



OCTOBER 2026 EDITION · THE DEPOSIT MORTALITY INDEX™

The State of Deposit Mortality 2026

The second national scoring of deposit runoff from depositor mortality, across every US bank and credit union. Methodology v1.3, with the full restatement of this edition's corrected balance weights disclosed inside.

\$1.46T

in deposits projected to leave US banks and credit unions over the next ten years as depositors pass away and their heirs move the money. Re-measured on June 30, 2026 data under corrected methodology.

Over the next ten years, an estimated \$1.46 trillion in deposits will leave US banks and credit unions for one reason that no supervisory framework, rating system, or industry metric currently measures: the people who hold those deposits will pass away, and their heirs will move the money. This report presents the second national scoring of that exposure by the Deposit Mortality Index™, computed for 8,365 federally insured depository institutions from entirely public data, under a fully published methodology, on June 30, 2026 geography and second-quarter financials. The findings reorder some assumptions. The exposure is not evenly distributed, it is not primarily a big-bank problem, and the difference between institutions that keep transferring wealth and institutions that watch it leave is not demographics. It is machinery.

\$1.46T

10-YEAR DEPOSIT RUNOFF FROM DEPOSITOR
MORTALITY, BANKS AND CREDIT UNIONS
COMBINED

8,365

INSTITUTIONS SCORED: 4,212 BANKS AND 4,153
CREDIT UNIONS

63.2%

NEARLY TWO-THIRDS OF US BANKS SCORE
ELEVATED OR HIGHER ON THE INDEX

50.4 vs 21.7

MEDIAN DMI: BANKS UNDER \$100M VERSUS
BANKS OVER \$100B

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READING THE INDEX

0 to 100 Every institution receives a composite score. Higher means more exposed to deposit runoff from depositor mortality.

Moderate Below 40. Runoff broadly offset by franchise diversity and succession capacity.

Elevated 40 to 54. Material scheduled runoff; retention economics warrant board attention.

High 55 to 69. Runoff concentrated and largely uncapturable with current capabilities.

Severe 70 and above. Deposit franchise structurally exposed to demographic amortization.

The October scoring, and a correction we made to our own numbers

This edition reports the index's second national scoring: June 30, 2026 branch geography from the FDIC's newly released Summary of Deposits, second-quarter 2026 financials for every bank, and second-quarter NCUA data for every credit union. It also carries a methodology restatement, and because this index's credibility rests on never moving quietly, the restatement is explained here rather than in a footnote.

In September 2026, a verification exercise found that the balance weights used in Step 3 of the methodology, the figures that convert each footprint's population ages into deposit-dollar ages, were approximate values that had never been checked against the published Federal Reserve Survey of Consumer Finances tables they cited. We performed that check, adopted the actual published figures, and recomputed every institution in the study under both versions. The correction, a Class 2 input-fidelity change under the index's published Methodology Change Policy, lowered scores almost everywhere: the median institution declined 2.6 points, no institution scored higher, and 920 of 8,429 institutions moved down one tier. On the July data, the national ten-year exposure restated from \$1.52 trillion to \$1.46 trillion. The fresh October scoring on new data lands at the same figure: \$1.46 trillion.

Readers comparing this edition with the July publication should know that the headline changes decompose into both effects. The share of banks scoring Elevated or higher, 72.4 percent in July, is 63.2 percent here: most of that movement is the corrected weights, the remainder is fresh data and a scored population that shrank from 8,429 to 8,365 institutions as consolidation continued between vintages. July's figures reflect the superseded specification and are not retroactively edited; they remain published, vintage-stamped, as the record of what the index reported when. The correction lowered our estimates. The full restatement note, the complete Methodology v1.3, and the change log are published at getprismm.com/dmi.

