BankUnited, Inc.
Form 10-Q
August 07, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission File Number: 001-35039

BankUnited, Inc.
(Exact name of registrant as specified in its charter)

Delaware	27-0162450
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
14817 Oak Lane, Miami Lakes, FL	33016
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (305) 569-2000
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý	Accelerated filer o
Non-accelerated filer o	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ý
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	August 5, 2015
Common Stock, $0.01 Par Value	103,471,446

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BANKUNITED, INC.
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For the Quarter Ended June 30, 2015
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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements
BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - UNAUDITED
(In thousands, except share and per share data)

	June 30, 2015	December 31, 2014
ASSETS		
Cash and due from banks:		
Non-interest bearing	$40,576	$46,268
Interest bearing	30,422	33,979
Interest bearing deposits at Federal Reserve Bank	91,649	100,596
Federal funds sold	2,213	6,674
Cash and cash equivalents	164,860	187,517
Investment securities available for sale, at fair value	4,797,700	4,585,694
Investment securities held to maturity	10,000	10,000
Non-marketable equity securities	203,070	191,674
Loans held for sale	61,212	1,399
Loans (including covered loans of $916,071 and $1,043,864)	14,326,993	12,414,769
Allowance for loan and lease losses	(107,385)	(95,542)
Loans, net	14,219,608	12,319,227
FDIC indemnification asset	859,972	974,704
Bank owned life insurance	224,642	215,065
Equipment under operating lease, net	418,253	314,558
Other real estate owned (including covered OREO of $8,739 and $13,645)	9,414	13,780
Deferred tax asset, net	83,277	117,215
Goodwill and other intangible assets	78,511	68,414
Other assets	271,274	211,282
Total assets	$21,401,793	$19,210,529
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Demand deposits:		
Non-interest bearing	$2,679,779	$2,714,127
Interest bearing	1,372,116	899,696
Savings and money market	6,860,411	5,896,007
Time	4,334,385	4,001,925
Total deposits	15,246,691	13,511,755
Federal Home Loan Bank advances and other borrowings	3,743,697	3,318,559
Other liabilities	265,070	327,681
Total liabilities	19,255,458	17,157,995
Commitments and contingencies		
Stockholders' equity:		
Common stock, par value $0.01 per share, 400,000,000 shares authorized; 103,475,912 and 101,656,702 shares issued and outstanding	1,035	1,017
Paid-in capital	1,394,103	1,353,538
Retained earnings	700,063	651,627

Accumulated other comprehensive income	51,134	46,352
Total stockholders' equity	2,146,335	2,052,534
Total liabilities and stockholders' equity	$21,401,793	$19,210,529

The accompanying notes are an integral part of these consolidated financial statements.
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BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME - UNAUDITED
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Interest income:				
Loans	$184,010	$164,184	$355,389	$327,967
Investment securities	26,284	25,741	54,504	50,567
Other	2,340	1,808	4,623	3,761
Total interest income	212,634	191,733	414,516	382,295
Interest expense:				
Deposits	21,855	17,467	41,859	33,562
Borrowings	9,801	8,388	18,951	16,391
Total interest expense	31,656	25,855	60,810	49,953
Net interest income before provision for loan losses	180,978	165,878	353,706	332,342
Provision for (recovery of) loan losses (including $45, $897, $(406) and $1,693 for covered loans)	8,421	7,192	16,568	15,595
Net interest income after provision for loan losses	172,557	158,686	337,138	316,747
Non-interest income:				
Income from resolution of covered assets, net	13,743	12,170	28,897	25,231
Net loss on FDIC indemnification	(16,771)	(5,896)	(37,036)	(22,800)
FDIC reimbursement of costs of resolution of covered assets	—	1,112	707	2,240
Service charges and fees	4,492	4,186	8,943	8,191
Gain (loss) on sale of loans, net (including gain (loss) related to covered loans of $7,417, $(366), $17,423 and $18,928)	8,223	(9)	18,389	19,323
Gain on investment securities available for sale, net	1,128	—	3,150	361
Lease financing	7,044	4,692	13,281	8,563
Other non-interest income	3,199	4,223	5,468	9,559
Total non-interest income	21,058	20,478	41,799	50,668
Non-interest expense:				
Employee compensation and benefits	51,845	49,556	101,324	99,005
Occupancy and equipment	18,934	17,496	37,104	34,463
Amortization of FDIC indemnification asset	26,460	15,194	48,465	30,935
Other real estate owned expense, net (including loss (gain) related to covered OREO of $222, $218, $693 and $(2,589))	1,053	1,726	2,277	29
Deposit insurance expense	3,163	2,311	6,081	4,563
Professional fees	2,680	3,127	5,978	6,557
Telecommunications and data processing	3,345	3,266	6,816	6,573
Other non-interest expense	15,968	13,944	29,547	26,956
Total non-interest expense	123,448	106,620	237,592	209,081
Income before income taxes	70,167	72,544	141,345	158,334
Provision for income taxes	23,530	24,001	48,251	54,520
Net income	$46,637	$48,543	$93,094	$103,814
Earnings per common share, basic (see Note 2)	$0.44	$0.46	$0.88	$0.99
Earnings per common share, diluted (see Note 2)	$0.43	$0.46	$0.87	$0.99
Cash dividends declared per common share	$0.21	$0.21	$0.42	$0.42

The accompanying notes are an integral part of these consolidated financial statements.

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BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME - UNAUDITED
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Net income	$46,637	$48,543	$93,094	$103,814
Other comprehensive income, net of tax:				
Unrealized gains on investment securities available for sale:				
Net unrealized holding gain (loss) arising during the period	(11,142)	8,022	1,845	21,433
Reclassification adjustment for net securities gains realized in income	(683)	—	(1,906)	(222)
Net change in unrealized gains on securities available for sale	(11,825)	8,022	(61)	21,211
Unrealized losses on derivative instruments:				
Net unrealized holding gain (loss) arising during the period	9,640	(7,939)	(3,067)	(12,515)
Reclassification adjustment for net losses realized in income	3,891	4,089	7,910	8,112
Net change in unrealized losses on derivative instruments	13,531	(3,850)	4,843	(4,403)
Other comprehensive income	1,706	4,172	4,782	16,808
Comprehensive income	$48,343	$52,715	$97,876	$120,622

The accompanying notes are an integral part of these consolidated financial statements.

