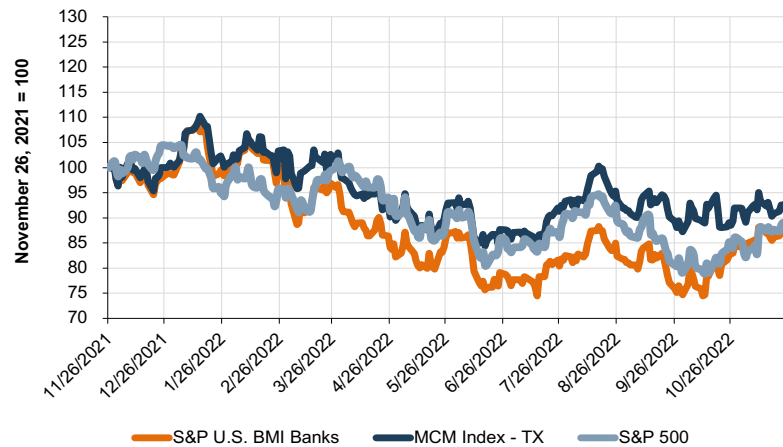


TEXAS BANK Snapshot

November 2022

PUBLIC MARKET INDICATORS

Mercer Capital's Texas Bank Group Index Overview



Mercer Capital's Texas Bank Peer Reports

Updated monthly, this report offers a closer look at the market pricing and performance of publicly traded banks in Texas.

[Click to view the report.](#)

Valuation Multiples as of October 31, 2022

	Texas Bank Index	Community Bank Index
Price/LTM EPS	11.9x	9.6x
Price/23 EPS	11.6x	8.7x
Price / Book Value	137%	125%
Price / Tangible Book Value	182%	138%
Dividend Yield	2.4%	2.9%

Contact Information

Mercer Capital helps banks, thrifts, and credit unions with corporate valuation requirements, transactional advisory services, financial reporting, stress testing, and strategic decisions. Learn more: <http://mer.cr/dep-inst>



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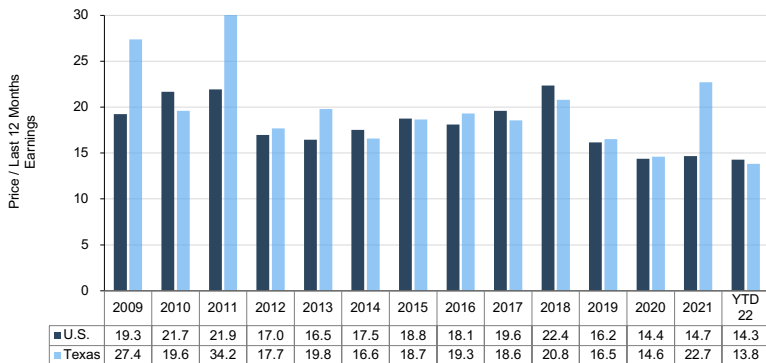
M&A MARKET INDICATORS

Texas Community Bank Transactions Announced in Last Six Months

Announce Date	Buyer	Seller	Target's City (TX)	Target Assets (\$000s)	Deal Value	Price / Earnings	Price / Tangible BV	Tang. Premium / Core Deposits
Oct 29, 2022	Victory Financial Corp.	Security State Bank	Winters	79,702	NA	NA	NA	NA
Oct 11, 2022	Prosperity Bancshares Inc.	Lone Star State Bcshs Inc	Lubbock	1,305,397	226.4	14.4	187.0	11.4
Oct 11, 2022	Prosperity Bancshares Inc.	First Bancshares of Texas Inc.	Midland	2,119,077	338.2	12.0	160.9	8.7
Sep 8, 2022	FNBK Holdings Inc.	Texas Brand Bank	Dallas	329,962	NA	NA	NA	NA
Jul 26, 2022	Great Plains Bancshares Inc.	Providence Bancshares Corp.	Southlake	198,111	NA	NA	NA	NA
Jul 7, 2022	Global One Bancshares Inc.	Chappell Hill Bank	Chappell Hill	61,722	NA	NA	NA	NA
Jul 1, 2022	Pinnacle Bancorp Inc.	Crockett National Bank	San Antonio	631,887	NA	NA	NA	NA

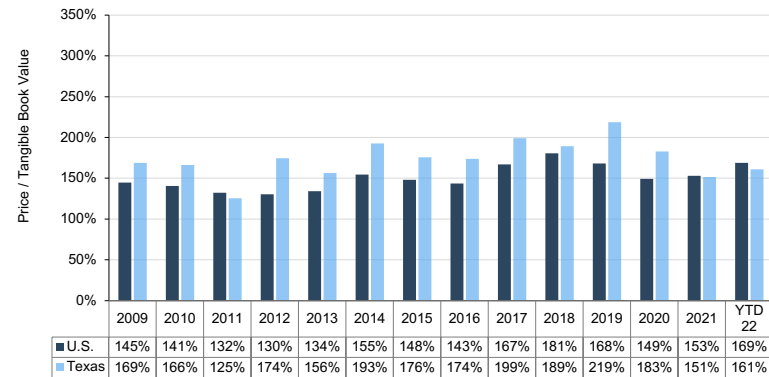
Median Price/Earnings Multiples

Target Banks' Assets <\$5B and LTM ROE >5%



Median Price / Tangible Book Value Multiples

Target Banks' Assets <\$5B and LTM ROE >5%



BANK WATCH NEWSLETTER | NOVEMBER 2022

Community Bank Loan Portfolios Have Unrealized Losses Too

There has been a lot of discussion surrounding the impact of rising rates on bank bond portfolios and bank stocks as rising rates have resulted in large unrealized losses in bank bond portfolios. If subjected to mark-to-market accounting like the AFS securities portfolio, most bank loan portfolios would have sizable losses too given higher interest rates and wider credit spreads. In this month's Bank Watch, we examine data from a survey of periodic loan portfolio valuations by Mercer Capital to observe recent trends in loan portfolio fair values.

[READ ARTICLE](#)

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