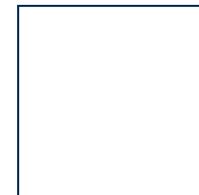


Banking Conditions in Maryland

Steve Bareford, AVP Supervision, Regulation and Credit

April 12, 2012



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE

Disclaimer

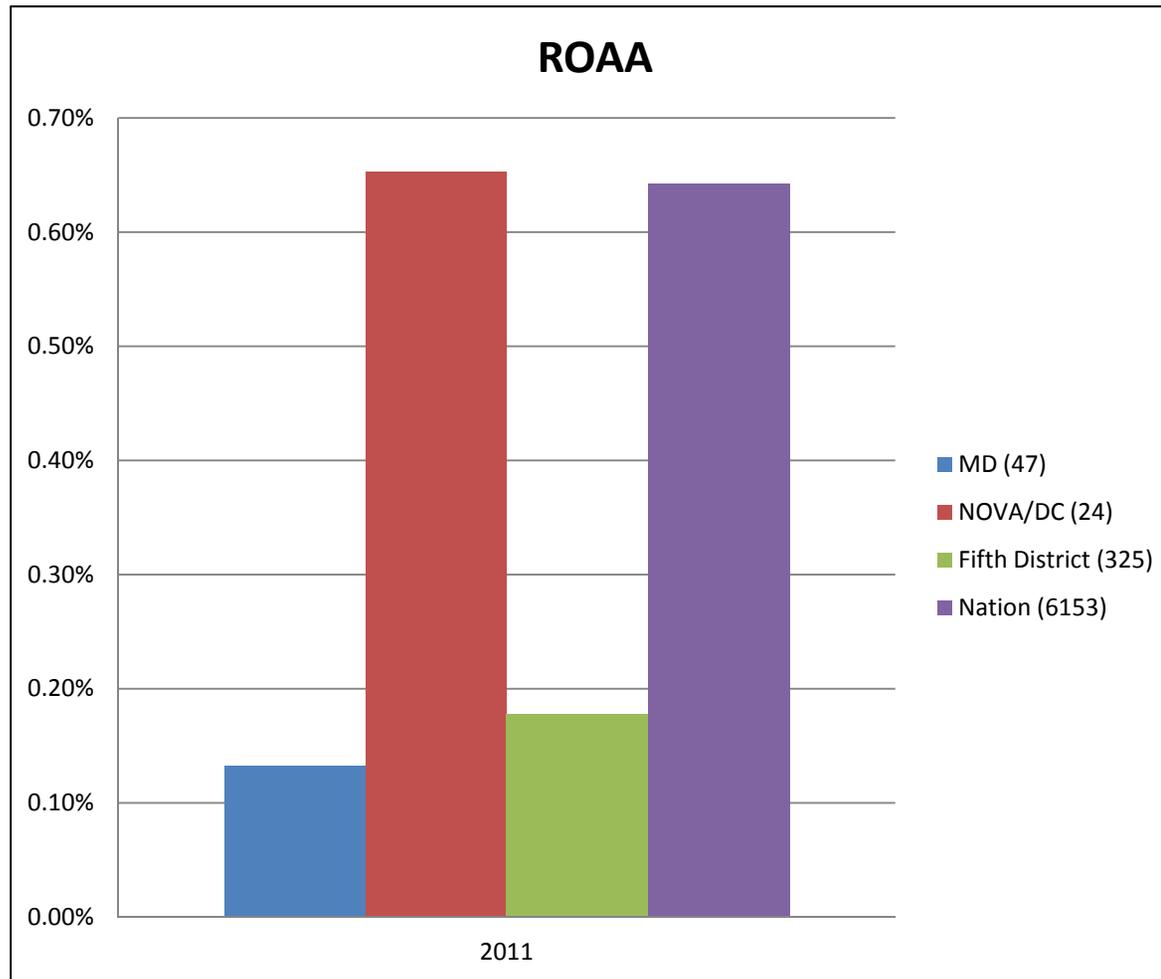
- The views and opinions expressed herein are mine and do not necessarily reflect the official opinions of the Federal Reserve System or any other banking regulatory agency.



