

# COMPARATIVE SAFETY AND SOUNDNESS THE INDUSTRIAL BANK INDUSTRY

YEAR ENDED DECEMBER 31, 2024





**COMPARATIVE SAFETY AND SOUNDNESS  
THE INDUSTRIAL BANK INDUSTRY  
YEAR ENDED DECEMBER 31, 2024**

The Utah Center for Financial Services at the University of Utah prepared this report to highlight the safety and soundness of Industrial Banks.

Key measures of safety and soundness in banking are Capital, Asset Quality and Profitability. We have compared levels of Capital, Asset Quality and Profitability ratios for the US banking industry and the industrial banking sectors. The underlying financial information is drawn from the December 31, 2024 call report data for individual banks and for aggregated banking industry segments. Details are presented in the attached reports..

**Key Ratios for Banks as of and for the quarters ended December 31, 2024 and 2023**

	<u>Banks-2024</u>		<u>Banks-2023</u>	
	Industrial	All	Industrial	All
Equity to Assets	10.9%	10.0%	10.8%	9.7%
<b>Asset Quality</b>				
Troubled Assets to Loans	0.96%	1.04%	1.0%	0.9%
Allowance to Loans	2.73%	1.75%	2.7%	1.7%
<b>Annualized Profitability</b>				
Return on Assets	2.14%	1.11%	2.10%	1.09%
Return on Equity	19.56%	11.12%	19.5%	11.2%

**Conclusion**

The banking industry and industrial banks, in general, enjoyed strong profitability and solid financial condition for the years ended December 31, 2024 and 2023. The accompanying report of summarized financial information for the 23 industrial banks demonstrates the range of financial condition and performance of industrial banks, resulting from serving different markets with unique strategies.

**Safety and Soundness Statistics - Balance Sheet**  
**Industrial Banking Industry**  
**December 31, 2024**

(\$ in 000's)

