

WESTERN ALLIANCE BANCORPORATION
Form 10-Q
October 30, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended September 30, 2015
or

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: 001-32550

WESTERN ALLIANCE BANCORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

88-0365922
(I.R.S. Employer
Identification No.)

One E. Washington Street Suite 1400, Phoenix, AZ
(Address of principal executive offices)
(602) 389-3500
(Registrant's telephone number, including area code)

85004
(Zip Code)

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 No

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 No

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 Accelerated filer

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Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Common stock issued and outstanding: 102,307,277 shares as of October 26, 2015.

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PART I

GLOSSARY OF ENTITIES AND TERMS

The acronyms and abbreviations identified below are used in various sections of this Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations," in Item 2 and the Consolidated Financial Statements and the Notes to Consolidated Financial Statements in Item I of this Form 10-Q.

ENTITIES:

AAB	Alliance Association Bank	FIB	First Independent Bank
ABA	Alliance Bank of Arizona	LVSP	Las Vegas Sunset Properties
BON	Bank of Nevada	TPB	Torrey Pines Bank
Bridge	Bridge Bank	WAB or Bank	Western Alliance Bank
Centennial	Centennial Bank	WAL or Parent	Western Alliance Bancorporation
Company	Western Alliance Bancorporation and Subsidiaries	Western Liberty	Western Liberty Bancorp

TERMS:

AFS	Available-for-Sale	HFI	Held for Investment
ALCO	Asset and Liability Management Committee	HFS	Held for Sale
AOCI	Accumulated Other Comprehensive Income	HTM	Held-to-Maturity
ARPS	Adjustable-Rate Preferred Stock	ICS	Insured Cash Sweep Service
ASC	Accounting Standards Codification	IRC	Internal Revenue Code
ASU	Accounting Standards Update	ISDA	International Swaps and Derivatives Association
ATM	At-the-Market	LIBOR	London Interbank Offered Rate
BOD	Board of Directors	LIHTC	Low-Income Housing Tax Credit
CBL	Central Business Lines	MBS	Mortgage-Backed Securities
CDARS	Certificate Deposit Account Registry Service	NOL	Net Operating Loss
CDO	Collateralized Debt Obligation	NPV	Net Present Value
CEO	Chief Executive Officer	NUBILs	Net Unrealized Built In Losses
CFO	Chief Financial Officer	OCI	Other Comprehensive Income
CRA	Community Reinvestment Act	OREO	Other Real Estate Owned
CRE	Commercial Real Estate	OTTI	Other-than-Temporary Impairment
EPS	Earnings per share	PCI	Purchased Credit Impaired
EVE	Economic Value of Equity	SBA	Small Business Administration
Exchange Act	Securities Exchange Act of 1934, as amended	SBIC	Small Business Investment Company
FASB	Financial Accounting Standards Board	SEC	Securities and Exchange Commission
FDIC	Federal Deposit Insurance Corporation	SERP	Supplemental Executive Retirement Plan
FHLB	Federal Home Loan Bank	SSAE	Statement on Standards for Attestation Engagements
FRB	Federal Reserve Bank	TDR	Troubled Debt Restructuring
FVO	Fair Value Option	TEB	Tax Equivalent Basis
GAAP	U.S. Generally Accepted Accounting Principles	XBRL	eXtensible Business Reporting Language
GSE	Government-Sponsored Enterprise		

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Item 1. Financial Statements.

WESTERN ALLIANCE BANCORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	September 30, 2015 (Unaudited) (in thousands, except per share amounts)	December 31, 2014
Assets:		
Cash and due from banks	\$ 161,944	\$ 125,329
Interest-bearing deposits in other financial institutions	163,466	39,067
Cash and cash equivalents	325,410	164,396
Money market investments	1,087	451
Investment securities - measured at fair value	1,537	1,858
Investment securities - AFS, at fair value; amortized cost of \$1,899,580 at September 30, 2015 and \$1,493,648 at December 31, 2014	1,932,980	1,520,237
Investments in restricted stock, at cost	57,986	25,275
Loans - HFS	24,356	—
Loans - HFI, net of deferred loan fees and costs	10,763,939	8,398,265
Less: allowance for credit losses	(117,072)	(110,216)
Net loans held for investment	10,646,867	8,288,049
Premises and equipment, net	121,739	113,818
Other assets acquired through foreclosure, net	57,719	57,150
Bank owned life insurance	161,705	141,969
Goodwill	289,347	23,224
Other intangible assets, net	16,420	2,689
Deferred tax assets, net	78,550	62,686
Other assets	239,867	198,696
Total assets	\$ 13,955,570	\$ 10,600,498
Liabilities:		
Deposits:		
Non-interest-bearing demand	\$ 4,077,461	\$ 2,288,048
Interest-bearing	7,532,942	6,642,995
Total deposits	11,610,403	8,931,043
Customer repurchase agreements	53,227	54,899
Other borrowings	300,027	390,263
Qualifying debt	206,787	40,437
Other liabilities	201,428	182,928