Industrial Strength
FHLB Dallas District a Hub for Growth
Mental Health Emerges as Key Concern Amid Pandemic

As the nation faces a second wave of COVID-19 infections, it may also face another wave of mental health issues related to the coronavirus pandemic, health professionals say.

A recent study by the Centers for Disease Control and Prevention (CDC) revealed a 40 percent increase in people experiencing mental health and substance use concerns since the pandemic began affecting the United States in March.

Stress connected to the pandemic is fueling a rise in anxiety and depression, according to HealthShine and YouGov’s COVID-19 tracker. The number of people reporting symptoms such as fear and anxiety are well above historic norms.

Many employees are working full-time in a virtual capacity for the first time. They are isolated from coworkers with their daily lives disrupted in a variety of ways due to the pandemic. It is natural for this disruption and uncertainty to lead to anxiety and stress, according to the American Psychiatric Association, which says it’s important to find ways to take care of employees’ mental health and well-being now more than ever.

The stressors include people who are worried that they or a family member will get the virus. The effects of this stress can manifest in different ways, including irregular eating and sleeping patterns, apathy, lethargy, germaphobia and social anxiety.

Why Promoting Mental Health in the Workplace is Important

- About one in five adults in the United States experience a mental illness every year.
- 71 percent of adults in the United States reported having at least one symptom of stress.
- 61 percent of workers said their mental health affected their productivity.
- Between 2014 and 2018, the proportion of workers with symptoms of depression increased by 16 percent.
- 37 percent of workers said their work environment contributed to the mental health symptoms they experienced.
- Mental health disorders and substance abuse issues cost U.S. employers between $79 and $105 billion a year in indirect costs.

In July, almost six out of 10 employers reported that their plans for the return to work were stymied by uncertainty and persistent questions about how to provide a safe environment for their employees, according to a survey by Anzant, the parent company of American Banker.

At the time of that survey, half of respondents reported reluctance from their employees to return to work. Since then, some financial institutions have returned to the office while others have continued virtual work or implemented a hybrid option.

Companies Add Mental Health Benefits

Financial institutions have offered their employees a wide variety of benefits to help them with mental health issues such as virtual exercise and meditation classes, wellness webinars, virtual coffee breaks and a variety of mental health perks to deal with stress, burnout and prolonged isolation.

Promoting mental health in the workplace can have a significant impact on an employee’s job satisfaction and work performance, according to Indeed.com.
Home sales and prices soared to new levels in the second half of 2020 after a brief pandemic dip, but housing experts believe growth in 2021 might just be a fraction of what the nation is experiencing this year.

An extended work-from-home environment coupled with historic low interest rates have driven the market’s strength this year.

Existing-home sales grew for the fourth consecutive month in September, according to the National Association of Realtors (NAR). Each of the four major regions witnessed month-over-month and year-over-year growth. Sales rose 9.4 percent from August to a seasonally adjusted annual rate of 6.54 million in September. Overall, sales were up 20.9 percent from a year ago.

NAR attributes homebuyer interest, which typically slows after the summer, to an abundance of buyers in the marketplace, including buyers of vacation homes given the greater flexibility to work from home.

Things might have been even hotter if it weren’t for a lack of inventory across many parts of the country.

The United States only has enough inventory to last 2.7 months – a record low – at the current sales pace, according to NAR. Roughly six months of inventory is considered a balanced market.

Home prices nationwide increased year-over-year by 6.7 percent in September 2020 compared to September 2019 and increased month-over-month by 11 percent, according to CoreLogic’s Home Price Index (HPI).

“Housing continues to be a bright spot during an otherwise challenging economic time for many U.S. households. Those in sectors that weathered the transition to remote work successfully are now able to take advantage of low mortgage rates to purchase a home for the first time or to trade-up to a larger home,” said Frank Martell, president and CEO of CoreLogic, a property data and analytics company.

Joel Kan, associate vice president of Economic and Industry Forecasting at the Mortgage Bankers Association (MBA), called it a “pretty clear V-shaped recovery for housing. Things were strong going into this (coronavirus pandemic) and a lot of the recovery has been the pent-up demand.”

Low mortgage rates continue to drive the market with both new purchases and refinances although lending experts say credit is tightening and only borrowers with stellar credit can qualify for a loan.

A Cooler Market in 2021?