THE FEDERAL RESERVE BANK OF RICHMOND
RICHMOND ■ BALTIMORE ■ CHARLOTTE

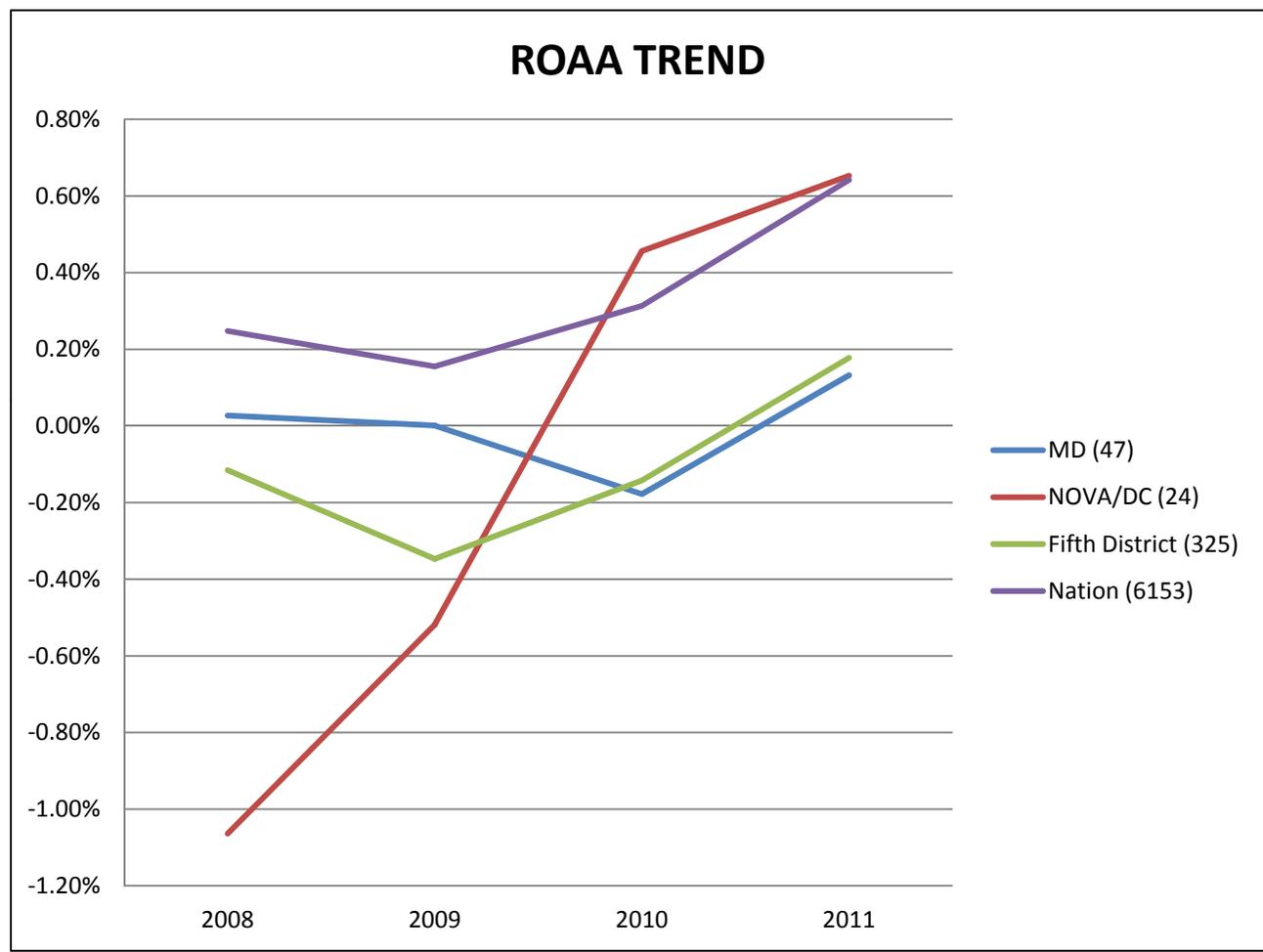


EARNINGS





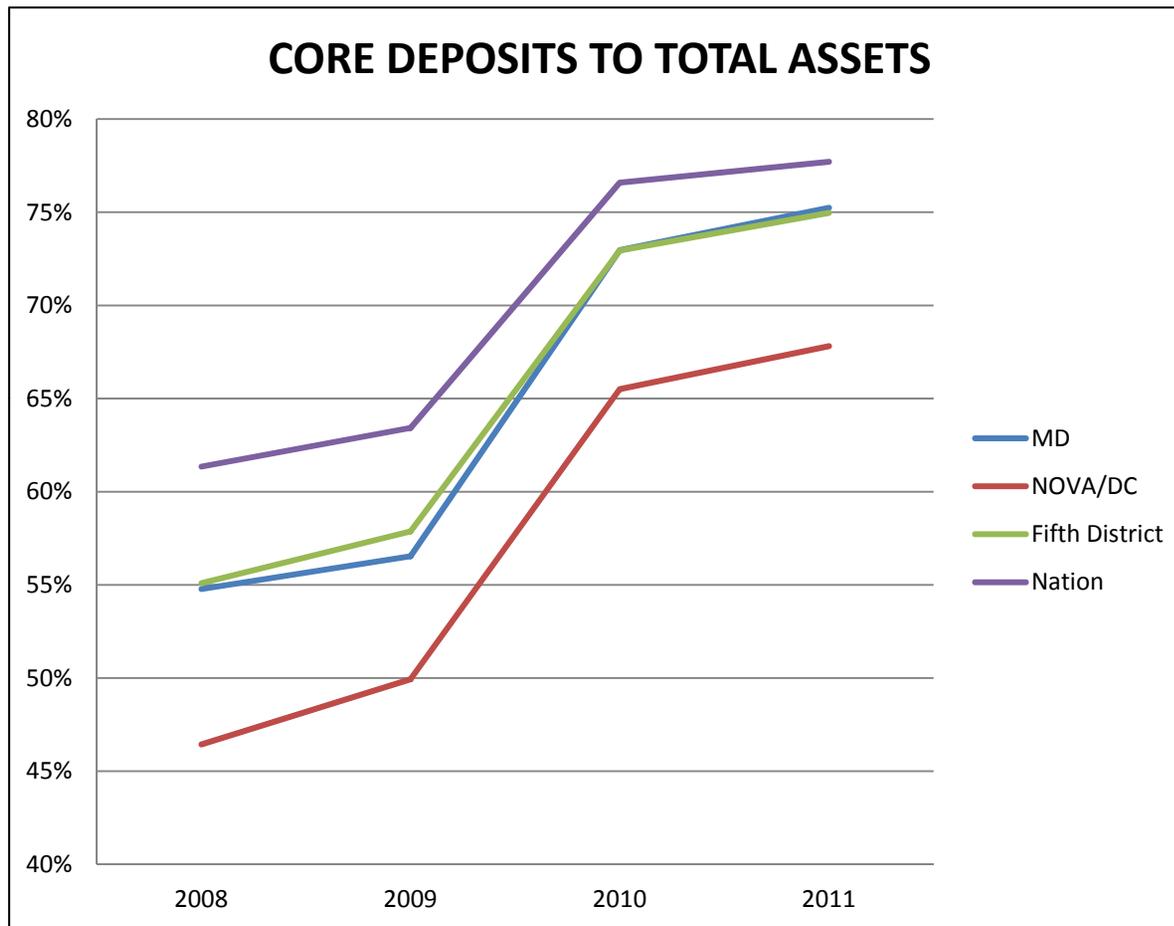
EARNINGS



