSAs		Mutual FSAs		Stock FSAs	
	#	%	#	%	#	%
Well	367	96%	151	99%	216	94%
Adequate	15	4%	2	1%	13	6%
Under	0	0%	0	0%	0	0%
Sig Under	2	1%	0	0%	2	1%
Critically Under	0	0%	0	0%	0	0%
<b>Total</b>	<b>384</b>	<b>100%</b>	<b>153</b>	<b>100%</b>	<b>231</b>	<b>100%</b>

- More than two thirds, or 69 percent, of FSAs are on an 18-month examination cycle.
- In addition to being smaller in size than their stock counterparts, mutual FSAs also possess lower risk characteristics. 86 percent of mutual FSAs, up from 84 percent last quarter, are on the 18-month examination cycle versus only 58 percent for stock institutions.

**FSA Supervisory Cycle - 9/30/2016**



- 93 percent, or 358, of FSAs have opted to comply with the HOLA QTL test and 26, the DBLA test.
- Based on call report submissions, two stock FSAs, or less than one percent of all FSAs, did not meet their QTL test at September 30, 2016.

**Qualified Thrift Lender Test - 9/30/2016**

QTL Test	All FSAs			Mutual FSAs			Stock FSAs		
	Total	#Met	#Fail	Total	#Met	#Fail	Total	#Met	#Fail
HOLA	358	356	2	137	137	0	221	219	2
DBLA	26	26	0	16	16	0	10	10	0
<b>Total</b>	<b>384</b>	<b>382</b>	<b>2</b>	<b>153</b>	<b>153</b>	<b>0</b>	<b>231</b>	<b>229</b>	<b>2</b>

**FSA KEY FINANCIAL RATIOS-Community Institutions Only**

- Asset quality indicators for FSAs continued to improve in 2016. Classified and non-performing assets declined year-over-year. The ALLL decreased in tandem with classified loans. Net loan losses fell by one basis point to 0.03. Loan growth for FSAs has been weak but improved year-over-year to 3.97 percent.

**Asset Quality (median values)**

Financial Measure	9/30/2016			9/30/2015		
	All FSAs	Mutual	Stock	All FSAs	Mutual	Stock
Special Mention /Tier 1 + ALLL	3.70	2.31	4.85	3.59	2.24	4.70
% Classified Assets /Tier 1+ ALLL	13.79	10.57	15.75	16.56	12.58	18.65
Non-cur Lns&OREO/Lns&OREO	1.13	1.30	1.12	1.44	1.47	1.32
ALLL / Loan & Leases Not HFS	1.01	0.99	1.06	1.09	1.00	1.14
Net Loan & Lease Growth Rate	3.97	2.09	6.19	2.75	0.91	6.03
Net Loss / Avg Tot Lns & Ls	0.03	0.02	0.03	0.04	0.04	0.05

- Earnings indicators for FSAs remained relatively stable as of September 30, 2016. ROAA remained flat, NIM fell by two basis points, and efficiency ratios edged higher to 80.38.
- Capital levels remain strong and stable year-over-year. The new capital rules introduced Common Equity Tier 1 as a new PCA capital ratio as of March 31, 2015. The new ratio had the same value as the Tier 1 RBC Ratio for all but seven FSAs as of September 30, 2016.

**Earnings and Capital (median values)**

Financial Measure	9/30/2016			9/30/2015		
	All FSAs	Mutual	Stock	All FSAs	Mutual	Stock
ROAA Adj Sub S	0.50	0.41	0.60	0.50	0.39	0.59
Net Interest Margin (NIM)	3.27	3.20	3.40	3.29	3.20	3.41
Efficiency Ratio	80.38	82.40	77.76	80.15	82.77	78.83
T1 Leverage Capital	11.83	13.76	10.77	11.79	13.56	11.06
T1 RBC to Risk-Wt Assets	19.85	26.84	16.63	20.04	26.81	17.11
Total RBC to Risk-Wt Assets	20.97	27.70	17.78	21.32	27.99	18.23
Common Equity Tier 1	19.85	26.84	16.52	20.04	26.64	17.13

- Liquidity ratios remained stable and satisfactory through the first nine months of 2016.
- Sensitivity indicators reflected high risk as of September 30, 2016. The long-term asset to total assets ratio edged higher to 46.43 percent and poses a supervisory concern should rates rise suddenly. The residential real estate to total assets ratio remains elevated, but decreasing, at 51.66 percent, and non-maturity deposits to long-term assets improved to 81.54 percent.

