

## **Internet Appendix to**

**“Bank mergers, acquirer choice and small business lending:  
Implications for community investment**

Table IA1. Zero-stage regressions.

Table shows results from the estimation of the following gravity equation at the state-pair year level from 1999-2019.

$$Deals_{i,j,t} = \alpha \ln(distance)_{i,j} + \beta \Delta \ln\left(\frac{population_j}{population_i}\right) + \gamma IB Index_i + \delta_t + \theta_{jt} + \varphi_i + \varepsilon_{ijt}$$

$Deals_{ijt}$  is the number of bank mergers involving an acquirer from state  $j$  and a target from state  $i$ .  $\ln(distance)$  is the log of the distance (in miles) between state  $i$  and state  $j$ .  $IB index$  is either the *De novo index* or the Interstate Branching Index from Rice and Strahan (2010), updated by Berger et al., (2020). *De novo index* is an indicator equal to one for states that prohibit de novo interstate branching in a given year and zero otherwise.  $\delta_t$ ,  $\theta_{jt}$ , and  $\varphi_i$  represent year, acquirer state-year, and target state fixed effects, respectively. As in Faia et al. (2019), because we use count data (# of deals) as the dependent variable, we estimate the above equation using Poisson Pseudo Maximum Likelihood (PPML). Standard errors are double clustered at the state-pair level. \*\*\* (\*\*) { \* } denotes significance at the 1% (5%) {10%} level.

Dependent variable:	(1) Deals	(2) Deals
Ln (Distance)	-2.254*** (-25.62)	-2.254*** (-25.69)
$\Delta \ln(\text{population})$	-0.243 (-0.20)	0.027 (0.02)
De novo index	-0.314** (-2.19)	
IB index		-0.083 (-1.19)
Constant	11.715*** (15.11)	11.757*** (15.00)
Observations	20,168	20,168
R-squared	0.301	0.301
Target state fixed effects	Yes	Yes
Acquirer state fixed effects	Yes	Yes
Acquirer state-year fixed effects	Yes	Yes
Year fixed effects	Yes	Yes

Table IA.2. Small business lending and bank mergers at the county level by county opacity and size of acquirer.

This table reports the results of regressions estimating the determinants of small business lending at the county level. Small SBL are loans < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. *Merger intensity-small acquirer (large acquirer)* is the average share of county deposits of banks involved in mergers with a small (large) acquirer over the prior three years. Large (small) acquirers are those with assets  $\geq$  \$10B (<\$10B) in assets. We interact the merger variables with *Opaque county*—calculated annually as an indicator that equals one if the fraction of employment by small firms (those with fewer than 50 employees) in the county is in the top tercile of the distribution and zero otherwise. All variables are defined in Appendix A. The last rows report *F*-statistics from tests of significance of the sum of the coefficients *Merger intensity x Opaque county + Merger intensity*. Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10% } level.

Dependent variable (Log):	County Opacity				
	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
MA-small acquirer x Opaque [A]	0.074 (0.51)	0.069 (0.56)	-0.088 (-0.22)	0.829* (1.88)	0.160 (0.88)
MA-large acquirer x Opaque [B]	0.153 (1.07)	-0.080 (-0.58)	0.033 (0.10)	0.487 (1.00)	0.193 (1.13)
MA- Small acquirer [C]	0.497*** (3.92)	0.359*** (3.62)	1.048*** (3.66)	0.390 (1.17)	0.685*** (4.16)
MA- Large acquirer [D]	-0.290** (-2.27)	-0.387*** (-3.34)	-0.295 (-1.09)	-0.206 (-0.75)	-0.568*** (-3.22)
Opaque county	0.025* (1.84)	0.012 (1.08)	-0.006 (-0.16)	0.069 (1.48)	0.026 (1.63)
Controls	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	46,615	46,615	46,615	46,615	46,615
Adjusted R <sup>2</sup>	0.964	0.977	0.783	0.748	0.944
F-test: [A+C]=0	32.75***	27.58***	10.95***	9.64***	38.51***
F-test: [B+D]=0	0.88	9.13***	0.60	0.30	6.39**

Table IA.3. Small business lending and bank mergers by acquirer size. The impact of the top 4 banks.

This table reports the results replicating those of Table 4 in the paper, excluding counties with top 4 bank presence (where the share of deposits of the top 4 banks exceeds 10%). Small SBL are loans with amounts < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. Our key explanatory variables are *Merger intensity-small acquirer (large acquirer)*– the average share of county deposits of banks involved in mergers with a small (large) acquirer over the prior three years. Large (small) acquirers are those with assets  $\geq$  \$10B (<\$10B). Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Panel A. Merger intensity- Excluding Top 4 banks.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity-small acquirer [A]	0.444*** (4.34)	0.324*** (4.43)	0.799*** (3.26)	0.717** (1.99)	0.664*** (4.83)
Merger intensity-large acquirer [B]	-0.109 (-0.79)	-0.219* (-1.74)	-0.292 (-0.90)	-0.133 (-0.29)	-0.388** (-2.29)
Log (bank assets)	0.034*** (5.61)	0.033*** (7.08)	0.073*** (5.15)	0.078*** (3.91)	0.035*** (4.56)
Herfindahl- deposits	0.000*** (3.09)	0.000*** (3.41)	0.000 (1.13)	0.000 (0.94)	0.000*** (3.56)
Loans-to-assets	0.244* (2.09)	0.186* (2.06)	0.249 (0.83)	0.602 (1.60)	0.470*** (3.50)
RE loans-to-loans	1.057*** (4.51)	0.479*** (3.14)	2.585*** (3.87)	3.395*** (4.10)	1.153*** (3.97)
CI loans-to-loans	0.992*** (3.41)	0.456** (2.21)	2.455*** (3.09)	2.450** (2.81)	1.213*** (3.61)
Personal loans-to-loans	0.323 (1.45)	0.130 (0.70)	1.188 (1.66)	2.090** (2.40)	0.469 (1.60)
Capital ratio	-0.080 (-0.20)	-0.013 (-0.04)	0.659 (0.57)	-1.295 (-0.98)	-0.824 (-1.68)
Nonperforming loans-to-loans	0.080 (0.15)	-0.554 (-1.50)	0.540 (0.29)	2.493 (1.43)	0.162 (0.21)
Employment growth t-1	-0.059 (-0.45)	0.042 (0.42)	-0.506 (-1.28)	-0.208 (-0.55)	-0.234* (-1.96)
ln (population)	0.460*** (4.19)	0.792*** (7.63)	-0.092 (-0.26)	0.232 (0.51)	0.474*** (3.46)
Ln(wage) t-1	0.349*** (5.60)	0.214*** (4.82)	0.768*** (5.98)	0.635*** (3.86)	0.329*** (4.87)
Change in HPI t-1	0.001 (1.39)	0.001 (1.14)	-0.002 (-0.72)	0.005 (1.55)	0.000 (0.17)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	33,394	33,394	33,394	33,394	33,394
Adjusted R <sup>2</sup>	0.946	0.964	0.723	0.681	0.920
<i>F</i> -test [A=B]	12.67***	15.80***	8.09**	2.55	29.79***

