

# 2021 Bank M&A Survey



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## TABLE OF CONTENTS

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<b>Executive Summary</b>	<b>3</b>
<b>Key Findings</b>	<b>4</b>
<b>Growth Strategy</b>	<b>5</b>
<b>Environmental Effects</b>	<b>17</b>
<b>Credit Quality</b>	<b>24</b>
<b>Economic &amp; Political Outlook</b>	<b>33</b>
<b>About the Survey</b>	<b>38</b>

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# EXECUTIVE SUMMARY



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## Will bank M&A activity thaw out in 2021?

**Bank deals have been in deep freeze due to Covid-19 and the related economic downturn, but most of the executives and directors responding to Bank Director's 2021 Bank M&A Survey, sponsored by Crowe LLP, say their bank remains open to doing deals.**

More than one-third say their institution is likely to purchase a bank by the end of 2021; this represents a significant decline compared to last year's survey, when 44% believed an acquisition likely in 2020. Branch and loan portfolio acquisitions also look slightly less attractive compared to a year ago.

The barriers to dealmaking may prove difficult to surmount in today's uncertain economic and political environment.

With pressures on small businesses and the commercial real estate market exacerbated by remote work and social distancing measures, the recovery of the U.S. economy — and bank M&A — may hinge on conquering the coronavirus. In response, bank leaders are focused on credit quality: 63% point to concerns about the quality of a potential target's loan book as a top barrier to making an acquisition, up significantly from last year's survey (36%).

Despite concerns about credit quality and profitability, 85% say their bank is no more likely to sell due to Covid-19, and just 7% regret that they didn't sell before the current downturn, when target banks could expect to command a higher price.

This willingness to carry on and weather these challenges may find its foundation in respondents' long-term expectations. More than half anticipate a slow rebound for the U.S. economy. Twenty-eight percent don't expect to return to pre-crisis levels in 2021, and 7% believe the recession will deepen.

Still, half believe that when the crisis abates, their bank will be just as strong as it was earlier this year. Forty-four percent express even greater optimism, believing they'll emerge even stronger.

## KEY FINDINGS

### ➔ Loan Losses

More than half (57%) believe their bank's loan loss allowance will be sufficient to cover expected losses over the next 12 months. Two-thirds say that less than 5% of residential mortgages will default and 64% that less than 5% of commercial loans will default.

### ➔ Willing to Pay for Quality

When describing their bank's acquisition strategy, 44% indicate that they seek strategic acquisitions, regardless of price. One-quarter look for low-priced acquisitions of historically well-run banks; 27% are comfortable paying a premium for well-managed banks.

### ➔ Tech Acquisitions Rare

Just 11% believe they'll purchase a technology company. Of these, 63% express interest in buying a business or commercial lending platform; 63% are open to acquiring a consumer deposit-gathering platform. Almost half seek data analytics capabilities.

### ➔ Price Remains a Barrier

Concerns about pricing as a barrier to dealmaking have dropped significantly — from 72% last year to 60% in this year's survey. However, more respondents express concern about their ability to use stock as currency in a deal, as well as demands on their capital should they acquire.

### ➔ Effects on Capital

Most believe their bank's capital levels are sufficient to weather the economic downturn, assuming a rapid (98%) or slow (98%) recovery in 2021, or mild recession (97%). Eighty-one percent believe they can weather a deeper recession. Just one-quarter plan to raise capital over the next six months.

### ➔ High Marks for Trump

An overwhelming majority award President Trump's administration positive marks for the rollout of Paycheck Protection Program loans (90%) and stimulus payments (91%), and its support of the U.S. economy (88%). Two-thirds believe the administration has effectively responded to the pandemic.

# GROWTH STRATEGY

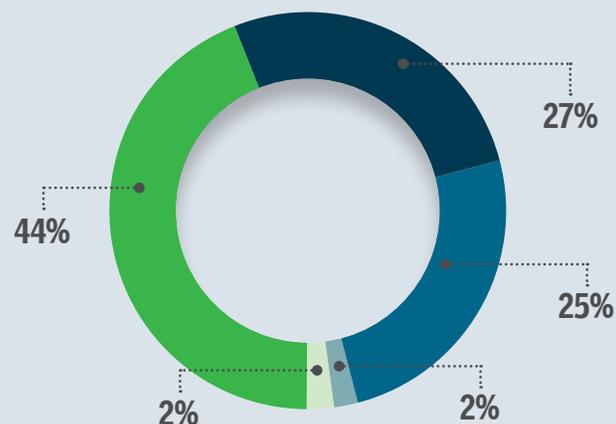
## 1. How would you characterize your bank's growth strategy over the next five years?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
We're open to acquisitions, but will focus primarily on organic growth	32%	67%	47%	72%	54%	58%
We want to be active acquirers	68%	31%	32%	8%	14%	28%
M&A is an unlikely growth path for my bank	-	3%	21%	21%	32%	14%

## 2. Which of the following best describes your bank's acquisition strategy?

Question only asked of those who describe their bank as an active acquirer or open to acquisitions.



- We look for strategic acquisitions no matter the price

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- We are comfortable paying a premium for well-managed institutions

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- We look for low-priced acquisitions of historically well-run institutions that have temporarily fallen on hard times

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- We are only interested in FDIC-assisted deals