CoreLogic’s HPI Forecast shows prices will start to downshift in early 2021, with annual U.S. HPI gains slowing to just 0.2 percent by August 2021 and many locations experiencing a decline in prices. Several markets are at significant risk for steep price declines in 2021, according to CoreLogic.

Housing Around the District

All housing is local, as they say, and the District has both hot and lukewarm housing markets. Some markets that aren’t seeing as much activity are dealing with unforeseen challenges such as hurricane damage, but even these challenged markets have seen a bit of a silver lining. Here’s a brief look at each state in the District:

Arkansas

Homes sales were strong this summer in Northwest Arkansas, as buyers there sought to take advantage of low interest rates, according to Arvest Bank’s Skyline Report, which is conducted by the Center for Business and Economic Research at the University of Arkansas.

In September, Carolyn Cobb, president of the Arkansas Realtors Association, told Little Rock’s KATV that the combination of people spending more time at home and historically low interest rates drove sales up in the state by more than 15 percent over the year-ago period.

Some homes in the state were on the market less than 24 hours, and bidding wars were becoming the norm in some neighborhoods, the TV station said.

Louisiana

Portions of the state got hammered by hurricanes in August and October, but there is still some positive news on the housing front despite the sobering news of storm damage.

Homeowners are busy rebuilding and that is driving demand for lumber and related construction materials in Louisiana. Lumber demand is strong across the nation as builder sentiment set a record high for the second month in a row, jumping to 85 in October on the National Association of Home Builders Housing Market Index.

Forestry is the second largest manufacturing employer in Louisiana, where 48 percent of the state is covered by forests, according to the Louisana Forestry Association. The housing industry seems to have a nearly insatiable demand right now for wood framing, flooring, cabinetry, windows and doors, all of which are driving lumber prices higher.

Boise Cascade, an Idaho-based timber company that has an engineered wood products mill and regional headquarters in Lena, Louisiana, and two plywood plants in the state, said in a company press release that strong housing demand is driving business although it also said the pandemic could continue to cause disruptions.

Housing starts are a good indicator for lumber demand, according to asset valuation firm Gordon Bros., and housing starts in September were at a seasonally adjusted annual rate of 1.42 million, up 11.1 percent over the year-ago period.

Even with natural disaster stress in the market, Louisiana home values have gone up 3.4 percent over the past year, according to Zillow.

Mississippi

Mississippi has faced some challenges in its housing market due to higher unemployment and mortgage delinquency rates compared to other parts of the country. But even with these challenges, home values have risen 3.5 percent over the past year and are predicted to rise 6.2 percent next year, according to Zillow.

Mission Forest Products announced in October that it is building a sawmill in Corinth, Mississippi, that will be capable of producing 250 million board feet of southern yellow pine lumber a year. The $160 million project is expected to create 130 jobs by 2022, according to Building Products Digest.

Its parent company, Timberland Investment Resources, said it selected Corinth because of its rail and road access and its proximity to plentiful timber supply and growing population centers such as Memphis, Nashville and Birmingham.

New Mexico

With an affordable housing stock, New Mexico is attracting residents from expensive cities along the Pacific Coast. Glenn Kelman, the CEO of real estate brokerage Redfin, told CNBC that affordable places such as Albuquerque, New Mexico, are attracting buyers from these higher-priced coastal cities.

Jody Kahr, senior vice president of sales at John Burns Consulting, said some California technology workers whose companies have gone semi-remote are even moving to desirable, affordable cities in other states such as New Mexico, Nevada and Arizona under the belief they’ll only have to visit the office infrequently.

Realtors also said it is a seller’s market in Albuquerque with demand up for luxury homes priced over $500,000.

“For homes priced over $500,000, there’s been an 85 percent increase in sales,” Linda DeVlieg, a luxury home specialist with Keller Williams, told KRQE-TV in September. Many areas like Los Angeles and San Francisco cost upward of $1 million for a non-luxury home, she said.

“A lot of them are coming from other areas or more affluent
The sustainability and strength of housing’s recovery will depend of 1,000 acres with plans for 3,000 homes in each.”

Each selling roughly 3.2 homes a day. Each community consists of large master planned developments north of Fort Worth are known for its industrial airport north of Fort Worth, is also seeing explosive growth in its housing segment. “Our home sales are extremely high,” he said. “Hillwood’s two

Mr. Dotzour said. “There will be a continuation of that.”

