CBI COMMUNITY BANKERS OF IOWA

Fall Management Conference

Succession of Bank Ownership and Management – What is YOUR Plan?

James Johnson, Superintendent
Iowa Division of Banking
November 13, 2025

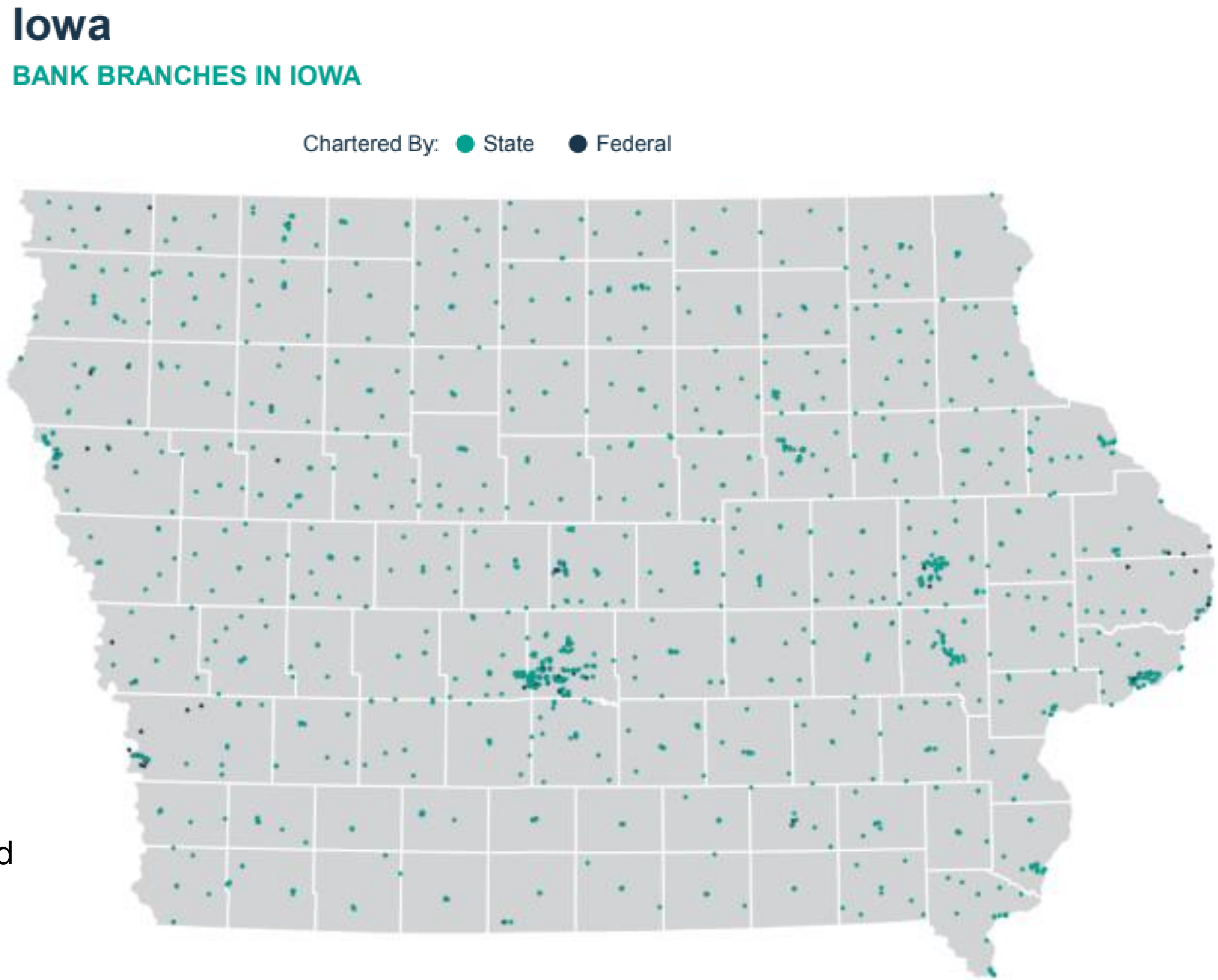
Iowa Community Banks Matter!

