

Community Banking Strategic Intelligence — Flagship Intelligence Report

2026 year-to-date edition • as of August 8, 2026

CommunityBankIntel.com • 145 source-verified events • 262 institutions

Audience: bank directors, executives, investors, advisers, and regulators.

How to read the evidence column: an Observation rests on a single event, an Emerging Pattern on two to four, an Established Trend on a sustained run, and a Structural Change on several years.

Executive summary

As of August 8, 2026, our record holds 145 source-verified strategic events across 262 U.S. institutions. The headline of 2026 is the contest over the bank charter itself more than deal volume, though volume is healthy, with 64 bank acquisitions among those events.

Fifty charter events are now in our record. They include a wave of national-trust and digital-asset applications from the largest names in fintech and crypto, several de novo national banks, a Utah industrial-bank filing, existing-bank conversions, and, in the sharpest signal yet, a community-bank charter acquired outright by a fintech founder. In the same stretch the OCC issued a rare national-trust denial (Wise) while conditionally approving a fintech bank (Upstart) and granting Circle final approval to operate a national digital-currency bank.

Beneath the perimeter story, two consolidation engines keep running. Banks are buying banks, still concentrated below \$2 billion in assets but punctuated by a **\$12.3 billion** foreign entry into Webster and a roughly **\$34 billion** regional combination in Hawaii. And credit unions are buying banks, increasingly across state lines. For directors, executives, and investors alike, the strategic question of 2026 is converging on one point: the charter, long a community bank's moat, is now being sought, contested, and redefined by a widening field of entrants.

Strategic themes

Strategic theme	Assessment	Evidence strength
Banking-perimeter reconfiguration (charters contested and redefined)	Accelerating	Established Trend
Digital-asset / national-trust charter wave	Expanding	Established Trend
Community-bank consolidation (banks under \$2B seeking scale)	Continuing	Established Trend
Credit-union acquisition of banks (interstate)	Increasing	Established Trend
Credit-union supervisory distress (NCUA actions)	Rising	Emerging Pattern

Strategic theme	Assessment	Evidence strength
Federal Reserve payment-access policy (Gate 2)	Policy transition	Emerging Pattern
Industrial-bank (ILC) and de novo formation	Reviving	Emerging Pattern
Distressed / court-supervised control transfers	New signal	Observation

Fact is kept separate from interpretation throughout, and every event traces to a primary or issuer source.

2026 at a glance: what we recorded

Category	Events	Share
Bank acquisitions (M&A)	64	44%
Charter activity (de novo, national-trust, digital-asset, ILC, conversions)	50	34%
Credit-union transactions (including credit-union purchases of banks)	14	10%
Failures and resolutions	10	7%
Prior-year deals with a 2026 lifecycle event	5	3%
Branch / deposit deals	2	1%
Total	145	100%

Cadence: announcement activity ran a steady 11–14 events per month through the first half of 2026 and peaked at 27 in July. Repeat acquirers year to date include Bethany Bankshares and Peoples Bancorp (two deals each). New York, Texas, Missouri, Illinois, Wisconsin, and Utah are the most active states in our record.

Top stories

1. The OCC redraws the perimeter. Within weeks the agency denied Wise's national-trust bid (Corporate Decision 1381, July 21st), conditionally approved Upstart's de novo national bank (July 23rd), and granted Circle final approval to operate a national digital-currency bank (July 10th). Charters are open to new models, but AML and fiduciary competence remain gating.
2. A fintech founder buys a bank charter outright. Twin City Bank (WA) became "Increase Bank" after a completed change of control to Darragh Buckley, founder of the fintech Increase. It is the clearest sign yet that an existing charter is itself an acquisition target for fintech.
3. Banco Santander to acquire Webster (about \$12.3B). This is the largest single event we recorded; Federal Reserve holding-company approval has been obtained and closing is pending. A large foreign bank is re-entering U.S. banking at scale.