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BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED
(In thousands)

	Six Months Ended June 30, 2015	2014
Cash flows from operating activities:		
Net income	$93,094	$103,814
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Amortization and accretion, net	(83,758)	(138,373)
Provision for loan losses	16,568	15,595
Income from resolution of covered assets, net	(28,897)	(25,231)
Net loss on FDIC indemnification	37,036	22,800
Gain on sale of loans, net	(18,389)	(19,323)
Increase in cash surrender value of bank owned life insurance	(1,877)	(1,659)
Gain on investment securities available for sale, net	(3,150)	(361)
(Gain) loss on other real estate owned	693	(2,459)
Equity based compensation	7,224	7,274
Depreciation and amortization	19,477	14,931
Deferred income taxes	33,124	(18,504)
Proceeds from sale of loans held for sale	73,358	10,296
Loans originated for sale, net of repayments	(51,364)	(11,407)
Realized tax benefits from dividend equivalents and equity based compensation	(208)	(980)
Other:		
Increase in other assets	(20,116)	(13,434)
Increase in other liabilities	3,433	5,506
Net cash provided by (used in) operating activities	76,248	(51,515)
Cash flows from investing activities:		
Net cash paid in business combination	(277,553)	—
Purchase of investment securities	(1,071,655)	(636,547)
Proceeds from repayments and calls of investment securities available for sale	284,891	159,147
Proceeds from sale of investment securities available for sale	474,914	119,824
Purchase of non-marketable equity securities	(68,359)	(32,850)
Proceeds from redemption of non-marketable equity securities	56,963	21,142
Purchases of loans	(435,433)	(379,340)
Loan originations, repayments and resolutions, net	(1,227,595)	(1,391,119)
Proceeds from sale of loans, net	98,611	490,462
Decrease in FDIC indemnification asset for claims filed	29,079	66,704
Purchase of premises and equipment, net	(16,025)	(12,693)
Acquisition of equipment under operating lease	(111,136)	(14,461)
Proceeds from sale of other real estate owned	9,764	37,325
Other investing activities	(11,481)	(5,297)
Net cash used in investing activities	(2,265,015)	(1,577,703)

(Continued)

The accompanying notes are an integral part of these consolidated financial statements.

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BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)

	Six Months Ended June 30, 2015	2014
Cash flows from financing activities:		
Net increase in deposits	1,734,942	1,504,310
Additions to Federal Home Loan Bank advances and other borrowings	3,230,000	1,915,162
Repayments of Federal Home Loan Bank advances and other borrowings	(2,805,918)	(1,640,794)
Dividends paid	(44,288)	(43,791)
Realized tax benefits from dividend equivalents and equity based compensation	208	980
Exercise of stock options	33,151	914
Other financing activities	18,015	18,838
Net cash provided by financing activities	2,166,110	1,755,619
Net increase (decrease) in cash and cash equivalents	(22,657)	126,401
Cash and cash equivalents, beginning of period	187,517	252,749
Cash and cash equivalents, end of period	$164,860	$379,150
Supplemental disclosure of cash flow information:		
Interest paid	$56,772	$46,559
Income taxes paid	$19,159	$70,755
Supplemental schedule of non-cash investing and financing activities:		
Transfers from loans to other real estate owned	$6,091	$15,311
Disbursement of loan proceeds from escrow	$—	$52,500
Dividends declared, not paid	$22,338	$21,958
Unsettled purchases of investment securities available for sale	$25,249	$65,948
Acquisition of assets under capital lease	$—	$9,035

The accompanying notes are an integral part of these consolidated financial statements.

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BANKUNITED, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY - UNAUDITED
(In thousands, except share data)

	Common Shares Outstanding	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance at December 31, 2014	101,656,702	$1,017	$1,353,538	$651,627	$46,352	$2,052,534
Comprehensive income	—	—	—	93,094	4,782	97,876
Dividends	—	—	—	(44,658)	—	(44,658)
Equity based compensation	605,115	6	7,218	—	—	7,224
Forfeiture of unvested shares	(35,240)	—	—	—	—	—
Exercise of stock options	1,249,335	12	33,139	—	—	33,151
Tax benefits from dividend equivalents and equity based compensation	—	—	208	—	—	208
Balance at June 30, 2015	103,475,912	$1,035	$1,394,103	$700,063	$51,134	$2,146,335
Balance at December 31, 2013	101,013,014	$1,010	$1,334,945	$535,263	$57,480	$1,928,698
Comprehensive income	—	—	—	103,814	16,808	120,622
Dividends	—	—	—	(43,916)	—	(43,916)
Equity based compensation	634,180	6	7,268	—	—	7,274
Forfeiture of unvested shares	(51,220)	—	—	—	—	—
Exercise of stock options	54,883	1	913	—	—	914
Tax benefits from dividend equivalents and equity based compensation	—	—	980	—	—	980
Balance at June 30, 2014	101,650,857	$1,017	$1,344,106	$595,161	$74,288	$2,014,572

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 Basis of Presentation and Summary of Significant Accounting Policies

BankUnited, Inc. ("BankUnited, Inc." or "BKU"), is a national bank holding company with one wholly-owned subsidiary, BankUnited, National Association ("BankUnited" or the "Bank"), collectively, the Company. BankUnited, a national banking association headquartered in Miami Lakes, Florida, provides a full range of banking and related services to individual and corporate customers through 99 branches located in 15 Florida counties and 6 banking centers located in the New York metropolitan area at June 30, 2015.

