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Bankers' Index

AN ANALYSIS OF ARIZONA COMMUNITY BANKS





The Bankers' Index is published by the Arizona office of Moss Adams. For more information on the data presented in this report, contact **Rebecca Radell, Senior Manager,** at **(209) 955-6136.**

Arizona

PHOENIX

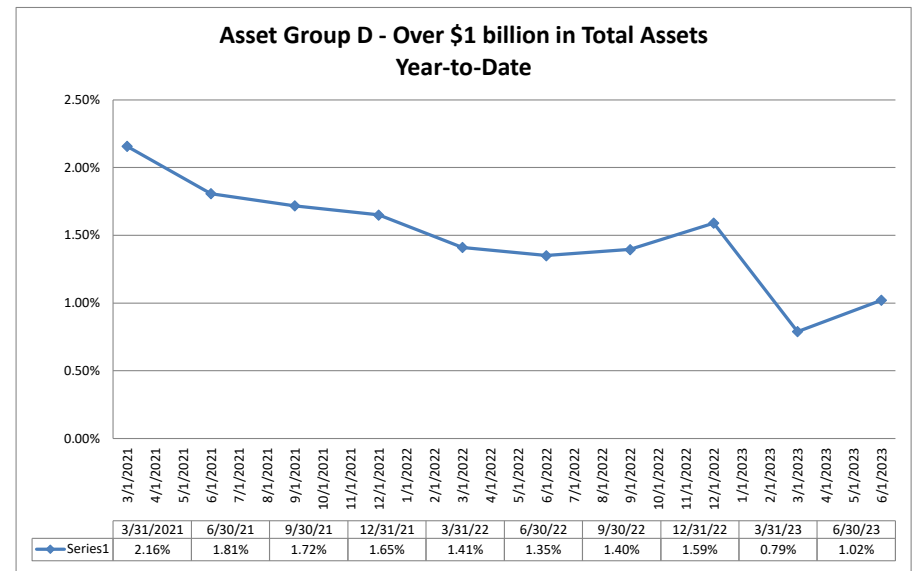
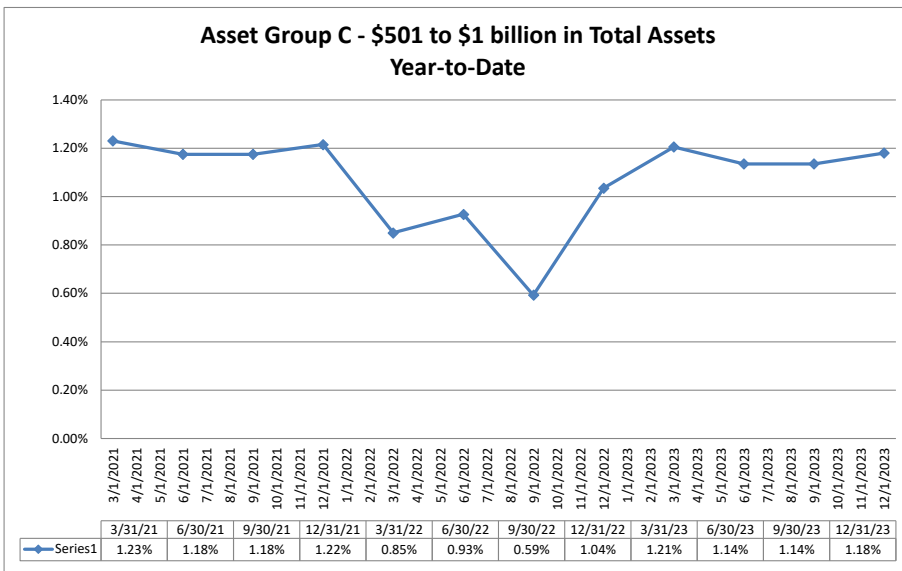
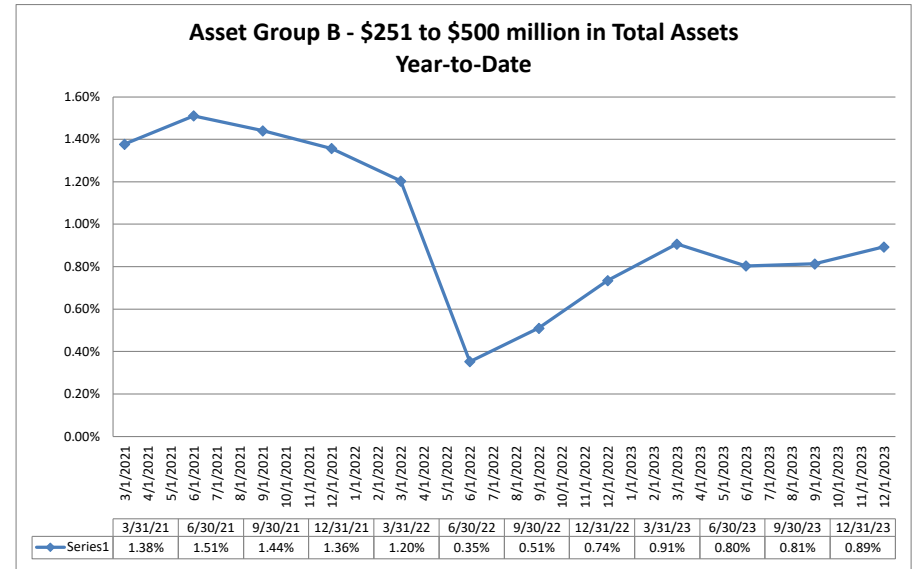
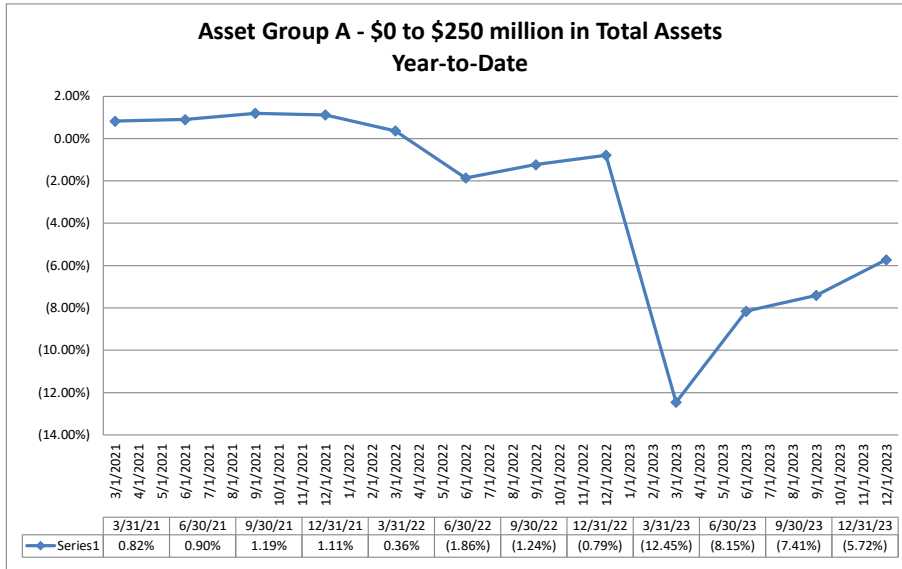
5415 E. High Street, Suite 350
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(480) 444-3424