4. Credit unions keep buying banks, across state lines. America First FCU completed its purchase of Meadows Bank (closed May 31st); Gesa CU agreed to acquire Willamette Valley Bank (Washington into Oregon); Alabama ONE, Interra, Zeal, and Landmark added more. The pattern is now interstate and routine.
5. The largest U.S. Black-owned bank created. Optus Financial (SC) agreed to acquire M&F Bancorp / Mechanics & Farmers (NC) for more than \$105 million, forming a roughly \$1.3 billion minority depository institution of scale and mission.

Activity by lifecycle

What was newly reported, kept separate from what was added to the historical record.

Newly reported (late July to early August)

- Completed: Esquire Financial / Signature Bancorporation (closed August 1st; about \$4.8B combined, NY); United Community Banks / Peach State Bancshares (closed August 1st, SC); Fidelity BancShares / Affinity Bank, N.A. (closed July 31st, \$142.8M all-cash); Community West / United Security Bank (completed April 1st, CA).
- Newly announced: Alma Bank / American Community Bank (July 30th; about \$2.0B combined, 21 offices, NY); Peoples Bank of East Tennessee / First Peoples Bank of Tennessee (July 28th; about \$650M combined).
- Approved, closing pending: Banco Santander / Webster (Federal Reserve approved); FS Bancorp / Pacific West Bancorp (Federal Reserve approval August 4th); Coastal Bend Bancshares / First National Bank in Port Lavaca (Federal Reserve approval August 4th); First State Bank & Trust / Senath State Bank (conversion in progress).
- Charter developments: Upstart approved (July 23rd); Wise denied (July 21st); Circle granted final approval (July 10th). New filings: Sagehaven Bancorp (Pittsburgh de novo, July 14th), Flex Bank (Utah ILC, July 24th), Albert Bank (Salt Lake City fintech, July 20th), CBW Bank (state-to-national conversion for digital assets, July 8th), and The First National Bank in Cooper (digital-asset licensing, July 8th).
- Failure: Small Business Bank (KS) failed July 17th (about \$73M assets; estimated DIF cost \$5.7M); The Farmers State Bank of Oakley assumed the deposits.
- Credit-union supervisory actions: North Carolina placed Texas Gulf Carolina Employees' Credit Union into conservatorship (July 22nd); NCUA placed WeDevelopment FCU into conservatorship (July 10th) and liquidated African Diaspora FCU (August 6th).

Added to the historical record

- Completed earlier, recorded now: America First FCU / Meadows Bank, consummated May 31st, one of the largest bank acquisitions by a credit union to date.
- The 2026 OCC charter wave, traced back: Nubank (January 29th), Foris DAX / Crypto.com (February 25th), National Digital Trust (February, CD 1366), Coinbase National Trust (April 2nd), Mercury Bank, N.A. (April 27th), Interactive National Trust (CD 1373), Bridge / Stripe (February 12th), Laser Digital / Nomura (May 29th, CD 1377), Morgan Stanley Digital Trust (June 18th, CD 1378), and Connectia Trust / Sony (July 2nd, CD 1380).

- The December 2025 batch of five national trusts: Ripple, BitGo, Fidelity Digital Assets, and Paxos, with Circle advancing to final approval on July 10th.

Deep dive: the charter frontier

Fifty of the 145 events we recorded are charter events. Sixteen carry a 2026 conditional approval, one has reached final approval (Circle), one was denied (Wise), and roughly two dozen applications remain pending on the OCC's digital-asset list and in the de novo pipeline: bunq, Affirm, Revolut (a full FDIC-insured de novo national bank, distinct from the trust applications), Itaú, Mission Lane, OpenReserve, Payoneer's PAYO, EDX, Lorum, Agora, Kraken's Payward, Catena, zerohash, and more.

Four routes into the perimeter, plus a fifth. Entrants are arriving by national-trust or digital-asset charter (OCC), de novo national bank (Nubank, Upstart, Sagehaven, Augustus, Revolut), Utah industrial bank (Flex), and conversion of an existing bank (CBW; The First National Bank in Cooper). The newest route is the bluntest: buy an existing charter, as the fintech Increase did with Twin City Bank.

The two-gate reminder. An OCC charter (Gate 1) does not by itself confer Federal Reserve payment-system access (Gate 2). The Fed's proposed Payment Account framework closed for comment on July 27th; final action is pending. Charter status and payment-access status must be tracked separately, and a charter granted without payment access may prove less valuable than headlines imply.

