

M&A overview and outlook

M&A activity in the community banking sector continues to be driven primarily by succession planning, as aging management teams and shareholder bases, coupled with limited next-generation leadership pipelines, push otherwise healthy institutions to evaluate strategic alternatives. While credit quality and earnings remain generally stable, growing concerns around commercial real estate exposure, continued deposit competition and pockets of asset quality deterioration have become increasingly important considerations. At the same time, rising fraud risks, cybersecurity demands and the escalating costs of digital banking, artificial intelligence and technology modernization are challenging smaller institutions to achieve the scale necessary to remain competitive. Improved regulatory visibility has helped support transaction activity, but community bank consolidation remains largely fueled by the pursuit of scale, operating efficiencies and long-term franchise sustainability amid an evolving economic and technological landscape.

State of the banking industry

Wipfli's [State of the banking industry research report for 2026](#) presents a confident yet risk-aware outlook among financial institutions as they enter the year ahead. Based on Wipfli's survey of 345 bank executives, the report shows that leaders are pursuing growth aggressively while contending with intensifying cyber risk, uneven digital maturity and persistent talent constraints. Despite this, nearly two-thirds (67%) of respondents expect asset growth of 5% or more in the next 12 months.

- Cybersecurity remains the top concern for another consecutive year. 81% of banks experienced at least one cybersecurity incident, including fraud or unauthorized network access, in the past year, reinforcing the need for increased investment in security controls and monitoring as institutions pursue expansion.
- Digital modernization continues to be a core strategic priority, particularly improving digital customer engagement and advancing data analytics and AI. While roughly two-thirds of institutions are researching or implementing AI, only 16% have a formal, enterprise-wide AI roadmap, highlighting a gap between experimentation and scalable execution.
- Talent pressures persist heading into 2026. Recruitment and retention rank as the second-highest concern, with 60% of executives citing labor shortages as a potential barrier to executing strategic priorities — especially for technology, risk and data roles critical to digital and operational transformation.

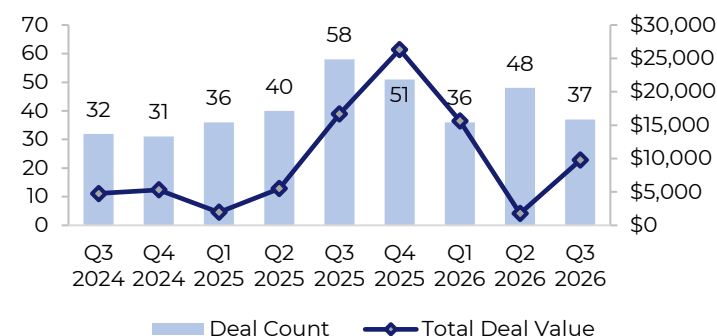
37 Deals during Q3 2026

1.52x Median P/TBV multiple

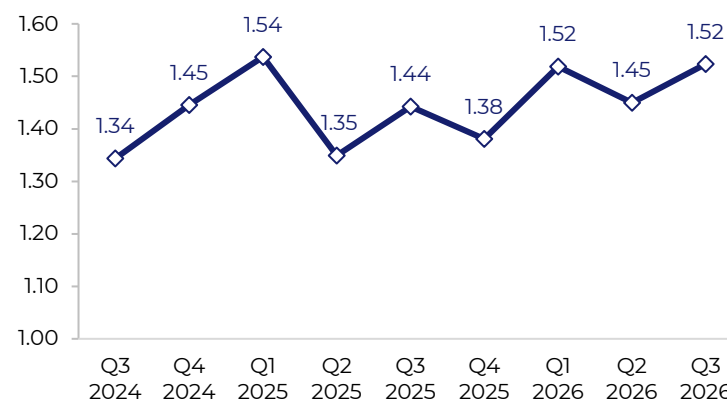
\$9,775M Total deal value

450.8% Increase QoQ

Deal activity in the U.S. (\$ in millions)



Median deal multiples in the U.S.