**Liquidity and Sensitivity to Market Risk (median values)**

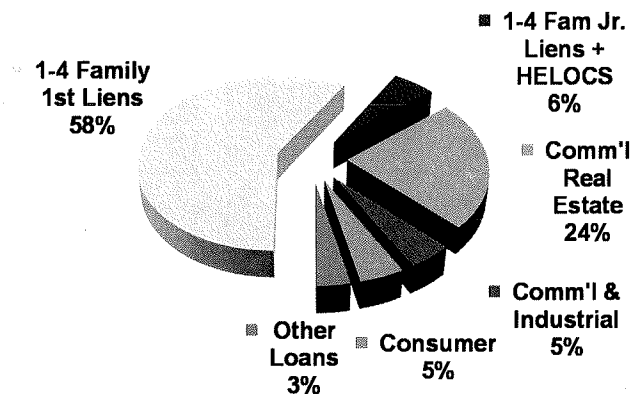
Financial Measure	9/30/2016			9/30/2015		
	All FSAs	Mutual	Stock	All FSAs	Mutual	Stock
Non-Core Funding Dependence	1.76	-3.71	6.19	1.26	-3.94	7.58
% Reliance on Whole. Funding	5.71	1.29	10.16	5.75	1.24	10.46
Loans to Deposits	88.76	82.19	91.42	87.10	83.27	91.85
% LT Assets /Total Assets	46.43	50.69	41.99	46.10	51.44	41.23
% Res Real Estate /Total Assets	51.66	58.73	45.89	53.65	59.33	47.51
Non-Mat Deposits/Long Assets	81.54	69.77	90.43	78.31	67.88	86.05



**FSA: Loan Composition and Delinquency Trends**

- About 58 percent of FSA loans are concentrated in the 1-4 family residential category.

**FSA Loan Distribution (Average)**

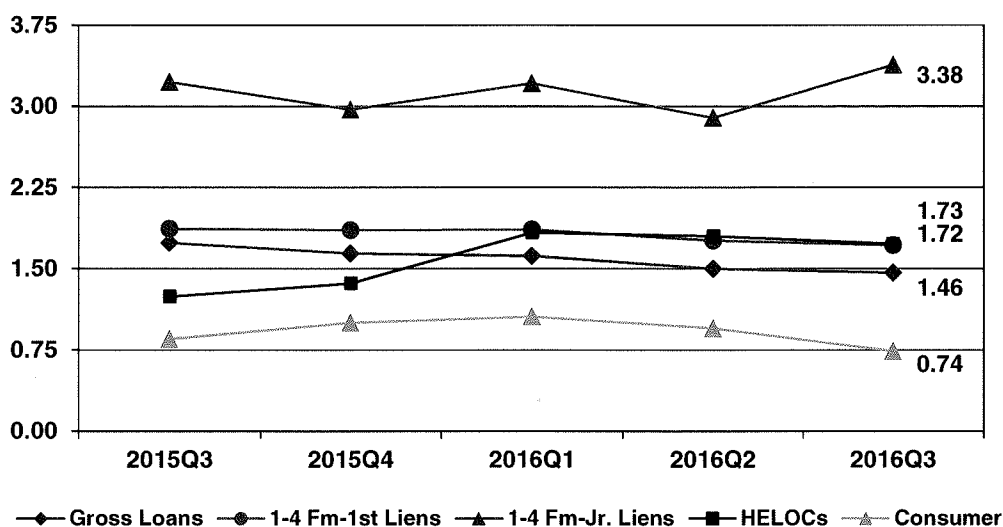


- The high level of 1-4 family first lien loans is a key distinction between mutual and stock FSAs.

Loan Distribution by FSA Type-Straight Average							
Charter Type	\$ Loans (000's) 9/30/2016	% of Total Loans					
		1-4 Family 1st Liens	1-4 Fam Jr. Liens + HELOCS	Comm'l Real Estate	Comm'l & Industrial	Consumer	Other Loans
Mutual	31,711,402	70%	5%	17%	2%	3%	3%
Stock	358,787,281	50%	6%	28%	6%	6%	4%
All FSAs	390,498,683	58%	6%	24%	5%	5%	3%

- Delinquencies are declining for most FSA retail loan categories. Noncurrent levels of 1-4 family first lien loans, the largest loan category for FSAs, declined 15 basis points, year-over-year, to 1.72. Of all retail categories, 1-4 family-junior liens continue to show the highest noncurrent levels which have been hovering around 3.00 percent since last year.