ASSET SIZE DEFINITION

Group A	\$0-\$250 million
Group B	\$251 million-\$500 million
Group C	\$501 million-\$1 billion
Group D	Over \$1 billion

Performance Analysis

Summary Trends of Historical Asset Group Averages: Return on Average Assets



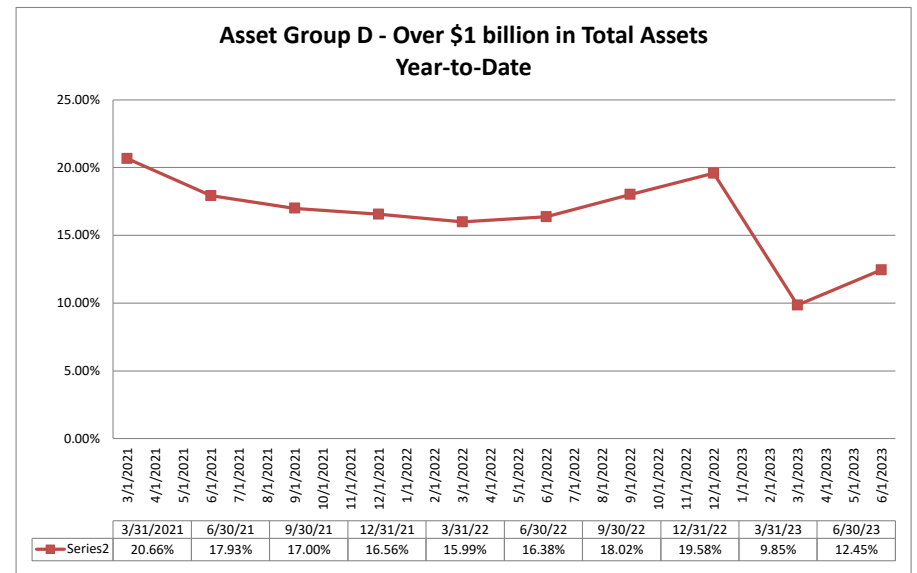
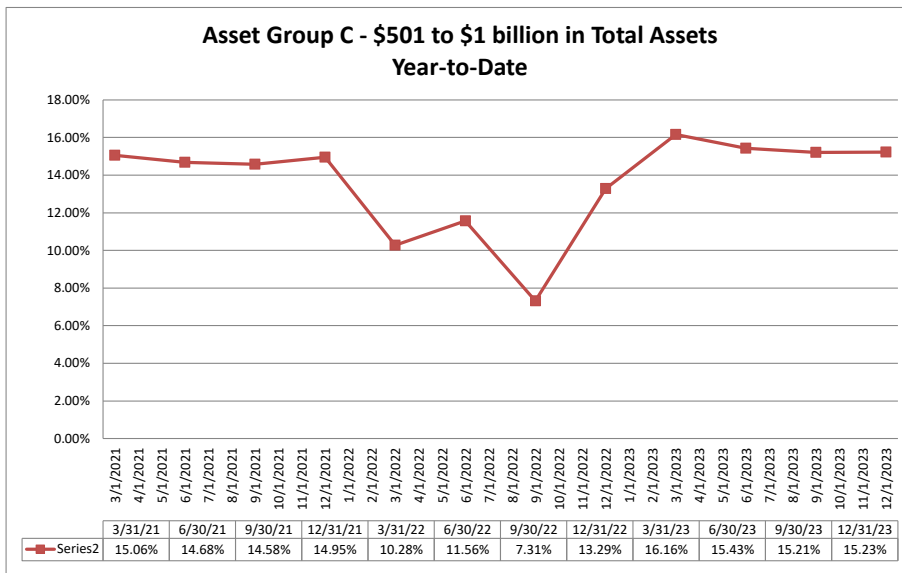
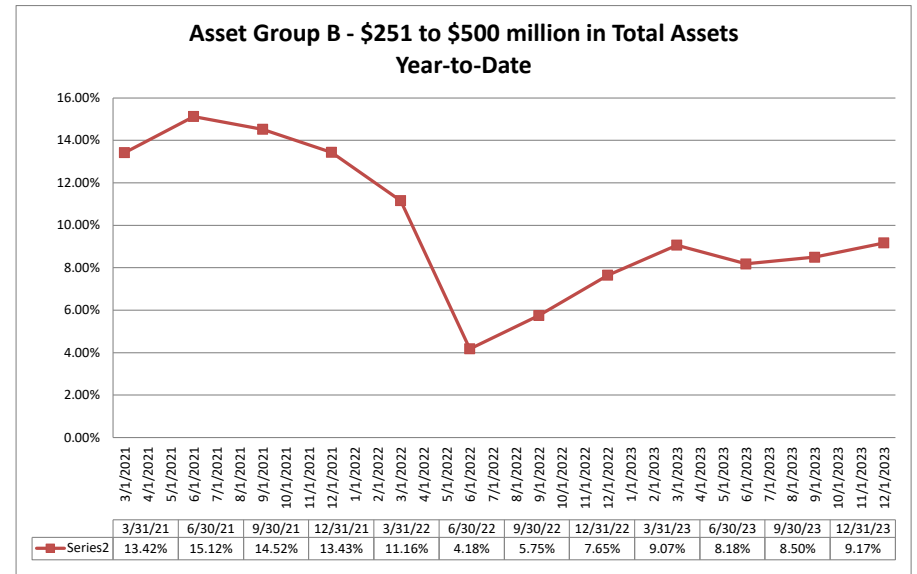
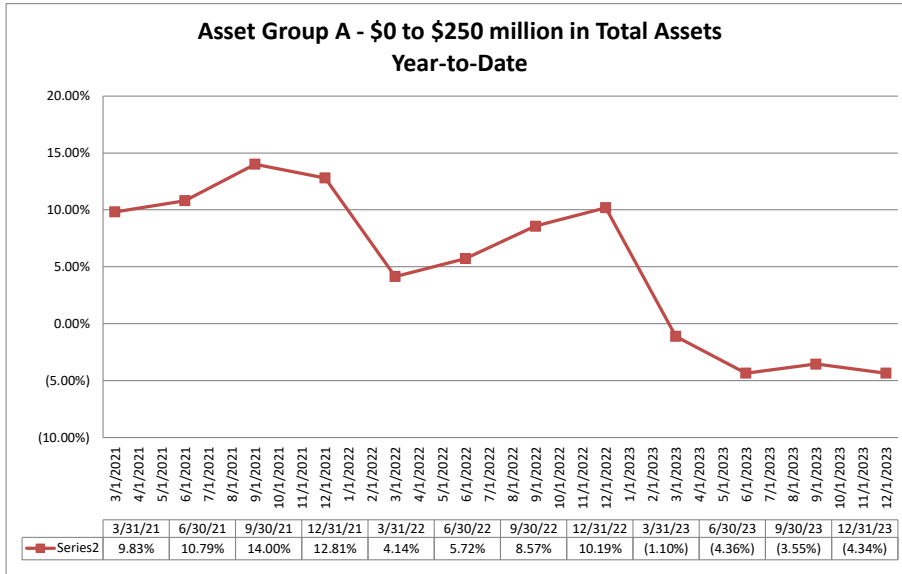
Source: SNL Financial

Note: Report includes only bank-level data.

NA = data was not available.

NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Summary Trends of Historical Asset Group Averages: Return on Average Equity



Source: SNL Financial

Note: Report includes only bank-level data.

NA = data was not available.

NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Performance Analysis

December 31, 2023

Run Date: February 12, 2024

Region	Institution Name	As of Date	Quarter to Date					Year to Date				
		Total Assets (\$000)	Net Income (Loss) (\$000)	Return on Avg Assets (%)	Return on Avg Equity (%)	Efficiency Ratio (FTE) (%)	Salary Exp/ Employees (\$000)	Net Income (Loss) (\$000)	Return on Avg Assets (%)	Return on Avg Equity (%)	Efficiency Ratio (FTE) (%)	Salary Exp/ Employees (\$000)
Asset Group A - \$0 to \$250 million in total assets												
	Gainey Business Bank	\$39,785	(\$797)	(7.97%)	(26.86%)	233.26%	\$240	(\$3,145)	(10.21%)	(24.11%)	281.47%	\$198
	Zenith Bank & Trust	\$43,288	(\$220)	(3.15%)	NA	160.41%	\$131	(\$220)	(3.15%)	NA	160.41%	\$131
	Scottsdale Community Bank	\$51,129	(\$264)	(2.34%)	(7.55%)	154.34%	\$140	(\$1,385)	(3.52%)	(9.55%)	168.83%	\$140
	Integro Bank	\$52,975	(\$1,340)	(11.44%)	(27.50%)	300.00%	\$166	(\$5,321)	(12.11%)	(24.98%)	NM	\$129
	Western Alliance Trust Company	\$63,811	(\$710)	(5.61%)	(6.66%)	222.37%	\$340	(\$6,046)	(18.36%)	NA	NM	\$337
	West Valley National Bank	\$74,818	(\$399)	(2.13%)	(15.25%)	140.93%	\$101	(\$153)	(0.19%)	(1.45%)	103.04%	\$95
	Mission Bank	\$191,811	\$463	0.96%	25.22%	64.67%	\$79	\$1,606	0.83%	24.06%	70.06%	\$90
	Gateway Commercial Bank	\$196,449	\$511	1.03%	10.61%	55.32%	\$125	\$1,892	0.93%	9.98%	57.58%	\$129
	Average of Asset Group A	\$89,258	(\$345)	(3.83%)	(6.86%)	166.41%	\$165	(\$1,597)	(5.72%)	(4.34%)	140.23%	\$156
Asset Group B - \$251 to \$500 million in total assets												
	Republic Bank of Arizona	\$272,044	\$800	1.21%	12.36%	64.96%	\$112	\$2,882	1.09%	11.59%	64.99%	\$112
	Goldwater Bank, National Association	\$433,560	\$1,684	1.52%	12.89%	69.44%	\$57	\$3,348	0.75%	6.52%	80.56%	\$65
	Commerce Bank of Arizona, Inc.	\$433,758	\$735	0.71%	8.23%	76.50%	\$139	\$3,269	0.84%	9.41%	74.05%	\$135
	Average of Asset Group B	\$379,787	\$1,073	1.15%	11.16%	70.30%	\$103	\$3,166	0.89%	9.17%	73.20%	\$104
Asset Group C - \$501 million to \$1 billion in total assets												
	1st Bank Yuma	\$589,167	\$2,278	1.55%	21.16%	54.37%	\$98	\$9,590	1.61%	23.52%	54.50%	\$100
	BNC National Bank	\$966,807	\$2,441	1.05%	9.50%	66.37%	\$103	\$6,956	0.75%	6.93%	77.31%	\$119
	Average of Asset Group C	\$777,987	2,359.50	1.30%	15.33%	60.37%	\$101	\$8,273	1.18%	15.23%	65.91%	\$110
Asset Group D - Over \$1 billion in total assets												
	Western Alliance Bank	\$70,852,671	\$117,064	0.66%	7.54%	71.14%	\$159	\$690,829	0.97%	11.52%	61.44%	\$166
	Average of Asset Group D	\$70,852,671	117,064.00	0.66%	7.54%	71.14%	\$159	\$690,829	0.97%	11.52%	61.44%	\$166