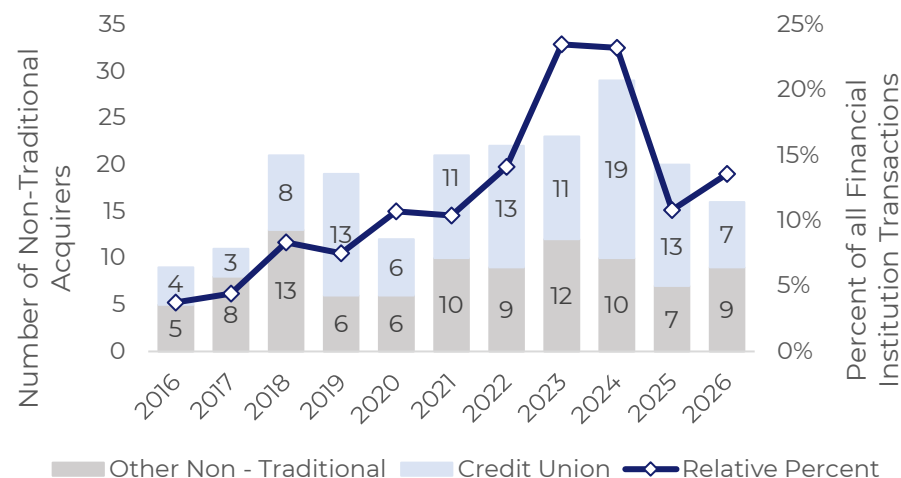


Source: S&P Capital IQ Pro
Data includes all bank, savings bank and thrift transactions in the U.S. between July 01, 2026, and Sept 30, 2026.

QoQ: Quarter over quarter
P/TBV: Price / tangible book value

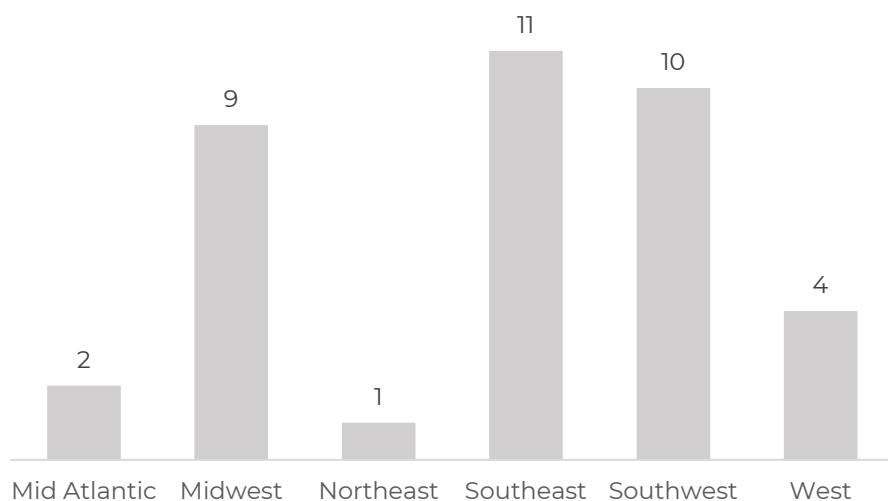
Past performance is not a guarantee of future results.