		Securities/ CRA				Nonaccrual & 90 Day Past Due	Other Real Estate Owned	Total Troubled			Loan to Deposits	Allowances to Loans	Troubled Assets to Loans	Equity to Assets
		Assets	Investments	Loans	Allowance			Assets	Deposits	Equity				
<b>National Totals</b>		\$24,098,064,929	\$5,585,105,117	\$12,725,192,167	\$222,776,642	\$128,970,984	\$3,669,944	\$132,640,928	\$19,214,490,939	\$2,412,592,233	66.2%	1.75%	1.04%	10.0%
<b>All Industrial Bank Totals</b>		\$245,530,538	\$41,370,175	\$161,034,250	\$4,402,353	\$1,526,405	\$14,641	\$1,541,046	\$190,447,311	\$26,837,472	84.6%	2.73%	0.96%	10.9%
<b>National Totals w/o Industrial Bank Totals</b>		\$23,852,534,391	\$5,543,734,942	\$12,564,157,917	\$218,374,289	\$127,444,579	\$3,655,303	\$131,099,882	\$19,024,043,628	\$2,385,754,761	66.0%	1.74%	1.04%	10.0%
<b>Nevada (3) Industrial Bank Totals</b>		\$24,139,308	\$14,868,825	\$7,521,841	\$39,859	\$391,539	\$3,923	\$395,462	\$15,123,732	\$4,288,377	49.7%	0.53%	5.26%	17.8%
<b>Utah (15) Industrial Bank Totals</b>		\$219,725,116	\$26,377,365	\$152,235,001	\$4,335,139	\$1,127,796	\$8,000	\$1,135,796	\$174,054,669	\$22,332,861	87.5%	2.85%	0.75%	10.2%
<b>All States w/o NV &amp; UT (5) Bank Totals</b>		\$1,666,114	\$123,985	\$1,277,408	\$27,355	\$7,070	\$2,718	\$9,788	\$1,268,910	\$216,234	100.7%	2.14%	0.77%	13.0%
	ST	Assets	Securities/ CRA Investments	Loans	Allowance	Nonaccrual & 90 Day Past Due	Other Real Estate Owned	Total Troubled Assets	Deposits	Equity	Loan to Deposits	Allowances to Loans	Troubled Assets to Loans	Equity to Assets
UBS Bank USA	UT	\$119,112,431	\$6,914,458	\$84,762,175	\$118,433	\$87,890	\$0	\$87,890	\$99,525,338	\$9,539,375	85.2%	0.14%	0.10%	8.0%
Sallie Mae Bank	UT	\$30,036,479	\$1,933,226	\$22,401,161	\$1,441,610	\$141,965	\$0	\$141,965	\$21,456,380	\$2,682,118	104.4%	6.44%	0.63%	8.9%
OptumHealth Bank, Inc	UT	\$18,649,000	\$9,612,000	\$6,479,000	\$76,000	\$18,000	\$8,000	\$26,000	\$14,919,000	\$2,159,000	43.4%	1.17%	0.40%	11.6%
BMW Bank of North America	UT	\$12,242,513	\$2,242,392	\$9,377,366	\$42,142	\$12,723	\$0	\$12,723	\$8,203,124	\$1,838,657	114.3%	0.45%	0.14%	15.0%
Comenity Capital Bank	UT	\$13,262,711	\$106,405	\$11,530,708	\$1,396,743	\$458,272	\$0	\$458,272	\$9,883,800	\$1,854,675	116.7%	12.11%	3.97%	14.0%
Beal Bank USA	NV	\$16,215,605	\$11,838,798	\$2,951,766	\$22,768	\$391,539	\$3,923	\$395,462	\$8,816,420	\$3,325,827	33.5%	0.77%	13.40%	20.5%
		\$209,518,739	\$32,647,279	\$137,502,176	\$3,097,696	\$1,110,389	\$11,923	\$1,122,312	\$162,804,062	\$21,399,652	84.5%	2.25%	0.82%	10.2%