Source: SNL Financial

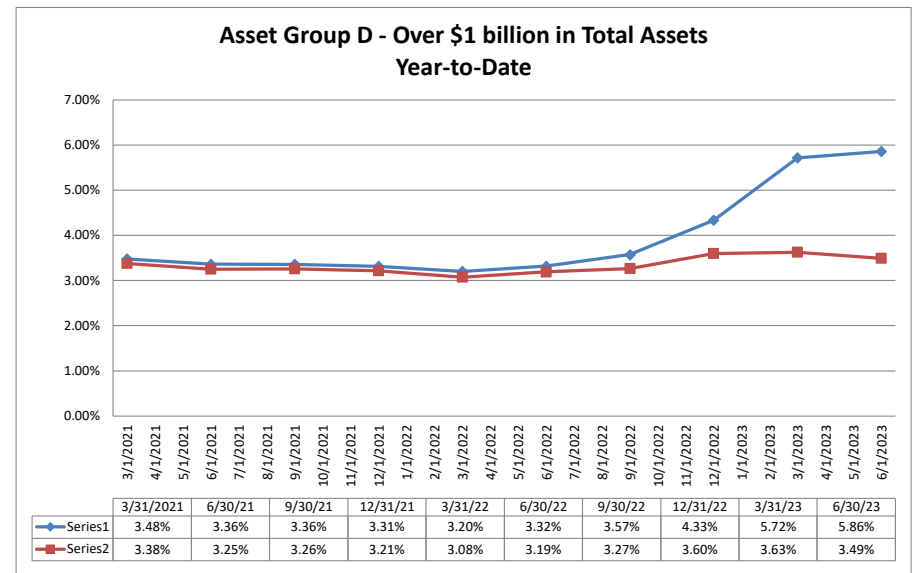
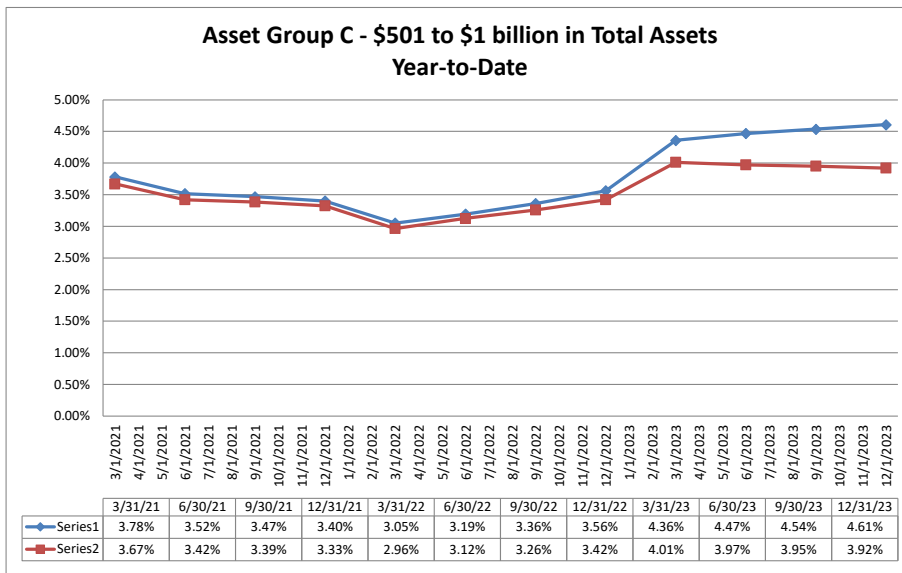
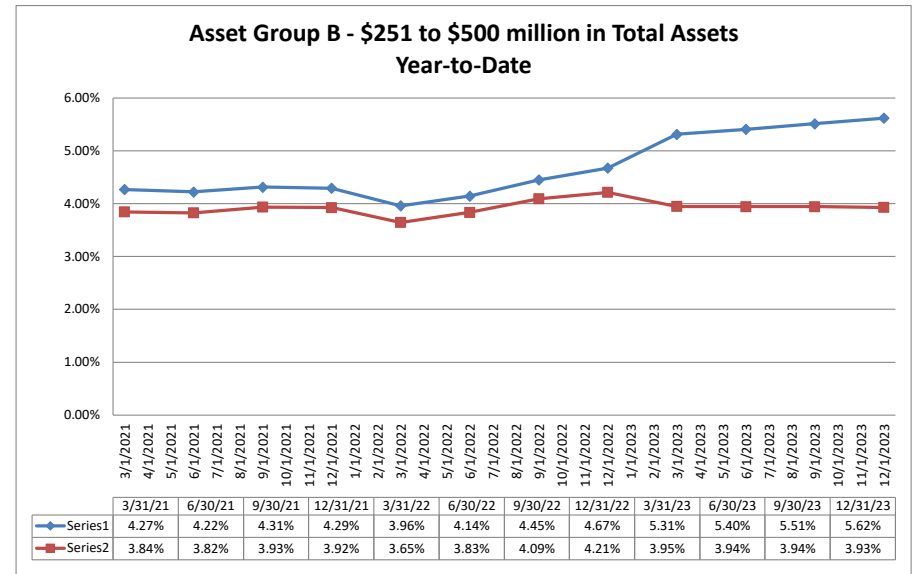
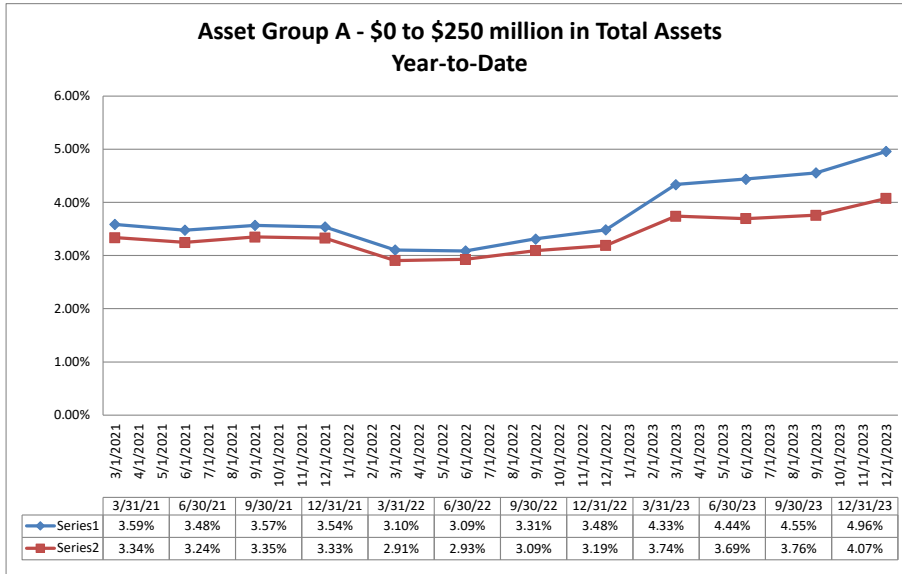
Note: Report includes only bank-level data.

NA = data was not available.

NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Balance Sheet & Net Interest Margin

Summary Trends of Historical Asset Group Averages: Yield on Earning Assets & Net Interest Margin (FTE)



Source: SNL Financial

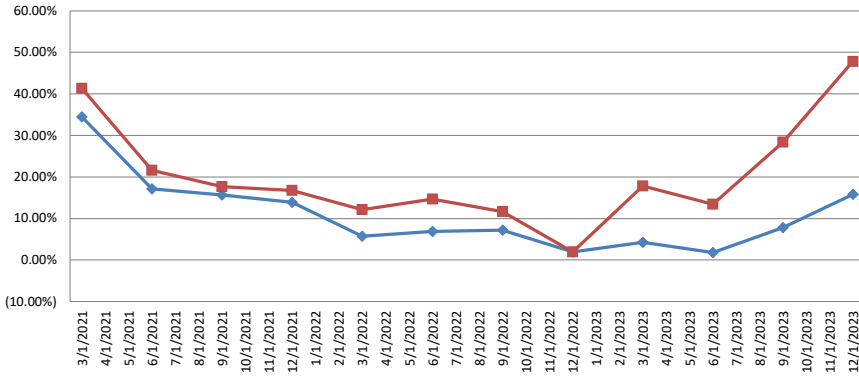
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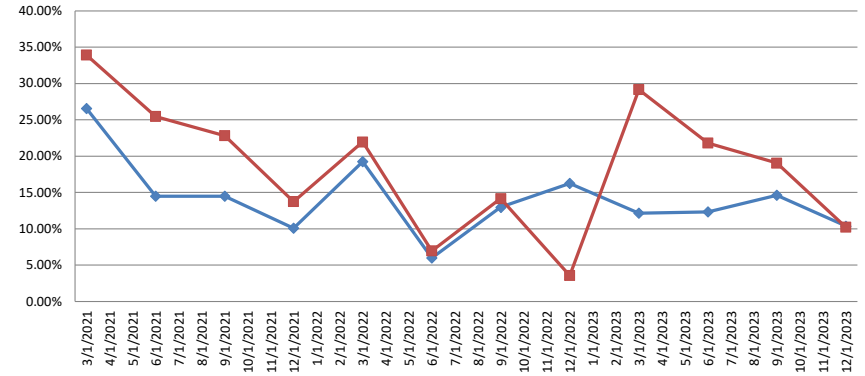
NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Summary Trends of Historical Asset Group Averages: Asset Growth Rate & Deposit Growth Rate

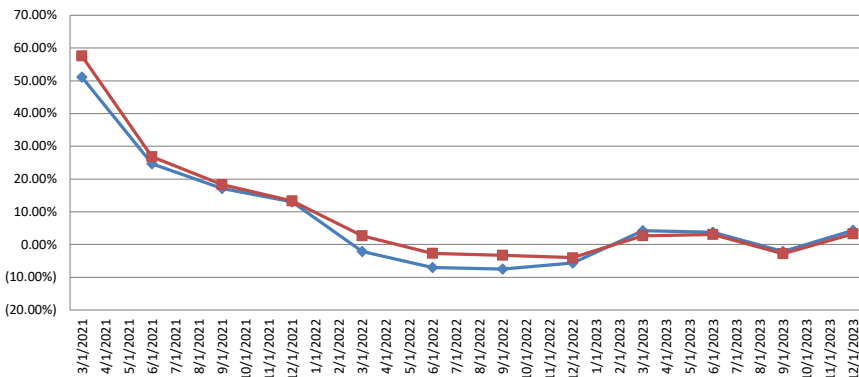
Asset Group A - \$0 to \$250 million in Total Assets
Year-to-Date