Nontraditional buyers



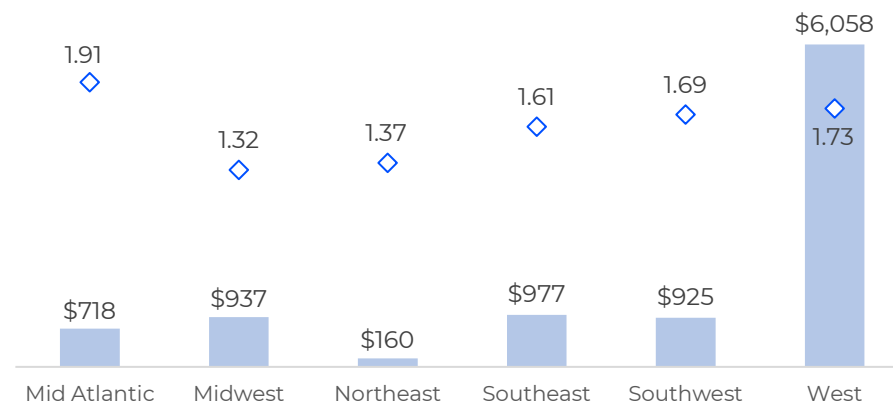
Deal count by region

Q3-2026



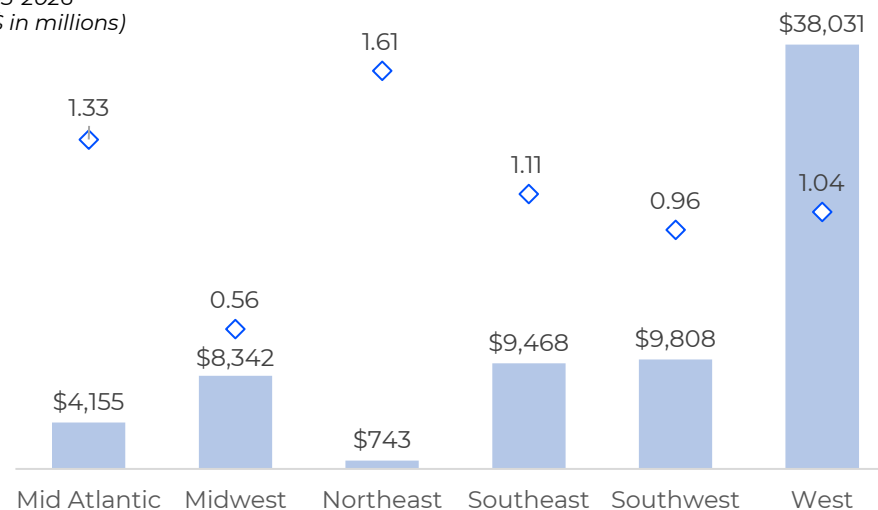
Median price/tangible book vs. deal value by region

Q3-2026
(\$ in millions)



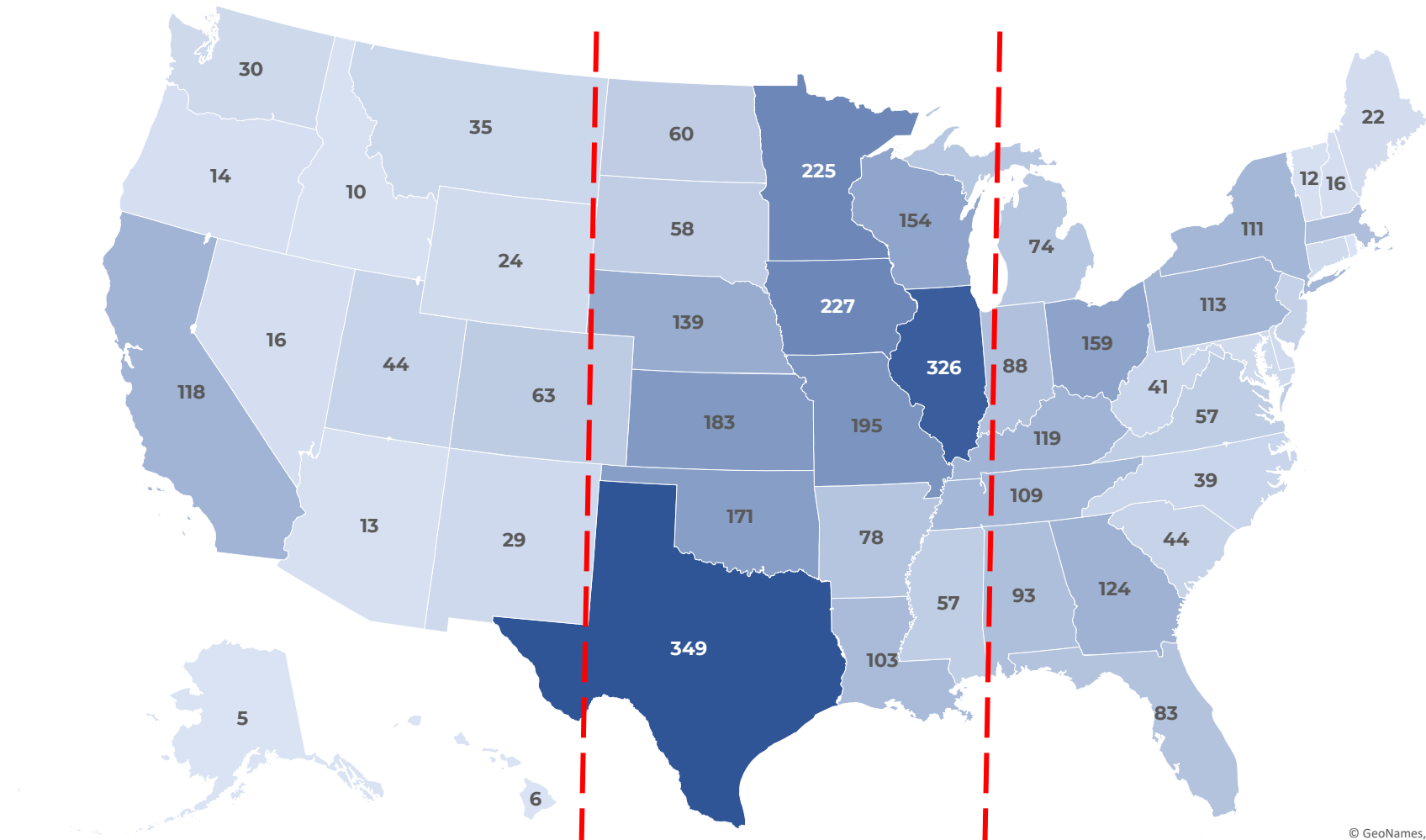
Total tangible assets vs. average ROAA by region