**FSA Retail Noncurrent Loan Trends**

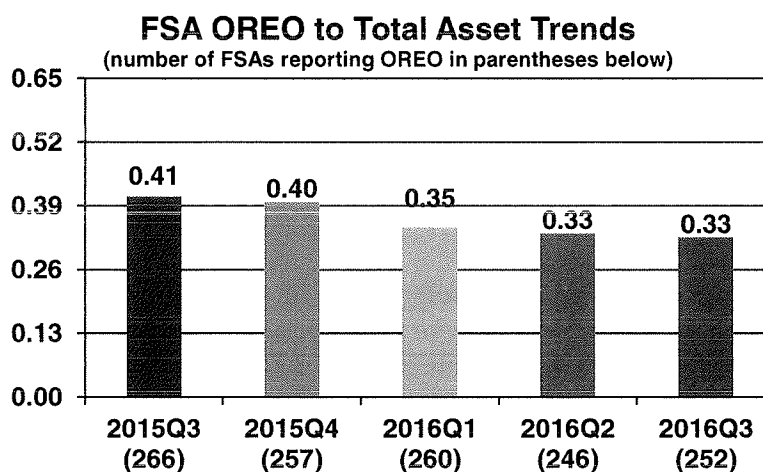


- Below is a comparison of loan performance for FSAs by organizational form. The level of noncurrent loans for mutual FSAs is slightly better than stock FSAs. Mutual FSAs have a lower volume of non-current loans compared to stock FSAs in five of eight loan categories detailed below as of September 30, 2016, all but HELOCs, C&D Loans, and Commercial RE.

### FSA Year-over-Year Noncurrent Loan Comparison

Loan Type	9/30/2016			9/30/2015		
	All FSAs	Mutual	Stock	All FSAs	Mutual	Stock
Gross Loans	1.46	1.44	1.48	1.74	1.69	1.78
1-4 Fm-1st Liens	1.72	1.44	1.92	1.87	1.62	2.06
1-4 Fm-Jr. Liens	3.38	2.09	4.30	3.23	3.36	3.13
HELOCs	1.73	1.80	1.68	1.24	1.36	1.17
Consumer	0.74	0.54	0.87	0.85	0.78	0.90
C & D Loans	2.28	2.65	2.01	3.16	3.48	2.93
MultiFamily	1.28	1.09	1.40	1.38	0.89	1.71
Commercial RE	1.58	1.95	1.31	1.98	2.17	1.84
C & I Loans	1.58	1.52	1.61	2.38	2.52	2.31

- Even though 252, or 66 percent, of FSAs are still reporting OREO, levels remain relatively low and continue to decrease each quarter.



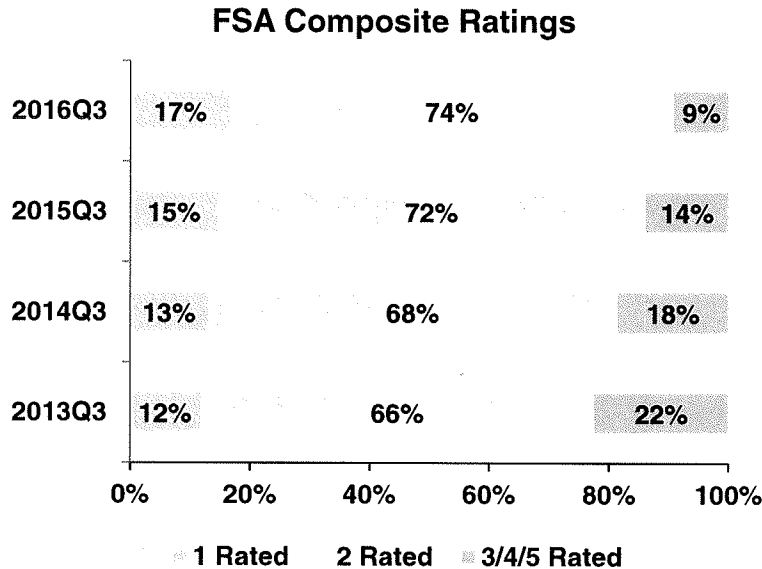
- 18 percent of FSAs originated 1-4 family 1<sup>st</sup> lien mortgages in the first nine months of 2016 for the purpose of selling on the secondary market. Loan originations were up versus the same period in 2015 and more FSAs are now engaged in mortgage banking activity. Sales rose in 2016 but sales volume does not exceed originations.