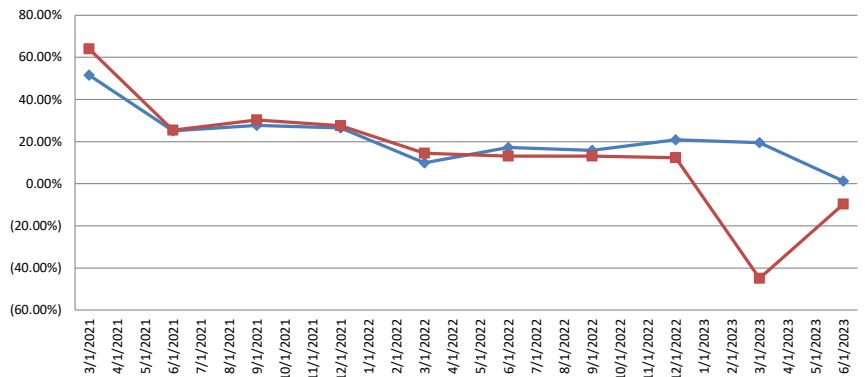
Asset Group B - \$251 to \$500 million in Total Assets
Year-to-Date



Asset Group C - \$501 to \$1 billion in Total Assets
Year-to-Date



Asset Group D - Over \$1 billion in Total Assets
Year-to-Date



Source: SNL Financial

Note: Report includes only bank-level data.

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Balance Sheet & Net Interest Margin

December 31, 2023

Run Date: February 12, 2024

Region	Institution Name	As of Date					Year to Date						
		Total Assets (\$000)	Total Lns & Leases (\$000)	Total Deposits (\$000)	Loans/Deposits (%)	Liquidity Ratio (%)	Assets/Employees (\$000)	Yield on Earning Assets (%)	Cost of Interest Bearing Liab (%)	Cost of Funds (%)	Net Interest Margin (FTE) (%)	Asset Growth Rate (%)	Deposit Growth Rate (%)
Asset Group A - \$0 to \$250 million in total assets													
	Gainey Business Bank	\$39,785	\$24,424	\$26,706	91.46%	51.45%	\$3,060	5.80%	2.90%	2.70%	4.33%	42.02%	123.22%
	Zenith Bank & Trust	\$43,288	\$5,609	\$19,658	28.53%	166.82%	\$4,810	5.61%	NA	2.78%	5.26%	NA	NA
	Scottsdale Community Bank	\$51,129	\$33,561	\$30,609	109.64%	35.78%	\$4,648	5.62%	2.97%	2.26%	4.10%	44.45%	65.99%
	Integro Bank	\$52,975	\$33,672	\$31,881	105.62%	48.67%	\$1,709	5.85%	3.23%	3.09%	4.24%	38.28%	143.61%
	Western Alliance Trust Company	\$63,811	\$0	\$0	NA	439.62%	\$3,191	3.24%	NA	NA	3.24%	NA	NA
	West Valley National Bank	\$74,818	\$58,318	\$63,698	91.55%	16.14%	\$3,563	5.41%	1.23%	0.53%	4.94%	(21.16%)	(24.06%)
	Mission Bank	\$191,811	\$72,880	\$168,475	43.26%	60.58%	\$5,184	3.84%	0.40%	0.24%	3.60%	(6.14%)	(14.95%)
	Gateway Commercial Bank	\$196,449	\$110,931	\$158,557	69.96%	37.65%	\$12,278	4.30%	2.17%	1.53%	2.88%	(2.72%)	(6.76%)
	Average of Asset Group A	\$89,258	\$42,424	\$62,448	77.15%	107.09%	\$4,805	4.96%	2.15%	1.88%	4.07%	15.79%	47.84%
Asset Group B - \$251 to \$500 million in total assets													
	Republic Bank of Arizona	\$272,044	\$201,829	\$228,460	88.34%	23.57%	\$7,557	5.57%	2.80%	1.88%	3.84%	14.49%	12.24%
	Goldwater Bank, National Association	\$433,560	\$393,298	\$286,794	137.14%	5.62%	\$2,521	5.64%	3.07%	2.34%	3.63%	(0.52%)	7.44%
	Commerce Bank of Arizona, Inc.	\$433,758	\$324,629	\$339,799	95.54%	16.69%	\$7,479	5.64%	2.16%	1.50%	4.31%	17.15%	10.94%
	Average of Asset Group B	\$352,802	\$297,564	\$257,627	107.01%	15.29%	\$5,852	5.62%	2.68%	1.91%	3.93%	10.37%	10.21%
Asset Group C - \$501 million to \$1 billion in total assets													
	1st Bank Yuma	\$589,167	\$306,558	\$537,777	57.00%	41.25%	\$7,185	4.39%	0.55%	0.26%	4.14%	6.04%	4.64%
	BNC National Bank	\$966,807	\$668,808	\$854,323	78.29%	25.63%	\$6,955	4.83%	1.60%	1.50%	3.70%	2.59%	1.97%
	Average of Asset Group C	\$777,987	\$487,683	\$696,050	67.65%	33.44%	\$7,070	4.61%	1.08%	0.88%	3.92%	4.32%	3.31%
Asset Group D - Over \$1 billion in total assets													
	Western Alliance Bank	\$70,852,671	\$51,901,441	\$55,689,308	93.20%	10.09%	\$21,412	6.05%	3.68%	2.71%	3.53%	4.68%	3.28%
	Average of Asset Group D	\$70,852,671	\$51,901,441	\$55,689,308	93.20%	10.09%	\$21,412	6.05%	3.68%	2.71%	3.53%	4.68%	3.28%

Source: SNL Financial

Note: Report includes only bank-level data.

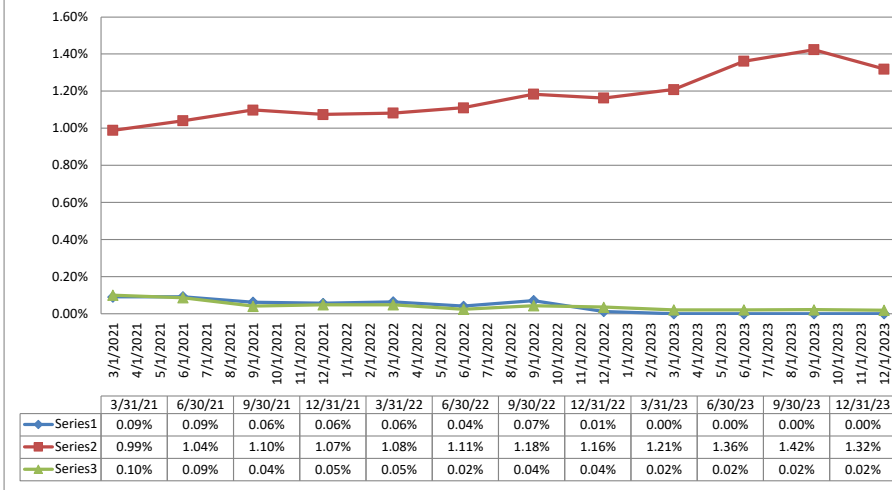
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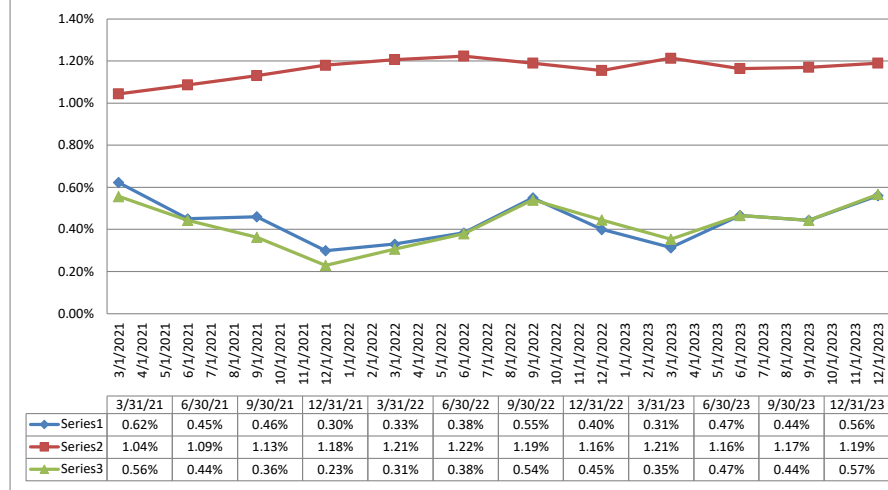
Asset Quality