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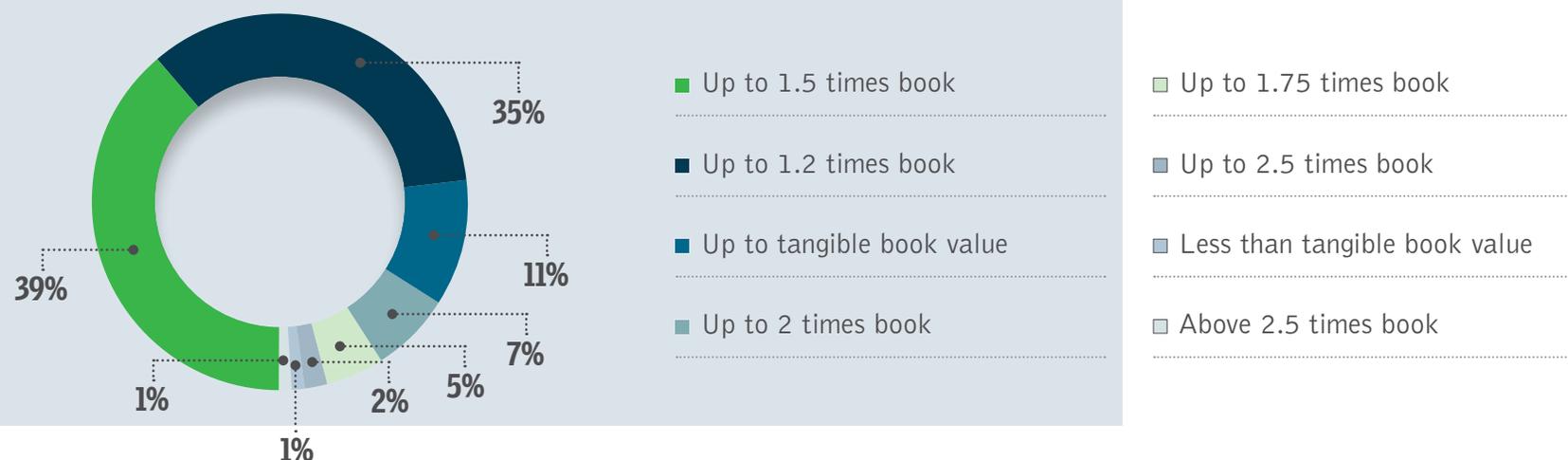
- We look for low-priced acquisitions of troubled institutions

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Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
We look for strategic acquisitions no matter the price	26%	48%	47%	50%	32%	44%
We are comfortable paying a premium for well-managed institutions	53%	27%	25%	17%	26%	27%
We look for low-priced acquisitions of historically well-run institutions that have temporarily fallen on hard times	16%	23%	19%	30%	42%	25%
We are only interested in FDIC-assisted deals	5%	3%	-	-	-	2%
We look for low-priced acquisitions of troubled institutions	-	-	8%	3%	-	2%

### 3. At most, how much are you willing to pay today to acquire another institution that meets your target acquisition strategy?

Question only asked of those who describe their bank as an active acquirer or open to acquisitions. Respondents were asked to select the option that best reflects the maximum amount they'd be willing to pay. Numbers don't add up to 100% due to rounding.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Up to 1.5 times book	26%	37%	33%	58%	42%	39%
Up to 1.2 times book	47%	39%	31%	23%	32%	35%
Up to tangible book value	-	7%	25%	10%	16%	11%
Up to 2 times book	16%	5%	6%	3%	11%	7%
Up to 1.75 times book	-	7%	6%	7%	-	5%
Up to 2.5 times book	11%	1%	-	-	-	2%
Less than tangible book value	-	3%	-	-	-	1%
Above 2.5 times book	-	1%	-	-	-	1%

## 4. How has the Covid-19 pandemic and resulting economic downturn affected your growth and acquisition plans?

Respondents were asked to select all that apply.

63%



We remain open to deals

18%



We rarely/never pursue deals and will maintain that strategy

16%



We will pause on pursuing deals until the environment changes

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
We remain open to deals	74%	65%	54%	59%	71%	63%
We rarely/never pursue deals and will maintain that strategy	-	14%	24%	28%	18%	18%
We will pause on pursuing deals until the environment changes	26%	21%	13%	10%	7%	16%
We are actively pursuing a deal, but on an extended timeline	5%	9%	11%	10%	-	8%
Other	-	4%	4%	8%	7%	5%
We terminated a deal due to the current environment	5%	4%	7%	3%	-	4%
We had no plans to expand organically and will maintain that strategy	-	1%	4%	8%	11%	4%
We have terminated or postponed plans to organically expand into new markets	5%	-	4%	8%	-	3%
We have terminated or postponed plans to add or expand business lines	-	-	4%	-	-	1%

## 5. Given the current environment, how likely is it that your institution will purchase the following by the end of 2021?

<b>Bank(s)</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	21%	8%	5%	8%	4%	8%
Somewhat likely	68%	35%	30%	10%	4%	28%
Somewhat unlikely	5%	26%	25%	33%	29%	26%
Very unlikely	-	31%	36%	44%	50%	34%
Unsure	5%	-	5%	5%	14%	4%

<b>Nondepository line(s) of business</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	14%	4%	-	6%	4%	4%
Somewhat likely	29%	17%	19%	6%	15%	16%
Somewhat unlikely	21%	33%	26%	17%	15%	25%
Very unlikely	36%	40%	54%	60%	63%	50%
Unsure	-	6%	2%	11%	4%	5%

<b>Branch(es)</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	-	1%	2%	3%	-	2%
Somewhat likely	15%	19%	11%	11%	25%	17%
Somewhat unlikely	31%	33%	25%	31%	21%	29%
Very unlikely	54%	40%	57%	37%	54%	46%
Unsure	-	6%	5%	17%	-	6%

<b>Loan portfolio(s)</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	7%	3%	2%	-	-	2%
Somewhat likely	14%	16%	11%	3%	15%	13%
Somewhat unlikely	14%	29%	30%	36%	15%	27%
Very unlikely	57%	47%	55%	52%	69%	53%
Unsure	7%	6%	2%	9%	-	5%

<b>Technology or fintech firm(s)</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	7%	6%	-	-	4%	3%
Somewhat likely	21%	9%	7%	6%	-	7%
Somewhat unlikely	43%	21%	14%	18%	12%	19%
Very unlikely	29%	61%	79%	68%	85%	67%
Unsure	-	4%	-	9%	-	3%

<b>Credit union(s)</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Very likely	-	-	-	-	-	-
Somewhat likely	-	1%	5%	-	-	2%
Somewhat unlikely	8%	6%	9%	6%	8%	7%
Very unlikely	92%	90%	84%	85%	92%	88%
Unsure	-	3%	2%	9%	-	3%

## Lending team lift out(s)

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Very likely	7%	7%	11%	-	4%	6%
Somewhat likely	47%	24%	23%	18%	19%	24%
Somewhat unlikely	27%	36%	16%	12%	8%	23%
Very unlikely	13%	29%	41%	58%	65%	40%
Unsure	7%	4%	9%	12%	4%	7%

## 6. Which of the following types of nondepository acquisition targets are most attractive to your bank?

Respondents were asked to select all that apply. Question only asked of respondents who indicate their bank is likely to acquire a nondepository line of business.