Merrick Bank Corporation	UT	\$6,688,684	\$281,553	\$5,953,685	\$994,810	\$263,262	\$0	\$263,262	\$5,351,003	\$1,250,962	111.3%	16.71%	4.42%	18.7%
Toyota Financial Savings Bank	NV	\$7,201,036	\$2,984,027	\$3,921,864	\$16,937	\$0	\$0	\$0	\$5,753,874	\$836,461	68.2%	0.43%	0.00%	11.6%
WEX Bank	UT	\$7,231,749	\$3,832,320	\$2,667,504	\$40,334	\$19,688	\$0	\$19,688	\$5,321,673	\$544,830	50.1%	1.51%	0.74%	7.5%
Celtic Bank	UT	\$3,781,454	\$333,955	\$2,869,659	\$52,574	\$65,602	\$0	\$65,602	\$2,742,010	\$690,282	104.7%	1.83%	2.29%	18.3%
Medallion Bank	UT	\$2,553,691	\$56,536	\$2,377,839	\$91,638	\$12,181	\$0	\$12,181	\$2,094,763	\$382,376	113.5%	3.85%	0.51%	15.0%
WebBank	UT	\$2,112,676	\$128,895	\$1,824,707	\$26,463	\$35,582	\$0	\$35,582	\$1,657,073	\$379,150	110.1%	1.45%	1.95%	17.9%
		\$29,569,290	\$7,617,286	\$19,615,258	\$1,222,756	\$396,315	\$0	\$396,315	\$22,920,396	\$4,084,061	85.6%	6.23%	2.02%	13.8%
The Pitney Bowes Bank	UT	\$851,731	\$164,547	\$370,059	\$7,636	\$1,458	\$0	\$1,458	\$731,792	\$64,409	50.6%	2.06%	0.39%	7.6%
Finance Factors, Ltd	HI	\$700,026	\$88,125	\$501,912	\$12,087	\$5,158	\$0	\$5,158	\$534,459	\$73,567	93.9%	2.41%	1.03%	10.5%
Nelnet	UT	\$1,449,034	\$762,059	\$641,060	\$16,202	\$2,466	\$0	\$2,466	\$1,254,622	\$178,494	51.1%	2.53%	0.38%	12.3%
Hatch Bank	CA	\$117,740	\$31,465	\$73,566	\$2,738	\$318	\$0	\$318	\$34,044	\$30,229	216.1%	3.72%	0.43%	25.7%
Eaglemark Savings Bank	NV	\$722,667	\$46,000	\$648,211	\$154	\$0	\$0	\$0	\$553,438	\$126,089	117.1%	0.02%	0.00%	17.4%
Balboa Thrift and Loan Association	CA	\$421,962	\$0	\$381,146	\$8,723	\$1,562	\$0	\$1,562	\$372,414	\$47,510	102.3%	2.29%	0.41%	11.3%
Community Commerce Bank	CA	\$400,344	\$4,395	\$296,986	\$3,398	\$3	\$2,718	\$2,721	\$307,194	\$60,804	96.7%	1.14%	0.92%	15.2%
Square Financial Services, Inc.	UT	\$931,097	\$4,214	\$440,016	\$23,150	\$6,011	\$0	\$6,011	\$298,288	\$591,690	147.5%	5.26%	1.37%	63.5%
Milestone Bank (formerly LCA)	UT	\$365,543	\$2,438	\$332,656	\$7,404	\$2,696	\$0	\$2,696	\$303,763	\$46,744	109.5%	2.23%	0.81%	12.8%
First Electronic Bank	UT	\$456,323	\$2,367	\$207,406	\$0	\$0	\$0	\$0	\$312,040	\$130,099	66.5%	0.00%	0.00%	28.5%
Minnesota First Credit And Savings	MN	\$26,042	\$0	\$23,798	\$409	\$29	\$0	\$29	\$20,799	\$4,124	114.4%	1.72%	0.12%	15.8%
		\$6,442,509	\$1,105,610	\$3,916,816	\$81,901	\$19,701	\$2,718	\$22,419	\$4,722,853	\$1,353,759	82.9%	2.09%	0.57%	21.0%
		<b>\$245,530,538</b>	<b>\$41,370,175</b>	<b>\$161,034,250</b>	<b>\$4,402,353</b>	<b>\$1,526,405</b>	<b>\$14,641</b>	<b>\$1,541,046</b>	<b>\$190,447,311</b>	<b>\$26,837,472</b>	<b>84.6%</b>	<b>2.73%</b>	<b>0.96%</b>	<b>10.9%</b>