Texas

Mark Dotzour, a real estate economist who served for 18 years as chief economist of the Real Estate Center at Texas A&M University, said Texas’ constrained supply — under three months of inventory — is contributing to the state’s rising home prices as pent-up demand surges. Homebuilders can’t keep up, and existing homes are flying off the market.

“You better show up with your checkbook and be ready to buy,” Mr. Dotzour said. “There will be a continuation of that.”

The bottom third of the Texas market is the most constrained by lack of inventory, he said.

New home construction is also strong in Texas. Bill Burton, executive vice president with Hillwood, said the developer known for its industrial airport north of Fort Worth, is also seeing explosive growth in its housing segment.

“Our home sales are extremely high,” he said. “Hillwood’s two large master planned developments north of Fort Worth are each selling roughly 3.2 homes a day. Each community consists of 1,000 acres with plans for 3,000 homes in each.”

What’s Next for Members with Mortgage Divisions

The sustainability and strength of housing’s recovery will depend on how many workers get back into the economy and when.

Federal Reserve Chairman Jerome Powell has called for more stimulus from Congress, saying that the economy could suffer more if Congress and the White House don’t provide additional support to consumers and businesses impacted by the coronavirus. Too little support could cause a weak recovery and hardships, he said.

Congress didn’t pass a second stimulus bill before the presidential election and that added uncertainty in the economy going into the fourth quarter. The contested election results could lead to additional economic instability in the coming months.

“Whether they are renters or buyers, there will be some hardship for a large segment of the population that isn’t part of the V-shaped recovery in housing,” MBA’s Mr. Kan said. Tightening credit is already apparent with risk-averse mortgage lenders tamping down credit availability across loan types due to the uncertainty around delinquencies, defaults, forbearances and the economy.

Credit availability declined in September, according to the Mortgage Credit Availability Index (MCAI), a report from the MBA. The MCAI fell by 1.9 percent to 116.9 in September. A decline in the MCAI indicates that lending standards are tightening while increases in the index are indicative of loosening credit.

 “[Credit] … will be tied to broader mortgage market performance and the employment situation,” Mr. Kan told FHLLB Dallas. Pent-up demand and low interest rates should help keep refinance and purchase mortgage markets in healthy territory for the next couple of months as housing experts assess what might be in store for 2021.
The U.S. industrial real estate sector was healthy as the nation entered into a long-lasting coronavirus pandemic earlier this year, and experts remain bullish for it to end the year as the resilient darling of the commercial real estate (CRE) industry.

Although some other CRE sectors have struggled, industrial’s position of strength hasn’t wavered much as e-commerce growth and supply-chain modernization drive demand amid the COVID-19 recession.

For financial institutions involved in CRE lending, the strength of the industrial market has been a bright spot amid uncertain times.

Consider these September 2020 industrial insights from CRE firm Cushman & Wakefield:

- Transportation and warehousing jobs were growing at 3 percent as the industrial sector entered the COVID-19 recession. In comparison, job growth in transportation and warehousing was contracting by 4 percent during the dot-com recession and by 1 percent during the Great Recession.
- Manufacturing job growth upon entering the COVID-19 recession was growing at a modest 1 percent compared to a contraction of 7 percent at the start of the dot-com recession and a 3 percent contraction at the beginning of the Great Recession.
- Overall vacancy for the U.S. industrial market was 4.9 percent as the sector entered the current recession compared to vacancies of nearly 8 percent as the nation entered the Great Recession and a vacancy rate of 7.3 percent as the dot-com recession began.
- The industrial property segment has been among the top performing asset classes for net occupancy, rent growth and capital appreciation over the past few years.
- Even amid a national recession caused by COVID-19, demand continues to slightly outpace supply.

The Federal Home Loan Bank of Dallas (FHLB Dallas) District of Arkansas, Louisiana, Mississippi, New Mexico and Texas is well-situated for distribution and logistics operations, said Ching-Ting Wang, research director, Texas, at Cushman & Wakefield. The state of Texas accounts for about 75 percent of the industrial inventory of those five states, she said.

“Because a lot of these states are very centrally located, they make great distribution and warehousing locations and especially when it comes to e-commerce, it makes a good location when it comes to the last-mile delivery centers,” she said.

In Texas, construction is robust given its central location for east-west connectivity and north-south connections into Mexico and Canada.