### FSA Mortgage Banking Volume

Financial Measure	9/30/2016			9/30/2015		
	#	%	Tot \$ Amt	#	%	Tot \$ Amt
1-4 Fm Ln 1st Lien Retail Orig (Qtr)	68	18%	13,287,398	65	17%	8,954,749
1-4 Fm Ln Jr. Lien Retail Orig (Qtr)	8	2%	3,102	5	1%	2,187
1-4 Fm Ln 1st Lien Whole Orig (Qtr)	14	4%	9,338,145	13	3%	7,807,439
1-4 Fm Ln Jr. Lien Whole Orig (Qtr)	1	0%	384	1	0%	51
<b>Total Originations</b>			<b>22,629,029</b>			<b>16,764,426</b>
1-4 Family 1st Lien Sales (Qtr)	70	18%	22,423,536	68	18%	18,185,408
1-4 Family Jr. Lien Sales (Qtr)	8	2%	3,434	5	1%	2,209
<b>Total Sales</b>			<b>22,426,970</b>			<b>18,187,617</b>

**FSA: Supervisory Ratings**

- Composite ratings for FSAs have improved in 2016. The percentage of FSAs with composite ratings of 1 or 2 increased to 91 percent this quarter.
- The percentage of FSAs assigned a 1 rating rose to 17 percent this year.



- The Liquidity and Capital areas are the most favorably rated for both mutual and stock FSAs as indicated by the high percentage of 1-ratings.
- FSAs are more severely rated for Earnings with 25 percent and 26 percent, respectively, of mutual and stock FSAs accorded a 3/4/5 rating.
- Management is less favorably rated for stock FSAs than mutual FSAs. About 13 percent of stock FSAs are assigned a 3/4/5 rating for management versus only 7 percent of mutual FSAs.
- The Liquidity and Sensitivity components have the lowest percentage of 3/4/5 ratings for both mutual and stock FSAs versus any other safety and soundness component rating.
- 3 percent of mutual FSAs and 19 percent of stock FSAs have trust powers. Therefore, 97 percent of mutual FSAs and 81 percent of stock FSAs were not assigned an asset management rating.
- 14, or 6 percent, of stock FSAs are trust companies exempt from CRA and therefore not rated.

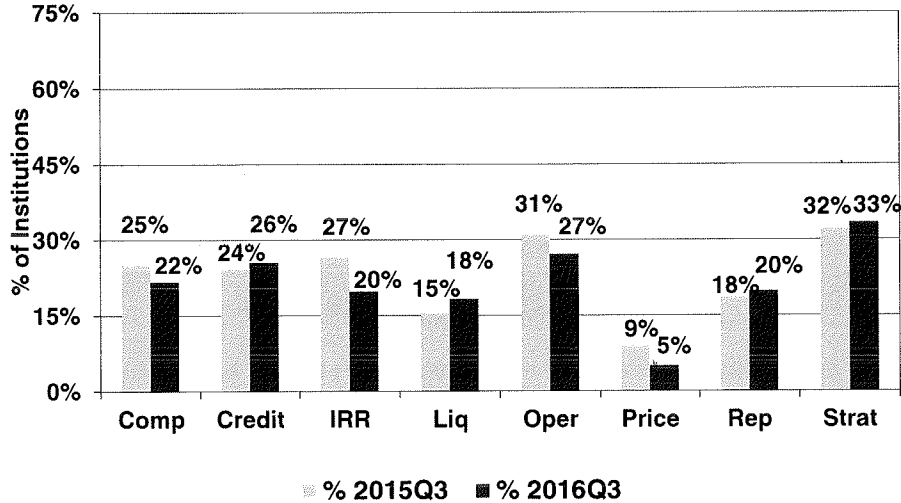
**FSA Supervisory Ratings (%) - 9/30/2016**

1-ratings > 30% highlighted in green and 3/4/5 ratings > 30% highlighted in red

Rating Category	All Mutual FSAs			All Stock FSAs		
	1-rated	2-rated	3/4/5-rated	1-rated	2-rated	3/4/5-rated
Composite	22%	73%	6%	13%	75%	11%
Capital	54%	42%	5%	32%	58%	10%
Asset Quality	35%	59%	7%	24%	66%	10%
Management	20%	73%	7%	12%	75%	13%
Earnings	16%	59%	25%	24%	51%	26%
Liquidity	54%	43%	3%	34%	61%	6%
Sensitivity	24%	71%	5%	26%	69%	5%
Info Tech	16%	79%	5%	15%	80%	5%
Asset Mgmt	20%	60%	20%	28%	72%	0%
Consumer	27%	72%	1%	22%	76%	3%
CRA	27%	72%	1%	19%	73%	2%