Q3-2026
(\$ in millions)



Approximately 54% of U.S. bank charters are located between the two red lines featured below. In addition, the Midwest comprises 47% of all charters nationwide.

Bank Charters by State⁽¹⁾



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1) Source: FI Navigator as of 6/30/2026
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Q3 2026: Transactions by region

(\$ in thousands)

Date Announced	Buyer Name	Target Name	Target Region	Target State	Total Assets	Deal Value	Deal Value to Earnings	Deal Value to TBV
9/30/2026	Peoples Bancorp Inc.	Capital Bancorp, Inc.	Mid Atlantic	MD	\$3,889,938	\$717.9	12.69x	191.0
9/25/2026	Gulf Winds Credit Union	Peoples Exchange Bank	Southeast	AL	\$0	NA	NA	NA
9/23/2026	WestStar Bank Holding Company, In	Southwest Capital Bank	Southwest	NM	\$0	NA	NA	NA
9/17/2026	Gateway First Bancorp, Inc.	Colonial Savings, FA	Southwest	TX	\$0	NA	NA	NA
9/14/2026	U Bancshares, Inc.	Heritage Community Bank	Southeast	TN	\$0	NA	NA	NA
9/8/2026	John Marshall Bancorp, Inc.	Eagle Financial Services, Inc.	Southeast	VA	\$0	\$256.9	13.50x	132.5
9/8/2026	Chime Financial, Inc.	Central Service Corporation	Southwest	OK	\$1,170	\$592.0	6.35x	191.9
9/7/2026	EverBank Financial Corp	WaFd, Inc.	West	WA	\$443,670	\$3,742.5	NA	NA
9/3/2026	Equity Bancshares, Inc.	Lincoln Bancorp	Midwest	IA	\$17,027	\$122.1	NA	81.0
9/2/2026	First National of Nebraska, Inc.	InBankshares, Corp	Southwest	CO	\$21,149	\$195.5	24.99x	153.3
9/2/2026	Parkside Financial, Inc.	First American Bancorp	Southwest	CO	\$0	NA	NA	NA
9/2/2026	TabaPay, Inc.	Transact Bank, National Association	Southwest	CO	\$0	NA	NA	NA
9/1/2026	Farmers Bancorp Inc.	Lawrence Bancshares, Inc.	Southeast	TN	\$84,134	NA	NA	NA
8/27/2026	First Financial Corporation	First Illinois Corporation	Midwest	IL	\$0	\$111.4	13.06x	135.2
8/26/2026	Security Bancshares Corporation	The State Bank of Wynnewood	Southwest	OK	\$0	NA	NA	NA
8/25/2026	Valley National Bancorp	Providence Financial Corporation	Midwest	IL	\$4,960	\$246.8	NM	151.3
8/25/2026	Gulf Winds Credit Union	Madison County Community Bank	Southeast	FL	\$0	NA	NA	NA
8/25/2026	Southern National Corporation	The Samson Banking Company	Southeast	AL	\$0	NA	NA	NA
8/24/2026	Profinium Financial Holdings, Inc.	F & M Community Bank, National Association	Midwest	MN	\$0	NA	NA	NA

Source: S&P Capital IQ Pro

Data includes all bank and savings banks/thrifts transactions in the U.S. announced between July 01, 2026, and Sept 30, 2026.