**70%** Investment management, wealth management and/or trust business

**38%** Insurance brokerage and/or agency

**38%** Residential mortgage origination

**14%** Specialty lending

**5%** Other

**3%** Leasing company



# 7. Which of the following technology platforms are most attractive as an acquisition target for your bank?

Respondents were asked to select all that apply. Question only asked of respondents who indicate their bank is likely to acquire a technology firm.



## 8. In your opinion, what would be the top five attributes of a target in today's environment?

Respondents were asked to select no more than five options.

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Complementary culture	67%	62%	64%	64%	54%	62%
Attractive deposit base	56%	62%	62%	61%	54%	60%
Efficiency gains	56%	54%	69%	58%	50%	58%
Disciplined credit culture	44%	51%	41%	36%	42%	44%
Talented lenders/lending teams	28%	39%	48%	53%	54%	44%
Locations in growing markets	39%	51%	21%	36%	54%	41%
Target size	50%	32%	31%	42%	35%	36%
Complementary business lines/sources of revenue	33%	38%	43%	28%	19%	34%
New business lines/sources of revenue	22%	15%	21%	19%	27%	19%
Target's strong reputation/brand in its market(s)	33%	18%	12%	11%	8%	15%
Demonstrated loan growth	6%	14%	12%	17%	19%	14%
Branch network overlap	22%	15%	10%	8%	4%	12%
High level of profitability	17%	8%	7%	8%	23%	11%
Strong digital footprint	11%	15%	5%	3%	15%	10%
Technology platform/infrastructure	-	5%	14%	11%	15%	9%

## 9. What would you consider the top five barriers to your bank in making an acquisition in today's environment?

Respondents were asked to select no more than five options.

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Concerns about asset quality of potential targets	72%	69%	61%	60%	44%	63%
Pricing expectations of potential targets	56%	65%	66%	57%	44%	60%
Lack of suitable targets in desired markets/areas	44%	53%	61%	69%	52%	56%
Culture/integration of personnel	44%	37%	44%	34%	41%	39%
Demands on my bank's capital	22%	30%	39%	57%	44%	38%
Uncertainty about the future economy	33%	39%	27%	29%	44%	35%
Our stock doesn't trade at a high enough premium	39%	37%	29%	11%	11%	27%
Commercial real estate concentration	33%	18%	24%	26%	4%	20%
Lack of experience in doing acquisitions	-	10%	22%	34%	33%	19%
Unfavorable core provider contract terms/conditions	11%	20%	5%	14%	19%	15%
Technology integration	11%	10%	12%	9%	30%	13%
Uncertainty about the future of banking	6%	11%	7%	17%	7%	10%
Loan concentrations in retail	6%	11%	7%	9%	11%	9%
Loan concentrations in the oil sector	22%	5%	5%	11%	-	7%
Accounting concerns, such as CECL	6%	8%	-	3%	7%	5%
Uncertainty about ability to gain regulatory approval	-	3%	2%	3%	7%	3%

# ENVIRONMENTAL EFFECTS

10. If your bank were to seek a sale, do you believe it would be easy to find a buyer for your bank at a price the board would consider?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	41%	43%	39%	44%	59%	45%
Unsure	24%	28%	28%	33%	26%	28%
No	35%	29%	33%	22%	15%	27%

## 11. Why do you believe that it would be difficult to find a buyer for your bank?

Respondents were asked to select all that apply. Question only asked of respondents who believe it would be difficult to find a buyer for their bank or are unsure.

**78%** 

Our valuation expectations are higher than most acquirers might be willing to pay

**39%** 

Buyers putting acquisitions on pause

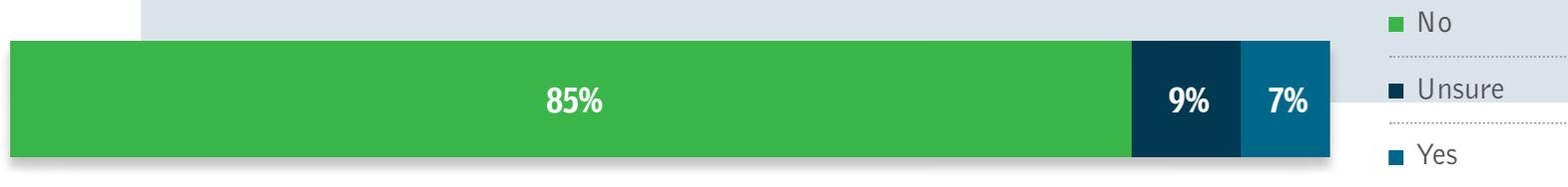
**17%** 

My bank is located in markets that may not be considered attractive

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Our valuation expectations are higher than most acquirers might be willing to pay	100%	87%	52%	85%	70%	78%
Buyers putting acquisitions on pause	40%	54%	30%	35%	10%	39%
My bank is located in markets that may not be considered attractive	10%	22%	13%	15%	20%	17%
Other	10%	3%	26%	5%	20%	11%
My bank is too small to attract a buyer	-	3%	-	25%	30%	9%
Cost to break core technology and/or other agreements	-	5%	-	5%	20%	5%
Credit quality concerns	-	8%	-	5%	-	4%
Compliance issues	-	3%	-	5%	-	2%

## 12. Compared to your point of view in the first quarter of 2020 and earlier, are you now more likely to consider selling your bank as a result of the uncertainties and challenges brought about by the Covid-19 pandemic?