From \$124 trillion to \$1.46 trillion: how the deposit slice relates to the famous number

\$124 trillion

All household wealth transferring through 2048: \$105 trillion to heirs and \$18 trillion to charity, spanning real estate, brokerage and custodial investments, retirement accounts, business interests, life insurance, and deposits (Cerulli)¹

~\$15 trillion

The slice of household wealth held as bank deposits and credit union shares (Federal Reserve Z.1), the smallest major component of household wealth. Depositories hold about \$21 trillion in total deposits and shares once business and government balances are included (FDIC, NCUA)⁷

~\$3.2 trillion

Deposits estimated to transfer at death over the next ten years (gross mortality-weighted exposure, this study's estimate)

~\$1.46 trillion

The portion projected to leave the incumbent institution, after spousal retention and heir attrition

The \$124 trillion is a wealth-management industry number: it measures the transfer. The Deposit Mortality Index measures the funding consequence for depositories: the one slice banks and credit unions actually lose. The remaining trillions move through brokerages, retirement plan administrators, insurance carriers, and title companies, and are measured at market level by Cerulli, McKinsey, and others. No slice had been measured at the institution level until this index. One caution against reading the deposit slice as small: the deposit account is the settlement rail of every estate. The probate cash, the insurance payout, the house-sale proceeds all pass through a deposit account on the way to wherever they are going. The institution structurally present at that moment gets a chance at all of it.

01 · WHAT WE MEASURED, AND WHY NOBODY HAD

Deposit analysis has always had a demographic blind spot with a simple cause: banks do not observe or report the age of their depositors. Rate sensitivity, uninsured concentration, and funding stability are scored by supervisors and analysts; the scheduled amortization of the deposit base as depositors age and pass away is scored by no one, even though it is the most certain of all deposit risks in aggregate, and even though the evidence of its severity has been accumulating in plain sight. Research on community institutions found average depositor age above 60, with roughly 57 percent of community bank depositors over age 50, versus about 35 percent at the fifty largest banks.² Cerulli finds more than 70 percent of heirs change financial providers upon inheriting,³ and its 2025 survey found only 20 percent of actual inheritors kept the benefactor's provider.⁴ Cerulli's own release sizes the horizontal wave: roughly \$54 trillion passes first to surviving spouses, about \$40 trillion of it to widowed women.⁵ McKinsey projects women will control some \$34 trillion of US financial assets by 2030 as a consequence.⁶

The Deposit Mortality Index closes the measurement gap by assembly rather than access: four public datasets jointly determine what no single one contains. FDIC branch data locates each institution's deposits by county; Census data ages those counties; Federal Reserve household research converts population age into deposit-dollar age; Social Security actuarial tables convert age into scheduled mortality. Two published behavioral parameters, spousal retention and heir attrition, net the gross transfer down to institutional runoff, and both are published with scenario ranges. The full methodology, version 1.3, including every field code, the assumptions register, the Methodology Change Policy, and the complete change log, is published at getprismm.com/dmi; every score in this report is reproducible from public data.

02 · THE CENTRAL FINDING: THIS IS A COMMUNITY BANKING PROBLEM

The single most important pattern in the national data is the size gradient. Median index scores fall monotonically, without exception across asset classes, as institutions get larger:

EXHIBIT 2

Median Deposit Mortality Index by institution size

ASSET CLASS	MEDIAN DMI	JULY 2026 (V1.2)
Banks under \$100M	50.4	52.7
All banks (median)	43.5	46.1
All credit unions (median)	29.5	32.1
Banks over \$100B	21.7	24.7

Source: Deposit Mortality Index v1.3 national run, 8,365 scored institutions, Q2 2026 regulatory data and June 30, 2026 branch geography. July v1.2 medians shown for continuity; see Section 00 for the restatement.

The mechanics behind the gradient are visible in the component data. Runoff rates vary less than intuition suggests. Mortality is universal, and most institutions' ten-year net runoff clusters within a few percentage points. What varies enormously is everything that determines whether the institution can capture what transfers: small banks operate older, more concentrated footprints; hold more of their funding in time deposits held by older customers; and, decisively, mostly lack any structural succession machinery (trust powers, fiduciary business, or systematic beneficiary capture) while nearly every large bank has all three. The result is that the wealth transfer functions as a regressive tax on community banking: the institutions most rooted in aging communities are the least equipped to retain what those communities pass on.

“The runoff is nearly universal. The capacity to capture it is not. That asymmetry, not demographics, is what the index actually ranks.”

THE COMMUNITY BANKING EXPOSURE, BY THE NUMBERS

57% of community bank depositors are over age 50, versus roughly 35 percent at the fifty largest banks²

70% of the time, heirs move inherited assets away from the community institution that held them³

50.4 median DMI for banks under \$100 million, more than double the 21.7 median for banks over \$100 billion

The community development dimension sharpens the point. When deposits leave a community institution at a mortality event, they typically do not move to the community bank across the street; they consolidate to a megabank or brokerage where an heir already banks, often in another city. For the communities that community development institutions exist to serve, mortality without succession machinery is a slow, compounding withdrawal of local capital.