Source: FDIC Reports of Condition as of March 7, 2025

Note: USAA Savings Bank is no longer an Industrial Bank after the June 1, 2024 merger into its parent bank, USAA Federal Savings Bank.

Note: Ratios are based on period end balances.



**Safety and Soundness Statistics - Income**  
**Industrial Banking Industry**  
**YTD December 31, 2024**

(\$ in 000's)

	# FTE	Net Interest Income	Non-Interest Income	Non-Interest Expense	Pre-provision Pre-tax Net	Provision	Taxes	Net Income	Annualized ROA	Efficiency ROE	Ratio	Provisions to Loans	
<b>National Totals</b>	2,051,418	\$ 698,671,173	\$ 305,166,230	\$ 584,231,146	\$ 419,606,257	\$ 89,727,118	\$ 66,364,359	\$ 268,202,613	1.11%	11.12%	58.20%	0.71%	
<b>All Industrial Bank Totals</b>	5,395	\$ 10,429,495	\$ 3,733,850	\$ 4,756,814	\$ 9,406,531	\$ 2,495,413	\$ 1,662,742	\$ 5,248,376	2.14%	19.56%	33.59%	1.55%	
<b>National Totals w/o Industrial Banks</b>	2,046,023	\$ 688,241,678	\$ 301,432,380	\$ 579,474,332	\$ 410,199,726	\$ 87,231,705	\$ 64,701,617	\$ 262,954,237	1.10%	11.02%	58.55%	0.69%	
<b>Nevada (3) Industrial Bank Totals</b>	313	\$ 318,310	\$ 1,292,577	\$ 188,705	\$ 1,422,182	\$ 11,456	\$ 329,550	\$ 1,081,176	4.48%	25.21%	11.71%	0.15%	
<b>Utah (15) Industrial Bank Totals</b>	4,818	\$ 10,063,682	\$ 2,429,477	\$ 4,520,254	\$ 7,972,905	\$ 2,476,981	\$ 1,332,929	\$ 4,162,995	1.89%	18.64%	36.18%	1.63%	
<b>All States w/o NV &amp; UT (5) Bank Totals</b>	264	\$ 47,503	\$ 11,796	\$ 47,855	\$ 11,444	\$ 6,976	\$ 263	\$ 4,205	0.25%	1.94%	80.70%	0.55%	
<b>ILC Banks</b>	<b>ST</b>	<b># FTE</b>	<b>Net Interest Income</b>	<b>Non-Interest Income</b>	<b>Non-Interest Expense</b>	<b>Pre-provision Pre-tax Net</b>	<b>Provision</b>	<b>Taxes</b>	<b>Net Income</b>	<b>Annualized ROA</b>	<b>Efficiency ROE</b>	<b>Ratio</b>	<b>Provisions to Loans</b>
UBS Bank USA	UT	617	\$ 2,241,510	\$ 111,459	\$ 485,279	\$ 1,867,690	\$ 5,937	\$ 474,376	\$ 1,387,377	1.16%	14.54%	20.62%	0.01%
Sallie Mae Bank	UT	1,678	\$ 1,523,645	\$ 383,771	\$ 576,630	\$ 1,330,786	\$ 414,394	\$ 225,807	\$ 690,585	2.30%	25.75%	30.23%	1.85%
OptumHealth Bank, Inc	UT	726	\$ 679,000	\$ 353,000	\$ 247,000	\$ 785,000	\$ 73,000	\$ 132,000	\$ 580,000	3.11%	26.86%	23.93%	1.13%
BMW Bank of North America	UT	29	\$ 356,564	\$ 113,257	\$ 89,725	\$ 380,096	\$ 32,528	\$ 78,611	\$ 268,957	2.20%	14.63%	19.10%	0.35%
Comenity Capital Bank	UT	131	\$ 2,330,704	\$ 259,483	\$ 1,345,541	\$ 1,244,646	\$ 952,297	\$ 75,631	\$ 216,718	1.63%	11.68%	51.95%	8.26%
Beal Bank USA	NV	105	\$ 194,717	\$ 1,272,887	\$ 132,012	\$ 1,335,592	\$ 4,384	\$ 309,577	\$ 1,021,631	6.30%	30.72%	9.00%	0.15%
		3,286	\$ 7,326,140	\$ 2,493,857	\$ 2,876,187	\$ 6,943,810	\$ 1,482,540	\$ 1,296,002	\$ 4,165,268	2.0%	19.5%	29.3%	1.1%
Merrick Bank Corporation	UT	480	\$ 1,116,123	\$ 191,827	\$ 388,886	\$ 919,064	\$ 777,577	\$ 33,796	\$ 107,691	1.61%	8.61%	29.73%	13.06%