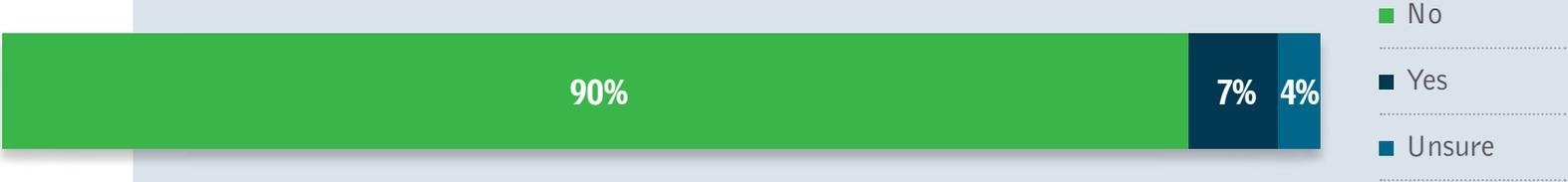
Numbers don't add up to 100% due to rounding.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
No	83%	88%	83%	81%	85%	85%
Unsure	6%	8%	7%	17%	4%	9%
Yes	11%	4%	10%	3%	11%	7%

### 13. Do you wish you'd sold your bank before the current economic downturn?

Numbers don't add up to 100% due to rounding.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
No	94%	91%	93%	81%	93%	90%
Yes	6%	5%	7%	14%	-	7%
Unsure	-	4%	-	6%	7%	4%

## 14. What are the primary strategic reasons that might drive your bank to sell in today's environment?

Respondents were asked to select no more than three options.

55%



Inability to provide a competitive return to shareholders

28%



CEO succession

28%



Inability to operate efficiently

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Inability to provide a competitive return to shareholders	77%	52%	61%	55%	40%	55%
CEO succession	35%	29%	26%	21%	32%	28%
Inability to operate efficiently	-	31%	29%	33%	28%	28%
Inability to keep pace with digital evolution	24%	25%	32%	18%	32%	26%
Regulatory compliance burden	24%	19%	19%	33%	40%	25%
Senior management succession	12%	14%	13%	12%	12%	13%
Too many competitors in our market(s)	12%	11%	16%	15%	12%	13%

### 15. Did your bank issue Paycheck Protection Program loans?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	100%	97%	100%	97%	96%	98%
No	-	3%	-	3%	4%	2%

### 16. Did your bank gain new customers through the PPP loan program?

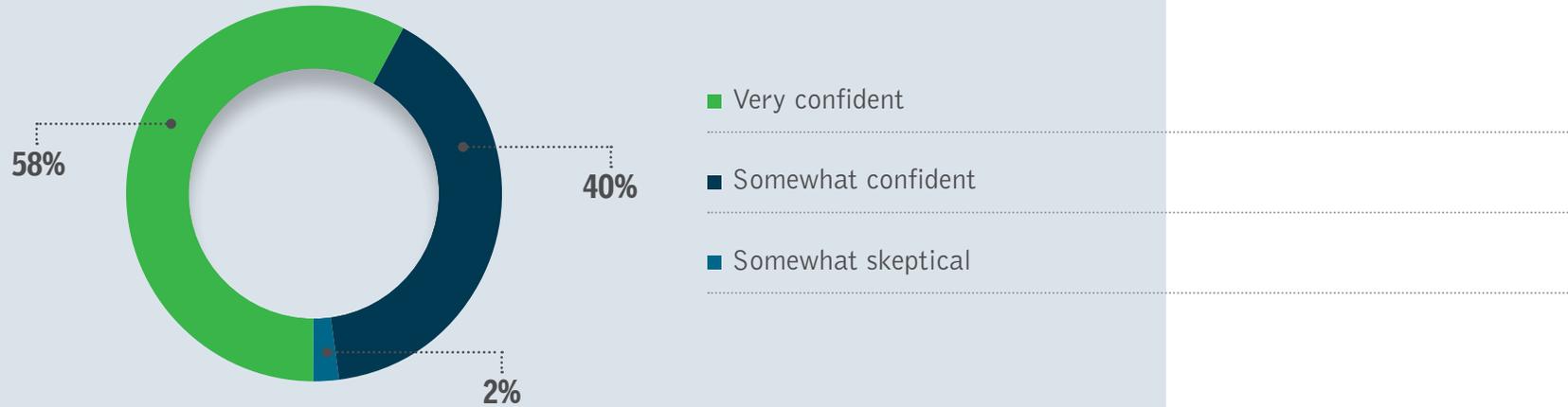
Question only asked of those who indicate their bank issued PPP loans. Numbers don't add up to 100% due to rounding.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	94%	86%	98%	91%	96%	92%
No	-	10%	2%	6%	4%	6%
Unsure	6%	4%	-	3%	-	3%

# 17. How confident are you that your bank will be able to retain and deepen relationships with new customers gained through the PPP loan program?

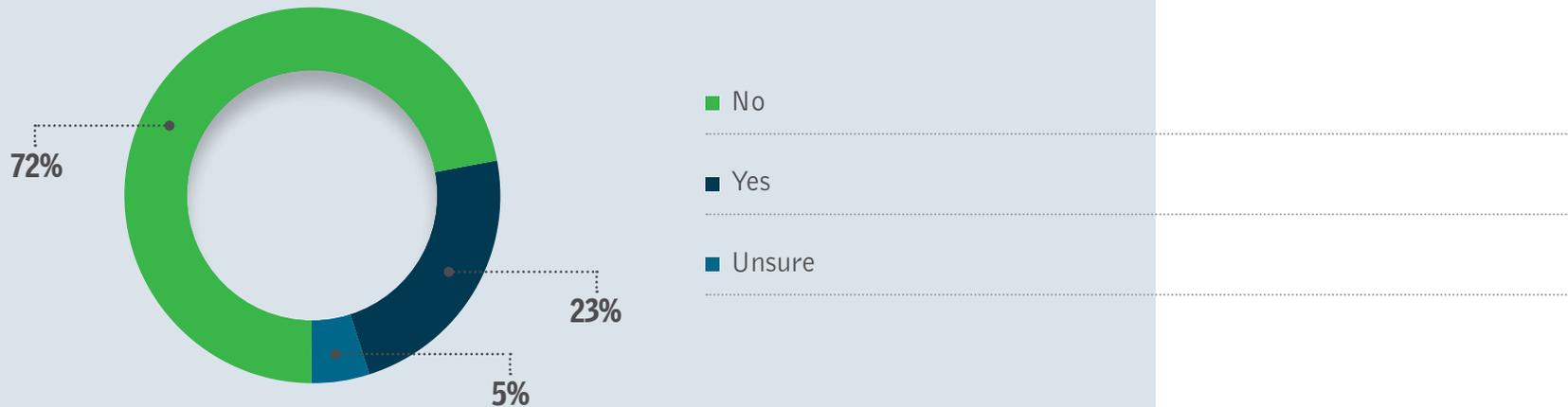
Question only asked of those who indicate their bank gained new customers through the issuance of PPP loans.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Very confident	38%	61%	61%	52%	68%	58%
Somewhat confident	63%	36%	39%	45%	32%	40%
Somewhat skeptical	-	3%	-	3%	-	2%