Iowa Bank Statistics (as of June 30th)

- There are 233 banks headquartered in Iowa, with 1,180 offices, and employing approximately 15,000 people.
- 221 (95%) of those are Iowa State-Chartered banks.
- Total assets range from $19 million to $9 billion.
- These banks account for $89 billion in loans outstanding and $108 billion in deposits held.

Community Focused

Banks are vital to the communities they serve, by building relationships, lending to small businesses and farm operations, and supporting community development.



Bank Numbers Continue to Decline

Overall Bank Decline

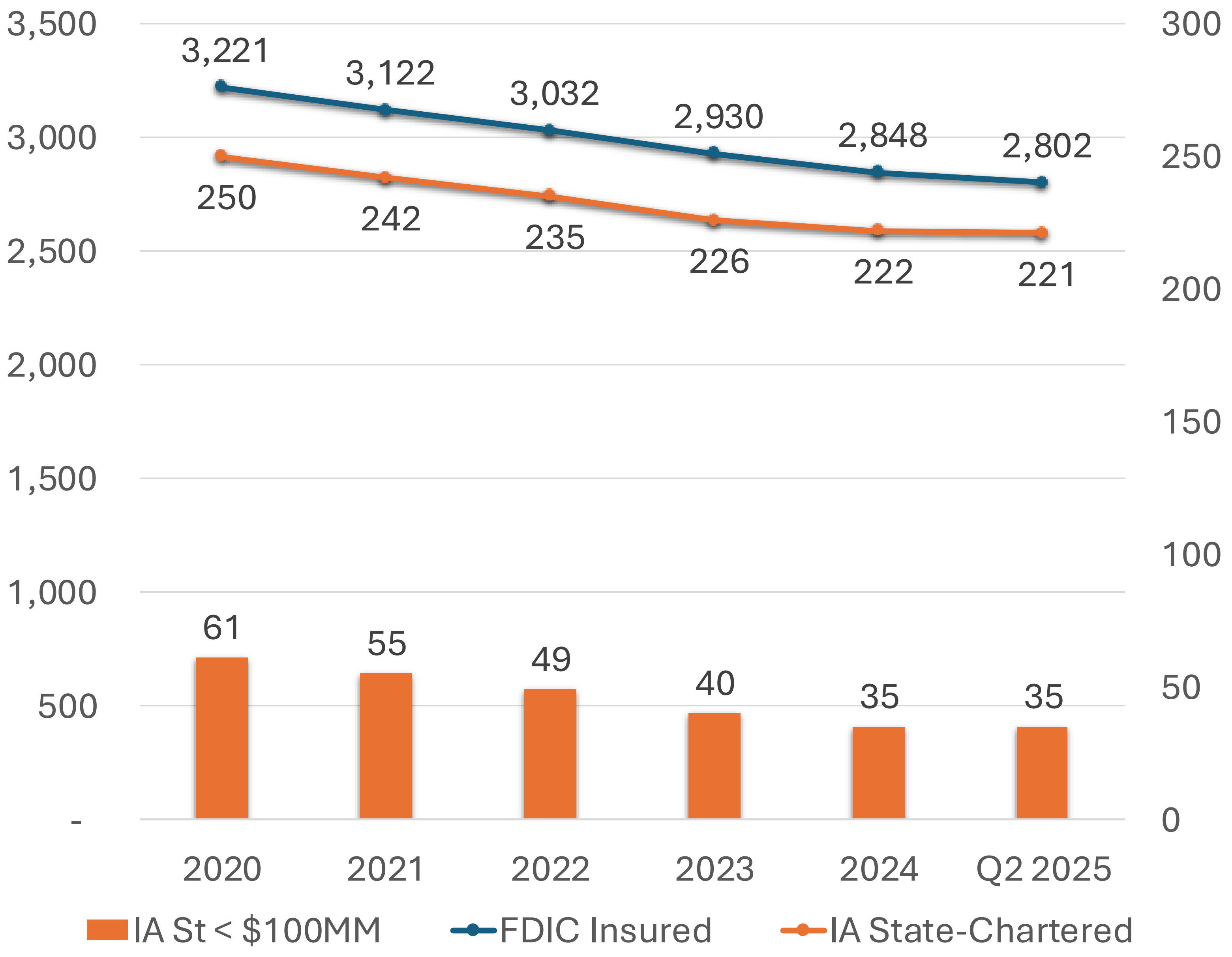
The total number of banks in the U.S. and chartered in Iowa has decreased by an average of 3.12% and 2.77% over the past five years.