Table IA.4. Small business lending and bank mergers by acquirer size. The impact of small (<\$1B) acquirers.

This table reports the results replicating those of Table 4 in the paper. Small SBL are loans with amounts < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. Our key explanatory variables are *Merger intensity-acquirer [<\$1B] (\$1-\$10B) {large acquirer}*– the average share of county deposits of banks involved in mergers with an acquirer with assets [<\$1B] (\$1-\$10B) {>\$10b}. Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Panel A. Merger intensity- Excluding Top 4 banks.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity-acquirer <\$1B	0.155 (1.03)	0.101 (0.78)	0.291 (0.77)	0.535 (0.90)	0.314* (1.66)
Merger intensity-acquirer \$1-\$10B]	0.792*** (6.48)	0.591*** (6.22)	1.494*** (5.39)	1.013*** (3.79)	1.063*** (6.23)
Merger intensity-large acquirer	-0.254* (-2.01)	-0.441*** (-3.54)	-0.264 (-1.08)	-0.081 (-0.27)	-0.524*** (-3.42)
Log (bank assets)	0.032*** (4.73)	0.033*** (5.01)	0.053*** (4.22)	0.070*** (3.98)	0.033*** (3.67)
Herfindahl- deposits	0.000*** (3.33)	0.000*** (3.38)	0.000 (1.36)	0.000 (0.99)	0.000*** (3.16)
Loans-to-assets	0.382*** (3.56)	0.428*** (4.97)	0.399* (1.76)	0.558* (1.78)	0.575*** (4.22)
RE loans-to-loans	0.795*** (4.33)	0.125 (1.09)	1.997*** (3.81)	2.714*** (4.48)	0.723*** (3.34)
CI loans-to-loans	0.579** (2.36)	-0.017 (-0.09)	1.692** (2.77)	1.846*** (3.02)	0.589** (2.12)
Personal loans-to-loans	0.295 (1.53)	0.249 (1.35)	0.965* (1.83)	1.371** (2.19)	0.272 (1.13)
Capital ratio	0.264 (0.62)	0.313 (0.93)	0.763 (0.74)	-0.217 (-0.19)	-0.557 (-1.08)
Nonperforming loans-to-loans	0.410 (0.78)	0.255 (0.64)	0.866 (0.57)	2.857* (1.94)	0.551 (0.84)
Employment growth t-1	-0.034 (-0.28)	0.094 (0.86)	-0.320 (-0.99)	-0.182 (-0.58)	-0.234* (-1.94)
ln (population)	0.581*** (7.35)	0.945*** (10.88)	0.095 (0.43)	0.359 (1.27)	0.620*** (6.64)
Ln(wage) t-1	0.402*** (7.00)	0.256*** (5.87)	0.752*** (7.02)	0.656*** (4.97)	0.396*** (6.07)
Change in HPI t-1	0.002** (2.81)	0.001* (1.88)	0.001 (0.41)	0.005* (1.87)	0.002** (2.15)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	47,248	47,248	47,248	47,248	47,248
Adjusted R <sup>2</sup>	0.964	0.976	0.784	0.749	0.943
<i>F</i> -test [A=B]	8.59***	6.93**	5.58**	0.51	7.33**

Table IA5. Small business lending and bank mergers at the county level by county opacity. Alternate opacity measures.

This table replicates results from Table 8 in the paper using alternate measures of county opacity. Small SBL are loans < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. *Merger intensity* is the share of county deposits of target banks involved in mergers, averaged over the prior three years. We interact the merger variables with *Opaque county* indicators: 1) *Opaque- population* – an indicator variable equal to one if the county’s population is in the bottom tercile of the distribution and zero otherwise; 2) *Rural* - an indicator equal to one for counties with the USDA’s Rural-Urban Continuum Code (RUCC) of 8 or 9, or zero otherwise. Panel A (B) presents results using *Opaque- population (Rural)*. All variables are defined in Appendix A. The last rows report *F*-statistics from tests of significance of the sum of the coefficients *Merger intensity* x *Opaque county* + *Merger intensity*. Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Panel A. Opacity- Population.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity x Opaque – small population [A]	0.269** (2.17)	0.185** (2.12)	0.980** (2.82)	1.046** (2.18)	0.485*** (4.17)
Merger intensity [B]	0.142* (1.89)	0.027 (0.45)	0.252* (1.75)	0.009 (0.06)	0.042 (0.42)
Opaque- small population	0.069** (2.36)	0.057** (2.90)	0.158* (1.86)	0.130 (1.39)	0.088*** (2.91)
Controls	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	47,248	47,248	47,248	47,248	47,248
Adjusted R <sup>2</sup>	0.964	0.976	0.784	0.749	0.943
F-test: [A+B]=0	13.72***	5.37**	14.58***	5.35**	14.35***
<i>Panel B. County Opacity – Rural counties.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity x Rural [A]	0.285* (2.04)	0.239** (2.14)	0.846 (1.59)	0.746 (1.14)	0.541*** (2.94)
Merger intensity [B]	0.195** (2.88)	0.055 (0.86)	0.481*** (3.70)	0.283 (1.52)	0.133 (1.34)
Controls	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	47,248	47,248	47,248	47,248	47,248
Adjusted R <sup>2</sup>	0.964	0.976	0.784	0.749	0.943
F-test: [A+B]=0	11.18***	7.21**	6.09**	2.52	11.24***

Table IA.6. Small business lending and bank mergers at the county level by size of acquirer. The impact of the change in the CRA reporting threshold.