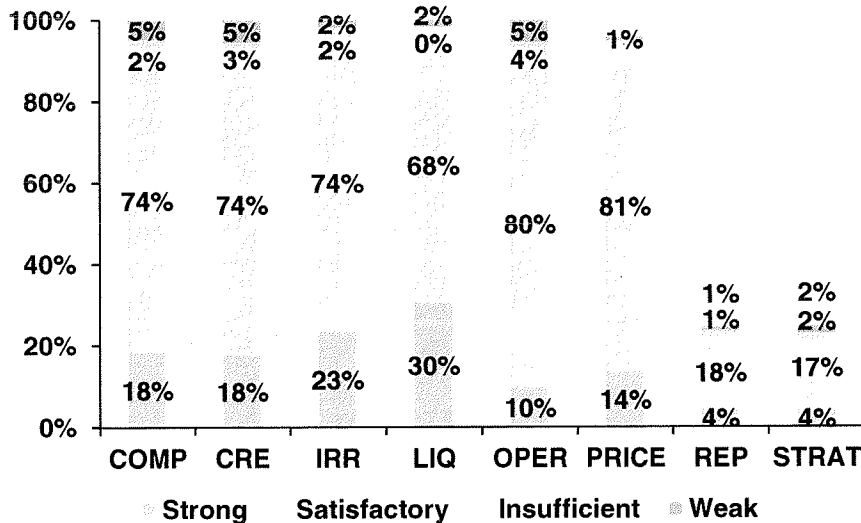
- More FSAs are designated with high or moderate and increasing Strategic risk in this environment, at 33 percent, versus any other risk category. Many companies are reassessing their business models and strategic plans because of challenges they face with generating reasonable rates of return. Operational risk is close behind at 27 percent, but levels of risk have declined year-over-year. Operational remains a top risk due to cyber threats, third party vendor concerns and the risks associated with introducing new products into the marketplace. Credit risk is on the rise and is now the third highest risk.

**% of All FSAs with High or Moderate and Increasing Risk**



- Operational, followed by credit, has the highest percentage of weak or insufficient risk management ratings, at 9 percent and 8 percent, respectively. Conversely, liquidity and IRR, have the highest percentage of strong risk management, at 30 percent and 23 percent, respectively. Reputation and Strategic risk are now rated for Quality of risk management but only 26 percent of institutions are rated because the guidance was issued in late 2015.

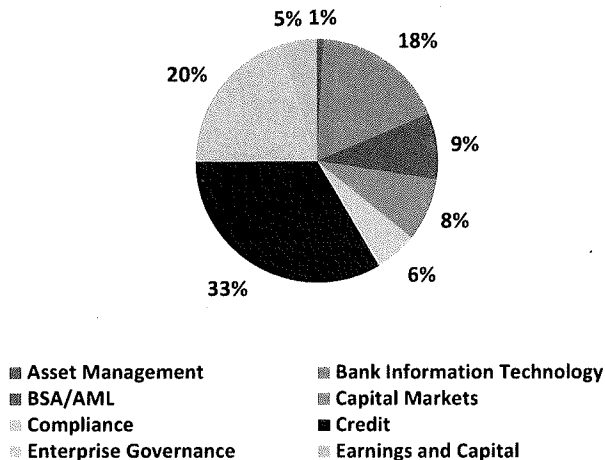
**All FSAs  
Quality of Risk Management Rating**



**FSA: Matters Requiring Attention and Violations of Law**

- Examiners cited 563 MRA concerns at FSAs in the first nine months of 2016, a decrease of one percent from the prior year. Below is a pie chart of the 960 FSA MRAs by examination area that remain open as of September 30, 2016.
- Credit is the dominant area of concern, representing 33 percent of open FSA MRAs. The main issues are Collateral Valuation/Support, Credit/Cash Flow Analysis, and Credit/Collateral Documentation. Enterprise Governance is the second most frequently cited examination area of concern with key issues focusing on Management/Board/Committee Oversight and Audit Scope/Coverage. Bank Information Technology is in third position with Vendor Management and Information Security noted as the top concerns.