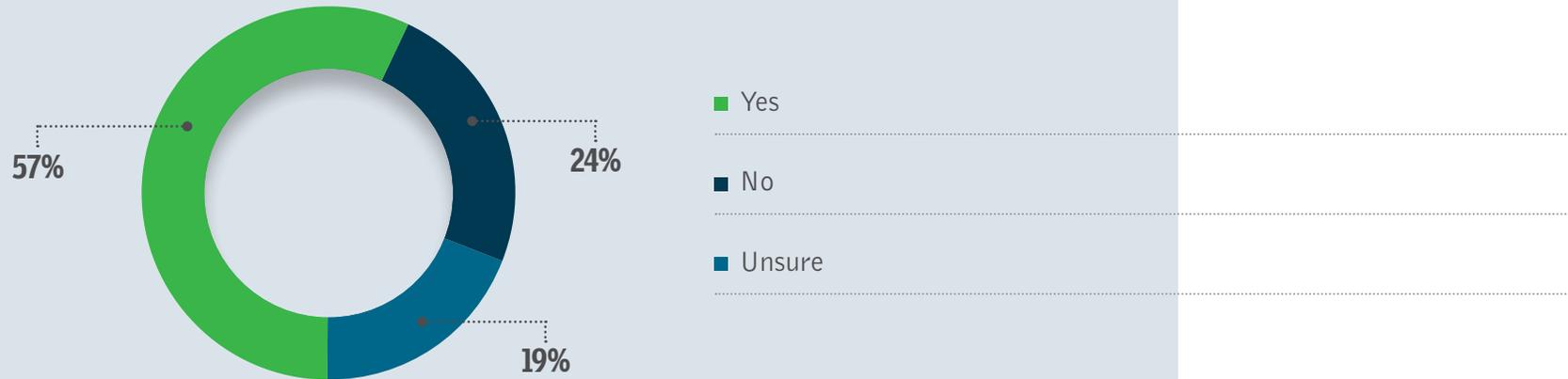
# CREDIT QUALITY

## 18. Has your bank adopted the current expected credit loss (CECL) model?



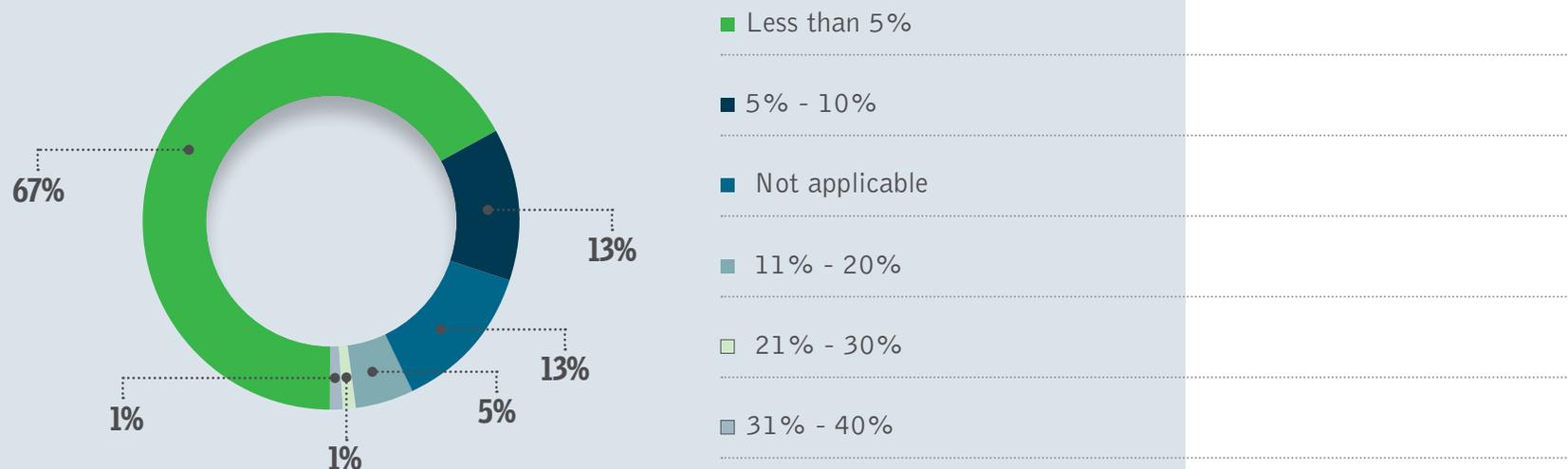
Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
No	6%	75%	79%	77%	85%	72%
Yes	94%	21%	12%	20%	8%	23%
Unsure	-	4%	10%	3%	8%	5%

## 19. Do you think your bank’s loan loss allowance will be sufficient to cover expected losses over the next 12 months, without increasing the allowance?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	77%	49%	45%	66%	70%	57%
No	12%	29%	38%	17%	7%	24%
Unsure	12%	22%	17%	17%	22%	19%

