

Welcome to 2023, Bank Slaters!

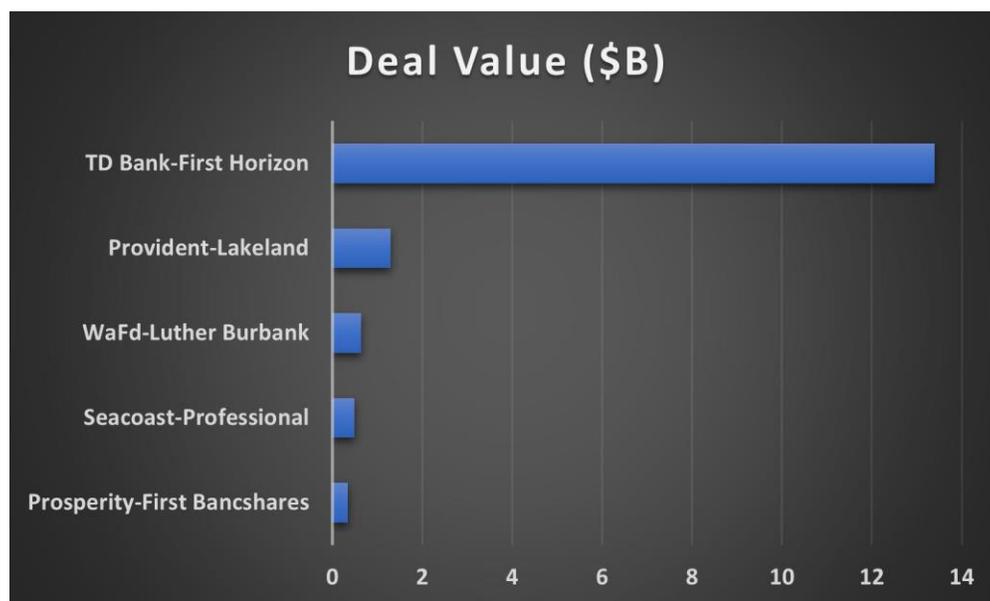
Another year is in the books. A time to reflect on your accomplishments while setting personal and professional goals for the new year. I know each of you can set obtainable objectives, and you have the fortitude and ability to make things happen!

I feel good about getting the new website up and running, and I got into a rhythm with these weekly newsletters. I'm excited about the potential in 2023 – a reminder that you can [contribute](#) to what we're doing here.

Let's talk about the biggest bank deals of 2022.

Only 167 bank acquisitions were announced through Dec. 28, a [31% decline from 2021](#). Several factors were in play: TBV hits tied to unrealized losses on securities, lower stock prices and banks assessing rising rates.

Still, a few notable deals were announced.



SOURCE: Company reports

TD-First Horizon, which needs final regulatory approval, [loomed large](#) over all other deals – accounting for about 60% of all volume in 2022. TD has said it hopes to [complete the acquisition](#) by April 30.

Provident Financial Services and Lakeland Bancorp plan to create a \$25 billion-asset bank based in New Jersey. The deal, expected to close in the second quarter, priced

Lakeland at 154% of its tangible book value. I wrote about how Lakeland juggled a DoJ settlement and merger talks in this [post](#).

Washington Federal [agreed to buy](#) Luther Burbank in an acquisition that priced the seller at just 97% of its tangible book value. The deal, which would introduce WaFd to California, is expected to close in the second quarter.

Seacoast Banking Corp. of Florida agreed to pay one of [2022's biggest premiums](#) for Professional Holding in Coral Gables, Fla. The deal, with an expected first quarter closing, priced the seller at 216% of its tangible book value.

Prosperity Bancshares left the sidelines by announcing [two deals](#), agreeing to buy First Bancshares of Texas and Lone Star State Bancshares (the bank's first bank acquisitions since 2019). First Bancshares finished 2022 among the top five deals in terms of value; the premium represents 162% of the seller's tangible book value.

What are your thoughts on M&A? Will volume pick up? What about big mergers? Tell me [info@thebankslate.com](mailto:info@thebankslate.com).

Here are the final headlines of 2022.

### **The Big Headline**

De novo activity, while well off from levels seen before the 2008 financial crisis, had [notable momentum in 2022](#). Fifteen new banks opened this year; it was the highest single-year total since 2009.

### **M&A**

- A shareholder group that includes George Norcross III and Gregory Braca sent Republic First Bancorp [an updated term sheet](#) that proposes a direct \$75 million investment in the Philadelphia company.
- Juniata Valley Financial in Pennsylvania [agreed to buy](#) a branch from Orrstown Financial in Pennsylvania. Orrstown had planned to close the Path Valley, Pa., location.

### **Arrivals/Departures**

- John Guess [retired as CEO](#) of Citizens National Bank at Brownwood in Texas on Dec. 31.
- Richmond Mutual Bancorp. in Indiana said Paul Witte [became president and COO of its bank](#) on Jan. 1.

- Five credit unions [announced CEO appointments](#) heading into 2023. Penn East Federal Credit Union in Pennsylvania also announced that it is [looking to hire a successor](#) for its president and CEO, who is retiring.

### **Odds & Ends**

- Organizers of the proposed New Canaan Bank in Connecticut have [given up on an efforts to create the de novo](#).
- State Bankshares, the parent company of Bell Bank in North Dakota, [raised roughly \\$37.3 million](#) through a private placement.
- Currency Bank in Louisiana raised [\\$4 million in fresh capital](#). The bank said in a LinkedIn post that the funds will “further bolster” its “strong capital position.”
- Lake Shore Bancorp in New York has [terminated two change-in-control agreements](#) to comply with a recent [formal agreement](#) with the OCC.

A relatively quiet week should give way to more activity in the new year. We are committed to keeping an eye out!