This table reports the results of regressions estimating the determinants of small business lending at the county level. It replicates results in Table 4, restricting the sample period to 2006-2019. Small SBL are loans with amounts < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. Our key explanatory variables are *Merger intensity-small acquirer (large acquirer)*– the average share of county deposits of banks involved in mergers with a small (large) acquirer over the prior three years. Large (small) acquirers are those with assets ≥ \$10B (<\$10B). Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Merger intensity by acquirer size, 2006-2019.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity-small acquirer [A]	0.551*** (5.15)	0.372*** (4.39)	1.008*** (4.01)	1.017** (2.93)	0.794*** (5.34)
Merger intensity-large acquirer [B]	-0.029 (-0.33)	-0.175* (-2.05)	-0.016 (-0.06)	0.157 (0.47)	-0.269* (-2.15)
Log (bank assets)	0.019** (2.67)	0.018*** (3.06)	0.048** (2.64)	0.062** (2.51)	0.014 (1.59)
Herfindahl- deposits	0.000* (1.83)	0.000* (1.89)	0.000 (0.71)	0.000 (0.08)	0.000 (1.40)
Loans-to-assets	0.348*** (3.58)	0.416*** (5.36)	0.609* (2.13)	0.674* (1.85)	0.563*** (5.21)
RE loans-to-loans	0.973*** (5.38)	0.173 (1.31)	2.592*** (5.20)	3.318*** (6.41)	0.904*** (4.30)
CI loans-to-loans	0.807*** (3.85)	0.182 (1.34)	2.278*** (3.75)	2.317*** (3.97)	0.854*** (4.11)
Personal loans-to-loans	-0.083 (-0.33)	-0.115 (-0.56)	0.621 (0.64)	0.777 (0.87)	-0.301 (-1.05)
Capital ratio	-0.183 (-0.41)	0.135 (0.43)	-0.087 (-0.08)	-1.484 (-1.20)	-0.965* (-2.02)
Nonperforming loans-to-loans	0.290 (0.61)	0.007 (0.02)	0.684 (0.59)	1.633 (1.35)	0.736 (1.22)
Employment growth t-1	0.137 (0.87)	0.333*** (3.81)	-0.029 (-0.07)	0.051 (0.12)	-0.052 (-0.29)
ln (population)	0.618*** (5.59)	0.883*** (6.23)	-0.198 (-0.75)	0.172 (0.49)	0.720*** (6.18)
Ln(wage) t-1	0.278*** (4.13)	0.139** (2.60)	0.662*** (4.58)	0.536*** (3.30)	0.263*** (4.10)
Change in HPI t-1	0.003*** (4.50)	0.002*** (4.26)	0.003 (1.41)	0.005* (2.03)	0.003*** (3.84)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	37,186	37,186	37,186	37,186	37,186
Adjusted R <sup>2</sup>	0.967	0.981	0.780	0.750	0.948
F-test [A=B]	17.13***	21.08***	7.07**	3.15*	29.89***

Table IA.7. Small business lending and bank mergers at the county level by acquirer size and location of acquirer. The impact of the change in the CRA reporting threshold.

This table replicates results from Table 5 for the period 2006-2019. Small SBL are loans with amounts < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. In Panel A we report results using: *Merger intensity-in-state (out-of-state)*- the share of county deposits of banks involved in mergers with an in-state (out-of-state) acquirer, averaged over the prior three years. In Panel B we report results using merger intensity measures based on the distance between the target and the acquirer's county. Specifically, *Long (short)* distance is an indicator variable that equals one for mergers in which the distance between the acquirer's headquarter county and the target's county is above (below) the median distance in a given year. We use these indicators to construct *Merger intensity-long (short) distance* the share of county deposits of banks involved in mergers with acquirers from long (short) distances, averaged over the prior three years. In Panel C we show results using *Merger intensity-in-state presence (no in-state presence)*- the share of county deposits of banks involved in mergers with an acquirer with (without) a physical presence (branch) in the target's state pre-merger, averaged over the prior three years. Controls (unreported to conserve space) include: *Herfindahl-deposits; Log(bank assets); Loans-to-assets; RE loans-to-loans; C&I loans-to-loans; Personal loans-to-loans; Capital ratio; Nonperforming loans-to-loans; Ln(population), Ln(wages), Change in HPI (%)*, and *Employment growth*. We construct the county-level bank characteristics as weighted averages across all banks in the county using the bank's proportion of local branches as weights. The last rows of each panel report the *F*-statistic for the test of equality of the coefficients on *Merger intensity-in-state (short distance)* and *Merger intensity-out-of-state (long distance)*. Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Panel A. Merger intensity by location of acquirer. In-state vs. out-of-state. 2006-2019</i>					
Dependent variable (Log):	SBL	Small	Medium	Large SBL	Loans to small
	(1)	(2)	(3)	(4)	(5)
Merger intensity in-state [A]	0.402*** (3.16)	0.272** (2.69)	0.666** (2.14)	0.796* (1.87)	0.482** (2.87)
Merger intensity out-of-state [B]	0.191** (2.41)	0.016 (0.21)	0.612*** (3.71)	0.554** (2.33)	0.138 (1.12)
Controls	Yes	Yes	Yes	Yes	Yes
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	37,186	37,186	37,186	37,186	37,186
Adjusted R <sup>2</sup>	0.967	0.980	0.780	0.750	0.948
<i>F</i> -test [A=B]	2.11	4.79**	0.03	0.23	4.20*
<i>Panel B. Merger intensity by location of acquirer. By distance. 2006-2019.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity short-distance [A]	0.317** (2.64)	0.148 (1.45)	0.574** (2.22)	0.741** (2.52)	0.355** (2.09)
Merger intensity long distance [B]	0.251** (2.92)	0.109 (1.40)	0.698*** (3.52)	0.579* (1.79)	0.222* (1.77)
Controls	Yes	Yes	Yes	Yes	Yes
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	37,186	37,186	37,186	37,186	37,186
Adjusted R <sup>2</sup>	0.967	0.980	0.780	0.750	0.948
<i>F</i> -test [A=B]	0.22	0.11	0.17	0.14	0.61