03 · THE NATIONAL DISTRIBUTION

Scores run 0 to 100 across four tiers. Under the frozen thresholds, calibrated once on the full national distribution before first publication and unchanged by the v1.3 restatement, the 4,212 scored banks distribute as follows:

EXHIBIT 3

National tier distribution, banks and credit unions

TIER	DEFINITION	BANKS	SHARE	CREDIT UNIONS
Moderate (below 40)	Runoff broadly offset by franchise diversity and succession capacity	1,552	36.8%	83.8%
Elevated (40 to 54)	Material scheduled runoff; retention economics warrant board attention	2,142	50.9%	15.0%
High (55 to 69)	Runoff concentrated and largely uncapturable with current capabilities	476	11.3%	1.1%
Severe (70 and above)	Deposit franchise structurally exposed to demographic amortization	42	1.0%	1 institution

Bank composite scores range 8.4 to 89.1; national bank median 43.5 (p10 28.7, p90 56.5, p99 69.9). Credit unions range 7.3 to 74.6, median 29.5.

That nearly two-thirds of US banks score Elevated or higher is not an artifact of index construction; it is the finding, and it is corroborated by the independent depositor-age evidence cited above. It is also a more conservative finding than this study's first edition reported: the July figure was 72.4 percent, and most of the difference is the v1.3 correction described in Section 00, which lowered the index's own estimates. The tier a given institution occupies, and the components driving it, are available to that institution as an individual report; consistent with this publication's policy, no institution's individual score appears in public materials.

04 · THE GEOGRAPHY OF THE EXPOSURE

Distributed across each institution's actual branch footprint (rather than its headquarters state), the at-risk dollars concentrate where deposits and populations concentrate, with a demographic overlay:

EXHIBIT 4

Ten-year at-risk deposits by state, footprint-distributed, top six

STATE	AT-RISK (\$BN)	CONSUMER-SCALED (\$BN)
New York	211.4	162.7
California	128.8	111.2
Texas	103.0	89.5
South Dakota	99.6	64.1
Utah	71.7	69.5
Florida	61.4	53.8

Shaded rows: industrial-bank and card-bank charter states whose branch-booked deposits genuinely concentrate there. Credit union at-risk shares total \$137.2 billion, led by California (\$17.2BN), Florida (\$9.5BN), and Texas (\$9.2BN).

Two readings. First, the raw dollars track deposit centers, as they must. Second, the intensity, at-risk dollars relative to deposit base, concentrates in older, slower-growing markets: the retiree-heavy Southeast, Puerto Rico, upstate and rural footprints in the Northeast and Midwest.

05 · BANKS VERSUS CREDIT UNIONS: A STRUCTURAL DIFFERENCE, MEASURED

Credit unions as a class score materially lower than banks, median 29.5 versus 43.5, on the identical index, and the decomposition attributes the gap to structure rather than luck. Credit union membership skews younger than community bank depositor bases; member shares carry lower uninsured concentrations; and the succession-capacity markers (retirement account programs, investment-services affiliations) are far more common among credit unions than among small banks. The markers matter on both charts: credit unions holding both post a median composite 13.8 points below credit unions holding neither, the same structural gap the bank data shows. The exceptions prove the pattern: the credit unions scoring highest are precisely those serving the oldest single markets without wealth or investment programs, a profile concentrated among small community development institutions, echoing the community-capital finding above.

One structural warning belongs beside the reassuring tier table. Even with lower index scores, 66.2 percent of US credit unions are not growing membership fast enough to cover the deaths their own footprints schedule each year, and the median credit union's membership is shrinking 0.4 percent annually. Lower exposure is not immunity; it is a longer runway on the same track. The dynamics of that track, including what the merger record shows about credit unions that fall behind the schedule, are the subject of this study's companion publication, *The Membership Treadmill* (Prisimm Research, October 2026).

06 · WHAT SEPARATES THE EXPOSED FROM THE PROTECTED

Across 8,365 institutions, the index's most actionable regularity is this: the actuarial component, how much will transfer, is the least controllable part of any institution's score, and the succession component is the most. Footprints cannot be relocated and depositors cannot be made younger. But whether the institution is structurally party to the transfer when it happens is a capability decision, and it is the component where otherwise similar institutions diverge most. Fiduciary services capture the top of the deposit book. What reaches the rest of it is more prosaic: whether every account carries a named beneficiary, captured at origination, so that a mortality event is an orchestrated transfer inside the institution rather than a probate exit.