Source: Call report data for banks less than \$5 billion

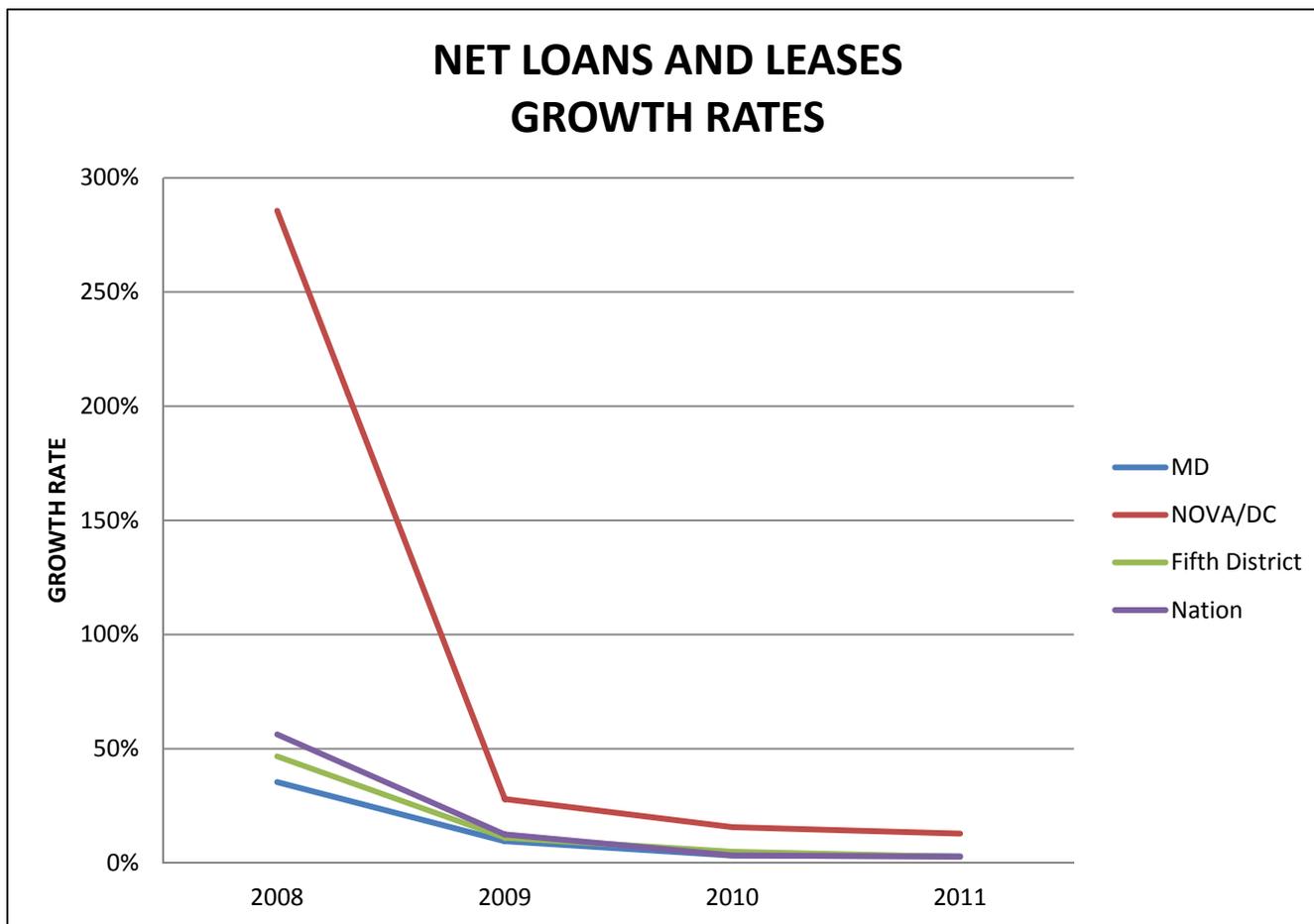


LIQUIDITY TRENDS



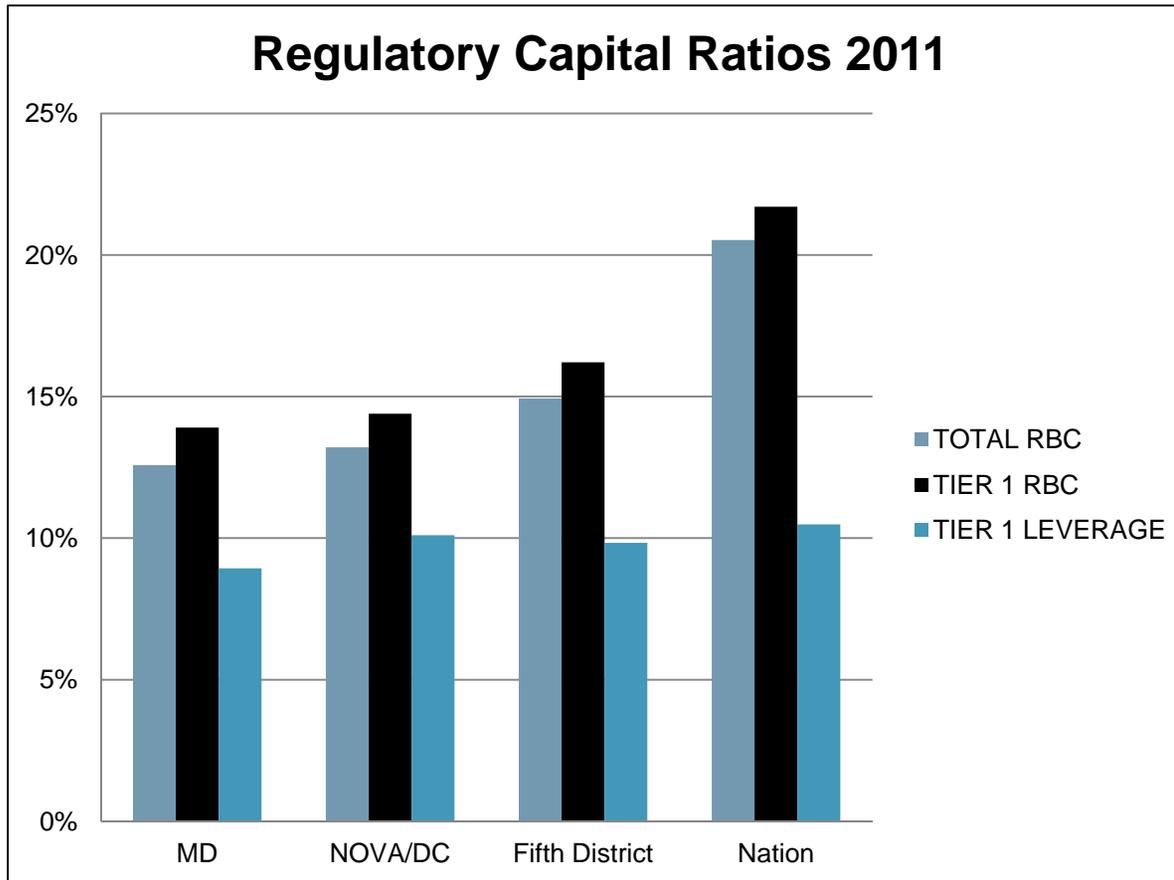


LIQUIDITY TRENDS



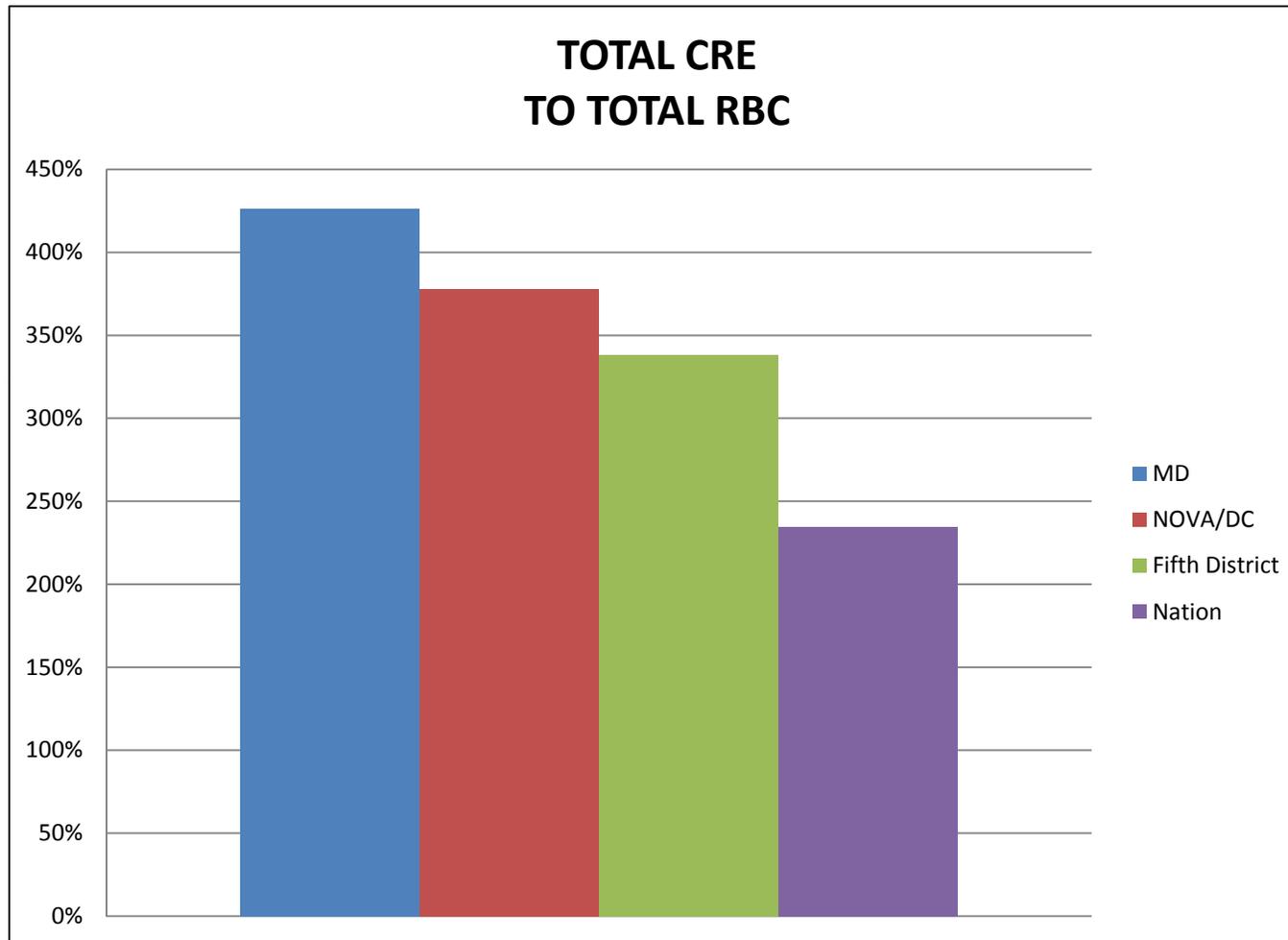