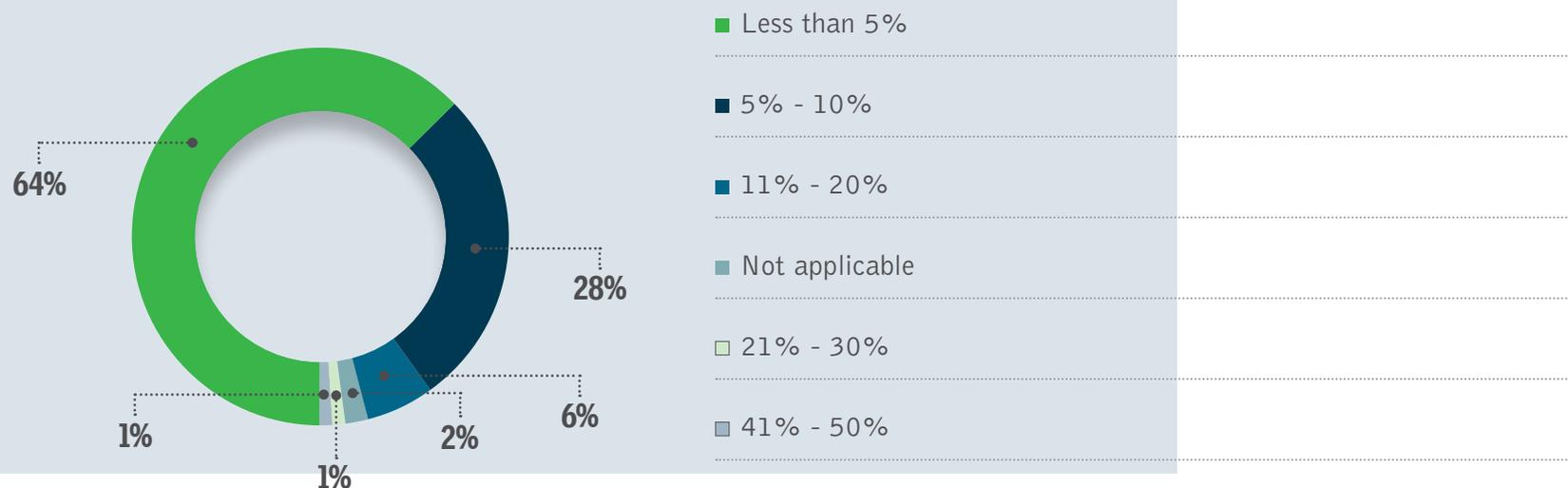
## 20. Of the residential mortgage loans your bank has modified due to the Covid-19 pandemic, what percentage do you believe will default?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Less than 5%	53%	67%	69%	60%	82%	67%
5% - 10%	29%	16%	5%	14%	4%	13%
Not applicable	12%	8%	17%	23%	11%	13%
11% - 20%	6%	7%	5%	3%	4%	5%
21% - 30%	-	1%	2%	-	-	1%
31% - 40%	-	-	2%	-	-	1%

## 21. Of the commercial loans your bank has modified due to the Covid-19 pandemic, what percentage do you believe will default?

Numbers don't add up to 100% due to rounding.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Less than 5%	75%	55%	74%	60%	69%	64%
5% - 10%	19%	36%	17%	31%	23%	28%
11% - 20%	6%	6%	7%	9%	-	6%
Not applicable	-	3%	-	-	8%	2%
21% - 30%	-	1%	-	-	-	1%
41% - 50%	-	-	2%	-	-	1%

## 22. Do you believe your bank has adequate access to capital to drive its growth strategy?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	100%	88%	86%	91%	67%	86%
No	-	7%	12%	-	19%	8%
Unsure	-	6%	2%	9%	15%	6%

## 23. Are your bank's capital levels sufficient to weather the current economic downturn, assuming ... ?

### A rapid recovery in 2021

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	100%	99%	100%	97%	93%	98%
No	-	1%	-	-	7%	2%
Unsure	-	-	-	3%	-	1%

### A slow recovery through 2021

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	100%	97%	100%	100%	96%	98%
No	-	1%	-	-	4%	1%
Unsure	-	1%	-	-	-	1%

### A mild recession lasting through 2021

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	100%	99%	100%	97%	89%	97%
No	-	-	-	-	4%	1%
Unsure	-	1%	-	3%	7%	2%

### A deeper recession lasting through 2021

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Yes	77%	90%	85%	79%	56%	81%
No	6%	6%	-	3%	11%	5%
Unsure	18%	4%	15%	18%	33%	14%

## 24. Does your bank plan to raise capital in late 2020 and/or early 2021?

Respondents were asked to select all that apply.

**75%** No

**16%** Yes, subordinated debt

**10%** Yes, equity

**3%** Yes, senior debt



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
No	75%	68%	71%	89%	78%	75%
Yes, subordinated debt	19%	25%	14%	9%	4%	16%
Yes, equity	6%	10%	14%	3%	15%	10%
Yes, senior debt	-	-	7%	-	7%	3%

## 25. Has your bank continued to pay dividends through 2020 so far?

Question only asked of respondents representing public banks. \*Indicates fewer than 10 responses within a category.



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M*	Total
Yes	94%	93%	50%	60%	33%	81%
No	6%	7%	50%	40%	67%	19%

## 26. Do you believe your bank will continue to pay dividends through the remainder of 2020?

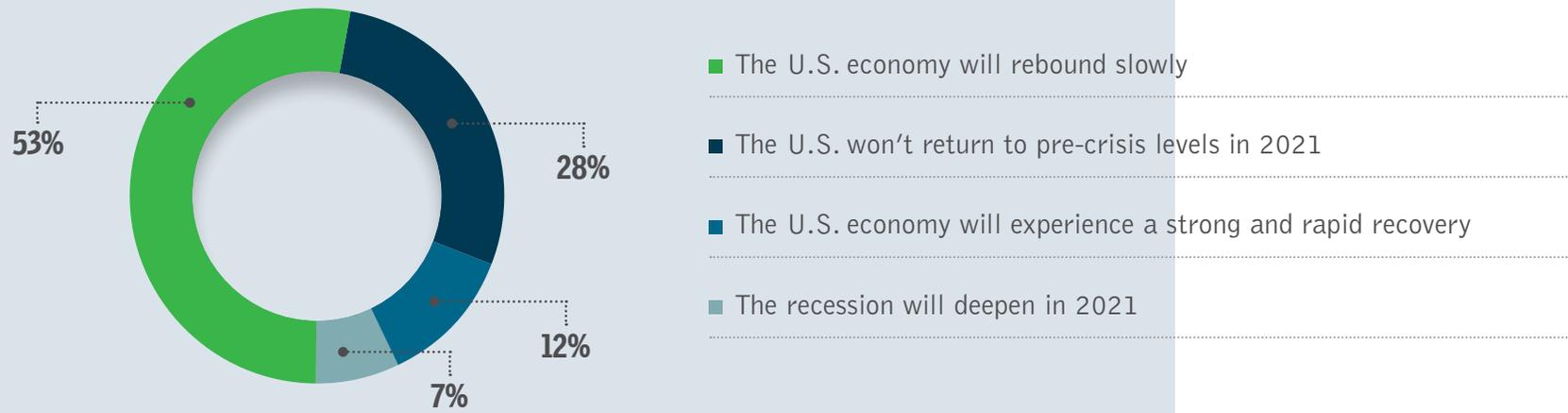
Question only asked of respondents who had continued to pay dividends in 2020 so far.

