



Banking Industry Consolidation Trends: Union Bank's HOA Banking Services Unit Acquired by Pacific Western Bank

As expected, 2021 has seen a flurry of merger and acquisition activity in the US banking sector, which has also included HOA banking services. Pacific Western Bank recently purchased MUFG Union Bank's homeowners banking services unit, and then just last week, U.S. Bancorp announced their acquisition of MUFG Union Bank, joining the wave of consolidation sweeping U.S. regional banks.

So, what impact will this sale have on our associations? Fortunately, the effects will be minimal. Consolidation among regional banks, including HOA banking services, has been an ongoing trend throughout the last decade, and one Sentry Management has navigated before. Sentry has had a longstanding relationship with this particular banking services unit, and successfully navigated the transition when it was acquired from RBC Bank first by PNC, and then Union Bank, and is already handling all minor transition tasks behind-the-scenes.

Here are the most important things board members may want to know about this transition:

- As of October 12, 2021, your association bank accounts will be moving from MUFG Union Bank to Pacific Western Bank.
- You can expect the same level of service as before, and you do not need to take any action during this transition.
- You will not be required to execute new account documentation for existing accounts.
- You will not experience a change to the current interest rates on your accounts.
- If your Association has a loan, it will transfer automatically to Pacific Western Bank.
- Your accounts remain FDIC-insured, and all fraud protections and other security measures remain in place.
- Accounts with funds in excess of the \$250k FDIC limit will continue to be covered by surety bonds.
- You will continue to have a direct line for board support. The new phone number for authorized Board Members to make account inquiries to the HOA team is 888.928.3936.

- User IDs for Board Members who have “view only” online access will not change. However, we will issue a Company ID to you, which is required to access the Pacific Western Bank online banking system.

Pacific Western Bank is a commercial bank with over \$34 billion in assets, with a national footprint and a community focus. They have demonstrated a longstanding commitment to homeowners’ associations and their management companies, and are significantly expanding their existing HOA banking practice with this acquisition. Their focus on the HOA market underscores the company’s recent strategy to diversify its lending portfolio and broaden its income streams.

If you have any questions or concerns about the transition from Union Bank to Pacific Western Bank, please reach out to your Community Association Manager, who can provide more detailed information with assistance from Sentry’s experienced banking team.



Sue Smothers
SVP, Client Accounting
Sentry Management, Inc.

Sue Smothers’ 37 years of experience in association accounting has shaped a strategic focus and vision to the comprehensive financial reporting process she oversees for all of Sentry Management’s associations. Sue is a graduate of the University of Central Florida with a Bachelor of Science in Accounting.



The Community Builder is a newsletter prepared exclusively for Board Members of associations managed by Sentry Management. If someone on your Board is not receiving this newsletter, they can be added by entering or updating their address in the CommunityPro® PORTAL or forwarding them a copy.