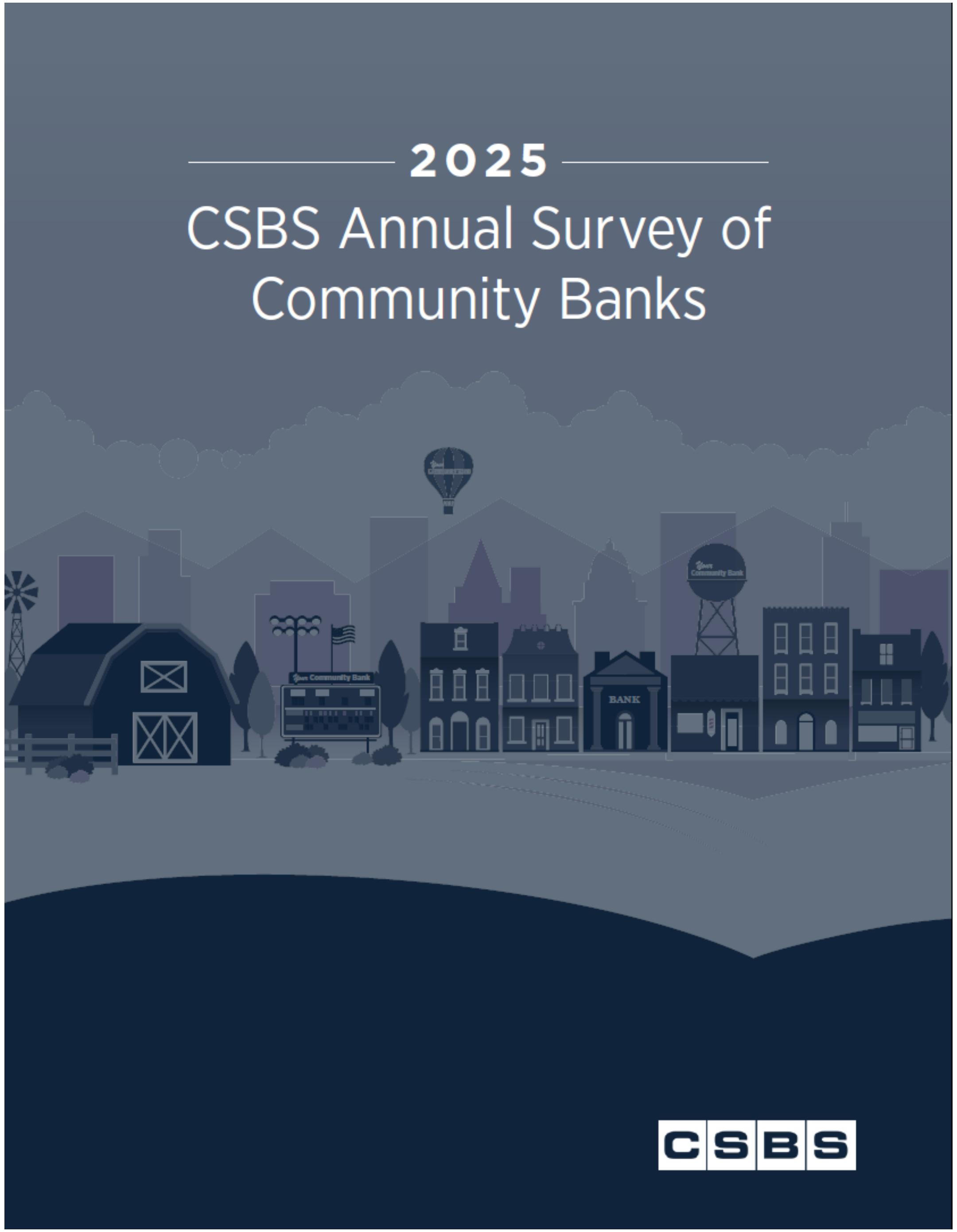
Iowa Bank Statistics

Iowa has experienced significant declines in state-chartered banks, particularly those with assets under $100 million.

Rural Community Challenges

Rural banks face unique challenges, especially regarding management and ownership succession.





Key Findings

"Community bankers reported **cautious optimism** about regulatory conditions but, amid high tariffs and high inflation, expressed ongoing concerns about business growth, net interest margins, and deposit competittion."