- Yes, we will maintain the current dividend
- Yes, and we will raise dividends



# ECONOMIC & POLITICAL OUTLOOK

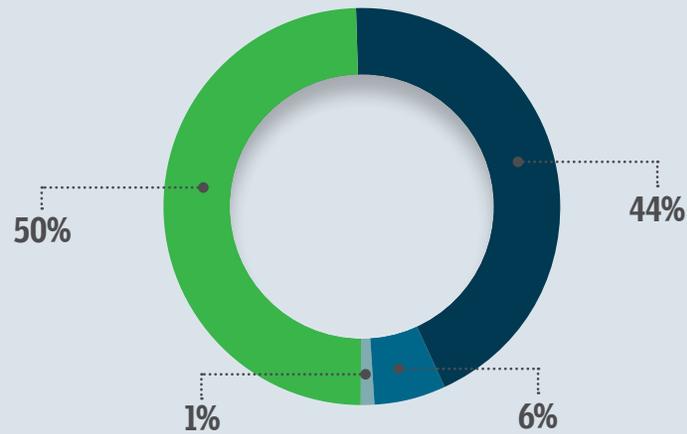
## 27. What is your outlook for the U.S. economy through the end of 2021?



Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
The U.S. economy will rebound slowly	44%	51%	54%	66%	48%	53%
The U.S. won't return to pre-crisis levels in 2021	31%	36%	37%	9%	20%	28%
The U.S. economy will experience a strong and rapid recovery	19%	4%	7%	20%	24%	12%
The recession will deepen in 2021	6%	10%	2%	6%	8%	7%

## 28. Do you believe your bank will weather the Covid-19 pandemic?

Numbers don't add up to 100% due to rounding.



- I believe my bank will emerge from this crisis as strong as it was when it entered it
- Yes, I believe my institution will emerge stronger
- We may struggle but ultimately, I'm optimistic we'll survive
- I believe my bank will be acquired

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
I believe my bank will emerge from this crisis as strong as it was when it entered it	53%	51%	42%	49%	58%	50%
Yes, I believe my institution will emerge stronger	41%	44%	54%	46%	31%	44%
We may struggle but ultimately, I'm optimistic we'll survive	6%	6%	5%	3%	12%	6%
I believe my bank will be acquired	-	-	-	3%	-	1%

## 29. How would you rate the impact of President Trump's administration (including the U.S. Treasury and Small Business Administration) on the following?

<b>Paycheck Protection Program (PPP) rollout</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Mostly positive	77%	49%	61%	60%	65%	58%
Somewhat positive	24%	43%	22%	29%	27%	32%
Somewhat negative	-	8%	5%	9%	4%	6%
Mostly negative	-	-	12%	3%	4%	4%

<b>Stimulus payments to households</b>						
<b>Bank Asset Size</b>	<b>&gt;\$10B</b>	<b>\$1B - \$10B</b>	<b>\$500M - \$1B</b>	<b>\$250M - \$500M</b>	<b>&lt;\$250M</b>	<b>Total</b>
Mostly positive	59%	51%	49%	54%	46%	51%
Somewhat positive	29%	44%	34%	37%	46%	40%
Somewhat negative	12%	4%	10%	6%	4%	6%
Mostly negative	-	1%	7%	3%	4%	3%

## Supporting the U.S. economy

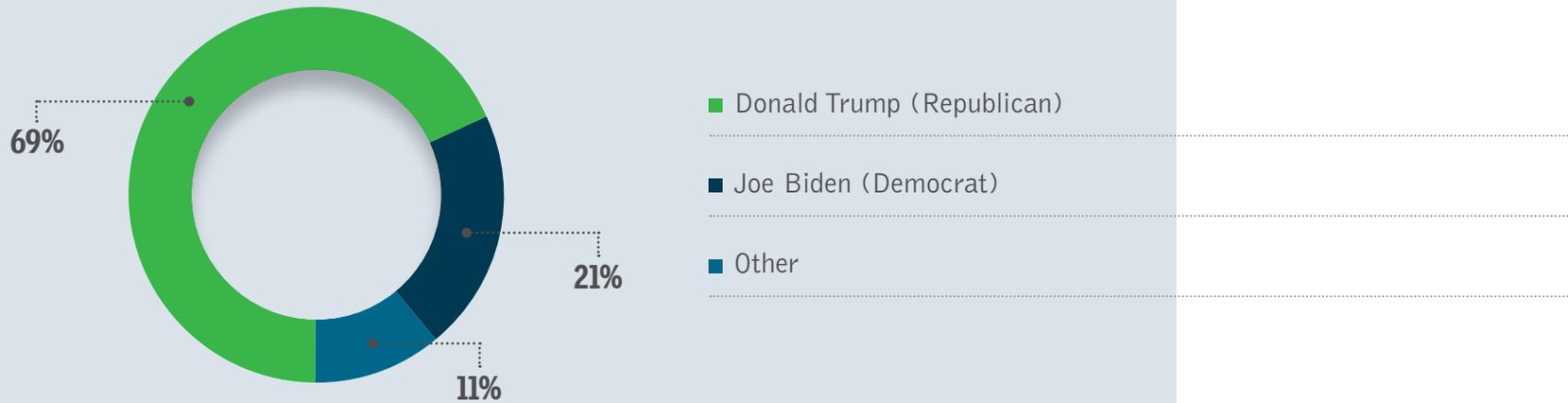
Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Mostly positive	65%	48%	61%	71%	50%	57%
Somewhat positive	24%	40%	22%	27%	39%	32%
Somewhat negative	-	11%	2%	3%	4%	6%
Mostly negative	12%	1%	15%	-	8%	6%

## Effectively responding to the Covid-19 pandemic

Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Mostly positive	35%	22%	39%	40%	42%	33%
Somewhat positive	18%	36%	37%	29%	27%	32%
Somewhat negative	24%	17%	2%	14%	8%	13%
Mostly negative	24%	25%	22%	17%	23%	23%

### 30. Who do you plan to vote for in the 2020 presidential election?

Numbers don't add up to 100% due to rounding.



