

DATA DISPATCH

US minority banks on busiest buy streak since 2019

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Market Intelligence

Bank acquisitions by minority depository institutions have already reached a six-year high in the first quarter of 2025.

With four deal announcements in the past three months, minority depository institutions (MDIs) are now at their most acquisitive since 2019, beating out 2020's and 2021's three deals apiece.

MDI buyers were more acquisitive pre-pandemic, with an average of over five deals per year from 2008 to 2019. That activity dropped between 2020 and 2024 with an average of two deals per year. In 2023, there were no acquisitions by MDIs, but deals bounced back slightly in 2024 with two announced in the second quarter. This year's acceleration could spell a continuing rebound.

The US banking industry has recorded 31 deals as of March 27, with MDIs as buyers in 13% of those.

"M&A is starting to pick up in general, and valuations are improving ... other than in the [last couple of weeks](#). That's enabling M&A activity to increase this year, which I think is terrific," Stephen Gordon, founding chairman and CEO of MDI [Genesis Bank](#), said in an interview with S&P Global Market Intelligence. "And then from a regulatory perspective, it seems like deals are getting approved more quickly, and the economy seems to be holding up. That has MDIs then feeling good about M&A the same way any banks are feeling better about M&A."

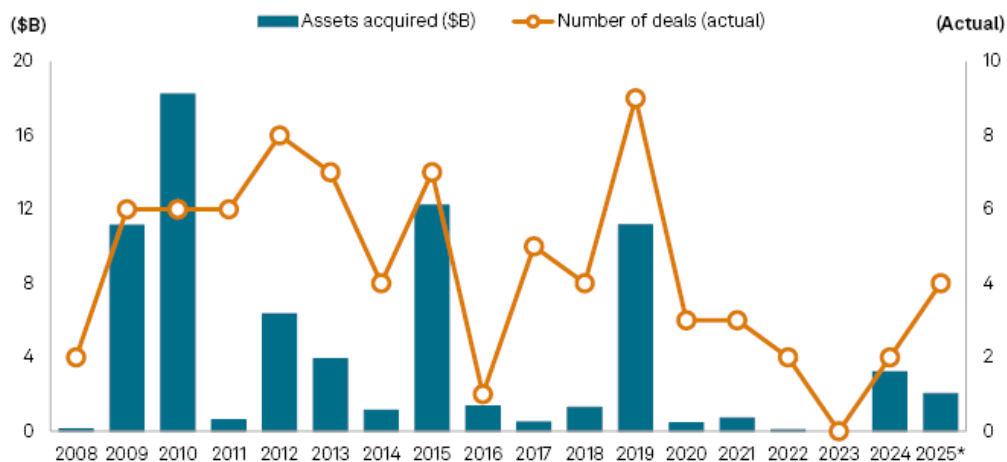
Genesis Bank [announced](#) its [all-cash acquisition](#) of Beverly Hills, California-based [EH National Bank](#) on Feb. 13.

The market is able to focus more on M&A as uncertainty dissipates and banks are able to focus their time and funds back on growth, said Nick Dizonno, president and CEO of [Millennium Bancorp Inc.](#), which [won](#) among [three other bidders](#) for the failed Chicago-based [Pulaski Savings Bank](#).

"You're seeing bank deals because capital is freeing up," Dizonno said. "The banks have gone back to normal operating. When you go back to the normal chessboard, we are able to focus on deals again."

Millennium and Genesis aim to continue M&A activity, according to their leadership.

US bank M&A deals with MDI buyers



Data compiled March 19, 2025.

MDI = minority depository institution.

Analysis limited to the US-based whole-company and franchise bank and thrift transactions announced between Jan. 1, 2008, and March 18, 2025, with buyers identified as minority-designated institutions. Branch and minority-stake deals, as well as thrift merger conversions and terminated transactions, are excluded from the analysis.

* Year to date through March 18, 2025.

Source: S&P Global Market Intelligence.

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In the latest MDI deal, Doraville, Georgia-based MDI [MetroCity Bankshares Inc. announced](#) its [acquisition of in-state peer First IC Corp.](#) on March 17 with a deal value of \$206.0 million and pro forma assets of approximately \$4.8 billion. It is the largest US MDI deal by announced deal value since 2019.

February was the busiest month this year with two announced deals: [Rio Financial Services Inc. announced](#) its [acquisition of Lone Star Capital Bank NA](#) on Feb. 20, and Genesis Bank's bid for EH National Bank. In January, Millennium's acquisition of the failed bank kicked off the streak of MDI-buyer deals this year.

Of recent MDI buyers, Rio Financial and Millennium benefited from the US Treasury Department's [Emergency Capital Investment Program](#) (ECIP), which provided MDIs and Community Development Financial Institutions with [\\$8.57 billion in government funding](#) following the COVID-19 pandemic. Banks issued preferred stock and credit unions issued subordinated debt purchased by the Treasury Department.