On May 21, 2009, BankUnited acquired substantially all of the assets and assumed all of the non-brokered deposits and substantially all of the other liabilities of BankUnited, FSB from the Federal Deposit Insurance Corporation ("FDIC") in a transaction referred to as the "FSB Acquisition." Neither the Company nor the Bank had any substantive operations prior to May 21, 2009. In connection with the FSB Acquisition, BankUnited entered into two loss sharing agreements with the FDIC (the "Loss Sharing Agreements"). The Loss Sharing Agreements consist of a single family shared-loss agreement (the "Single Family Shared-Loss Agreement"), and a commercial and other loans shared-loss agreement, (the "Commercial Shared-Loss Agreement"). The Single Family Shared-Loss Agreement provides for FDIC loss sharing and the Bank's reimbursement for recoveries to the FDIC through May 21, 2019 for single family residential loans and other real estate owned ("OREO"). Loss sharing under the Commercial Shared-Loss Agreement terminated on May 21, 2014. The Commercial Shared-Loss Agreement continues to provide for the Bank's reimbursement of recoveries to the FDIC through May 21, 2017 for all other covered assets, including commercial real estate, commercial and industrial and consumer loans, certain investment securities and commercial OREO. Gains realized on the sale of formerly covered investment securities are included in recoveries subject to reimbursement. The assets covered under the Loss Sharing Agreements are collectively referred to as the "covered assets." Pursuant to the terms of the Loss Sharing Agreements, the covered assets are subject to a stated loss threshold whereby the FDIC will reimburse BankUnited for 80% of losses related to the covered assets up to $4.0 billion and 95% of losses in excess of this amount, beginning with the first dollar of loss incurred.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission (the "SEC"). Accordingly, they do not include all of the information and footnotes required for a fair presentation of financial position, results of operations and cash flows in conformity with U.S. generally accepted accounting principles ("GAAP") and should be read in conjunction with the Company's consolidated financial statements and the notes thereto appearing in BKU's Annual Report on Form 10-K for the year ended December 31, 2014 filed with the SEC. In the opinion of management, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2015 are not necessarily indicative of the results that may be expected in future periods.

Certain amounts presented for prior periods have been reclassified to conform to the current period presentation.

Accounting Estimates

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosures of contingent assets and liabilities. Actual results could differ significantly from these estimates.

Significant estimates include the allowance for loan and lease losses ("ALLL"), the amount and timing of expected cash flows from covered assets and the FDIC indemnification asset, and the fair values of investment securities, other financial instruments and assets acquired in business combinations. Management has used information provided by third party valuation specialists to assist in the determination of the fair values of investment securities and certain assets acquired in business combinations.

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BANKUNITED, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED
June 30, 2015

Note 2 Earnings Per Common Share

The computation of basic and diluted earnings per common share is presented below for the periods indicated (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
c	2015	2014	2015	2014
Basic earnings per common share:				
Numerator:				
Net income	$46,637	$48,543	$93,094	$103,814
Distributed and undistributed earnings allocated to participating securities	(1,810)	(1,934)	(3,582)	(4,086)
Income allocated to common stockholders for basic earnings per common share	$44,827	$46,609	$89,512	$99,728
Denominator:				
Weighted average common shares outstanding	103,444,183	101,651,265	102,841,376	101,489,190
Less average unvested stock awards	(1,174,496)	(1,205,669)	(1,094,366)	(1,092,262)
Weighted average shares for basic earnings per common share	102,269,687	100,445,596	101,747,010	100,396,928
Basic earnings per common share	$0.44	$0.46	$0.88	$0.99
Diluted earnings per common share:				
Numerator:				
Income allocated to common stockholders for basic earnings per common share	$44,827	$46,609	$89,512	$99,728
Adjustment for earnings reallocated from participating securities	5	4	10	9
Income used in calculating diluted earnings per common share	$44,832	$46,613	$89,522	$99,737
Denominator:				
Weighted average shares for basic earnings per common share	102,269,687	100,445,596	101,747,010	100,396,928
Dilutive effect of stock options	863,380	141,664	763,202	143,066
Weighted average shares for diluted earnings per common share	103,133,067	100,587,260	102,510,212	100,539,994
Diluted earnings per common share	$0.43	$0.46	$0.87	$0.99

The following potentially dilutive securities were outstanding at June 30, 2015 and 2014, but excluded from the calculation of diluted earnings per common share for the periods indicated because their inclusion would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Unvested shares	1,202,969	1,228,067	1,202,969	1,228,067
Stock options and warrants	1,851,376	6,386,424	1,851,376	6,386,424

BANKUNITED, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED
June 30, 2015

Note 3 Investment Securities

Investment securities available for sale consisted of the following at the dates indicated (in thousands):

	June 30, 2015			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	$54,940	$308	$—	$55,248
U.S. Government agency and sponsored enterprise residential mortgage-backed securities	1,353,079	31,391	(2,461)	1,382,009
U.S. Government agency and sponsored enterprise commercial mortgage-backed securities	100,639	708	(1)	101,346
Resecuritized real estate mortgage investment conduits (“Re-Remics”)	135,525	2,623	—	138,148
Private label residential mortgage-backed securities and collateralized mortgage obligations ("CMOs")	679,743	50,744	(2,963)	727,524
Private label commercial mortgage-backed securities	986,538	11,850	(1,272)	997,116
Single family rental real estate-backed securities	555,445	261	(3,802)	551,904
Collateralized loan obligations	309,602	1,104	(100)	310,606
Non-mortgage asset-backed securities	81,513	3,448	—	84,961
Preferred stocks	75,895	8,587	—	84,482
State and municipal obligations	96,868	262	(435)	96,695
Small Business Administration ("SBA") securities	251,700	7,726	(66)	259,360
Other debt securities	3,783	4,518	—	8,301
	$4,685,270	$123,530	$(11,100)	$4,797,700

	December 31, 2014			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	$54,924	$43	$—	$54,967
U.S. Government agency and sponsored enterprise residential mortgage-backed securities	1,501,504	29,613	(6,401)	1,524,716
U.S. Government agency and sponsored enterprise commercial mortgage-backed securities	101,089	769	—	101,858
Re-Remics	179,664	3,613	(5)	183,272
Private label residential mortgage-backed securities and CMOs	350,300	54,222	(543)	403,979
Private label commercial mortgage-backed securities	1,156,166	10,254	(4,935)	1,161,485
Single family rental real estate-backed securities	446,079	468	(3,530)	443,017
Collateralized loan obligations	174,767	—	(435)	174,332
Non-mortgage asset-backed securities	96,250	3,824	(6)	100,068
Preferred stocks	96,294	9,148	—	105,442
State and municipal obligations	15,317	385	—	15,702
SBA securities	298,424	10,540	(236)	308,728
Other debt securities	3,712	4,416	—	8,128
	$4,474,490	$127,295	$(16,091)	$4,585,694

Investment securities held to maturity at June 30, 2015 and December 31, 2014 consisted of one State of Israel bond with a carrying value of $10 million. Fair value approximated carrying value at June 30, 2015 and December 31, 2014. The bond matures in 2024.