Table IA.7. Small business lending and bank mergers at the county level by acquirer size and location of acquirer. The impact of the change in the CRA reporting threshold. Continued.

<i>Panel C. Merger intensity by acquirer presence in target's state. 2006-2019.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity in-state presence [A]	0.430*** (5.01)	0.241** (3.01)	0.768*** (3.22)	0.923*** (3.21)	0.464*** (3.56)
Merger intensity no in-state presence [B]	0.011 (0.12)	-0.083 (-1.04)	0.388* (1.88)	0.168 (0.54)	-0.038 (-0.25)
Controls	Yes	Yes	Yes	Yes	Yes
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	37,186	37,186	37,186	37,186	37,186
Adjusted R <sup>2</sup>	0.967	0.980	0.780	0.750	0.948
<i>F</i> -test [A=B]	17.11***	12.76***	1.55	3.41*	10.92***

Table IA.8. Small business lending and bank mergers at the county level by size of acquirer. Pre- and Post- crisis.

This table reports the results of regressions estimating the determinants of small business lending at the county level. It replicates results in Table 4, restricting the sample period to the pre-crisis (2002-2006) period in Panel A and the post-crisis (2010-2019) period in Panel B. Small SBL are loans with amounts < \$100K; Medium SBL are those between \$100K and \$250K, and Large SBL are those between \$250K and \$1M. Loans to small firms are loans to firms with revenues < \$1 million. Our key explanatory variables are *Merger intensity-small acquirer (large acquirer)*– the average share of county deposits of banks involved in mergers with a small (large) acquirer over the prior three years. Large (small) acquirers are those with assets ≥ \$10B (<\$10B). Standard errors are clustered at the county and year level. *t*-statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Panel A. Merger intensity by acquirer size. Pre-Crisis Period. 2002-2006.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity-small acquirer [A]	0.413** (2.56)	0.274** (2.23)	0.542 (1.50)	0.412 (1.13)	0.619** (2.99)
Merger intensity-large acquirer [B]	-0.196 (-1.05)	-0.309** (-2.90)	-0.566 (-1.21)	-0.224 (-0.43)	-0.283 (-1.12)
Log (bank assets)	0.042*** (4.96)	0.037** (4.38)	0.094*** (5.72)	0.120** (3.81)	0.031* (2.70)
Herfindahl- deposits	0.000 (0.98)	0.000 (0.58)	-0.000 (-0.44)	-0.000 (-0.13)	0.000 (1.00)
Loans-to-assets	0.197 (1.16)	0.255 (1.61)	0.169 (0.50)	-0.260 (-0.38)	0.292 (1.11)
RE loans-to-loans	-0.131 (-0.66)	-0.052 (-0.35)	-1.212 (-1.69)	0.499 (0.68)	-0.332 (-1.41)
CI loans-to-loans	-0.552 (-2.10)	-0.458 (-1.79)	-1.817* (-2.55)	-0.468 (-0.46)	-0.696 (-1.81)
Personal loans-to-loans	0.142 (0.59)	0.265 (1.10)	-0.369 (-0.38)	1.220 (0.85)	0.079 (0.18)
Capital ratio	0.716 (1.99)	0.389 (0.94)	4.685** (4.19)	-0.220 (-0.13)	0.554 (1.04)
Nonperforming loans-to-loans	-2.071 (-1.29)	-3.362 (-2.06)	-0.083 (-0.01)	5.734 (1.58)	-5.110* (-2.21)
Employment growth t-1	-0.176 (-2.11)	-0.151* (-2.35)	-0.312 (-0.91)	0.075 (0.16)	-0.208 (-1.83)
ln (population)	1.508*** (6.46)	1.922*** (7.49)	2.559** (3.10)	3.202** (3.32)	1.523*** (4.85)
Ln(wage) t-1	0.092 (1.27)	0.134* (2.20)	0.313 (0.97)	-0.411 (-1.04)	0.013 (0.14)
Change in HPI t-1	0.009*** (7.99)	0.008*** (5.13)	0.007 (2.04)	0.022*** (4.81)	0.011*** (7.43)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	12,710	12,710	12,710	12,710	12,710
Adjusted R <sup>2</sup>	0.974	0.980	0.821	0.785	0.955
F-test [A=B]	10.55**	12.36**	6.55*	0.80	9.44**

Table IA.8. Small business lending and bank mergers at the county level by size of acquirer. Pre- and Post-crisis. Continued.