Board perspective: why it matters

Fact, then interpretation, then confidence, then what to watch.

Wise denied, Upstart approved, Circle final: the OCC is selecting

What happened: within weeks the OCC denied Wise's national-trust application (CD 1381, July 21st), conditionally approved Upstart's de novo national bank (July 23rd), and granted Circle final approval to operate a national digital-currency bank (July 10th).

Why it matters: the charter is open to new business models, but the OCC is still gating on BSA/AML and fiduciary competence. Approvals and a denial in the same window show that it is choosing.

How confident: high. The OCC's Corporate Decisions, which are primary sources, are corroborated by issuer disclosures.

What to watch: the BSA/AML posture of your fintech and banking-as-a-service partners, which is now a chartering-level risk, and whether approved entrants clear the second gate, Federal Reserve payment access.

Banco Santander / Webster (about \$12.3B): scale buyers remain active above the usual size

What happened: Banco Santander agreed to acquire Webster Financial for approximately \$12.3 billion. Federal Reserve holding-company approval has been obtained and closing is pending.

Why it matters: the largest event we recorded shows that large and foreign acquirers are active even as most deal activity stays below \$2 billion in assets.

How confident: high. Contemporaneous reporting plus regulatory approval; the exact close date remains an estimate.

What to watch: the close, and deposit- and market-share effects across the Northeast.

Credit unions buying banks: tax-advantaged acquirers removing taxable peers, now across state lines

What happened: America First FCU completed its acquisition of Meadows Bank (closed May 31st); Gesa CU agreed to buy Willamette Valley Bank; Alabama ONE, Interra, Zeal, and Landmark added more. That makes six to seven credit-union purchases of banks year to date.

Why it matters: tax-advantaged buyers are steadily removing taxable community banks from the field, increasingly across state lines, and industry groups have renewed the challenge to large-credit-union tax treatment.

How confident: high. Issuer, NCUA, and state-regulator sources; some target financials remain pending.

What to watch: whether a credit union is a realistic acquirer in your footprint, and the tax-parity policy fight.

Questions directors should ask

- If a fintech or digital-asset entrant obtains a charter, and separately Federal Reserve payment access, in our markets, where exactly would it compete: deposits, payments, lending, or trust?
- Are we a plausible acquirer or a target at our scale and technology-cost curve, and which do we intend to be?
- Is a credit union a realistic acquirer of a peer in our footprint, and how would that reshape local pricing and talent?
- Could our charter itself become an acquisition target, as Twin City's did? And what is our exposure, as partner, correspondent, or competitor, to entities now bringing banking functions in-house?

Themes since the July issue

- Banking-perimeter reconfiguration: strengthened. Circle reached final approval, a fintech founder completed a charter acquisition, and Revolut filed for a full national bank.
- Credit-union acquisition of banks: strengthened. More announced deals, more of them interstate.
- Credit-union supervisory distress: newly elevated. Seven NCUA conservatorship, liquidation, or assisted-resolution actions year to date now warrant a standing theme.
- Court-supervised and distressed control transfers: strengthening. The Bank7 / Century matter and the Twin City / Increase acquisition move this from Observation toward Emerging Pattern.
- Federal Reserve payment access (Gate 2): unchanged. The comment period closed July 27th; final action awaited.

Sources

Primary sources: OCC (Corporate Decisions; Digital-Asset Licensing list), FDIC (failed-bank list; deposit-insurance applications; BankFind), Federal Reserve (H.2A; Payment Account policy), NCUA and state credit-union divisions (for example, North Carolina), SEC EDGAR (8-K / 6-K), and state banking departments.

Secondary sources, used for discovery: issuer press releases and investor relations, ABA Banking Journal / The Bank Slate, American Banker, Banking Dive, and Reuters.

As of August 8, 2026. Every published fact traces to a primary or issuer source. AI-assisted and editorially reviewed. This report is strategic intelligence, not investment, legal, or regulatory advice.

Revised for readability on September 23, 2026. The facts are unchanged.