At June 30, 2015, contractual maturities of investment securities available for sale, adjusted for anticipated prepayments of mortgage-backed and other pass-through securities, were as follows (in thousands):

	Amortized Cost	Fair Value
Due in one year or less	$497,286	$511,266
Due after one year through five years	2,583,970	2,630,865
Due after five years through ten years	1,176,355	1,202,951
Due after ten years	351,764	368,136
Preferred stocks with no stated maturity	75,895	84,482
	$4,685,270	$4,797,700

Based on the Company’s proprietary assumptions, the estimated weighted average life of the investment portfolio as of June 30, 2015 was 3.6 years. The effective duration of the investment portfolio as of June 30, 2015 was 1.4 years. The model results are based on assumptions that may differ from actual results.

The carrying value of securities pledged as collateral for Federal Home Loan Bank ("FHLB") advances, public deposits, interest rate swaps and to secure borrowing capacity at the Federal Reserve Bank ("FRB") totaled $1.0 billion at June 30, 2015 and December 31, 2014.

The following table provides information about gains and losses on investment securities available for sale for the periods indicated (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Proceeds from sale of investment securities available for sale	$139,997	$—	$474,914	$119,824
Gross realized gains	$1,128	$—	$3,625	$1,280
Gross realized losses	—	—	(475)	(919)
Gain on investment securities available for sale, net	$1,128	$—	$3,150	$361

The following tables present the aggregate fair value and the aggregate amount by which amortized cost exceeded fair value for investment securities in unrealized loss positions, aggregated by investment category and length of time that individual securities had been in continuous unrealized loss positions at the dates indicated (in thousands):

	June 30, 2015					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Government agency and sponsored enterprise residential mortgage-backed securities	$10,087	$(58)	$261,622	$(2,403)	$271,709	$(2,461)
U.S. Government agency and sponsored enterprise commercial mortgage-backed securities	241	(1)	—	—	241	(1)
Private label residential mortgage-backed securities and CMOs	240,416	(2,434)	12,131	(529)	252,547	(2,963)
Private label commercial mortgage-backed securities	257,350	(929)	62,825	(343)	320,175	(1,272)
Single family rental real estate-backed securities	470,999	(3,802)	—	—	470,999	(3,802)
Collateralized loan obligations	49,900	(100)	—	—	49,900	(100)
State and municipal obligations	67,720	(435)	—	—	67,720	(435)
SBA securities	26,686	(66)	—	—	26,686	(66)
	$1,123,399	$(7,825)	$336,578	$(3,275)	$1,459,977	$(11,100)

	December 31, 2014					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Government agency and sponsored enterprise residential mortgage-backed securities	$7,058	$(34)	$300,057	$(6,367)	$307,115	$(6,401)
Re-Remics	—	—	335	(5)	335	(5)
Private label residential mortgage-backed securities and CMOs	60,076	(189)	14,653	(354)	74,729	(543)
Private label commercial mortgage-backed securities	103,900	(1,150)	239,456	(3,785)	343,356	(4,935)
Single family rental real estate-backed securities	233,012	(3,530)	—	—	233,012	(3,530)
Collateralized loan obligations	49,565	(435)	—	—	49,565	(435)
Non-mortgage asset-backed securities	2,796	(6)	—	—	2,796	(6)
SBA securities	49,851	(236)	—	—	49,851	(236)
	$506,258	$(5,580)	$554,501	$(10,511)	$1,060,759	$(16,091)

The Company monitors its investment securities available for sale for other-than-temporary impairment ("OTTI") on an individual security basis. No securities were determined to be other-than-temporarily impaired during the six months ended June 30, 2015 or 2014. The Company does not intend to sell securities that are in significant unrealized loss positions and it is not more likely than not that the Company will be required to sell these securities before recovery of the amortized cost basis, which may be at maturity. At June 30, 2015, 62 securities were in unrealized loss positions. The amount of impairment related to sixteen of these securities was considered insignificant, totaling approximately $120 thousand and no further analysis with respect to these securities was considered necessary. The basis for concluding that impairment of the remaining securities was not other-than-temporary is further described below:

U.S. Government agency and sponsored enterprise residential mortgage-backed securities:

At June 30, 2015, eight U.S. Government agency and sponsored enterprise residential mortgage-backed securities were in unrealized loss positions. The unrealized losses were primarily attributable to an increase in medium and long-term market interest rates subsequent to the date the securities were acquired. The amount of impairment of each of the individual securities was 5% or less of amortized cost. The timely payment of principal and interest on these securities is explicitly or implicitly guaranteed by the U.S. Government. Given the limited severity of impairment and the expectation of timely payment of principal and interest, the impairments were considered to be temporary.

Private label residential mortgage-backed securities and CMOs:

At June 30, 2015, ten private label residential mortgage-backed securities were in unrealized loss positions. The unrealized losses were primarily due to widening credit spreads and an increase in medium and long-term market rates subsequent to acquisition. These securities were assessed for OTTI using third-party developed credit and prepayment behavioral models and CUSIP level constant default rates, voluntary prepayment rates and loss severity and delinquency assumptions. The results of these assessments were not indicative of credit losses that would result in the Company recovering less than its amortized cost basis related to any of these securities as of June 30, 2015. Given the limited severity of impairment and the expectation of timely recovery of outstanding principal, the impairments were considered to be temporary.