<i>Panel B. Merger intensity by acquirer size. Post-Crisis Period. 2010-2019.</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Merger intensity-small acquirer [A]	0.661*** (6.43)	0.471*** (6.69)	1.136*** (3.71)	1.129*** (3.43)	0.879*** (5.95)
Merger intensity-large acquirer [B]	0.073 (0.47)	-0.236** (-1.97)	-0.159 (-0.52)	-0.166 (-0.37)	-0.006 (-0.03)
Log (bank assets)	0.019** (2.40)	0.014** (2.29)	0.045* (1.86)	0.083** (2.88)	0.018* (1.90)
Herfindahl- deposits	0.000 (1.10)	0.000 (1.15)	0.000 (0.95)	0.000 (0.60)	0.000 (0.88)
Loans-to-assets	0.200 (1.81)	0.341*** (3.58)	0.261 (0.71)	0.174 (0.44)	0.476*** (3.31)
RE loans-to-loans	0.973*** (4.68)	0.309* (2.00)	2.401*** (4.56)	2.977*** (4.84)	1.041*** (4.76)
CI loans-to-loans	0.675** (3.08)	0.191 (1.52)	1.415** (2.39)	2.208*** (3.50)	0.730** (3.11)
Personal loans-to-loans	-0.097 (-0.27)	0.214 (0.84)	-0.502 (-0.47)	-0.593 (-0.53)	-0.127 (-0.28)
Capital ratio	-0.685 (-1.30)	-0.046 (-0.13)	-1.036 (-0.60)	-1.688 (-1.07)	-1.635** (-2.57)
Nonperforming loans-to-loans	1.369** (3.24)	0.461 (1.27)	2.317 (1.64)	3.392** (2.47)	1.868** (2.97)
Employment growth t-1	0.391* (2.15)	0.421*** (4.50)	0.278 (0.42)	0.864 (1.70)	0.197 (0.82)
ln (population)	0.955*** (6.09)	1.337*** (11.15)	-0.243 (-0.60)	-0.048 (-0.09)	1.018*** (5.60)
Ln(wage) t-1	0.101* (1.84)	0.015 (0.40)	0.339* (2.17)	0.229 (1.16)	0.126* (1.91)
Change in HPI t-1	0.002** (3.00)	0.002** (2.76)	0.002 (0.77)	0.003 (1.07)	0.003** (2.34)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	26,556	26,556	26,556	26,556	26,556
Adjusted R <sup>2</sup>	0.969	0.982	0.786	0.759	0.949
F-test [A=B]	8.26**	27.37***	7.13**	8.60**	7.124**

Table IA.9. Bank-Level Results. SBL originations around merger. Parallel Trends.

Table shows results from regressions of SB lending in the target's county around the merger by small acquirers. We match each proforma acquirer to a similar sized bank (within 30% of the size of the proforma bank and closest in the proportion of SB loans outstanding as of  $t-1$ ) that is not involved in a merger but has a presence in the county where target bank has the largest share of deposits as of  $t-1$ . Our final matched sample consists of 693 deals at the acquirer-target county-year level. *Treat* is an indicator equal to one for the proforma acquirers and zero for the control bank. Table reports results using interactions between *Treat* and various timing indicators,  $t-2$ ,  $t-1$ ,  $t$ ,  $t+1$  and  $t \geq +2$ , relative to the year of the merger. We restrict the sample period to the six years  $[-3,+3]$  around the merger and examine SB lending in the main county of the target (where the target bank has the largest presence (share of deposits)) as of  $t-1$ . Bank level controls (not shown to conserve space) include: *Size*; *Capital ratio*; *NPL ratio*; *RE loans %*; *C&I loans %*; *Personal loans %*, and *Loans-to-assets*. County-level controls include: *Herfindahl-deposits*; *Employment growth*; *Ln(Population)*; *Change in HPI* and *Ln(wage)*. County and year fixed effects are included in all regressions. We cluster standard errors at the county and year level. Robust  $t$ -statistics are reported in parentheses. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

Panel A. Post-Merger SB lending in target county by Small acquirers.					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
t-2 x Treat	-0.080 (-0.65)	-0.025 (-0.15)	-0.219 (-0.98)	0.049 (0.19)	0.006 (0.03)
t-1 x Treat	0.114 (0.81)	0.219 (1.16)	-0.134 (-0.49)	0.299 (1.10)	-0.184 (-0.65)
t=0 x Treat	0.484*** (3.40)	0.770*** (3.66)	0.586** (2.24)	0.634** (2.43)	0.217 (0.64)
t+1 x Treat	0.880*** (6.38)	1.222*** (6.05)	1.056*** (3.79)	1.251*** (4.79)	0.610** (2.01)
$\geq t+2$ x Treat	0.793*** (5.14)	1.020*** (4.71)	1.009*** (3.44)	0.995*** (3.73)	0.342 (1.14)
t-2	-0.066 (-0.75)	-0.126 (-1.03)	0.031 (0.17)	-0.236 (-1.31)	-0.058 (-0.40)
t-1	-0.310*** (-3.29)	-0.431*** (-3.11)	-0.313 (-1.42)	-0.448** (-2.29)	-0.063 (-0.36)
t=0	-0.243*** (-2.65)	-0.449*** (-3.04)	-0.228 (-1.18)	-0.207 (-1.21)	0.057 (0.28)
t+1	-0.252** (-2.58)	-0.496*** (-3.21)	-0.186 (-0.84)	-0.324* (-1.76)	0.143 (0.80)
$\geq t+2$	-0.233** (-2.03)	-0.416** (-2.50)	-0.212 (-0.91)	-0.239 (-1.17)	0.332* (1.68)
Treat	1.365*** (5.52)	1.827*** (5.77)	2.351*** (6.07)	1.815*** (4.07)	2.146*** (5.62)
Controls	Yes	Yes	Yes	Yes	Yes
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	5,227	5,227	5,227	5,227	5,227
Adjusted R <sup>2</sup>	0.704	0.592	0.688	0.732	0.647

Table IA.9. Bank-Level Results. SBL originations around merger. Parallel Trends. Continued.