In Dallas and Austin, Amazon has several mega warehouses under construction, including a massive 3.8 million-square-foot distribution warehouse in an Austin suburb and a 1.1 million-square-foot warehouse in Dallas-Fort Worth (DFW). Houston is seeing significant construction activity along Interstate 10 near Katy where land is plentiful and affordable. Construction in the I-10 corridor includes a 2.2 million-square-foot distribution center for Ross Dress for Less and a 1.3 million-square-foot warehouse for Medline Industries, Ms. Wang said.

While the trend toward more online shopping was well underway before COVID-19, the coronavirus pandemic propelled growth at a more rapid pace, Ms. Wang said.

“It’s not something that is going to fade once everything is back to normal because people are still going to purchase things online,” she said.

CBRE’s second quarter market report notes that rents and construction look resilient:

- Average asking rents finished midyear at $7.96 per square foot – 6.3 percent higher than this time last year.
- Warehouse/distribution rents rose 5.6 percent year-over-year to an average of $6.68 per square foot to all-time highs.
- Projects under construction increased to 309.7 million square feet in the second quarter from 298 million square feet in the first quarter. Nearly 36 percent of this space is preleased.
- Developers remain bullish on the industrial market because of its near-record low overall vacancy rate of 4.7 percent.

Texas Strong Hub

Within Texas, the DFW metropolitan area accounts for about 45 percent of the industrial inventory while Houston holds about 25 percent of the industrial inventory with the rest spread among other cities.
square feet has been absorbed in the first three quarters and outpacing net absorptions slightly. In Houston, about 7.8 million region completed almost 23 million square feet of industrial, highest first three quarters for DFW,” Ms. Wang said. The DFW “That would put us around 21 million square feet year to date, the in its history.

Experts say the long-term outlook for the industrial sector is strong.

Albuquerque Leads New Mexico Market

Albuquerque’s fundamentals are healthy, according to CBRE data:

- Net absorption totaled 234,698 square feet in the first half of 2020, marking the eighth consecutive half-year period of positive net absorption
- Two speculative buildings totaling 165,450 square feet completed construction during that time with one building nearly 90 percent pre-leased
- The median asking lease rate increased to $7.74 per square foot triple net, the highest rate in more than a decade
- With demand outpacing new supply the overall vacancy rate was pushed to 2.8 percent, a record low in the market’s history
- Ben E. Keith, a food distributor, has a 261,000 square-foot warehouse under construction

Delinquencies Tick Up But Still Low

Trepp, which provides data and analytics to the commercial real estate market, structured finance and banking industries, said CRE loans in bank portfolios are showing stress related to the economic downturn. Still, the overall CRE delinquency rate for CRE bank loans was 0.59 percent in the second quarter, far lower than the 9 percent delinquency rate for CRE loans at the peak of the financial crisis.

Trepp notes signals in the data exist that some borrowers may be strategically defaulting on their loans which could feed a wave of foreclosures in the coming four to six quarters.

Commercial mortgage-backed securities (CMBS) forbearances have risen to $31.2 billion covering 800 loans, up from $16.6 billion and 400 loans in July. The majority of relief was granted in the hotel sector with just a smattering of forbearances in industrial, multifamily or office loans.

Bill Burton, executive vice president at Hillwood, which has developed or acquired more than 199.3 million square feet of industrial space, said Hillwood has had very limited requests for forbearances and has seen several significant lease renewals this year at its signature AllianceTexas development in Fort Worth. Those include General Mills (860,000 square feet), S. C. Johnson & Son, Inc. (408,000 square feet) and FedEx Supply Chain Logistics & Electronics, Inc. (1 million square feet).

Hillwood and other industrial developers were aggressive in building speculative space last year, much of which is coming online this year.

“What’s Ahead

Although forecasts first projected negative absorption and lower asking rents this year as a result of COVID-19, the market may not post any negative net absorption in this downturn, according to CBRE – unlike the six consecutive quarters of negative net absorption posted during the last recession.

The long-term outlook for the industrial sector is strong, experts say, with e-commerce as a major driver, but other factors such as autonomous transportation, higher inventory storage to guard against shortages and re-shoring distribution from foreign countries, are all playing a role. •
Picking Up the Pieces: Louisiana Economy and Housing Rebuild After Getting Hit by Multiple Hurricanes

FHLB Dallas Members Were Among Those Impacted

When Hurricane Laura hit southwestern Louisiana in August with an $8- to $12-billion range in damages, the Category 4 storm left a long recovery period in its wake — and came amid the uncertainty of the coronavirus pandemic. Despite the destruction, the Federal Home Loan Bank of Dallas (FHLB Dallas) and other financial institutions went right back to work to aid affected customers.