Private label commercial mortgage-backed securities:

At June 30, 2015, ten private label commercial mortgage-backed securities were in unrealized loss positions. The unrealized losses were primarily attributable to an increase in medium and long-term market interest rates subsequent to the date the securities were acquired and widening credit spreads. The amount of impairment of each of the individual securities was less than 1% of amortized cost. These securities were assessed for OTTI using third-party developed models, incorporating assumptions consistent with the collateral characteristics of each security. The results of this analysis were not indicative of expected credit losses. Given the limited severity of impairment and the expectation of timely recovery of outstanding principal, the impairments were considered to be temporary.

Single family rental real estate-backed securities:

At June 30, 2015, twelve single family rental real estate-backed securities were in unrealized loss positions. The unrealized losses were primarily due to widening credit spreads, leading to increased extension risk. The securities had been in unrealized loss positions for less than twelve months and the amount of impairment of each of the individual securities was less than 2% of amortized cost. Management's analysis of the credit characteristics and levels of subordination for each of the securities is not indicative of projected credit losses. Given the limited duration and severity of impairment and the absence of projected credit losses, the impairments were considered to be temporary.

Collateralized loan obligations:

At June 30, 2015, one collateralized loan obligation was in an unrealized loss position, due to widening credit spreads. The amount of impairment was less than 1% of amortized cost. Given the limited severity of impairment and the results of independent analysis of the credit quality of loans underlying the security, the impairment was considered to be temporary.

State and municipal obligations:

At June 30, 2015, four state and municipal obligations were in unrealized loss positions. These securities had been in unrealized loss positions for less than three months and the amount of impairment of each of the individual securities was less than 3% of amortized cost. Given the limited severity and duration of impairment, the impairment was considered to be temporary.

Small Business Administration securities:
At June 30, 2015, one Small Business Administration security was in an unrealized loss position. The amount of impairment was less than 1% of amortized cost. The timely payment of principal and interest on this security is guaranteed by this U.S. Government agency. Given the limited severity of impairment and the expectation of timely payment of principal and interest, the impairment was considered to be temporary.

Note 4 Loans and Allowance for Loan and Lease Losses

The Company's loan portfolio includes loans acquired in the FSB Acquisition. Residential loans acquired in the FSB Acquisition are covered under the Single Family Shared-Loss Agreement (the "covered loans"). Loans acquired in the FSB Acquisition may be further segregated between those acquired with evidence of deterioration in credit quality since origination ("Acquired Credit Impaired" or "ACI" loans) and those acquired without evidence of deterioration in credit quality since origination ("non-ACI" loans). Loans originated or purchased by the Company subsequent to the FSB Acquisition are referred to as "New Loans."

Loans consisted of the following at the dates indicated (dollars in thousands):

	June 30, 2015					
	Non-Covered Loans		Covered Loans			Percent of
	New Loans	ACI	ACI	Non-ACI	Total	Total
Residential:						
1-4 single family residential	$2,736,406	$—	$785,216	$50,530	$3,572,152	25.0 %
Home equity loans and lines of credit	2,198	—	8,050	81,397	91,645	0.6 %
	2,738,604	—	793,266	131,927	3,663,797	25.6 %
Commercial:						
Multi-family	2,759,002	24,699	—	—	2,783,701	19.5 %
Commercial real estate						
Owner occupied	1,187,857	23,551	—	—	1,211,408	8.5 %
Non-owner occupied	2,105,622	25,739	—	—	2,131,361	14.9 %
Construction and land	253,208	2,008	—	—	255,216	1.8 %
Commercial and industrial	2,578,351	1,165	—	—	2,579,516	18.1 %
Commercial finance subsidiaries	1,632,415	—	—	—	1,632,415	11.4 %
	10,516,455	77,162	—	—	10,593,617	74.2 %
Consumer	32,372	12	—	—	32,384	0.2 %
Total loans	13,287,431	77,174	793,266	131,927	14,289,798	100.0 %
Premiums, discounts and deferred fees and costs, net	46,317	—	—	(9,122)	37,195	
Loans including premiums, discounts and deferred fees and costs	13,333,748	77,174	793,266	122,805	14,326,993	
Allowance for loan and lease losses	(104,815)	—	—	(2,570)	(107,385)	
Loans, net	$13,228,933	$77,174	$793,266	$120,235	$14,219,608	

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	December 31, 2014					
	Non-Covered Loans		Covered Loans			Percent of
	New Loans	ACI	ACI	Non-ACI	Total	Total
Residential:						
1-4 single family residential	$2,486,272	$—	$874,522	$56,138	$3,416,932	27.6 %
Home equity loans and lines of credit	1,827	—	22,657	101,142	125,626	1.0 %
	2,488,099	—	897,179	157,280	3,542,558	28.6 %
Commercial:						
Multi-family	1,927,225	24,964	—	—	1,952,189	15.8 %
Commercial real estate						
Owner occupied	1,008,930	34,440	—	—	1,043,370	8.4 %
Non-owner occupied	1,753,317	30,762	—	—	1,784,079	14.4 %
Construction and land	167,713	2,007	—	—	169,720	1.4 %
Commercial and industrial	2,402,064	1,229	—	—	2,403,293	19.4 %
Commercial finance subsidiaries	1,456,751	—	—	—	1,456,751	11.8 %
	8,716,000	93,402	—	—	8,809,402	71.2 %
Consumer	26,293	14	—	—	26,307	0.2 %
Total loans	11,230,392	93,416	897,179	157,280	12,378,267	100.0 %
Premiums, discounts and deferred fees and costs, net	47,097	—	—	(10,595)	36,502	
Loans including premiums, discounts and deferred fees and costs	11,277,489	93,416	897,179	146,685	12,414,769	
Allowance for loan and lease losses	(91,350)	—	—	(4,192)	(95,542)	
Loans, net	$11,186,139	$93,416	$897,179	$142,493	$12,319,227	

Through three subsidiaries, the Bank provides commercial and municipal equipment financing utilizing both loan and lease structures. At June 30, 2015 and December 31, 2014, the commercial finance subsidiaries portfolio included a net investment in direct financing leases of $447 million and $458 million, respectively.