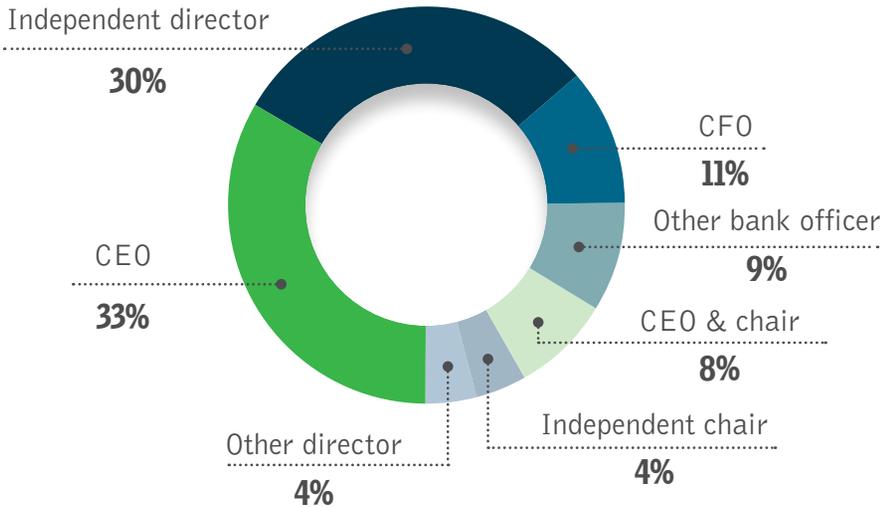
Bank Asset Size	>\$10B	\$1B - \$10B	\$500M - \$1B	\$250M - \$500M	<\$250M	Total
Donald Trump (Republican)	65%	61%	74%	79%	69%	69%
Joe Biden (Democrat)	24%	23%	21%	18%	19%	21%
Other	12%	17%	5%	3%	12%	11%

# ABOUT THE SURVEY

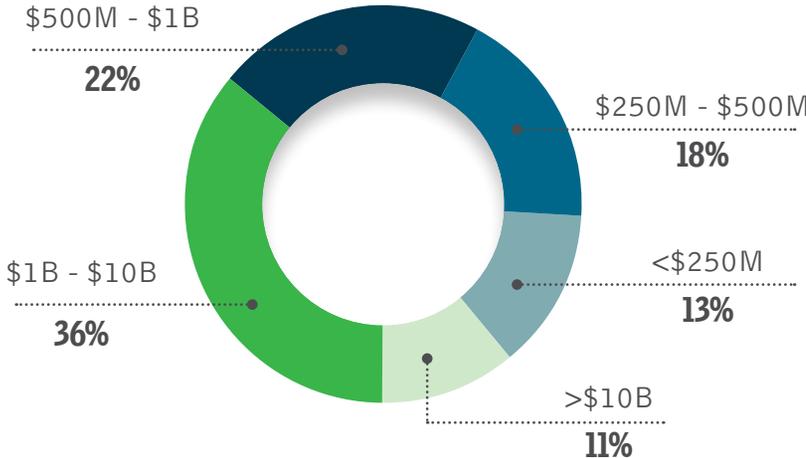
Bank Director’s 2021 Bank M&A Survey, sponsored by Crowe, surveyed 241 independent directors, chief executive officers, chief financial officers and other senior executives of U.S. banks to understand how the current environment has affected their growth plans, how they’ve reacted to the Covid-19 crisis and related economic downturn, and their views on the industry’s future. The survey was conducted in September 2020. Almost half represent a bank over \$1 billion in assets.

## TITLE

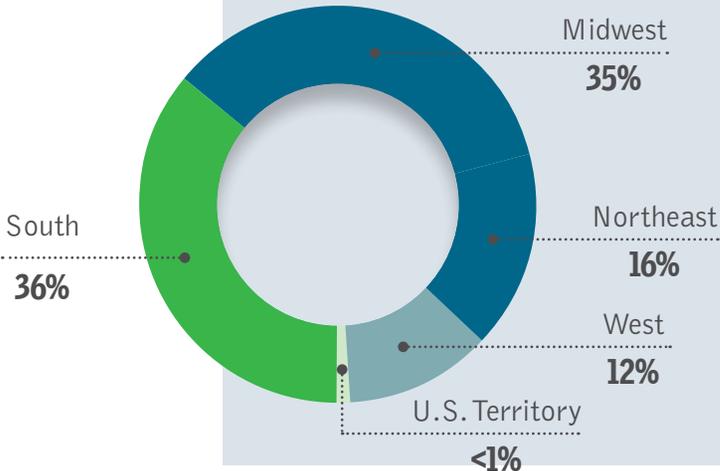
Numbers don’t add up to 100% due to rounding.



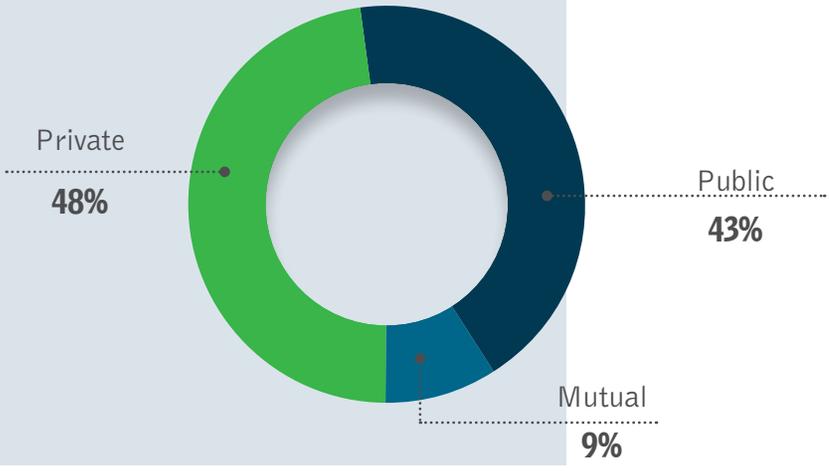
## ASSET SIZE



# REGION



# OWNERSHIP



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