Through the ECIP, Rio Financial received [\\$103 million](#) and Millennium netted [\\$40.9 million](#), placing both banks among the top 25 ECIP participants by dollar amount of deep impact lending in 2023, according to the Treasury Department's [ECIP Impact Report](#).

The report defined deep impact lending as lending to "target communities that face the greatest barriers to accessing capital," including lending to low-income borrowers; small businesses with annual revenue at or below \$100,000; financing deeply affordable housing; and lending in persistent poverty areas, on Native American reservations and in US territories.

Several MDIs and Community Development Financial Institutions [used the funds for M&A throughout](#) 2023.

"Because a lot of the MDIs have this ECIP capital, they're finding ways to leverage up the capital — and that's through both M&A and organic lending activity," Genesis Bank's Gordon said.

Genesis Bank, while not an ECIP recipient, raised \$500 million [to buy and recapitalize banks](#) just over two years after opening in August 2021. Genesis was launched with the goal of taking advantage of post-COVID uncertainty, including engaging in M&A activity, Gordon said.

20 most recent US bank deals announced by MDIs

Buyer (ticker)	Target	Target city, state/ territory	Date announced	At announcement	
				Deal value (\$M)	Target's total assets (\$M)
● ● MetroCity Bankshares Inc. (MCBS)	First IC Corp.	Doraville, GA	03/17/25	206.0	1,192.2
● ● Rio Financial Services Inc.	Lone Star Capital Bank NA	San Antonio, TX	02/20/25	NA	497.9
● ● Genesis Bank	EH National Bank	Beverly Hills, CA	02/13/25	NA	298.6
● ● ● Millennium Bancorp Inc.	Pulaski Savings Bank	Chicago, IL	01/17/25	NA	49.5
● ● CBC Bancorp	Bay Community Bancorp	Oakland, CA	05/20/24	126.1	983.1
● ● Hope Bancorp Inc. (HOPE)	Territorial Bancorp Inc.	Honolulu, HI	04/29/24	79.4	2,236.7
● ● Global One Bancshares Inc.	Chappell Hill Bank	Chappell Hill, TX	07/07/22	NA	61.7
● ● Carver Financial Corp.	Alamerica Bancorp Inc.	Birmingham, AL	01/14/22	1.1	15.4
● ● Liberty Financial Services Inc.	Tri-State Bank of Memphis	Memphis, TN	06/03/21	NA	105.3
● ● First National Bank and Trust Co.	MidWest Community Financial Corp.	Oklahoma City, OK	04/30/21	NA	412.9
● ● CBB Bancorp Inc. (CBB)	Ohana Pacific Bank	Honolulu, HI	01/28/21	24.8	197.8
● ● Anchor Bankshares Inc.	Home Federal Bank of Hollywood	Hallandale Beach, FL	11/02/20	5.0	54.6
● ● First Mutual Holding Co.	Martinsville First Savings Bank	Martinsville, VA	09/11/20	NA	39.7
● ● ● Broadway Financial Corp. (BYFC)	CFBanc Corp.	Washington, DC	08/26/20	39.6	367.2
● ● Liberty Financial Services Inc.	Louisville Development Bancorp Inc.	Louisville, KY	12/05/19	3.0	25.8
● ● IBW Financial Corp. (IBWC)	City National Bank of New Jersey	Newark, NJ	11/01/19	NA	120.6
● ● First BanCorp. (FBP)	Santander BanCorp	San Juan, PR	10/21/19	1,063.0	6,184.4
● ● First Antlers BanCorp. Inc.	Southeastern Bancshares Inc.	Broken Bow, OK	10/08/19	NA	159.3
● ● ● First Mutual Holding Co.	Warsaw Federal Savings and Loan Association	Cincinnati, OH	09/27/19	NA	56.0
● ● RBB Bancorp (RBB)	PGB Holdings Inc.	Chicago, IL	09/06/19	32.5	223.3
Group average				158.1	664.1

- Asian American MDI
- Hispanic American MDI
- Multiracial MDI
- African American MDI
- Native American MDI

- Same state acquisition
- Merger of equals
- Government-assisted deal
- Pending deal
- Completed deal

- Community Development Financial Institution
- Mutual holding company ownership structure

Data compiled March 19, 2025.

MDI = minority designated institution; NA = not available.

Analysis limited to the recently announced US-based whole-company and franchise bank and thrift transactions with buyers identified as MDIs. Branch and minority-stake deals, as well as thrift merger conversions and terminated transactions, are excluded from the analysis.

Company titles and tickers for buyers are shown as of the deal announcement and are based on the home-country stock exchanges.

Source: S&P Global Market Intelligence.

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