The gap is measured, not asserted: banks holding both succession markers post a median composite of 29.8, banks holding neither post 46.5, a 16.8-point structural difference before any like-for-like matching, and institutions with similar runoff rates can diverge far more once composition and concentration compound the capability gap. One honest qualification: capture machinery does not repeal geography. Heirs often live in another city, and the 70 percent attrition parameter prices exactly that behavior. What the machinery buys is presence at the two moments that decide the outcome: the first transfer, to a surviving spouse who is almost always local and genuinely retainable, and the settlement moment with the heir, where the institution either meets the family digitally or watches the relationship end by default.

Three questions for every board

1

Is our runoff structurally high for reasons we should price into funding plans?

The actuarial component is set by footprint and demographics. It cannot be changed, but it can be planned for, and it compounds quietly if it is not.

2

Which component is binding: composition, concentration, or capture?

Institutions with similar runoff rates can diverge widely on the composite. The difference is always locatable, and usually fixable.

3

Does our capability actually reach the part of the book where the at-risk dollars sit?

Fiduciary services protect the top of the deposit book. The middle of it, where most of the \$1.46 trillion sits, is protected by one thing: whether every account carries a named beneficiary, captured at origination.

08 · METHODOLOGY, IN BRIEF

The index is built in five steps, each on public data. The complete specification, with every field code, parameter, and assumption, is published separately; this is the shape of it.

1. Locate the deposits. FDIC branch data places every bank's deposits in a county. NCUA branch records do the same for credit unions.

2. Age the footprint. Census county age distributions, weighted by where the deposits sit, estimate the age profile of each institution's depositor base.

3. Age the dollars. Federal Reserve household research converts the population profile into a deposit-dollar profile, because older households hold larger balances. This edition uses verified published Survey of Consumer Finances figures; the correction from earlier approximate values is the v1.3 restatement described in Section 00.

4. Apply mortality. Social Security actuarial tables convert each age band into scheduled ten-year mortality.

5. Net for behavior. Published research on spousal retention and heir attrition converts the gross transfer into expected institutional runoff, formally termed actuarially expected transfer exposure in the methodology; both behavioral parameters are published with scenario ranges.

Four components combine into the composite score: actuarial exposure (50 percent), composition fragility (20 percent), market concentration in aging markets (15 percent), and succession capture deficit (15 percent). All scales were calibrated once and frozen under a published governance rule, and every change is classified and disclosed under the index's Methodology Change Policy. Institutions below data-coverage thresholds are classed unscored rather than estimated (4 banks and 61 credit unions in this scoring), and any institution may review the inputs applied to it, or provide corrected data, at no charge. The complete Methodology v1.3, assumptions register, restatement note, and change log are published at getprismm.com/dmi. The Deposit Mortality Index was created by Martha Sylla Underwood.

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The Deposit Mortality Index is a research estimate derived entirely from public data using the disclosed DMI methodology, version 1.3, published at getprismm.com/dmi. DMI scores are statements of opinion based on that methodology and those data sources; they are not credit ratings, examination ratings, or assessments of safety and soundness, and no score implies that any institution is unsafe, unsound, or unable to meet its obligations. Estimates rely on demographic and behavioral assumptions, disclosed in the methodology, that may not reflect any institution's actual depositor base. This edition carries a Class 2 methodology restatement, disclosed in Section 00 and in the published restatement note; figures published in the July 2026 edition reflect the superseded specification and are not retroactively edited. Nothing herein is investment, legal, accounting, or deposit placement advice. This publication reports distributions and aggregates only; no individual institution's score is published, and cells representing fewer than five institutions are suppressed. Prismm (Wunderwood Corporation d/b/a Prismm) provides estate orchestration infrastructure to financial institutions; institutions covered by DMI research may be current or prospective commercial counterparties of Prismm, and this interest is disclosed. Institutions may review the inputs applied to them or provide corrected data at support@getprismm.com. Deposit Mortality Index, DMI, and DMI Verified are trademarks of Wunderwood Corporation d/b/a Prismm. © 2026 Wunderwood Corporation d/b/a Prismm. All rights reserved.

The deposit account is the settlement rail
of every estate.

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