Summary Trends of Historical Asset Group Averages: Non accruals/Loans, Reserves/Loans & NPAs/Total Assets

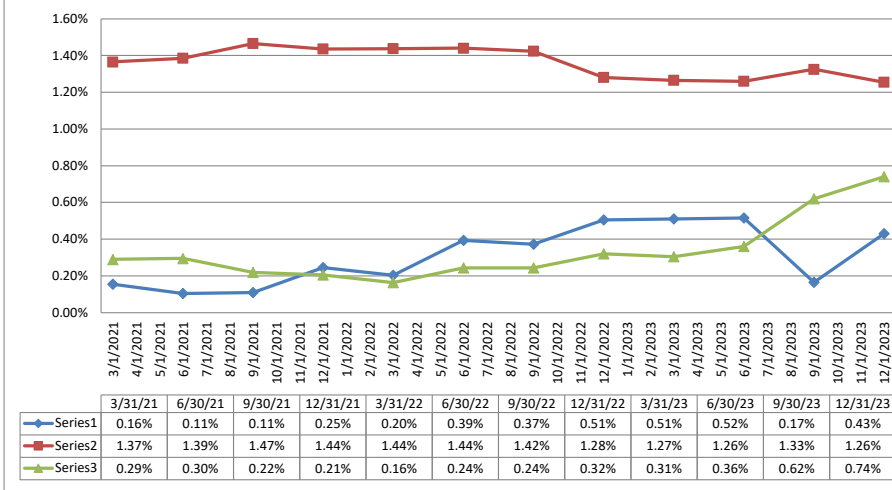
Asset Group A - \$0 to \$250 million in Total Assets
As of Date



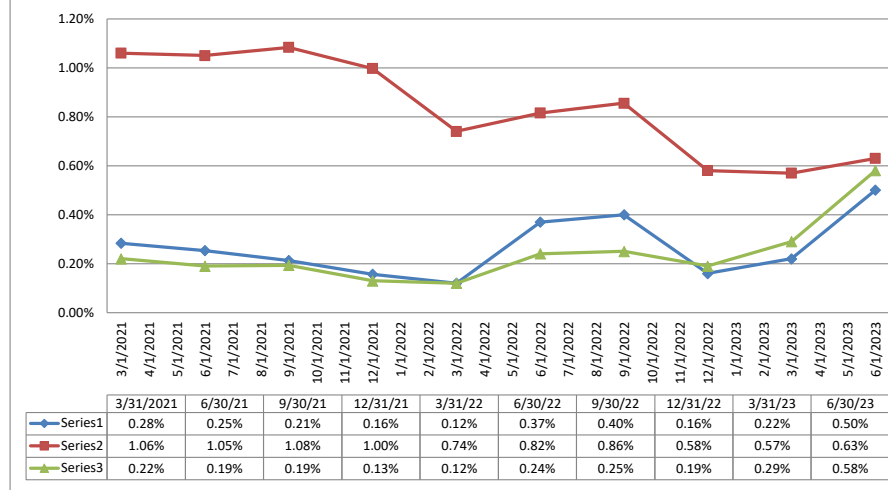
Asset Group B - \$251 to \$500 million in Total Assets
As of Date



Asset Group C - \$501 to \$1 billion in Total Assets
As of Date



Asset Group D - Over \$1 billion in Total Assets
As of Date



Source: SNL Financial

Note: Report includes only bank-level data.

NA = data was not available.

NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Asset Quality
December 31, 2023
Run Date: February 12, 2024

Region	Institution Name	As of Date						
		Total Assets (\$000)	Tot Loans & Leases Nonaccrual (\$000)	Nonaccrual Loans/Total Loans (%)	Reserves/Loans (%)	Reserves/ NPLs (%)	NPA+ Loans 90PD / Tang Equity + LLRs (%) Texas Ratio	NPAs/Total Assets (%)
Asset Group A - \$0 to \$250 million in total assets								
	Gainey Business Bank	\$39,785	\$0	0.00%	3.38%	NA	0.00%	0.00%
	Zenith Bank & Trust	\$43,288	\$0	0.00%	0.25%	NA	0.00%	0.00%
	Scottsdale Community Bank	\$51,129	\$0	0.00%	1.21%	NA	0.00%	0.00%
	Integro Bank	\$52,975	\$0	0.00%	0.92%	NA	0.00%	0.00%
	Western Alliance Trust Company	\$63,811	\$0	NA	NA	NA	0.00%	0.00%
	West Valley National Bank	\$74,818	\$0	0.00%	1.33%	NA	0.00%	0.00%
	Mission Bank	\$191,811	\$0	0.00%	1.04%	259.45%	3.38%	0.15%
	Gateway Commercial Bank	\$196,449	\$0	0.00%	1.10%	NA	0.00%	0.00%
	Average of Asset Group A	\$89,258	\$0	0.00%	1.32%	259.45%	0.42%	0.02%
Asset Group B - \$251 to \$500 million in total assets								
	Republic Bank of Arizona	\$272,044	\$209	0.10%	1.05%	NM	0.73%	0.08%
	Goldwater Bank, National Association	\$433,560	\$4,146	1.05%	1.33%	126.03%	14.22%	1.22%
	Commerce Bank of Arizona, Inc.	\$433,758	\$1,728	0.53%	1.19%	223.09%	4.24%	0.40%
	Average of Asset Group B	\$379,787	\$2,028	0.56%	1.19%	174.56%	6.40%	0.57%
Asset Group C - \$501 million to \$1 billion in total assets								
	1st Bank Yuma	\$589,167	\$1,480	0.48%	1.12%	188.07%	8.70%	0.69%
	BNC National Bank	\$966,807	\$2,519	0.38%	1.39%	122.13%	7.32%	0.79%
	Average of Asset Group C	\$777,987	\$2,000	0.43%	1.26%	155.10%	8.01%	0.74%
Asset Group D - Over \$1 billion in total assets								
	Western Alliance Bank	\$70,852,671	\$272,981	0.53%	0.65%	69.14%	18.13%	0.70%
	Average of Asset Group D	\$70,852,671	\$272,981	0.53%	0.65%	69.14%	18.13%	0.70%

Source: SNL Financial

Note: Report includes only bank-level data.