Panel B. Post-Merger SB lending in target county by Large acquirers.					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
t-2 x Treat	0.140 (0.63)	-0.011 (-0.04)	0.528 (1.18)	-0.346 (-1.02)	-0.149 (-0.38)
t-1 x Treat	-0.003 (-0.01)	0.090 (0.32)	0.523 (1.30)	-0.253 (-0.73)	0.070 (0.21)
t=0 x Treat	0.211 (0.75)	0.470 (1.43)	0.692 (1.50)	-0.132 (-0.35)	0.297 (0.69)
t+1 x Treat	0.445 (1.43)	0.671* (1.97)	0.764* (1.75)	-0.034 (-0.08)	0.505 (1.11)
>=t+2 x Treat	0.534 (1.64)	0.344 (0.98)	0.619 (1.33)	0.241 (0.54)	0.700 (1.49)
t-2	0.014 (0.07)	-0.107 (-0.43)	-0.472 (-1.25)	0.420 (1.30)	0.292 (0.87)
t-1	0.024 (0.12)	-0.324 (-1.30)	-0.637* (-1.82)	0.329 (1.02)	0.091 (0.30)
t=0	-0.003 (-0.01)	-0.437 (-1.46)	-0.407 (-1.21)	0.377 (1.12)	0.080 (0.22)
t+1	-0.127 (-0.45)	-0.565* (-1.73)	-0.343 (-1.00)	0.395 (1.08)	0.054 (0.13)
>=t+2	-0.169 (-0.55)	-0.270 (-0.76)	-0.133 (-0.34)	0.290 (0.71)	-0.057 (-0.14)
Treat	1.960*** (4.38)	2.424*** (4.79)	2.878*** (4.73)	3.096*** (4.99)	2.653*** (4.60)
Controls	Yes	Yes	Yes	Yes	Yes
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	2,141	2,141	2,141	2,141	2,141
Adjusted R <sup>2</sup>	0.593	0.533	0.592	0.666	0.582

Table IA.10. Bank-Level Results. SBL originations around merger by acquirer location and county type.

Table shows results from regressions of SB lending in the target's county around the merger by small acquirers. We match each proforma acquirer to a similar sized bank (within 30% of the size of the proforma bank and closest in the proportion of SB loans outstanding as of  $t-1$ ) that is not involved in a merger but has a presence in the county where target bank has the largest share of deposits as of  $t-1$ . Our final matched sample consists of 693 deals at the acquirer-target county-year level. *Treat* is an indicator equal to one for the proforma acquirers and zero for the control bank. *Post* is an indicator equal to one starting the year after the merger and zero otherwise. We restrict the sample period to the six years [-3,+3] around the merger and examine SB lending in the main county of the target (where the target bank has the largest presence (share of deposits)) as of  $t-1$ . In columns (1)-(4) we show results using the sample of in-state and out-of-state mergers for total SBL and small SBL, while columns (5)-(8) show results for mergers in opaque (other) counties. *Opaque county* is an indicator that equals one if the proportion of small establishments (those with fewer than 50 employees) in the county is in the top tercile of the distribution and zero otherwise. Bank level controls (lagged) include: *Size*; *Capital ratio*; *NPL ratio*; *RE loans %*; *C&I loans %*; *Personal loans %*, and *Loans-to-assets*. County-level controls include: *Employment growth*; *Ln(Population)*; *Change in HPI* and *Ln(wage)*. County and year fixed effects are included in all regressions. We cluster standard errors at the county and year level. Robust  $t$ -statistics are reported in parentheses. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

Panel A. Post-Merger SB lending in target county by small acquirers. In vs. Out-of-state								
<i>Small acquirers</i>								
Dependent variable (Log):	SBL		Small SBL		SBL		Small SBL	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	In-state	Out-of-state	In-state	Out-of-state	Opaque	Other	Opaque	Other
Post x Treat	0.729*** (7.03)	0.273 (1.07)	0.870*** (5.18)	0.384 (1.28)	1.434*** (4.84)	0.501*** (5.87)	1.466*** (4.60)	0.683*** (4.70)
Post	-0.210*** (-2.86)	-0.061 (-0.40)	-0.336*** (-3.25)	-0.114 (-0.90)	-0.110 (-0.49)	-0.160** (-2.46)	-0.256 (-1.13)	-0.275*** (-3.90)
Treat	2.128*** (15.52)	2.274*** (7.49)	2.320*** (12.27)	2.649*** (8.93)	1.324** (2.85)	2.266*** (14.35)	1.201** (2.77)	2.528*** (13.73)
Size (log (assets) t-1	0.152* (1.89)	-0.054 (-0.49)	0.010 (0.09)	-0.203 (-1.61)	-0.225 (-0.76)	0.111 (1.54)	-0.059 (-0.19)	-0.041 (-0.43)
Capital ratio t-1	0.728 (1.31)	-0.491 (-0.37)	2.053** (2.20)	-1.037 (-0.63)	-0.123 (-0.07)	0.699 (0.98)	-0.085 (-0.04)	1.571 (1.61)
NPLratio t-1	-4.694 (-1.63)	3.360 (1.09)	-9.963* (-1.95)	2.374 (0.66)	-9.878 (-0.82)	0.001 (0.00)	-18.797** (-2.30)	-3.730 (-0.88)
RE loans % t-1	1.776** (2.77)	1.215 (1.07)	-1.025* (-1.85)	-1.570 (-1.37)	3.376** (2.62)	1.239 (1.65)	1.888*** (3.29)	-1.905** (-2.73)
C&I loans % t-1	2.039** (2.81)	1.160 (0.95)	0.872 (1.18)	1.525 (1.15)	3.040*** (3.33)	1.529* (1.83)	3.471*** (4.03)	0.473 (0.55)
Personal loans % t-1	-0.151 (-0.15)	-0.237 (-0.13)	-0.610 (-0.63)	0.453 (0.24)	1.682 (0.94)	-0.753 (-0.68)	2.834* (2.03)	-1.161 (-1.07)
Loans-to-assets t-1	-0.124 (-0.27)	0.365 (0.37)	0.594 (0.79)	0.722 (0.71)	-1.043 (-0.67)	0.137 (0.28)	-0.529 (-0.42)	0.765 (1.10)
Employment growth t-1	2.406** (2.34)	-0.681 (-0.52)	0.984 (0.76)	-1.432 (-0.81)	1.222 (0.45)	1.253 (1.04)	-0.476 (-0.31)	0.144 (0.11)
Ln (Population) t-1	2.998** (2.26)	3.424 (1.29)	3.097* (1.79)	2.788 (1.30)	0.557 (0.39)	2.783* (1.87)	-0.420 (-0.20)	2.206 (1.22)
Ln (wages) t-1	-0.510 (-1.14)	1.361*** (4.46)	0.159 (0.29)	2.185*** (4.59)	0.235 (0.96)	-0.071 (-0.15)	0.701*** (2.95)	0.487 (0.94)
Change in HPI t-1	0.017*** (4.33)	0.022*** (3.03)	0.005 (0.81)	0.015 (0.77)	0.015 (1.07)	0.020*** (3.19)	0.014 (1.37)	0.010 (1.72)
County fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	3,965	1,294	3,965	1,294	583	4,480	583	4,480
Adjusted R <sup>2</sup>	0.575	0.560	0.439	0.538	0.631	0.537	0.535	0.433