During the three and six months ended June 30, 2015 and 2014, the Company purchased 1-4 single family residential loans totaling $266 million, $435 million, $200 million and $379 million, respectively.

At June 30, 2015, the Company had pledged real estate loans with UPB of approximately $7.9 billion and recorded investment of approximately $6.7 billion as security for FHLB advances.

At June 30, 2015 and December 31, 2014, the UPB of ACI loans was $2.3 billion and $2.6 billion, respectively. The accretable yield on ACI loans represents the amount by which undiscounted expected future cash flows exceed recorded investment. Changes in the accretable yield on ACI loans for the six months ended June 30, 2015 and the year ended December 31, 2014 were as follows (in thousands):

Balance, December 31, 2013	$1,158,572
Reclassifications from non-accretable difference	185,604
Accretion	(338,864)
Balance, December 31, 2014	1,005,312
Reclassifications from non-accretable difference	45,235
Accretion	(143,766)
Balance, June 30, 2015	$906,781

Loan sales

During the periods indicated, the Company sold covered residential loans to third parties on a non-recourse basis. The following table summarizes the impact of these transactions (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
UPB of loans sold	$62,708	$64,081	$118,121	$134,269
Cash proceeds, net of transaction costs	$50,916	$40,550	$98,611	$86,447
Recorded investment in loans sold	43,499	33,835	81,188	69,922
Net pre-tax impact on earnings, excluding gain (loss) on FDIC indemnification	$7,417	$6,715	$17,423	$16,525
Gain (loss) on sale of covered loans, net	$7,417	$(366)	$17,423	$957
Proceeds recorded in interest income	—	7,081	—	15,568
	$7,417	$6,715	$17,423	$16,525
Gain (loss) on FDIC indemnification, net	$(5,928)	$1,565	$(14,046)	$1,245

For the three and six months ended June 30, 2014, covered 1-4 single family residential loans with UPB of $13 million and $29 million were sold from a pool of ACI loans with a zero carrying value. Proceeds of the sale of loans from this pool, representing realization of accretable yield, were recorded in interest income. The gain or loss on the sale of loans from the remaining pools, representing the difference between the recorded investment and consideration received, was recorded in “Gain (loss) on sale of loans, net” in the accompanying consolidated statements of income.

During the six months ended June 30, 2014, in accordance with the terms of the Commercial Shared-Loss Agreement, the Bank requested and received approval from the FDIC to sell certain covered commercial and consumer loans. These loans were transferred to loans held for sale at the lower of carrying value or fair value, determined at the individual loan level, upon receipt of FDIC approval and sold in March 2014. The reduction of carrying value to fair value for specific loans was recognized in the provision for loan losses. The following table summarizes the pre-tax impact of these sales, as reflected in the consolidated statements of income for the six months ended June 30, 2014 (in thousands):

Cash proceeds, net of transaction costs	$101,023
Carrying value of loans transferred to loans held for sale	86,521
Provision for loan losses recorded upon transfer to loans held for sale	(3,469)
Recorded investment in loans sold	83,052
Gain on sale of covered loans	$17,971
Loss on FDIC indemnification	$(2,085)

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During the three months ended June 30, 2014, the Company made the decision to terminate its indirect auto lending activities and sold indirect auto loans with a recorded investment of $302.8 million. The total impact of this transaction on pre-tax earnings was not material.

Allowance for loan and lease losses

Activity in the ALLL is summarized as follows for the periods indicated (in thousands):

	Three Months Ended June 30,							
	2015				2014			
	Residential	Commercial	Consumer	Total	Residential	Commercial	Consumer	Total
Beginning balance	$13,202	$86,446	$188	$99,836	$13,929	$52,991	$3,108	$70,028
Provision for (recovery of) loan losses:						14		
ACI loans	—	—	—	—	—	14	—	14
Non-ACI loans	62	(17)	—	45	999	(116)	—	883
New loans	781	7,604	(9)	8,376	265	8,301	(2,271)	6,295
Total provision	843	7,587	(9)	8,421	1,264	8,199	(2,271)	7,192
Charge-offs:								
ACI loans	—	—	—	—	—	(14)	—	(14)
Non-ACI loans	(630)	—	—	(630)	(911)	—	—	(911)
New loans	—	(884)	—	(884)	—	(631)	(547)	(1,178)
Total charge-offs	(630)	(884)	—	(1,514)	(911)	(645)	(547)	(2,103)
Recoveries:								
Non-ACI loans	14	17	—	31	3	—	—	3
New loans	—	591	20	611	—	150	201	351
Total recoveries	14	608	20	642	3	150	201	354
Ending balance	$13,429	$93,757	$199	$107,385	$14,285	$60,695	$491	$75,471

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	Six Months Ended June 30,							
	2015				2014			
	Residential	Commercial	Consumer	Total	Residential	Commercial	Consumer	Total
Beginning balance	$11,325	$84,027	$190	$95,542	$15,353	$52,185	$2,187	$69,725
Provision for (recovery of) loan losses:								
ACI loans	—	—	—	—	—	1,988	324	2,312
Non-ACI loans	(374)	(32)	—	(406)	(651)	32	—	(619)
New loans	3,726	13,262	(14)	16,974	715	14,334	(1,147)	13,902
Total provision	3,352	13,230	(14)	16,568	64	16,354	(823)	15,595
Charge-offs:								
ACI loans	—	—	—	—	—	(4,881)	(324)	(5,205)
Non-ACI loans	(1,269)	—	—	(1,269)	(1,144)	(490)	—	(1,634)
New loans	—	(4,283)	—	(4,283)	—	(2,817)	(910)	(3,727)
Total charge-offs	(1,269)	(4,283)	—	(5,552)	(1,144)	(8,188)	(1,234)	(10,566)
Recoveries:								
Non-ACI loans	21	32	—	53	12	26	—	38
New loans	—	751	23	774	—	318	361	679
Total recoveries	21	783	23	827	12	344	361	717
Ending balance	$13,429	$93,757	$199	$107,385	$14,285	$60,695	$491	$75,471