**Open FSA MRA Concerns - 9/30/2016**



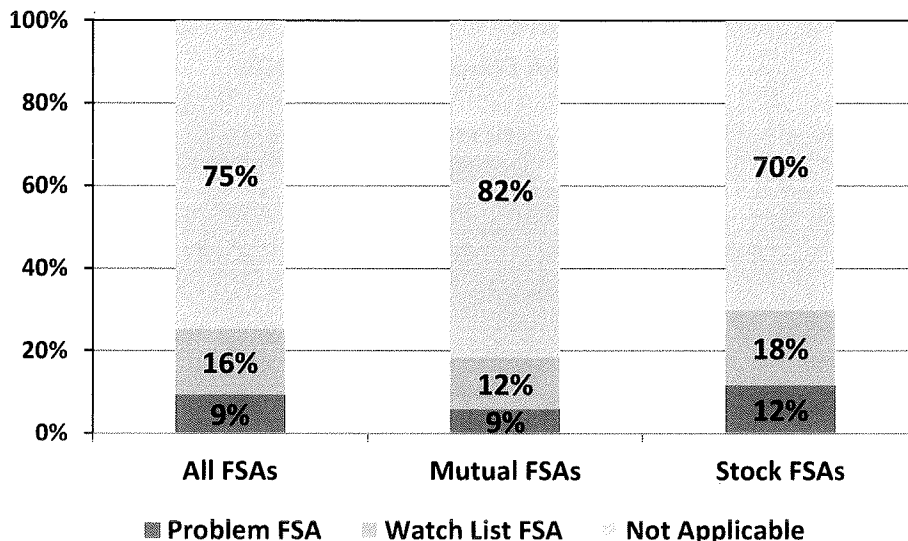
- Examiners cited 226 violations of law at FSAs in the first nine months of 2016, representing a year-over-year decrease of 20 percent.
- The Top 10 FSA VOLs, shown below, represent 79 percent of the VOLs cited in calendar year 2016, the majority of which are consumer-related.

**Top 10 Violations of Law cited at FSAs as of 9/30/2016**

Rank	Law or Regulation Violated	#	%
1	Loans in Areas Having Flood Hazards	45	25%
2	Real Estate Lending and Appraisals	38	21%
3	Truth in Lending (Reg Z)	20	11%
4	Regulatory Reports	16	9%
5	BSA/AML/USA PATRIOT Act	15	8%
6	Insiders and Affiliates	12	7%
7	Truth in Savings (Reg DD)	11	6%
8	Information Security Standards	8	4%
9	Real Estate Settlement Procedures Act	7	4%
10	Equal Credit Opportunity Act (Reg B)	7	4%
<b>Total</b>		<b>179</b>	<b>100%</b>

- About 9 percent of mutual FSAs, unchanged from last quarter, compared to 12 percent for stock FSAs, down from 14 percent from last quarter, are designated as problem institutions. Both percentages continued to decline in 2016 due to improvement in the banking sector.

**Problem and Watch List FSAs  
9/30/2016**



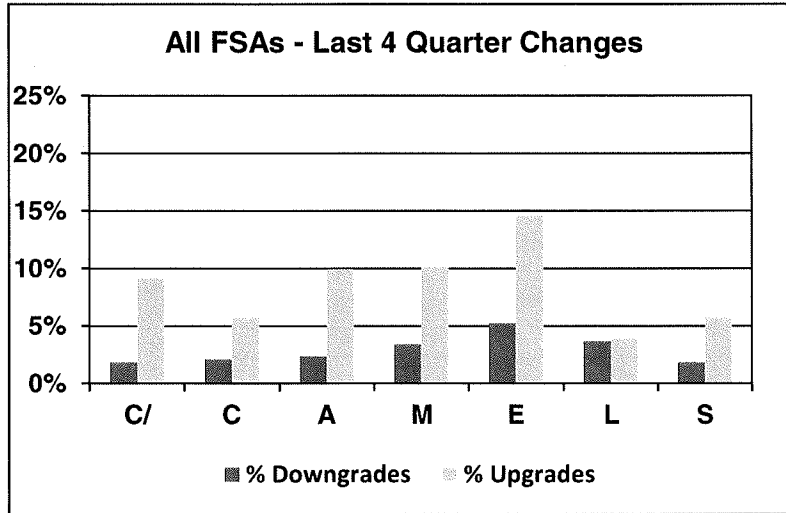
- Only 7 percent of mutual FSAs and 13 percent of stock FSAs, both levels down from last quarter, are operating under at least one enforcement action.
- Of the 57 open enforcement actions as of September 30, 2016, only 3, or 5 percent, were completed after January 1, 2016. These were three formal agreements; two in the NE district and one in CE district.