"The findings also point to a **rapidly evolving future**." – A.I. and stablecoin regulation

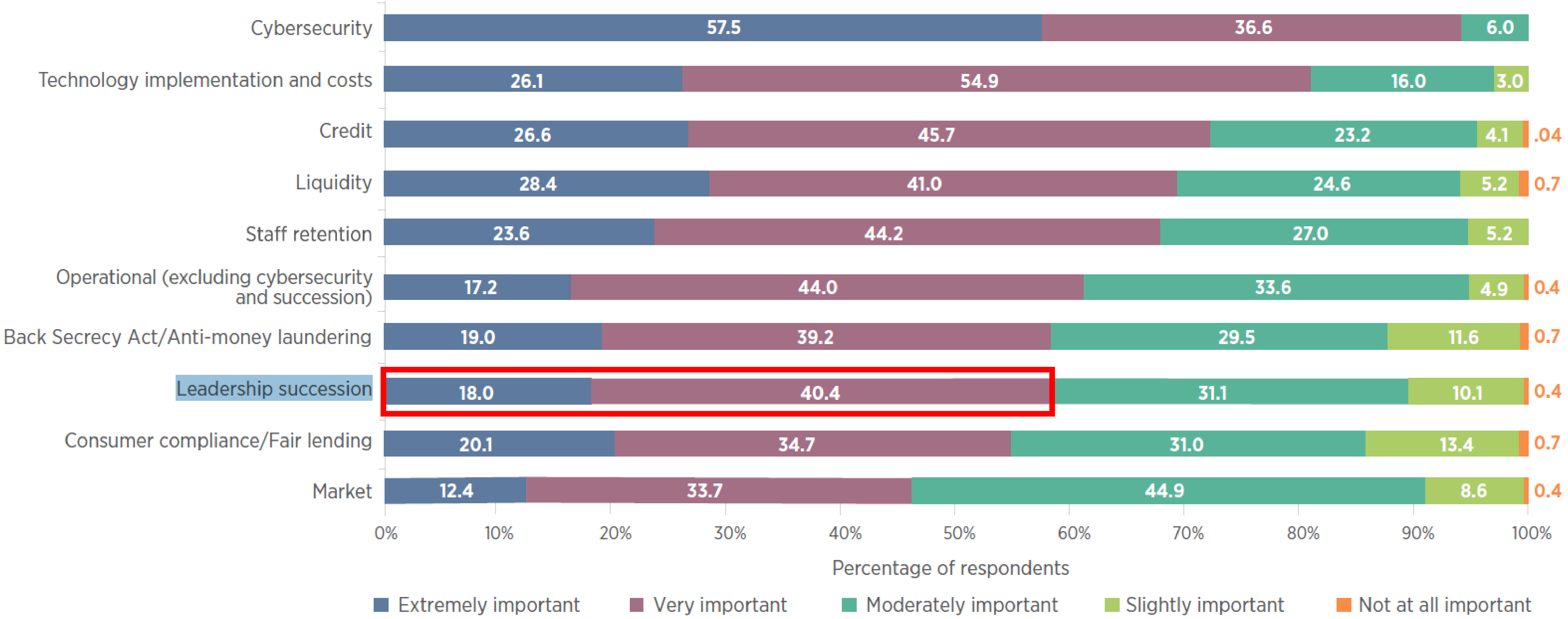
"Community bankers are grappling with **how to attract capital and stay profitable**."

"Many see **reducing regulatory burden** as a key level to help community banks not only survive but thrive."

"**Community banks remain committed** to serving their customers and communities, adapting to change, and finding ways to compete in an evolving landscape."