Table IA.11. Lending by competitors in the target county around mergers.

Table shows results from regressions of SB lending by other banks (banks not involved in the merger) in the county where target bank has the largest share of deposits as of  $t-1$ . We aggregate SBL originations across all banks not involved in the merger at the county-year level from  $t-3$ ,  $t+3$  around each merger for our matched sample of 693 deals. *Post* is an indicator equal to one starting the year after the merger and zero otherwise. We restrict the sample period to the six years  $[-3,+3]$  around the merger. In Panel A we show results for lending by other banks in mergers involving small acquirers. In Panel B we show results for mergers involving large acquirers. Large (small) acquirers are those with assets  $> \$10B$  ( $< \$10B$ ) in assets. Controls (lagged) include: *Size*; *Capital ratio*; *NPL ratio*; *RE loans %*; *C&I loans %*; *Personal loans %*, and *Loans-to-assets*; *Herfindahl-deposits* *Employment growth*; *Ln(Population)*; *Change in HPI* and *Ln(wage)*. County and year fixed effects are included in all regressions. We cluster standard errors at the county and year level. Robust  $t$ -statistics are reported in parentheses. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

Panel A. Post-Merger SB lending in target county by other banks. <i>Mergers involving Small acquirers</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Post	-0.021** (-1.97)	-0.015* (-1.84)	-0.040** (-2.67)	-0.024 (-1.16)	-0.031** (-2.34)
Log(bank assets) t-1	-0.006 (-0.29)	0.007 (0.38)	-0.027 (-0.58)	0.021 (0.28)	-0.017 (-0.70)
Capital ratio t-1	-1.138 (-1.22)	-0.417 (-0.44)	-0.608 (-0.45)	-1.331 (-0.78)	-2.258 (-1.70)
NPLratio t-1	-1.570 (-1.12)	-1.735 (-1.25)	-0.596 (-0.27)	-2.763 (-1.02)	-1.044 (-0.57)
RE loans % t-1	-0.438 (-1.15)	-0.507 (-1.43)	-0.127 (-0.21)	-1.566* (-1.94)	-0.700 (-1.41)
C&I loans % t-1	-0.930** (-2.25)	-1.156*** (-2.92)	-0.294 (-0.52)	-1.520** (-2.18)	-1.244** (-2.49)
Personal loans % t-1	-0.209 (-0.40)	1.088* (1.80)	-0.213 (-0.23)	-2.838** (-2.46)	0.308 (0.45)
Loans-to-assets t-1	0.169 (0.72)	0.191 (0.95)	0.081 (0.19)	0.118 (0.28)	0.269 (0.90)
Herfindahl- deposits t-1	0.000 (0.00)	0.000 (0.84)	-0.000 (-0.19)	-0.000 (-0.36)	-0.000 (-0.41)
Employment growth t-1	0.184 (0.65)	-0.036 (-0.15)	0.250 (0.57)	0.585 (0.82)	-0.081 (-0.28)
Ln (Population) t-1	0.200 (0.67)	0.143 (0.49)	-0.044 (-0.13)	0.308 (0.83)	0.153 (0.39)
Change in HPI t-1	0.001 (0.75)	0.001 (0.35)	0.002 (0.70)	-0.005 (-0.83)	0.002 (1.20)
Ln(wages) t-1	0.327** (2.20)	0.414*** (2.86)	0.248 (1.25)	0.435* (1.99)	0.344 (1.70)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	3,901	3,901	3,901	3,901	3,901
Adjusted R <sup>2</sup>	0.989	0.991	0.962	0.946	0.979

Table IA.11. Lending by competitors in target county around mergers. Continued.

Panel B. Post-Merger SB lending in target county by other banks. <i>Mergers involving Large acquirers</i>					
Dependent variable (Log):	SBL	Small SBL	Medium SBL	Large SBL	Loans to small firms
	(1)	(2)	(3)	(4)	(5)
Post	-0.034** (-2.18)	-0.054*** (-3.05)	-0.024 (-1.20)	-0.019 (-1.08)	-0.031 (-1.59)
Log(bank assets) t-1	0.013 (0.33)	0.042 (1.45)	0.012 (0.22)	-0.013 (-0.29)	-0.007 (-0.14)
Capital ratio t-1	-0.676 (-0.67)	-0.109 (-0.11)	-0.695 (-0.57)	-1.079 (-0.77)	-1.695 (-1.25)
NPLratio t-1	-0.577 (-0.41)	-0.780 (-0.52)	0.319 (0.17)	0.118 (0.06)	-1.246 (-0.82)
RE loans % t-1	0.038 (0.10)	0.056 (0.16)	0.097 (0.19)	0.000 (0.00)	-0.065 (-0.12)
C&I loans % t-1	-0.683 (-1.35)	-0.459 (-0.85)	-0.766 (-1.31)	-0.846 (-1.43)	-0.695 (-1.06)
Personal loans % t-1	-0.312 (-0.56)	1.195* (1.94)	-0.701 (-0.98)	-1.493* (-1.81)	0.007 (0.01)
Loans-to-assets t-1	0.182 (0.58)	0.355 (1.43)	-0.016 (-0.04)	0.036 (0.08)	0.307 (0.86)
Herfindahl- deposits t-1	-0.000* (-2.01)	-0.000* (-1.95)	-0.000* (-1.79)	-0.000 (-1.49)	-0.000 (-1.06)
Employment growth t-1	1.929*** (3.88)	1.762*** (3.60)	2.029** (2.72)	2.438*** (4.11)	1.762*** (3.28)
Ln (Population) t-1	0.358 (1.13)	0.690** (2.34)	0.202 (0.47)	0.259 (0.68)	0.613 (1.61)
Change in HPI t-1	0.000 (0.30)	-0.000 (-0.00)	-0.003* (-1.76)	0.001 (0.38)	0.001 (0.50)
Ln(wages) t-1	0.398 (1.71)	0.204 (0.85)	0.515* (1.76)	0.418 (1.58)	0.167 (0.62)
County fixed effects	Yes	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes	Yes
Observations	1,628	1,628	1,628	1,628	1,628
Adjusted R <sup>2</sup>	0.990	0.992	0.979	0.983	0.980

