

## Talking Points

### **Community Banks Still on the Road to Recovery**

- Return on assets (ROAs) remains subdued at community banks nationwide.
  - Small community banks (<\$1 billion) are still only halfway back to pre-crisis profitability level.
  - Large community banks (between \$1 and \$10 billion) are two-thirds of the way back to pre-crisis profitability level.
  
- Real estate problems remain a key challenge for 8<sup>th</sup> District banks, especially larger community banks.
  - The average problem real estate loan ratio for 8<sup>th</sup> District banks is below the national average.
  - But our ratios are comparable to community bank peer groups nationwide.
  
- Scarcity of large banks based in our district hides the extent of our problems.
  
- A full recovery is not yet in sight.