The following table presents information about the balance of the ALLL and related loans at the dates indicated (in thousands):

	June 30, 2015				December 31, 2014			
	Residential	Commercial	Consumer	Total	Residential	Commercial	Consumer	Total
Allowance for loan and lease losses:								
Ending balance	$13,429	$93,757	$199	$107,385	$11,325	$84,027	$190	$95,542
Ending balance: non-ACI and new loans individually evaluated for impairment	$764	$9,404	$—	$10,168	$1,083	$6,878	$—	$7,961
Ending balance: non-ACI and new loans collectively evaluated for impairment	$12,665	$84,353	$199	$97,217	$10,242	$77,149	$190	$87,581
Ending balance: ACI	$—	$—	$—	$—	$—	$—	$—	$—
	$2,570	$—	$—	$2,570	$4,192	$—	$—	$4,192

Ending balance: non-ACI								
Ending balance: new loans	$10,859	$93,757	$199	$104,815	$7,133	$84,027	$190	$91,350
Loans:								
Ending balance	$3,695,252	$10,599,453	$32,288	$14,326,993	$3,568,529	$8,819,980	$26,260	$12,414,769
Ending balance: non-ACI and new loans individually evaluated for impairment	$7,905	$57,525	$—	$65,430	$6,406	$28,978	$—	$35,384
Ending balance: non-ACI and new loans collectively evaluated for impairment	$2,894,081	$10,464,766	$32,276	$13,391,123	$2,664,944	$8,697,600	$26,246	$11,388,790
Ending balance: ACI loans	$793,266	$77,162	$12	$870,440	$897,179	$93,402	$14	$990,595

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Credit quality information
New commercial relationships on non-accrual status with internal risk ratings of substandard or doubtful and with committed balances greater than or equal to $750,000 as well as loans that have been modified in troubled debt restructurings (“TDRs”) are individually evaluated for impairment. ACI loans or loan pools are considered to be impaired when there has been further deterioration in the cash flows expected at acquisition plus any additional cash flows expected to be collected arising from changes in estimates after acquisition, other than due to decreases in interest rate indices and changes in prepayment assumptions. Discount continues to be accreted on ACI loans or pools as long as there are expected future cash flows in excess of the current carrying amount; therefore, these loans are not classified as non-accrual even though they may be contractually delinquent. ACI 1-4 single family residential and home equity loans accounted for in pools are evaluated for impairment on a pool basis and the amount of any impairment is measured based on the expected aggregate cash flows of the pools. ACI commercial and commercial real estate loans are evaluated individually for impairment.
The tables below present information about new and non-ACI loans identified as impaired as of the dates indicated (in thousands):

	June 30, 2015			December 31, 2014		
	Recorded Investment	UPB	Related Specific Allowance	Recorded Investment	UPB	Related Specific Allowance
New loans:						
With no specific allowance recorded:						
1-4 single family residential	$110	$104	$—	$—	$—	$—
Commercial real estate						
Owner occupied	5,781	5,601	—	2,984	2,961	—
Non-owner occupied	—	—	—	1,326	1,326	—
Commercial and industrial	3,459	3,455	—	4,830	4,826	—
Commercial finance subsidiaries	8,937	8,635	—	1,790	1,790	—
With a specific allowance recorded:						
Commercial and industrial	26,317	26,317	4,571	11,152	11,157	4,054
Commercial finance subsidiaries	13,031	12,984	4,833	6,896	6,896	2,824
Total:						
Residential	$110	$104	$—	$—	$—	$—
Commercial	57,525	56,992	9,404	28,978	28,956	6,878
	$57,635	$57,096	$9,404	$28,978	$28,956	$6,878
Non-ACI loans:						
With no specific allowance recorded:						
1-4 single family residential	$422	$499	$—	$358	$426	$—
Home equity loans and lines of credit	1,621	1,648	—	1,621	1,647	—
With a specific allowance recorded:						
1-4 single family residential	3,084	3,646	560	3,493	4,158	945
Home equity loans and lines of credit	2,668	2,713	204	934	949	138
Total:						
Residential	$7,795	$8,506	$764	$6,406	$7,180	$1,083
Commercial	—	—	—	—	—	—
	$7,795	$8,506	$764	$6,406	$7,180	$1,083

One non-owner occupied commercial real estate ACI loan with a carrying value of $506 thousand was impaired as of June 30, 2015. Interest income recognized on impaired loans after impairment was not significant during the periods presented.

The following table presents the average recorded investment in impaired loans for the periods indicated (in thousands):

	Three Months Ended June 30,					
	2015			2014		
	New Loans	Non-ACI Loans	ACI Loans	New Loans	Non-ACI Loans	ACI Loans
Residential:						
1-4 single family residential	$110	$3,681	$—	$—	$3,695	$—
Home equity loans and lines of credit	—	4,032	—	—	2,515	—
	110	7,713	—	—	6,210	—
Commercial:						
Commercial real estate						
Owner occupied	4,764	—	—	3,485	—	—
Non-owner occupied	649	—	508	1,400	—	—
Commercial and industrial	22,414	—	—	12,222	—	—
Commercial finance subsidiaries	20,272	—	—	1,179	—	—
	48,099	—	508	18,286	—	—
	$48,209	$7,713	$508	$18,286	$6,210	$—