Table IA.12. Small business lending and bank mergers at the county level by size of acquirer. Impact of non-CRA reporting banks.

This table reports the results of regressions estimating the determinants of small business lending at the county level. Results replicate those in Table 4. To account for the lending activity of small community banks that are not required to file CRA reports, we use the annual change in SB loans outstanding from the call reports as a proxy for SBL originations for these banks. We follow Nguyen (2019) and compute the value of SBL outstanding for a given bank in a county using the proportion of the bank's total deposits held by branches in that county. If data on branch level deposits is unavailable, all SBL outstanding are attributed to the county of the bank's headquarters. We aggregate SBL outstanding across all community banks at the county level and use the annual change in SBL outstanding in the county as a proxy form SBL originations by small community banks. Total SBL is the sum of SBL originations from the CRA reports in county  $c$  in year  $t$  plus the change in SBL outstanding for small community banks in county  $c$  in year  $t$ . We use the  $\log(1+\text{total SBL})$  as the key dependent variables, and compute this measure for total, small, medium, and large SBL originations. Our key explanatory variables are *Merger intensity-small acquirer (large acquirer)* - the average share of county deposits of banks involved in mergers with a small (large) acquirer over the prior three years. Large (small) acquirers are those with assets  $\geq \$10\text{B}$  ( $< \$10\text{B}$ ). Controls include: *Herfindahl-deposits*; *Log(bank assets)*; *Loans-to-assets*; *RE loans-to-loans*; *C&I loans-to-loans*; *Personal loans-to-loans*; *Capital ratio*; *Nonperforming loans-to-loans*; *Ln(population)*; *Ln(wages)*; *Change in HPI (%)*, and *Employment growth*. We construct the county-level bank characteristics as deposit-weighted averages across all banks in the county using the bank's proportion of local branches as weights. The last row in Pane A (B) reports the  $F$ -statistic for the test of equality of the coefficients on *Merger intensity-small acquirer* and *Merger intensity-large acquirer (small acquirer  $< \$1\text{B}$  and small acquirer  $\$1\text{B} < \$10\text{B}$ )*. Standard errors are clustered at the county and year level.  $t$ -statistics are reported in parentheses. All variables are defined in Appendix A. \*\*\* (\*\*) {\*} denotes significance at the 1% (5%) {10%} level.

<i>Merger intensity by acquirer size. Lending by CRA and non-CRA banks</i>				
Dependent variable (Log):	Total SBL	Total Small	Total Medium	Total Large
	(1)	(2)	(3)	(4)
Merger intensity-small acquirer [A]	0.391*** (5.68)	0.330*** (5.46)	0.556*** (3.25)	0.431** (2.02)
Merger intensity-large acquirer [B]	-0.171 (-1.52)	-0.393*** (-3.39)	-0.068 (-0.38)	0.082 (0.30)
Log (bank assets)	0.025*** (4.44)	0.029*** (4.37)	0.033*** (3.75)	0.043*** (4.05)
Herfindahl- deposits	0.011 (1.56)	0.013** (2.14)	0.001 (0.08)	-0.006 (-0.30)
Loans-to-assets	0.408*** (4.10)	0.476*** (6.38)	0.498** (2.73)	0.398 (1.56)
RE loans-to-loans	0.746*** (4.09)	0.093 (0.79)	1.618*** (3.62)	2.296*** (5.48)
CI loans-to-loans	0.596** (2.73)	0.009 (0.05)	1.500*** (3.43)	1.749*** (3.86)
Personal loans-to-loans	0.314 (1.48)	0.343 (1.74)	0.878* (1.84)	1.157* (2.11)
Capital ratio	-0.464 (-1.23)	0.173 (0.53)	-1.501* (-2.01)	-2.875*** (-3.36)
Nonperforming loans-to-loans	-1.004* (-1.78)	-0.553 (-1.18)	-2.018* (-1.77)	-1.540 (-1.37)
Employment growth t-1	0.049 (0.40)	0.142 (1.52)	-0.109 (-0.42)	-0.055 (-0.19)
ln (population)	0.465*** (7.06)	0.877*** (10.68)	-0.171 (-1.25)	0.002 (0.01)
Ln(wage) t-1	0.428*** (7.33)	0.277*** (5.89)	0.747*** (7.87)	0.687*** (5.17)
Change in HPI t-1	0.002*** (3.65)	0.001* (1.75)	0.002* (2.09)	0.004** (2.17)
County fixed effects	Yes	Yes	Yes	Yes
Year fixed effects	Yes	Yes	Yes	Yes
Observations	47,248	47,248	47,248	47,248
Adjusted R <sup>2</sup>	0.949	0.965	0.789	0.758
F-test [A=B]	20.09***	25.84***	6.31**	0.99