

Fox Chase Bancorp a Sandler ‘Sm-all Star’



Jeff Blumenthal, Philadelphia Business Journal

Fox Chase Bancorp was named to investment bank Sandler O’Neill’s annual list of the top 30 performing small-cap banks and thrifts in the nation, which it calls Sm-All Stars. The list comes from all 509 publicly traded banks and thrifts with a market cap of less than \$2 billion, from which Sandler selected top performers based on eight financial variables dealing with growth, profitability, credit quality, and capital strength: EPS; loans; deposits; return on average equity; nonperforming assets to loans plus OREO ratio; net charge-off ratio; reserve to nonperforming assets ratio; and Tier 1 risk-based capital ratio as an indication of capital levels.

“By identifying this group, we hope to provide investors with a narrow list from which to uncover the next crop of leading mid-cap banks and thrifts and, most important, expose them before they are discovered by the rest of the world,” Sandler O’Neill said.

Fox Chase was the only local bank on the list. Sandler notes that in previous years, most members of the list came from growth states — 24 percent of past members came from California alone. But this year, most members are from Mid-Atlantic states like New York and New Jersey where the local economies have held up better than in other parts of the country.

Fox Chase performed well above the median numbers recorded by banks around the country. Non-performing assets as a percentage of loans was 1.22 percent in the past 12 months compared to the median of 3.05 from the 509 banks evaluated. Fox Chase’s deposit growth was 44.8 percent compared to the 8.4 percent median. Loan growth was 19.4 percent compared to the 2.6 percent median. Earnings per share growth was 10 percent compared to a median of 26.2 percent. Net charge offs as a percentage of loans was 0.03 percent compared to the median of 0.61 percent.

Hatboro-based Fox Chase has a market capitalization of \$129.8 million and 11 offices with 142 total employees. It was a privately held thrift since its inception in 1867 until it held a public offering three years ago for 43 percent of the bank’s shares. That created the mutual holding company Fox Chase Bancorp. Since that time the bank’s assets have grown from \$736 million to \$1.2 billion. Earlier this summer, Fox Chase entered the middle-market lending arena with the addition of four lenders from Sovereign Bank.