CAPITAL



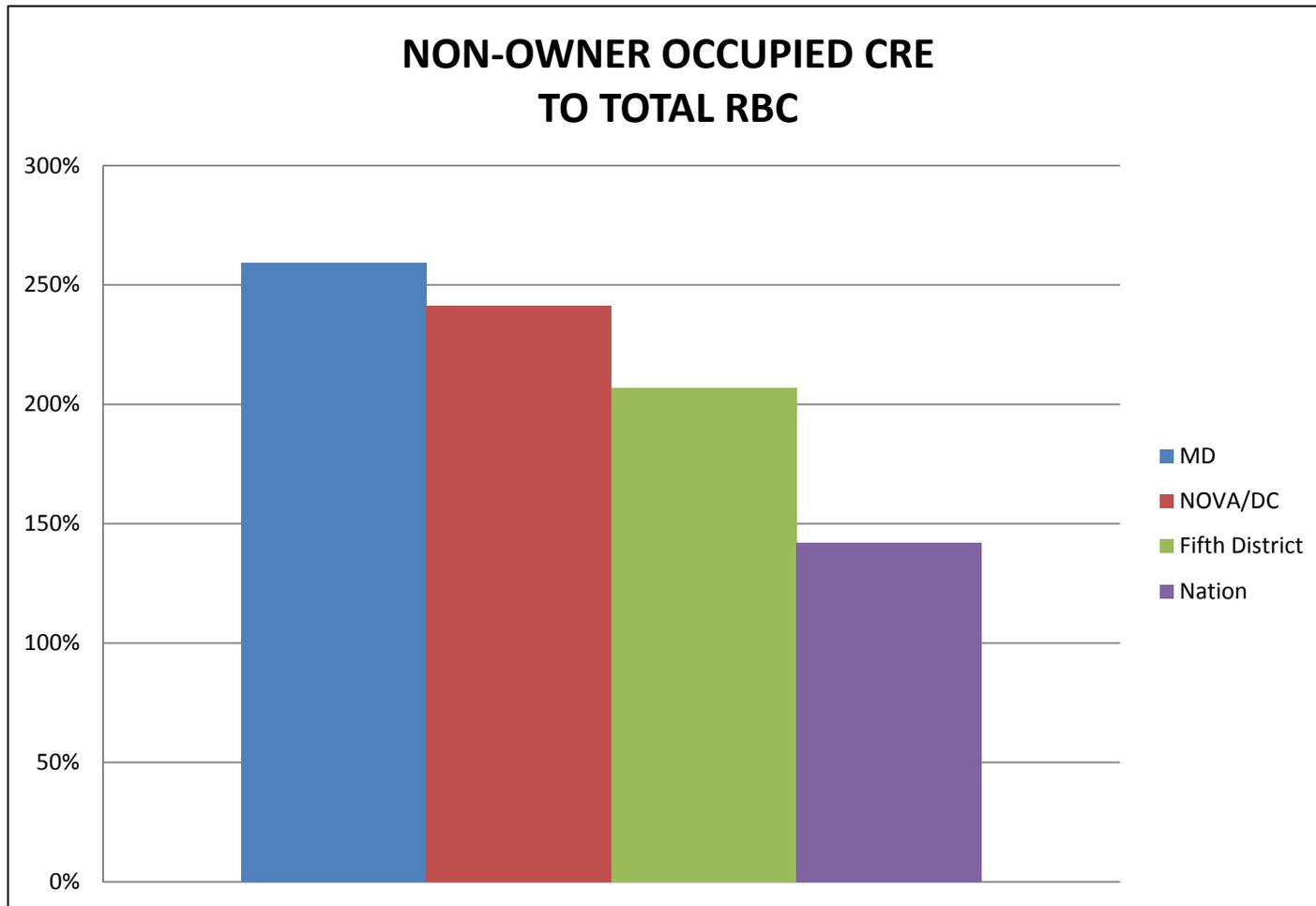


COMMERCIAL REAL ESTATE EXPOSURE



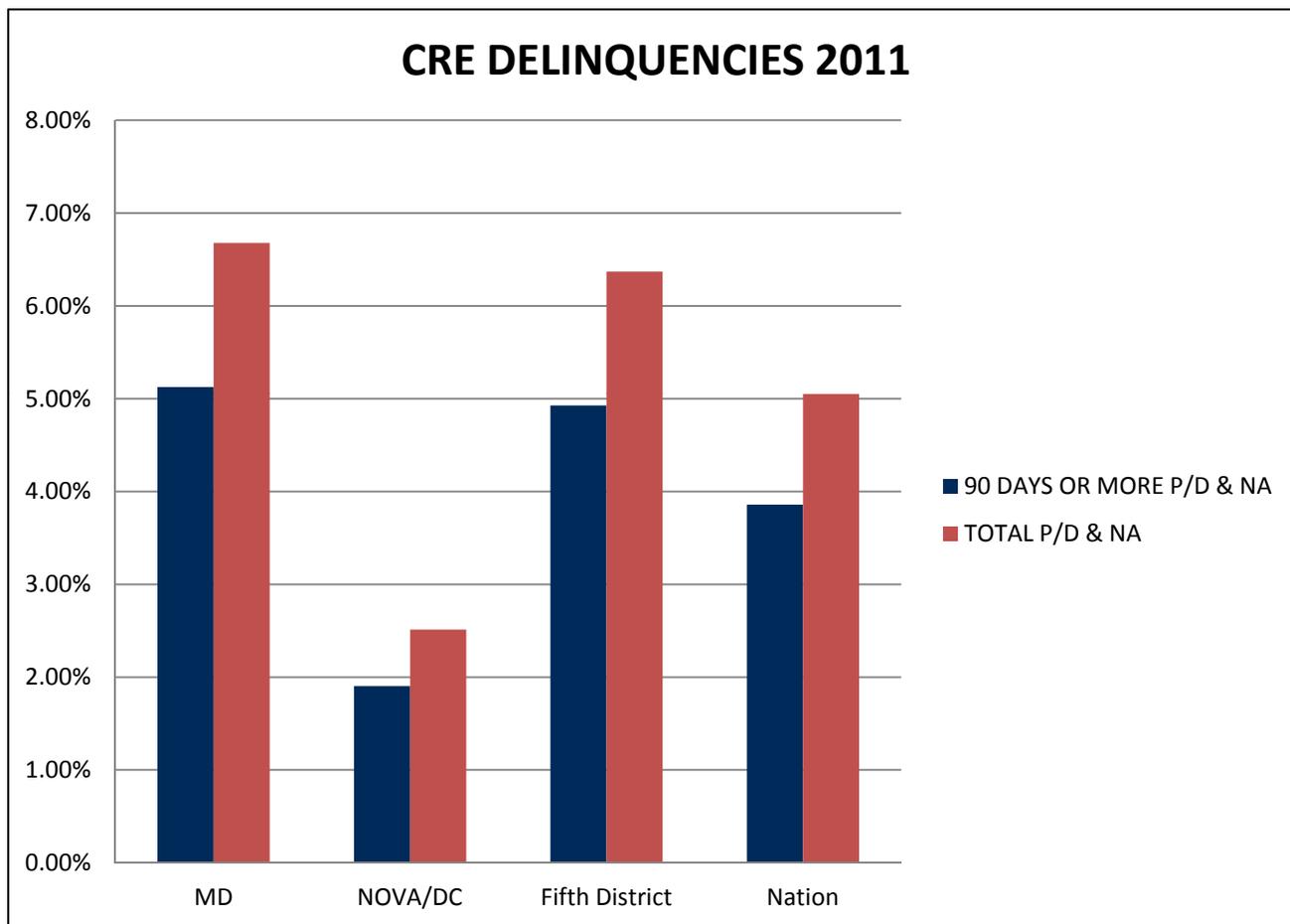


COMMERCIAL REAL ESTATE EXPOSURE





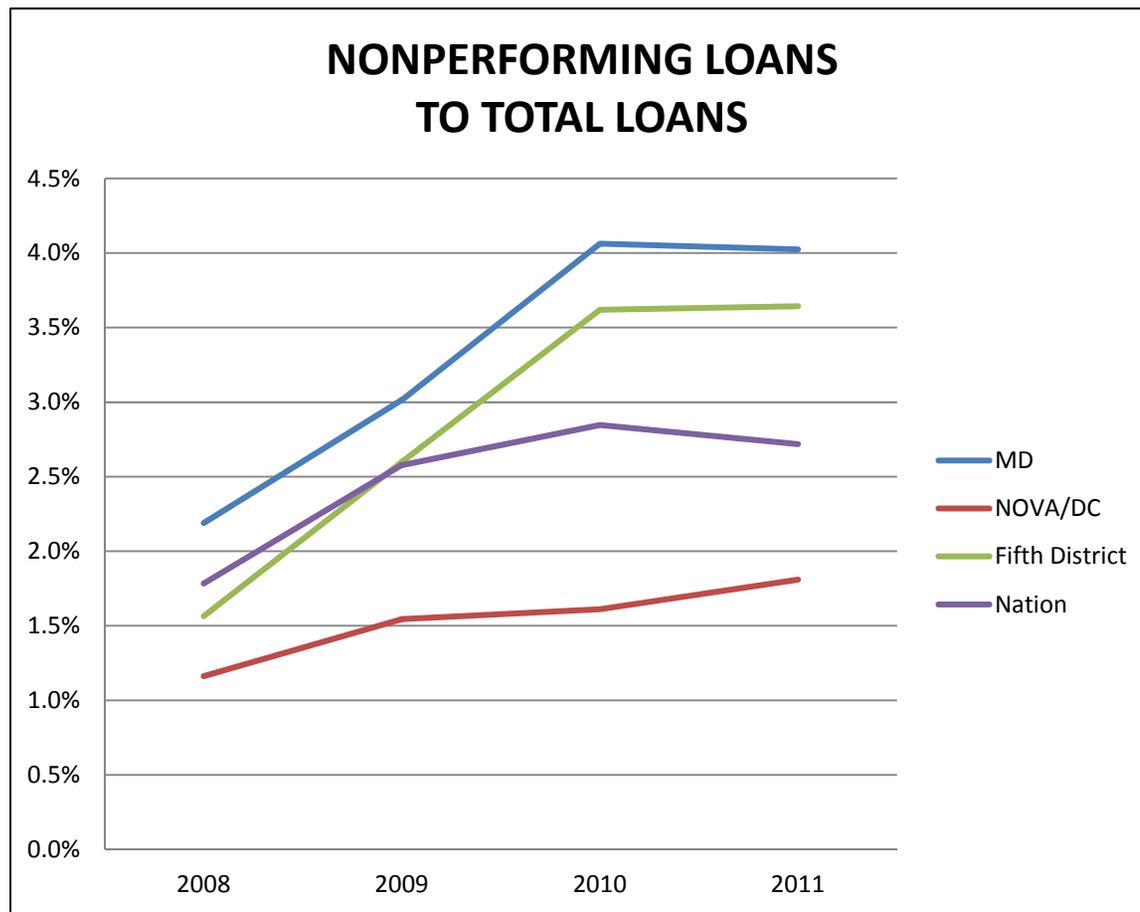
COMMERCIAL REAL ESTATE DELINQUENCY



Source: Call report data for banks less than \$5 billion
Note: Total P/D is loans past due 30 -89 days and 90 days or more. NA is nonaccrual loans.