**FSA Enforcement Actions - 9/30/2016**

EA Type	All FSAs		Mutual FSAs		Stock FSAs	
	#	%	#	%	#	%
Memo of Understanding	4	7%	0	0%	4	9%
Indiv Min. Capital Ratio	14	25%	4	29%	10	23%
Other Informal Actions	1	2%	0	0%	1	2%
Formal Agreement	16	28%	6	43%	10	23%
Cease & Desist Order	20	35%	3	21%	17	40%
Other Formal Actions	2	4%	1	7%	1	2%
<b>Total Enforce. Actions</b>	<b>57</b>	<b>100%</b>	<b>14</b>	<b>100%</b>	<b>43</b>	<b>100%</b>
<b>Instit. with 1 Enf Action</b>	<b>42</b>	<b>11%</b>	<b>11</b>	<b>7%</b>	<b>31</b>	<b>13%</b>

**APPENDIX A: Rating Changes and OCC Assignments**

- Set forth below is detail on the upgrades and downgrades for FSAs over the last year.
- Composite upgrades have greatly outnumbered downgrades, at a 5 to 1 margin.
- The safety and soundness categories most frequently upgraded were Earnings, at 15 percent, followed by Management at 10 percent.
- The safety and soundness area most frequently downgraded was Earnings at 5 percent.
- Liquidity is the only rating category where downgrades and upgrades were almost equal.



Rating Changes	C/	C	A	M	E	L	S
Downgrades	7	8	9	13	20	14	7
Upgrades	35	22	38	39	56	15	22
% Downgrades	2%	2%	2%	3%	5%	4%	2%
% Upgrades	9%	6%	10%	10%	15%	4%	6%
# of Instit.	384	384	384	384	384	384	384

- The below chart illustrates FSAs by OCC district/business unit.
- Midsize supervises the most, or 48 percent, of all FSA assets as of September 30, 2016.
- The CE supervises the most mutual charters at 57 and the most stock charters at 76.
- Midsize and Large Banks do not supervise any mutual FSAs.

**FSAs by District, Assets, and Organization Form - 9/30/2016**

District or Unit	All FSAs				Mutual FSAs				Stock FSAs			
	# Chart	% Chart	Assets \$ (Bil) 2016Q3	% Assets	# Chart	% Chart	Assets \$ (Bil) 2016Q3	% Assets	# Chart	% Chart	Assets \$ (Bil) 2016Q3	% Assets
CE	133	35%	62	9%	57	15%	13	2%	76	20%	49	7%
NE	119	31%	78	11%	51	13%	21	3%	68	18%	56	8%
SO	58	15%	21	3%	22	6%	6	1%	36	9%	15	2%
WE	58	15%	62	8%	23	6%	4	1%	35	9%	57	8%
MB	12	3%	350	48%	0	0%	-	0%	12	3%	350	48%
LB	4	1%	153	21%	0	0%	-	0%	4	1%	153	21%
<b>Total</b>	<b>384</b>	<b>100%</b>	<b>725</b>	<b>100%</b>	<b>153</b>	<b>40%</b>	<b>45</b>	<b>6%</b>	<b>231</b>	<b>60%</b>	<b>680</b>	<b>94%</b>

## APPENDIX B: FSA Charters and Assets by State

- FSA's are located in 49 states with none in Alaska and the District of Columbia. Ohio with 38, unchanged since last quarter, had the most FSA charters and Nevada, at 23 percent, had the most FSA assets as of September 30, 2016. Nevada is the headquarters of Charles Schwab, OCC's largest FSA, with approximately \$165 billion in assets.

FSAs by State				
State	> 10 highlighted		> \$25 Bil highlighted	
	# FSAs	% FSAs	Total Assets 16Q3*)	% of Assets
AL	4	1%	527,199	0%
AR	1	0%	81,542	0%
AZ	1	0%	237,296	0%
CA	11	3%	17,490,227	2%
CO	4	1%	2,367,440	0%
CT	4	1%	1,420,748	0%
DE	2	1%	6,636,544	1%
FL	12	3%	34,784,175	5%
GA	12	3%	3,660,144	1%
HI	1	0%	6,336,670	1%
IA	4	1%	2,734,233	0%
ID	1	0%	586,612	0%
IL	31	8%	24,259,872	3%
IN	17	4%	3,576,697	0%
KS	10	3%	12,044,567	2%
KY	12	3%	1,550,264	0%
LA	12	3%	2,985,884	0%
MA	12	3%	5,301,790	1%
MD	14	4%	5,263,255	1%
ME	5	1%	484,394	0%
MI	10	3%	18,206,142	3%
MN	13	3%	3,675,903	1%
MO	11	3%	24,101,679	3%
MS	4	1%	490,506	0%
MT	2	1%	104,251	0%
NC	8	2%	2,016,259	0%
ND	2	1%	2,478,060	0%
NE	7	2%	8,861,080	1%
NH	3	1%	3,375,079	0%
NJ	11	3%	18,048,257	2%
NM	3	1%	1,181,387	0%
NV	2	1%	166,016,246	23%
NY	25	7%	31,477,661	4%
OH	38	10%	31,567,103	4%
OK	3	1%	13,032,040	2%
OR	3	1%	856,718	0%
PA	14	4%	11,492,911	2%
RI	1	0%	248,313	0%
SC	9	2%	1,253,699	0%
SD	4	1%	4,881,694	1%
TN	6	2%	2,924,404	0%
TX	6	2%	79,086,349	11%
UT	2	1%	115,520,758	16%
VA	5	1%	37,696,749	5%
VT	1	0%	409,795	0%
WA	1	0%	982,381	0%
WI	14	4%	11,184,504	2%
WV	4	1%	951,003	0%
WY	2	1%	491,814	0%
<b>Total</b>	<b>384</b>	<b>100%</b>	<b>724,942,298</b>	<b>100%</b>