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Q3 2026: Transactions by region

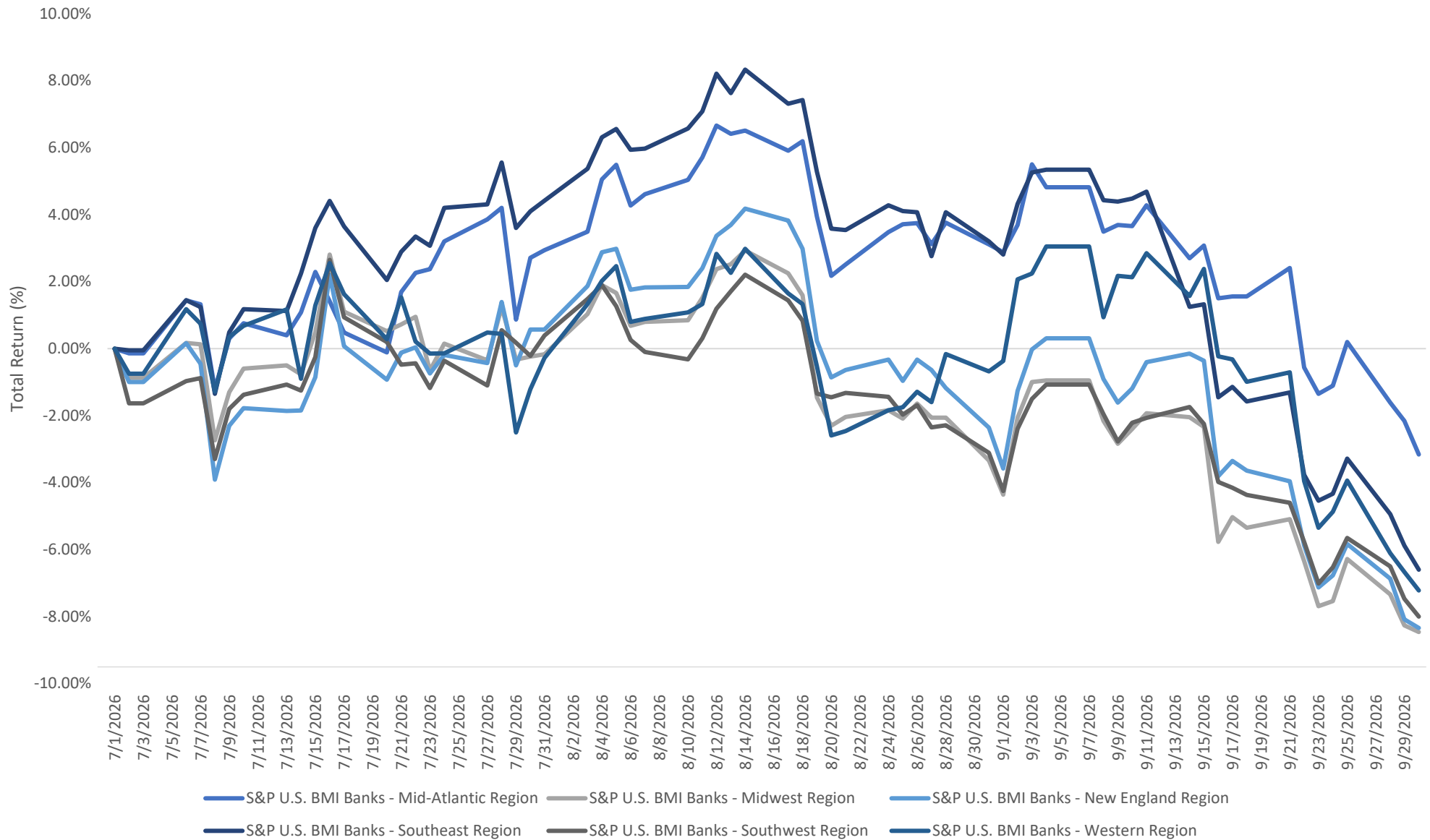
(\$ in thousands)