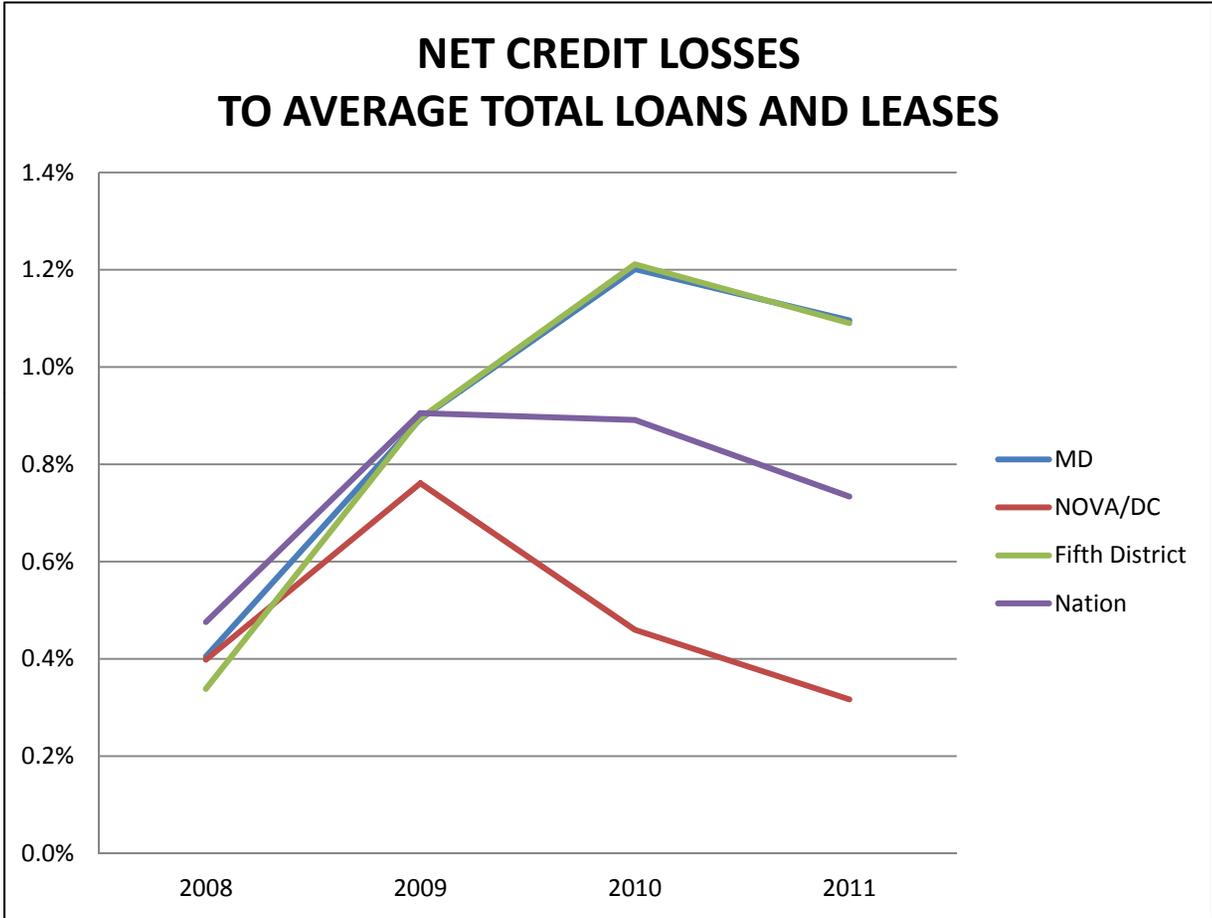


NONPERFORMING TRENDS





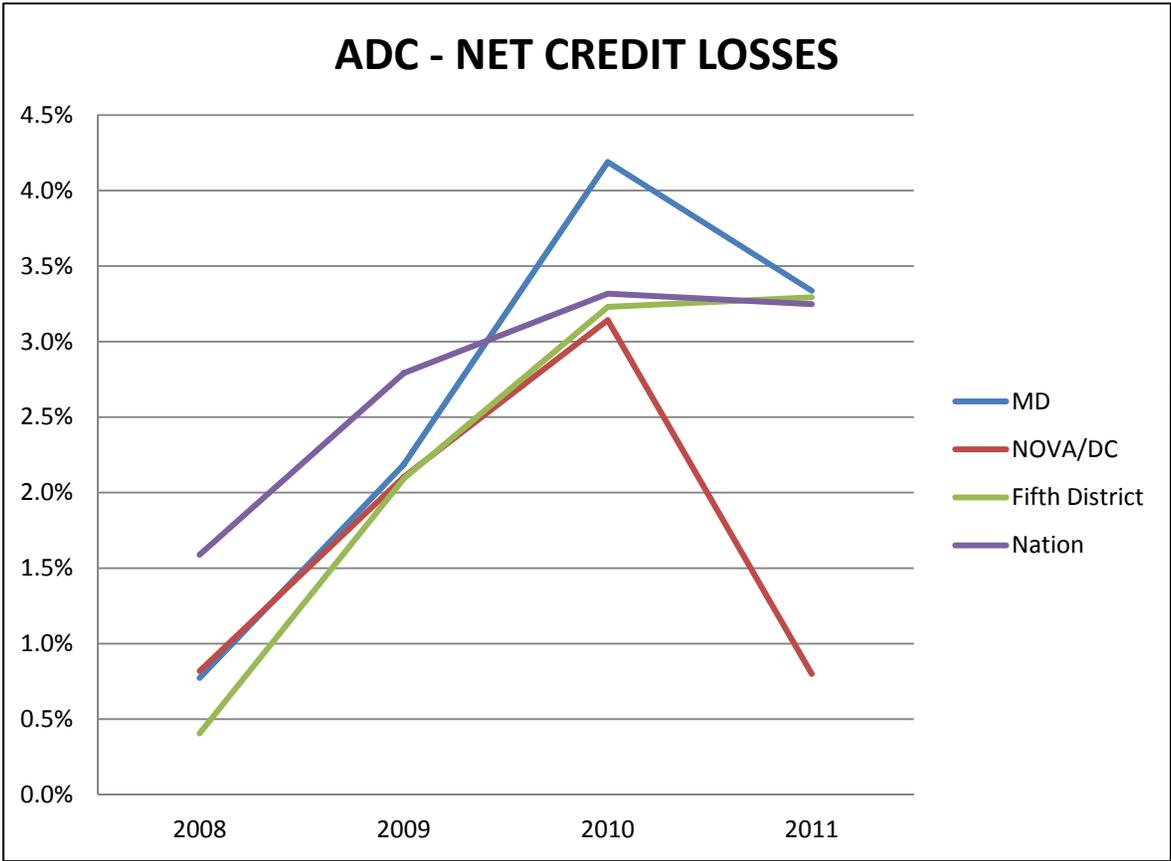
CREDIT LOSSES



Source: Call report data for banks less than \$5 billion



CREDIT LOSSES



Source: Call report data for banks less than \$5 billion



EQUITY CAPITAL AVAILABILITY

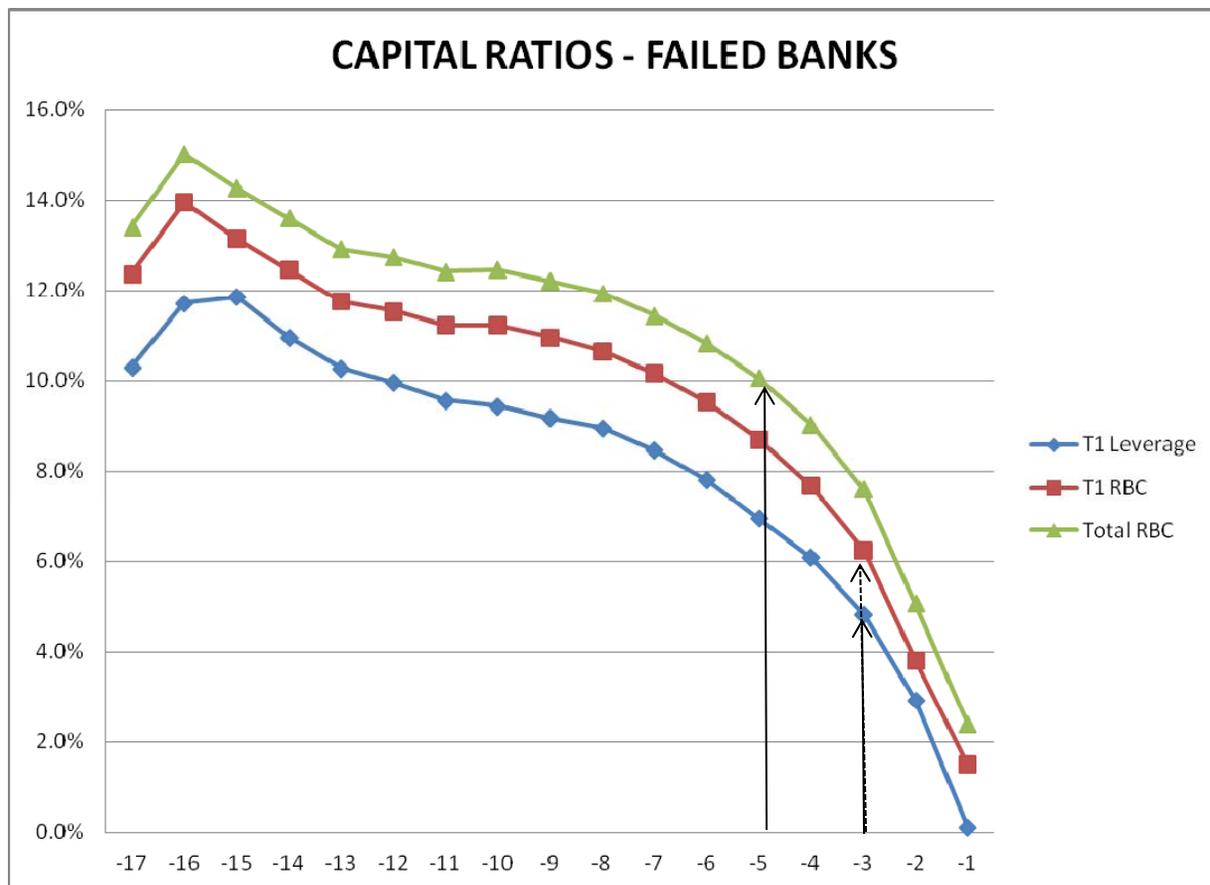
Offering Announcement	Transactions Initiated	Incomplete or Terminated Transactions	Average Proceeds (\$Thousands)	Fifth District
2010	56	15	30,173	VA (3), MD (6), NC (2), SC(2)
Jan-11	0	NA	NA	
Feb-11	6	2	25,022	NC (2), SC (1)
Mar-11	15	6	27,104	VA (1), SC(1)
Apr-11	7	0	4,349	
May-11	1	0	82	
Jun-11	1	1	NA	
Jul-11	2	0	1,095	
Aug-11	0	NA	NA	
Sep-11	0	NA	NA	
Oct-11	0	NA	NA	
Nov-11	0	NA	NA	
Dec-11	0	NA	NA	