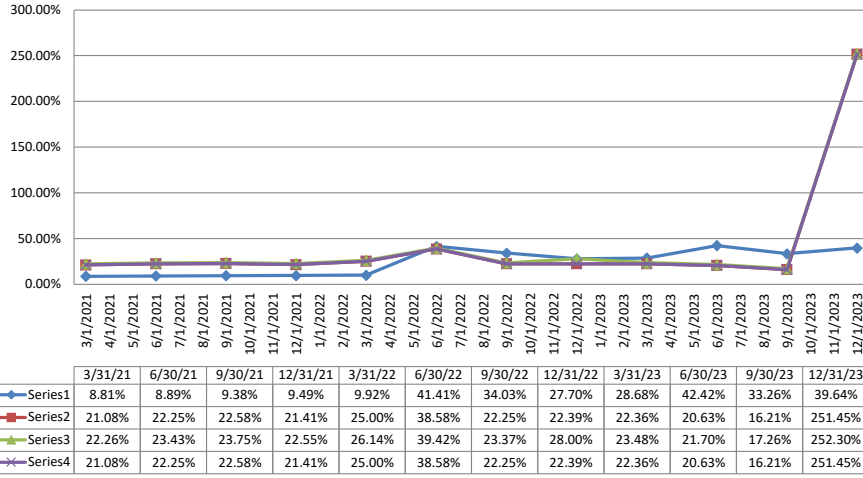
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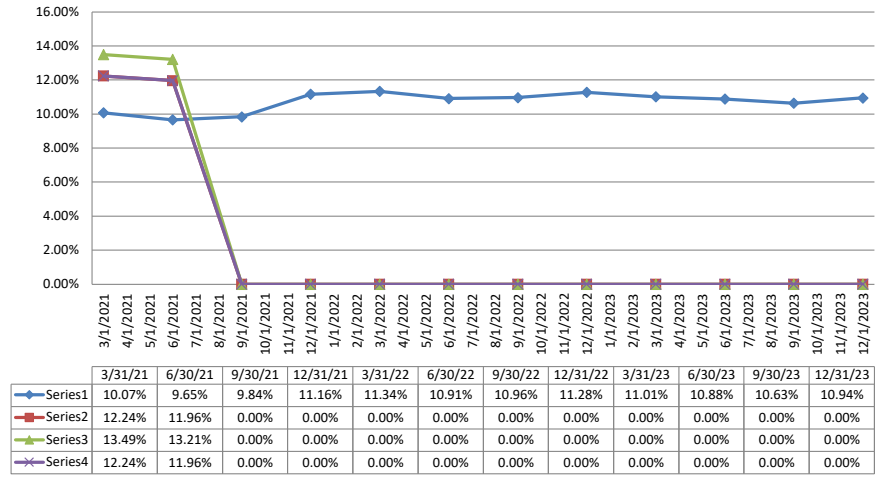
Capital Adequacy

Summary Trends of Historical Asset Group Averages: Leverage Ratio, Tier 1 Risk Based Ratio, Risk Based Capital Ratio & Common Equity Tier 1 Risk Based Ratio

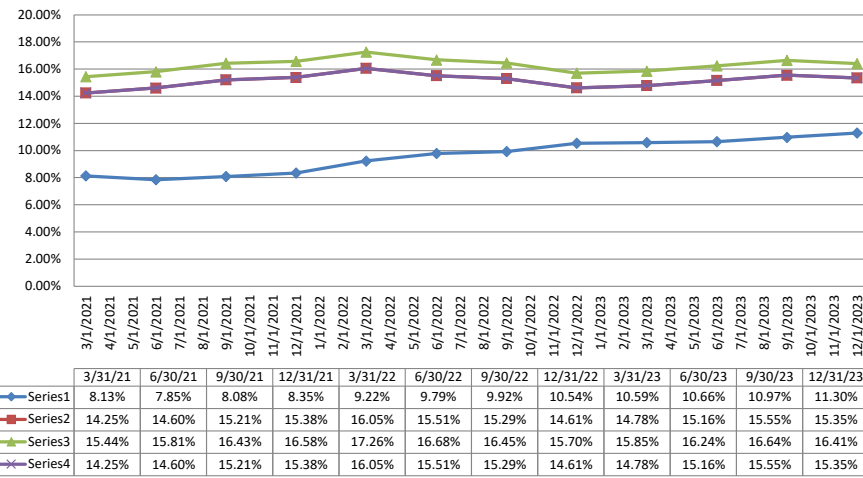
Asset Group A - \$0 to \$250 million in Total Assets
As of Date



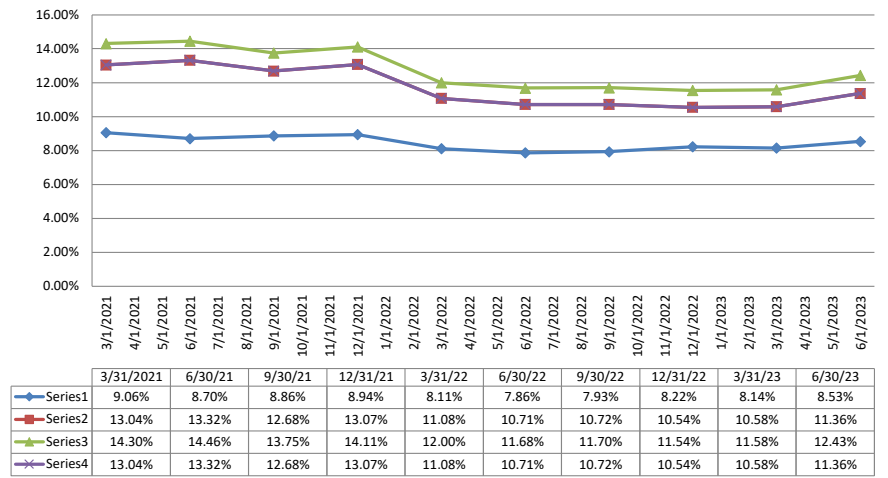
Asset Group B - \$251 to \$500 million in Total Assets
As of Date