Date Announced	Buyer Name	Target Name	Target Region	Target State	Total Assets	Deal Value	Deal Value to Earnings	Deal Value to TBV
8/24/2026	Brighton Capital Corporation	Hazlehurst Investors, Inc.	Southeast	GA	\$0	NA	NA	NA
8/20/2026	Pontiac Bancorp, Inc.	Ottawa Bancorp, Inc.	Midwest	IL	\$650	\$45.6	19.78x	108.8
8/17/2026	HomeTrust Bancshares, Inc.	Blue Ridge Bankshares, Inc.	Southeast	VA	\$2,165	\$450.5	42.98x	164.9
8/15/2026	First Financial Bancshares, Inc.	Cottonwood Valley Bank	Midwest	KS	\$0	NA	NA	NA
8/10/2026	HBT Financial, Inc.	Tri-County Financial Group, Inc.	Midwest	IL	\$8,667	\$203.7	12.30x	130.3
7/30/2026	Alma Bank	American Community Bank	Mid Atlantic	NY	\$0	NA	NA	NA
7/28/2026	Peoples Bancshares of TN, Inc.	First Peoples Bancorp, Inc.	Southeast	TN	\$0	NA	NA	NA
7/22/2026	Optus Financial Corporation	M&F Bancorp, Inc.	Southeast	NC	\$0	\$103.2	24.50x	284.9
7/22/2026	Northrim BanCorp, Inc.	PBCO Financial Corporation	West	OR	\$3,650	\$167.3	17.78x	173.4
7/21/2026	First Financial Bancorp.	Finward Bancorp	Midwest	IN	\$23,379	\$207.5	21.10x	134.0
7/21/2026	Gesa Credit Union	Substantially All Assets and Liabilities of Willamette Valley Bank	West	OR	\$0	\$108.8	33.62x	143.7
7/20/2026	Amador Bancshares, Inc.	BBS Corp.	Southwest	NM	\$0	NA	NA	NA
7/17/2026	Future Financial Bankshares, Inc.	Palmer Bancshares, Inc.	Southwest	TX	\$0	NA	NA	NA
7/14/2026	First Bancorp	First Carolina Bancshares Corporation	Southeast	SC	\$0	\$166.2	13.52x	157.6
7/13/2026	First Hawaiian, Inc.	TriCo Bancshares	West	CA	\$308,483	\$2,039.1	15.98x	200.8
7/8/2026	First Gothenburg Bancshares, Inc.	Foundation One Bank	Midwest	NE	\$653	NA	NA	NA
7/6/2026	Hometown Financial Group MHC	Primary Bank	Northeast	NH	\$0	\$160.0	13.77x	137.0
7/2/2026	Bank7 Corp.	Century Financial Services Corporation	Southwest	NM	\$0	\$138.0	11.30x	169.4

Source: S&P Capital IQ Pro

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Banking index overview



S&P U.S. BMI Banks - Western Region: High: 3.05%, Low: (7.22%), Start: 0.00%, End: (7.22%)
 S&P U.S. BMI Banks - Southwest Region: High: 2.65%, Low: (8.00%), Start: 0.00%, End: (8.00%)
 S&P U.S. BMI Banks - Southeast Region: High: 8.33%, Low: (6.60%), Start: 0.00%, End: (6.60%)

S&P U.S. BMI Banks - New England Region: High: 4.18%, Low: (8.34%), Start: 0.00%, End: (8.34%)
 S&P U.S. BMI Banks - Midwest Region: High: 2.93%, Low: (8.46%), Start: 0.00%, End: (8.46%)
 S&P U.S. BMI Banks - Mid-Atlantic Region: High: 6.66%, Low: (3.16%), Start: 0.00%, End: (3.16%)

Source: S&P Capital IQ Pro
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Select WCF Transactions

 Has agreed to be acquired by Cherry Bancorporation, Inc. WCF Advisors is Acting as the Exclusive Sell-Side M&A Advisor to First State Bank of Van Orin	 Acquired by Jewel Box Financial Services, Inc. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to American Bank of Beaver Dam	 Acquired by Prime Banc Corp. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Community Bank of Trenton	 Acquired by Lake Central Financial WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to State Bank of Danvers	 Acquired by Lake Shore III Corporation WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Headwaters State Bank	 Acquired by Eureka Savings Bank WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Wenona State Bank	 Acquired by Nicolet Bankshares, Inc. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Advantage Community	 Acquired by Private Investor Group WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Waterman State Bank
Currently engaged Community Bank in the Midwest looking for a strategic partner WCF Advisors is Acting as the Exclusive Sell-Side M&A Advisor to Undisclosed Bank	 Has agreed to be Acquired by Zeal Credit Union WCF Advisors is Acting as the Exclusive Sell-Side M&A Advisor to Miners State Bank	 Acquired by PSB Financial Shares, Inc. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to First Community Bank	 Acquired by Time Federal Savings Bank WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to River Cities Bank	 Acquired by First State Bancshares, Inc. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Pioneer Bank	 Acquired by PF Investors, Inc. WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Pigeon Falls State Bank	 Acquired by Superior Choice Credit Union WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Dairyland State Bank	 Acquired by Private Investor Group WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Anchor State Bank

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