“Like everyone else in the impacted areas, bankers had homes, jobs, offices and lives upended,” said Robert Taylor, Louisiana Bankers Association (LBA) CEO. “With electricity out and ATMs not functioning, opening branches was paramount to help storm-affected customers in its aftermath, he said. “Many bankers put their own situations on pause and went to work; the local communities were served.”

Affected cities have been busy rebuilding their communities since the August 27 storm. Bankers have used a variety of tools to help including disaster relief grants and loans and the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Although the CARES Act doesn’t apply specifically to hurricane damage, it does provide more than $2 trillion in economic relief to Americans impacted by COVID-19.

Economic Effects of COVID and Storms

The Louisiana Workforce Commission had a total of 256,184 unemployment claims reported for the week of August 31, the week after Hurricane Laura hit, compared to 249,610 total claims reported the week prior. Another increase came from first-time claims, which rose from 16,191 to 24,566 within that same time frame.

The U.S. Department of Labor announced a Disaster Recovery National Dislocated Worker Grant for up to $8 million — awarded to the Louisiana Workforce Commission — in response to Hurricane Laura. The initial award of $4 million is helping the state create disaster-relief jobs to address debris cleanup and delivery of humanitarian assistance to those affected by the storm statewide, according to the Department of Labor. Louisiana may request additional funding increments based on the project’s demonstrated need.

The economic damages from Hurricane Laura will make it more difficult for those affected by the pandemic to fully recover with the current economy, Moody’s Analytics’ Mark Zandi said, according to a CNN report.

In addition, due to the pandemic, the price of hurricane repairs may be higher than they would be otherwise. According to credit ratings agency A.M. Best, there will most likely be an inflation rate for construction supplies and contractors.

Additional Hurricanes Add to Economic Woes

About a month before Hurricane Laura hit, Hurricane Hanna hit southeast Texas in Corpus Christi as a Category 1 storm causing $177 million in damages, according to the National Weather Service.

In addition, Hurricane Delta hitting near Creole, Louisiana, on October 9, set back the recovery further. Southern Louisiana residents experienced intense flooding, strong winds and falling debris.

Hurricane Zeta caused even more damages as it made landfall in southeast Louisiana and hit parts of Mississippi. More than 500,000 people were left without power from the Category 2 hurricane.

Stepping in to Help

FHLB Dallas has members in Louisiana that were severely impacted by the hurricane.

In order to help members’ employees get back on their feet, FHLB Dallas provided $923,502 in hurricane relief funds, low-cost loans and a $15,000 donation to the American Red Cross. As of November 23, $490,480 has been utilized to assist 14 members and 163 employees.

On October 28, FHLB Dallas expanded the program to assist members impacted by Hurricane Delta. (See the Relief Programs for Louisiana Parishes Declared Disaster Areas member bulletin for more details.) Funds are available until exhausted or December 31, whichever occurs first.

“Local communities with their local bankers will work through these setbacks, with a hopeful 2021 in the future,” LBA’s Mr. Taylor said.

SLOW RECOVERY AFTER HURRICANE LAURA

DAMAGED HOMES IN LOUISIANA

Number of homes affected by recent hurricanes

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<th>Hurricane</th>
<th>Sub-tropical storm</th>
<th>Tropical storm</th>
<th>Category 1</th>
<th>Category 2</th>
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Source: CoreLogic

UNEMPLOYMENT IN LOUISIANA

Unemployment claims filed compared to same weeks last year

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<th>FIRST-TIME CLAIMS</th>
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Source: Louisiana Workforce Commission

2019 | 2020

July | Aug | Sept | Oct | July | Aug | Sept | Oct
Bankers Put Cybersecurity at Top of Mind

Protecting Against Cyberattacks Becoming a New Normal Amid the Work-From-Home Environment

Cybercriminals are taking full advantage of the remote environment that the coronavirus pandemic has created, leading more financial institutions to think strategically about their cybersecurity strategies.

Phishing and ransomware attacks have increased more than 520 percent at banks between March and June, according to Arctic Wolf’s 2020 Security Operations Annual Report. Banks are putting a heavy emphasis on vigilance and awareness for employees toward such attacks.