Toyota Financial Savings Bank	NV	118	\$ 82,942	\$ 5,157	\$ 38,512	\$ 49,587	\$ 7,035	\$ 11,010	\$ 31,542	0.44%	3.77%	43.71%	0.18%
WEX Bank	UT	76	\$ 762,777	\$ 495,736	\$ 754,489	\$ 504,024	\$ 51,835	\$ 113,751	\$ 338,438	4.68%	62.12%	59.95%	1.94%
Celtic Bank	UT	366	\$ 224,543	\$ 117,059	\$ 114,440	\$ 227,162	\$ 14,828	\$ 53,850	\$ 158,484	4.19%	22.96%	33.50%	0.52%
Medallion Bank	UT	135	\$ 204,169	\$ 2,673	\$ 49,793	\$ 157,049	\$ 75,845	\$ 20,623	\$ 60,581	2.37%	15.84%	24.07%	3.19%
WebBank	UT	236	\$ 295,211	\$ 70,026	\$ 242,344	\$ 122,893	\$ 8,740	\$ 29,344	\$ 84,809	4.01%	22.37%	66.35%	0.48%
		1,411	\$ 2,685,765	\$ 882,478	\$ 1,588,464	\$ 1,979,779	\$ 935,860	\$ 262,374	\$ 781,545	2.6%	19.1%	44.5%	4.8%
The Pitney Bowes Bank	UT	19	\$ 60,932	\$ 24,381	\$ 14,145	\$ 71,168	\$ 5,098	\$ 15,535	\$ 50,535	5.93%	78.46%	16.58%	1.38%
Finance Factors, Ltd	HI	106	\$ 14,697	\$ 4,081	\$ 17,109	\$ 1,669	\$ -	\$ (6)	\$ 1,675	0.24%	2.28%	91.11%	0.00%
Nelnet	UT	52	\$ 40,545	\$ 2,837	\$ 23,110	\$ 20,272	\$ 26,916	\$ (1,707)	\$ (4,937)	-0.34%	-2.77%	53.27%	4.20%
Hatch Bank	CA	20	\$ 2,960	\$ 6,084	\$ 6,876	\$ 2,168	\$ 610	\$ -	\$ 1,558	1.32%	5.15%	76.03%	0.83%
Eaglemark Savings Bank	NV	90	\$ 40,651	\$ 14,533	\$ 18,181	\$ 37,003	\$ 37	\$ 8,963	\$ 28,003	3.87%	22.21%	32.95%	0.01%
Balboa Thrift and Loan Association	CA	90	\$ 17,702	\$ 604	\$ 14,434	\$ 3,872	\$ 6,271	\$ (579)	\$ (1,820)	-0.43%	-3.83%	78.85%	1.65%
Community Commerce Bank	CA	40	\$ 11,151	\$ 960	\$ 8,399	\$ 3,712	\$ 95	\$ 848	\$ 2,769	0.69%	4.55%	69.35%	0.03%
Square Financial Services, Inc.	UT	137	\$ 120,923	\$ 281,086	\$ 142,842	\$ 259,167	\$ 29,595	\$ 61,628	\$ 167,944	18.04%	28.38%	35.53%	6.73%
Milestone Bank (formerly LCA)	UT	52	\$ 22,995	\$ 2,233	\$ 11,974	\$ 13,254	\$ 8,391	\$ 1,218	\$ 3,645	1.00%	7.80%	47.46%	2.52%
First Electronic Bank	UT	84	\$ 84,041	\$ 20,649	\$ 34,056	\$ 70,634	\$ -	\$ 18,466	\$ 52,168	11.43%	40.10%	32.53%	0.00%
Minnesota First Credit And Savings	MN	8	\$ 993	\$ 67	\$ 1,037	\$ 23	\$ -	\$ -	\$ 23	0.09%	0.56%	97.83%	0.00%
		698	\$ 417,590	\$ 357,515	\$ 292,163	\$ 482,942	\$ 77,013	\$ 104,366	\$ 301,563	4.7%	22.3%	37.7%	2.0%
		<b>5,395</b>	<b>\$ 10,429,495</b>	<b>\$ 3,733,850</b>	<b>\$ 4,756,814</b>	<b>\$ 9,406,531</b>	<b>\$ 2,495,413</b>	<b>\$ 1,662,742</b>	<b>\$ 5,248,376</b>	<b>2.14%</b>	<b>19.56%</b>	<b>33.59%</b>	<b>1.55%</b>

Source: FDIC Reports of Income as of March 7, 2025

Note: Security Gains (Losses) are included with Non-Interest Income. Extraordinary Items and Noncontrolling Interests are included in Net Income.

Note: USAA Savings Bank is no longer an Industrial Bank after the June 1, 2024 merger into its parent bank, USAA Federal Savings Bank.

Note: Ratios are based on period end balances.