	Six Months Ended June 30,					
	2015			2014		
	New Loans	Non-ACI Loans	ACI Loans	New Loans	Non-ACI Loans	ACI Loans
Residential:						
1-4 single family residential	$73	$3,738	$—	$—	$3,707	$—
Home equity loans and lines of credit	—	3,539	—	—	2,320	—
	73	7,277	—	—	6,027	—
Commercial:						
Multi-family	—	—	—	—	—	1,159
Commercial real estate						
Owner occupied	4,171	—	—	2,907	—	881
Non-owner occupied	874	—	338	1,414	—	10,940
Construction and land	—	—	—	—	—	751
Commercial and industrial	20,270	—	—	13,497	665	1,311
Commercial finance subsidiaries	16,410	—	—	1,234	—	—
	41,725	—	338	19,052	665	15,042
	$41,798	$7,277	$338	$19,052	$6,692	$15,042

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The following table presents the recorded investment in new and non-ACI loans on non-accrual status as of the dates indicated (in thousands):

	June 30, 2015		December 31, 2014	
	New Loans	Non-ACI Loans	New Loans	Non-ACI Loans
Residential:				
1-4 single family residential	$48	$889	$49	$604
Home equity loans and lines of credit	—	2,299	—	3,808
	48	3,188	49	4,412
Commercial:				
Commercial real estate				
Owner occupied	7,077	—	3,362	—
Non-owner occupied	—	—	1,326	—
Construction and land	—	—	209	—
Commercial and industrial	30,239	—	13,666	—
Commercial finance subsidiaries	22,424	—	9,226	—
	59,740	—	27,789	—
Consumer	9	—	173	—
	$59,797	$3,188	$28,011	$4,412

There were no new and non-ACI loans contractually delinquent by 90 days or more and still accruing at June 30, 2015 or December 31, 2014. The amount of additional interest income that would have been recognized on non-accrual loans had they performed in accordance with their contractual terms is not material.

Management considers delinquency status to be the most meaningful indicator of the credit quality of 1-4 single family residential, home equity and consumer loans. Delinquency statistics are updated at least monthly. See "Aging of loans" below for more information on the delinquency status of loans. Original loan-to-value (“LTV”) and original FICO score are also important indicators of credit quality for the new 1-4 single family residential portfolio.

Internal risk ratings are considered the most meaningful indicator of credit quality for commercial loans. Internal risk ratings are a key factor in identifying loans that are individually evaluated for impairment and impact management’s estimates of loss factors used in determining the amount of the ALLL. Internal risk ratings are updated on a continuous basis. Relationships with balances in excess of $1 million are re-evaluated at least annually and more frequently if circumstances indicate that a change in risk rating may be warranted. Loans exhibiting potential credit weaknesses that deserve management’s close attention and that if left uncorrected may result in deterioration of the repayment capacity of the borrower are categorized as special mention. Loans with well-defined credit weaknesses, including payment defaults, declining collateral values, frequent overdrafts, operating losses, increasing balance sheet leverage, inadequate cash flow, project cost overruns, unreasonable construction delays, past due real estate taxes or exhausted interest reserves, are assigned an internal risk rating of substandard. A loan with a weakness so severe that collection in full is highly questionable or improbable, but because of certain reasonably specific pending factors has not been charged off, will be assigned an internal risk rating of doubtful.

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The following tables summarize key indicators of credit quality for the Company's loans at the dates indicated. Amounts include premiums, discounts and deferred fees and costs (in thousands):
1-4 Single Family Residential credit exposure for new loans, based on original LTV and FICO score:

	June 30, 2015				
	FICO				
LTV	720 or less	721 - 740	741 - 760	761 or greater	Total
60% or less	$78,553	$95,178	$137,282	$649,382	$960,395
60% - 70%	66,897	69,377	102,870	470,858	710,002
70% - 80%	53,843	98,624	185,232	722,723	1,060,422
More than 80%	27,704	3,767	3,332	11,361	46,164
	$226,997	$266,946	$428,716	$1,854,324	$2,776,983

	December 31, 2014				
	FICO				
LTV	720 or less	721 - 740	741 - 760	761 or greater	Total
60% or less	$64,590	$79,518	$128,115	$596,843	$869,066
60% - 70%	55,075	63,642	102,054	424,487	645,258
70% - 80%	43,316	98,052	170,305	650,165	961,838
More than 80%	28,218	3,261	3,450	11,747	46,676
	$191,199	$244,473	$403,924	$1,683,242	$2,522,838

Commercial credit exposure, based on internal risk rating:

	June 30, 2015						
		Commercial Real Estate					
	Multi-Family	Owner Occupied	Non-Owner Occupied	Construction and Land	Commercial and Industrial	Commercial Finance Subsidiaries	Total
New loans:							
Pass	$2,763,337	$1,161,912	$2,103,703	$252,706	$2,517,378	$1,607,120	$10,406,156
Special mention	—	4,117	—	—	5,606	8,279	18,002
Substandard	405	19,920	—	189	46,258	17,510	84,282
Doubtful	—	191	—	—	5,261	8,399	13,851
	$2,763,742	$1,186,140	$2,103,703	$252,895	$2,574,503	$1,641,308	$10,522,291
ACI loans:							
Pass	$22,620	$23,551	$25,100	$2,008	$1,127	$—	$74,406
Special mention	—	—	506	—	—	—	506
Substandard	2,079	—	133	—	38	—	2,250
Doubtful	—	—	—	—	—	—	—
	$24,699	$23,551	$25,739	$2,008	$1,165	$—	$77,162

	December 31, 2014						
		Commercial Real Estate					
	Multi-Family	Owner Occupied	Non-Owner Occupied	Construction and Land	Commercial and Industrial	Commercial Finance Subsidiaries	Total
New loans:							
Pass	$1,930,324	$995,062	$1,750,753	$166,929	$2,364,792	$1,441,670	$8,649,530
Special mention	—	8,303	—	—	9,165	7,155	24,623
Substandard	408	6,426	1,326	209	21,501	11,044	40,914
Doubtful	—	—	—	—	5,121	6,390	11,511
	$1,930,732	$1,009,791	$1,752,079	$167,138	$2,400,579	$1,466,259	$8,726,578
ACI loans:							
Pass	$22,762	$34,440	$30,101	$2,007	$1,156	$—	$90,466
Special mention	—	—	509	—	—	—	509
Substandard	2,202	—	152	—	67	—	2,421
Doubtful	—	—	—				