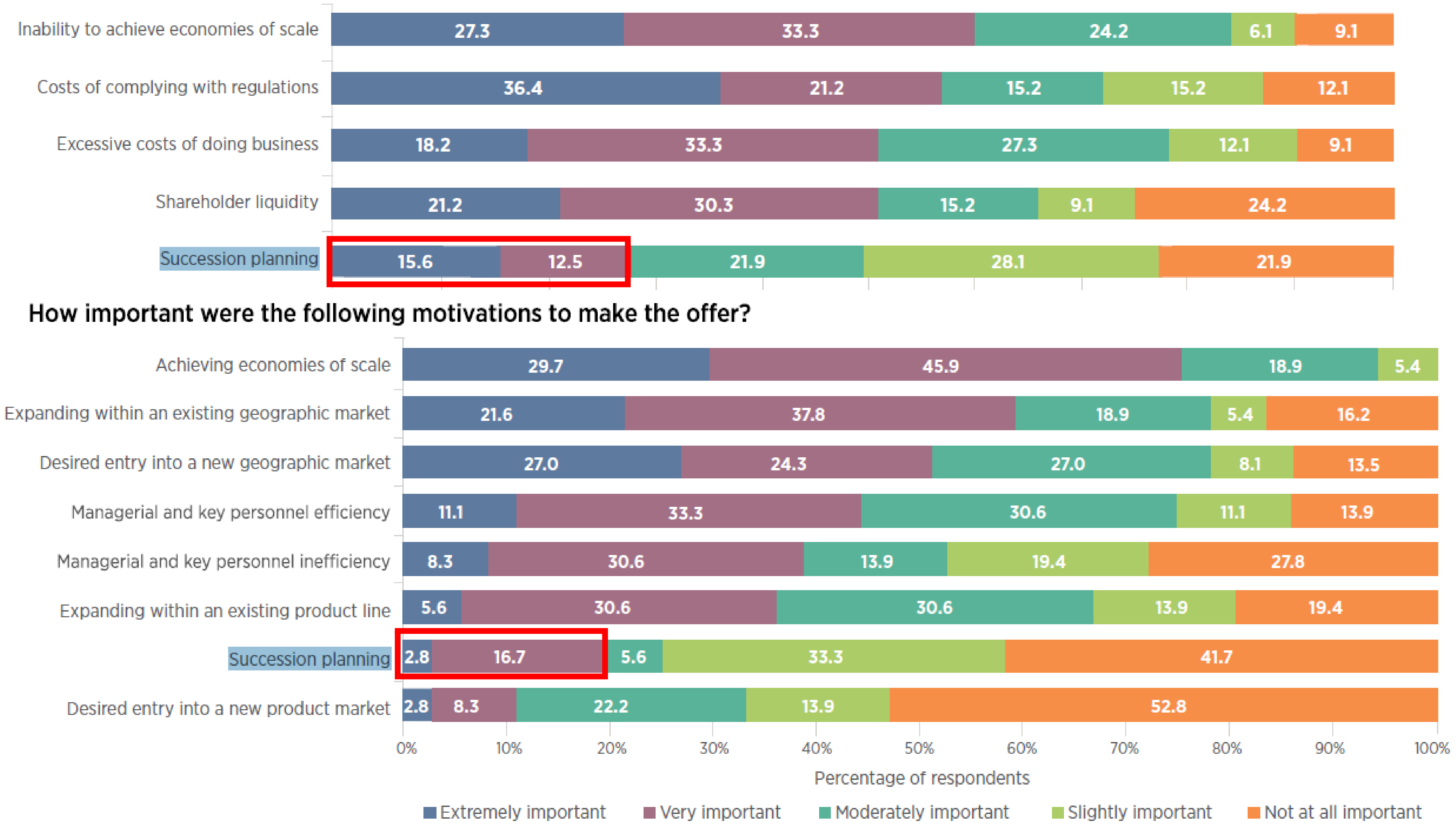
Source: CSBS Annual Survey of Community Banks – Oct. 2025

How important are the following internal risks facing your bank today?



Source: CSBS Annual Survey of Community Banks – Oct. 2025

How important were the following factors in your decision to seriously consider accepting the acquisition or merger offer?



Source: CSBS Annual Survey of Community Banks – Oct. 2025

Banker Perspective

I've read that M&A is picking up some and is expected to increase, but I think there's still a place for small, independent banks. Everyone tells you that you must get bigger to survive or achieve economies of scale. But I think that we're evidence that there's still a sweet spot of size, profitability, highly personalized customer service, and employee engagement. We're small, but it's like a family, and I think that's important. We've tried to be intentional about management succession and ownership succession because we feel like we've got a good thing going. Unfortunately, the industry will continue to consolidate.

—Lindsay Spitzer, Bluff View Bank
Galesville, Wisconsin

Source: CSBS Annual Survey of Community Banks – Oct. 2025


What is YOUR Plan?
Are You Ready?