**APPENDIX C: Mutual and Stock FSA Balance Sheets**

- Set forth below are consolidated FSA balance sheets by organizational structure. The key differences are as follows: On the asset side, mutual FSAs hold higher loan balances and stock FSAs invest more in other securities. On the liability side, mutual FSAs have more community-based deposits, while stock FSAs hold more money market accounts and brokered deposits and borrow more from the FHLB.

**Mutual FSA Consolidated Balance Sheet - 9/30/2016**

Assets		\$	%	Liability + Capital		\$	%
Loans Held For Sale		152,531		Demand Deposits		2,679,268	6%
Loans Not HFS		31,554,131		All Now and ATS		3,066,395	7%
ALLL		273,343		Money Market		4,574,399	10%
Net Loans & Leases		31,433,319	69%	Other Savings		13,161,249	29%
US Treasury Securities		6,572,565	15%	Time Deps Below Ins Limit		11,163,227	25%
Municipal Securities		841,055	2%	Fully Insured Brok Deps		365,783	1%
Other Securities		896,876	2%	Core Deposits		34,278,755	76%
Int Bearing Bank Bals		2,991,385	7%	Deps in For Offices		-	0%
FF Sold & Resales		83,076	0%	Fully Insured Brok Deps		365,783	1%
Trading Account Assets		2,730	0%	Time Deps Above Ins Limit		1,489,850	3%
Nonint Cash & Due From		479,482	1%	FF Pur & Repos		331,365	1%
Premises, Fixed Assets		760,468	2%	FHLB Borrowings		1,510,663	3%
Other Real Estate Owned		89,934	0%	Other Borrowings		1,326	0%
Dir & Indir Inv RE Ventures		-	0%	Accept & Other Liab		375,046	1%
Invest in Uncons Subs		5,095	0%	Sub Notes & Deb		-	0%
Acceptance & Other Assets		1,112,047	2%	Common & Pref Stock		6,915,244	15%
<b>Total Assets</b>		<b>45,268,032</b>	<b>100%</b>	<b>Total Liability &amp; Capital</b>		<b>45,268,032</b>	<b>100%</b>

**Stock FSA Consolidated Balance Sheet - 9/30/2016**

Assets		\$	%	Liability + Capital		\$	%
Loans Held For Sale		10,109,460		Demand Deposits		24,840,660	4%
Loans Not HFS		348,836,682		All Now and ATS		23,682,545	3%
ALLL		6,844,131		Money Market		294,938,518	43%
Net Loans & Leases		352,102,011	52%	Other Savings		100,318,933	15%
US Treasury Securities		132,567,958	20%	Time Deps Below Ins Limit		89,589,521	13%
Municipal Securities		6,316,255	1%	Fully Insured Brok Deps		79,601,823	12%
Other Securities		110,305,044	16%	Core Deposits		453,768,354	67%
Int Bearing Bank Bals		51,002,436	8%	Deps in For Offices		-	0%
FF Sold & Resales		429,880	0%	Fully Insured Brok Deps		79,601,823	12%
Trading Account Assets		63,313	0%	Time Deps Above Ins Limit		15,286,519	2%
Nonint Cash & Due From		3,965,830	1%	FF Pur & Repos		4,564,563	1%
Premises, Fixed Assets		2,433,515	0%	FHLB Borrowings		38,276,743	6%
Other Real Estate Owned		891,600	0%	Other Borrowings		7,174,214	1%
Dir & Indir Inv RE Ventures		-	0%	Accept & Other Liab		12,400,892	2%
Invest in Uncons Subs		34,710	0%	Sub Notes & Deb		10,000	0%
Acceptance & Other Assets		19,561,714	3%	Common & Pref Stock		68,591,158	10%
<b>Total Assets</b>		<b>679,674,266</b>	<b>100%</b>	<b>Total Liability &amp; Capital</b>		<b>679,674,266</b>	<b>100%</b>