Asset Group C - \$501 to \$1 billion in Total Assets
As of Date



Asset Group D - Over \$1 billion in Total Assets
As of Date



Source: SNL Financial

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Capital Adequacy

December 31, 2023

Run Date: February 12, 2024

Region Institution Name		As of Date							
		Total Assets (\$000)	Total Equity Capital (\$000)	Tier 1 Capital (\$000)	Common Equity Tier 1 Capital (\$000)	Leverage Ratio (%)	Tier 1 Risk Based Ratio (%)	Risk Based Capital Ratio (%)	Common Equity Tier 1 Risk Based Ratio (%)
Asset Group A - \$0 to \$250 million in total assets									
	Gainey Business Bank	\$39,785	\$11,536	\$11,560	\$11,560	28.89%	NA	NA	NA
	Zenith Bank & Trust	\$43,288	\$21,880	\$21,880	\$21,880	78.06%	722.35%	722.81%	722.35%
	Scottsdale Community Bank	\$51,129	\$13,983	\$14,346	\$14,346	31.82%	NA	NA	NA
	Integro Bank	\$52,975	\$18,846	\$18,847	\$18,847	40.24%	NA	NA	NA
	Western Alliance Trust Company	\$63,811	\$52,328	\$52,309	\$52,309	103.38%	NA	NA	NA
	West Valley National Bank	\$74,818	\$10,429	\$10,795	\$10,795	14.43%	17.57%	18.82%	17.57%
	Mission Bank	\$191,811	\$7,861	\$14,084	\$14,084	7.29%	14.42%	15.26%	14.42%
	Gateway Commercial Bank	\$196,449	\$19,951	\$25,817	\$25,817	13.00%	NA	NA	NA
	Average of Asset Group A	\$89,258	\$19,602	\$21,205	\$21,205	39.64%	251.45%	252.30%	251.45%
Asset Group B - \$251 to \$500 million in total assets									
	Republic Bank of Arizona	\$272,044	\$26,618	\$28,325	\$28,325	10.68%	NA	NA	NA
	Goldwater Bank, National Association	\$433,560	\$52,932	\$52,959	\$49,627	11.97%	NA	NA	NA
	Commerce Bank of Arizona, Inc.	\$433,758	\$36,862	\$41,917	\$41,917	10.18%	NA	NA	NA
	Average of Asset Group B	\$379,787	\$38,804	\$41,067	\$39,956	10.94%	0.00%	0.00%	0.00%
Asset Group C - \$501 million to \$1 billion in total assets									
	1st Bank Yuma	\$589,167	\$46,291	\$58,865	\$58,865	10.06%	16.44%	17.42%	16.44%
	BNC National Bank	\$966,807	\$106,014	\$115,307	\$115,307	12.54%	14.25%	15.40%	14.25%
	Average of Asset Group C	\$777,987	\$76,153	\$87,086	\$87,086	11.30%	15.35%	16.41%	15.35%
Asset Group D - Over \$1 billion in total assets									
	Western Alliance Bank	\$70,852,671	\$6,350,626	\$6,229,320	\$6,229,320	8.86%	11.86%	12.95%	11.86%
	Average of Asset Group D	\$70,852,671	\$6,350,626	\$6,229,320	\$6,229,320	8.86%	11.86%	12.95%	11.86%

Source: SNL Financial

Note: Report includes only bank-level data.

NA = data was not available.

NM = per SNL Financial, the data was not provided as the ratios are too high/low to be meaningful.

Definitions



Total assets	All assets owned by the company as of the date indicated, as carried on the balance sheet and defined under the indicated accounting principles.	Cost of funds (%)	Interest incurred on liabilities as a percent of average non-interest-bearing deposits and interest-bearing liabilities.
Net income	Net income after taxes, minority interest, and extraordinary and other after-tax items. Noncontrolling interest may be included, per relevant accounting standards. FASB Accounting Standards Codification® (ASC) Section 810-10-65, which includes noncontrolling interests for fiscal years starting after December 15, 2008, for example.	Net interest margin (FTE) (%)	Net interest income, on a fully taxable-equivalent basis if available, as a percent of average earning assets.
Return on average assets (%)	Return on average assets; net income as a percent of average assets.	Asset growth rate (%)	Growth in total assets. Annualized is equal to (current period total assets minus previous period total assets) divided by previous period total assets.
Return on average equity (%)	Return on average equity; net income as a percent of average equity.	Deposit growth rate (%)	Growth in deposits. Annualized is equal to ((current period deposits minus previous period deposits) times (domestic and foreign office)) divided by previous period deposits.
Efficiency ratio (FTE) (%)	Noninterest expense before foreclosed property expense, amortization of intangibles, and goodwill impairments as a percent of net interest income (fully taxable equivalent, if available) and noninterest revenues, excluding only gains from securities transactions and nonrecurring items.	Total loans and leases nonaccrual	Amount of loans and finance leases, gross of reserves, on which interest is no longer accruing.
Salary expense ÷ employees	Salary and benefits expense divided by number of full-time equivalent employees at end of period.	Nonaccrual loans ÷ total loans (%)	Nonaccrual loans, net of guaranteed loans, as a percent of total gross loans.
Total loans and leases	The total of loans and lease financing receivables, net of unearned income. Includes loans secured by real estate; loans to depository institutions; loans to finance agricultural production and other loans to farmers; commercial and industrial loans; acceptances of other banks (both US and foreign); loans to individuals for household, family, and other personal expenditures; loans to foreign governments and official institutions; obligations of states and political subdivisions in the United States; other loans (for purchasing or carrying securities, for example, and not including consumer loans); lease financing receivables (net of unearned income); and less any unearned income on loans reflected in items above.	Reserves ÷ loans (%)	Reserves for loan losses as a percent of loans before reserves.
Total deposits	Amounts in customers' banking deposits; any accounts subject to federal banking deposit insurance, including any portions in jumbo deposits that aren't insured but subject to the FDIC deposit regulations.	Reserves ÷ nonperforming loans (%)	Loan loss reserves as a percent of nonperforming loans.
Liquidity ratio (%)	Liquid assets (cash and balance due to deposit institution plus securities plus federal funding and repurchasing plus trading accounts minus pledged securities divided by total liabilities.	Nonperforming assets / total assets (%)	Nonperforming assets (nonperforming loans and leases, renegotiated loans and leases, and real estate owned) as a percent of assets.
Total assets ÷ employees	Total assets divided by number of full-time equivalent employees at end of period.	Nonperforming assets + loans 90PD ÷ tangible equity + loan loss reserves (%)	Nonperforming assets plus loans 90 days or more past due divided by tangible common equity and reserves. This is also known as the common version of the Texas ratio.
Loans ÷ deposits (%)	Loans held for investment, before reserves, as a percent of total insured deposits.	Total equity capital	Equity as defined under the indicated accounting principles. Includes par value, paid in capital, retained earnings, and other adjustments to equity. Minority interest may be included, per relevant accounting standards. ASC Section 810-10-65, which includes minority interest for fiscal years starting after December 15, 2008, for example.
Yield on earning assets (%)	Return earned on interest-earning assets, expressed as a percent. Total interest and dividend income divided by average earning assets.	Tier 1 capital	For Office of Thrift Supervision (OTS)-regulated institutions, it represents the amount of core capital as defined under the latest OTS guidelines at period-end. For FDIC-regulated institutions it represents the amount of Tier 1 capital as defined by the latest regulatory agency guidelines.
Cost of interest-bearing liability (%)	Interest incurred on liabilities as a percent of average interest-bearing liabilities. Total interest expense divided by average interest-bearing liabilities.	Leverage ratio (%)	Tier 1 leverage ratio according to regulatory capital guidelines. Usually defined as Tier 1 capital as a percent of tangible assets.
		Tier 1 risk-based ratio (%)	Tier 1 capital as a percent of total risk-adjusted assets.
		Risk-Based Capital Ratio (%)	The regulatory risk-based capital ratio as defined under the latest OTS or FDIC guidelines at period-end. This ratio is usually equal to total risk-based capital divided by total risk-adjusted assets.
		Common Equity Tier Risk Based Ratio (%)	Tier 1 common capital as a percent of risk-weighted assets.