To no surprise, financial institutions have always been targeted by the pandemic has greatly increased the likelihood of related criminal activity, said Steven Estep, director of operational risk at Independent Community Bankers of America (ICBA).

“Cybercriminals thrive during chaos and uncertainty, and these last few months have provided a surplus,” said Mr. Estep. “The work-from-home environment has been a challenge for everyone. Fortunately, community banks are very flexible by nature as they immediately used their technology and resources to provide a seamless transition for employees.”

Mr. Estep added that community banks, like all organizations, should remind employees and customers to remain vigilant. “Bankers should inform their customers about the types of questions and information they will request and more importantly, what information they will never ask them for via phone or email,” he said. “ICBA recently added a guide to help banks educate their customers on cyber threats.”

Most recently, the American Bankers Association (ABA) partnered with more than 1,500 banks across the United States to launch the #BanksNeverAskThat campaign. It was created to educate consumers about phishing scams and how to thwart them, according to ABA’s website.

Cybersecurity Spending Outlook

The shift of more companies to a remote work environment, as a result of the pandemic, created an obstacle for bankers and security professionals to safeguard sensitive and valuable data. Increased cybersecurity spending is now a bigger issue to banks.

The financial industry traditionally has invested more into cloud security spending is expected to grow about 5 percent. Spending in 2020 is $146.7 billion and is expected to grow by about 5 percent.

“Community banks are continuously investing in new practices and technology to increase the security of their banks,” Mr. Estep added.

At the board of director level, executives are slowly finding out how crucial cybersecurity spending is to protect their organizations. An expense segment on the rise is cloud security, which is considered the fastest-growing segment in cybersecurity. According to Nicole Grove, director of account management at FireEye’s Digital Center for Excellence, in a recent ABA article, cloud-based systems allow employees to access critical applications remotely and help maintain oversight and mitigate risk compared to older technology. Gartner reported that cloud security spending is expected to grow rapidly, from $675 million in 2020 to about $2.1 billion in 2024.

Staying Ahead of Trends

One challenge with cybersecurity is the speed at which cybercriminals adapt to the changing environment. Banks must be a few steps ahead to gain proper footing in security. Fortunately, community banks are incredibly well tapped into the threat intelligence and information-sharing communities, so as with any new threat, Mr. Estep said it is important for community banks to stay a step ahead by using third-party resources, and thus far, they have done a remarkable job. “While larger banks may employ an inhouse team to oversee their networks and security, smaller community banks may leverage their third-party vendor relationships to supplement their inhouse security functions and ensure adequate coverage,” Mr. Estep said.

He added that specific policies and procedures can be implemented to mitigate risk.

“Since community banks are very security conscious, a precautionary measure would be to enlist a third-party security company or IT auditor to evaluate the new security and IT infrastructure put in place for remote workers and follow up with new IT security training focused on work-from-home environments,” he said. “It’s also good to review processes and procedures and make changes appropriately. Even things like a clean desk policy needs to be seen in a different light now that there are more employees working at home.”

Additionally, community banks can remind employees to change the default password on their home Wi-Fi.

“Most internet providers unfortunately leave the default username as ‘admin’ and the default password as either ‘admin’ or ‘password,’” Mr. Estep added.

A security measure banks can also implement in their internal procedures includes the zero-trust method, which requires a strict identity verification for anyone, employees included, trying to log into the institution’s network.

“In a zero-trust security model, no one, either inside or outside a network, is trusted 100 percent of the time,” Mr. Estep said. “Verification must be continuously achieved by all users.”

Lastly, community banks must be aware of which vulnerabilities they are susceptible to and which technology is relevant.

Going Forward

Mr. Estep said, in looking ahead, that financial institutions can expect to see a continuing trend of COVID-themed fraud, scams and social engineering through the pandemic.

“COVID-themed attacks are going to persist through the pandemic,” he said. “But community banks have done a great job of overcoming the hurdles this pandemic has thrown at them. They are the backbone of their communities and will continue to create a safe and secure banking environment no matter where the work occurs.”

Cybercriminals thrive during chaos and uncertainty, and these last few months have provided a surplus.”

— Steven Estep

Director of Operational Risk, Independent Community Bankers of America (ICBA)

By Stephen Hidalgo

Communications Writer

1 billion

RECORDS STOLEN IN 2019

POTENTIAL LOSSES OF

> $50,000/hour

Source: Cloud Threat Landscape Report 2020, IBM