AVERAGE TRENDS FOR FAILED BANKS

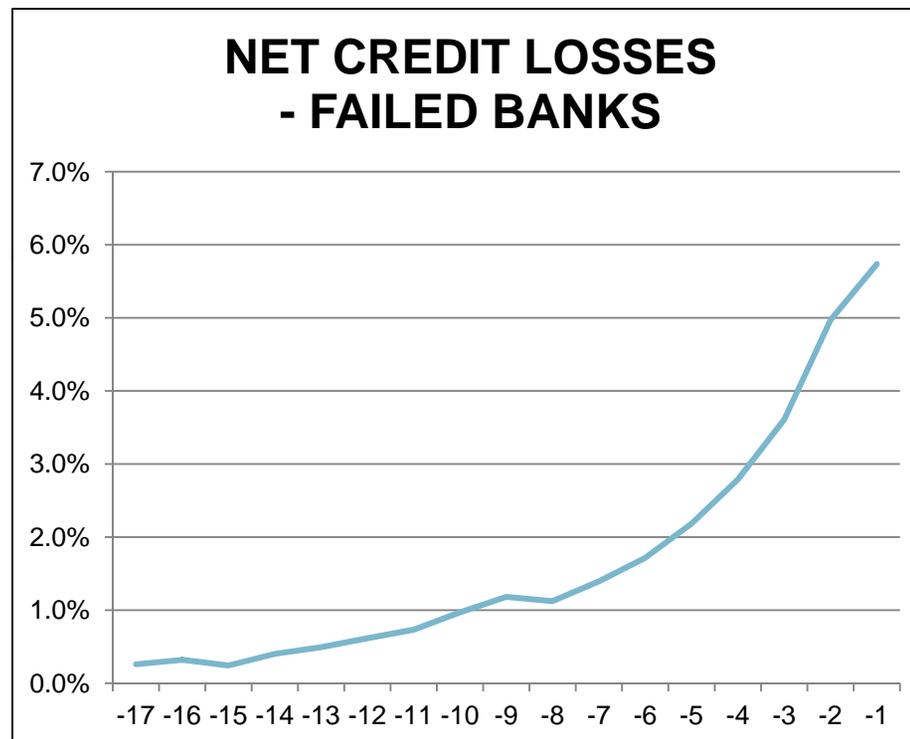
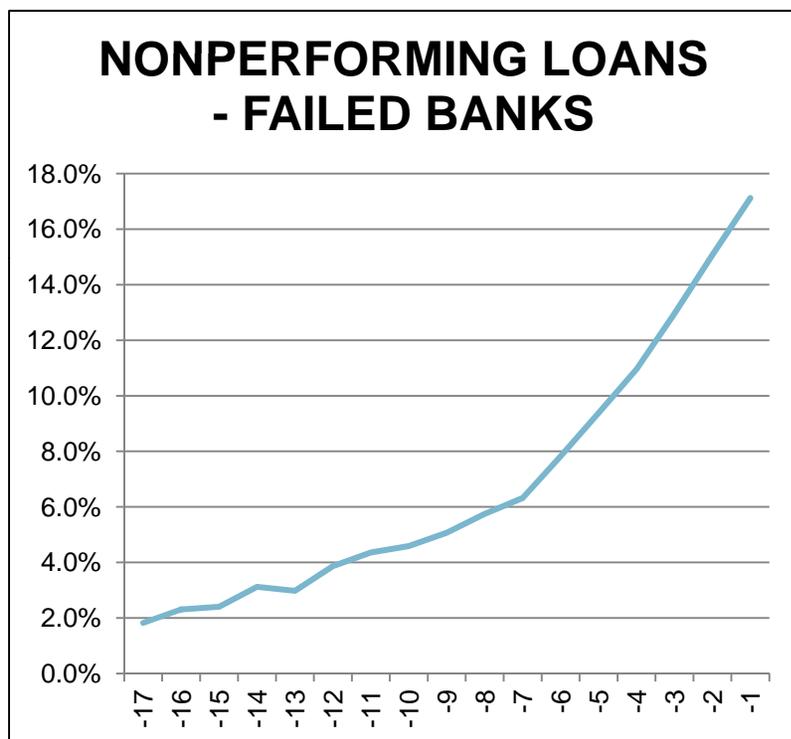
Average ratios for 372 commercial banks that failed between January 1, 2008 and March 2012, during the quarters prior to failure.





AVERAGE ASSET QUALITY TRENDS FOR FAILED BANKS

Average ratio for 372 commercial banks that failed between January 1, 2008 and March 2012, during the quarters prior to their failure.



Source: FDIC.gov list of failed banks and call reports

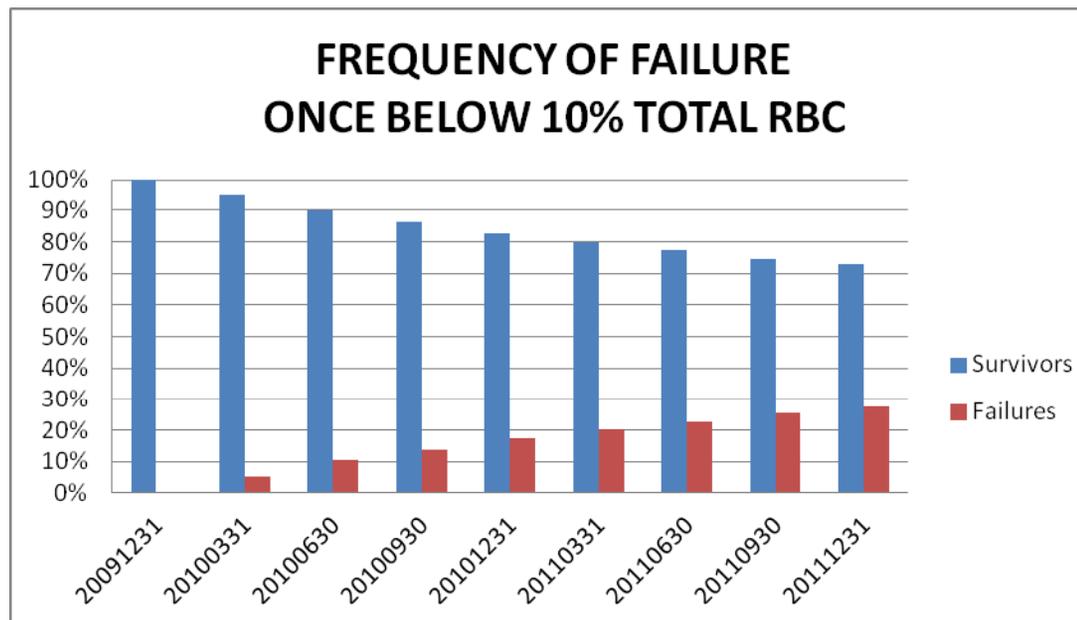
Note: Nonperforming loans defined as loans 90+ past due and nonaccrual



Capital

<u>Capital Categories</u>	<u>Tier 1 Leverage Ratio</u>		<u>Tier 1 Risk Based Capital Ratio</u>		<u>Total Risk Based Capital Ratio</u>
Well Capitalized	5 percent or greater	A N D	6 percent or greater	A N D	10 percent or greater
Adequately Capitalized	4 percent or greater	A N D	4 percent or greater	A N D	8 percent or greater
Undercapitalized	Less than 4 percent	O R	Less than 4 percent	O R	Less than 8 percent
Significantly Undercapitalized	Less than 3 percent	O R	Less than 3 percent	O R	Less than 6 percent

***A bank is critically undercapitalized if its tangible equity to total assets is 2% or less.*





Questions

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