Advertisement

Real Estate Economics / Volume 16, Issue 1 / pp. 17-33

# An Analysis of Post-Deregulation Savings-and-Loan Failures

Patricia M. Rudolph, Bassam Hamdan

First published: March 1988

https://doi.org/10.1111/1540-6229.00441

PDF

## Abstract

A number of studies have looked at the financial characteristics of problem or failed savings and loans but none have used data taken exclusively from the post-deregulation period. In this paper, the financial characteristics of savings and loan associations that failed during the period 1984-II to 1985-I are analyzed, using both univariate difference in means tests and multivariate logistic regression. Both the known unequal population prior probabilities and the estimated unequal misclassification costs are taken into account in the logistic regression. The empirical results are compared to those of recent studies by Benston [7] and Barth, Brumbaugh, Sauerhaft and Wang [5]. The financial ratios that significantly affect the probability of failure are different in the three studies.

## REFERENCES

[1] E. I. Altman. Predicting Performance in the Savings and Loan Industry. *Journal of Monetary Economics* **3**(4): 443–466, 1977.

Web of Science® | Google Scholar

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. Privacy Policy

Manage Preferences

Accept All

Reject Non-Essential

Web of Science® | Google Scholar

[4] E. I. Altman, R. B. Avery, R. A. Eisenbeis and J. F. Sinkey, Jr. *Application of Classification Techniques in Business, Banking and Finance*. JAI Press, 1981.

Google Scholar

[5] J. R. Barth, Jr., R. D. Brumbaugh, D. Sauerhaft and G. H. K. Wang. In *Proceedings of a Conference on Bank Structure and Competition*, 184–216. Federal Reserve Bank of Chicago, 1985.

Google Scholar

[6] W. H. Beaver. Financial Ratios as Predictors of Failures. *Empirical Research in Accounting: Selected Studies, Journal of Accounting Research Supplement to Volume* **5**: 71–102, 1967.

Google Scholar

[7] G. J. Benston. *An Analysis of the Causes of Savings and Loan Association Failures*. Monograph Series in Finance and Economics. Salomon Brothers Center for the Study of Financial Institutions, 1985.

Google Scholar

[8] E. Bloch. The Setting of Standards of Supervision for Savings and Loan Associations. In I. Friend, editor, *Study of the Savings and Loan Industry*, **4**: 1619–1687. U.S. Government Printing Office, 1969.

Google Scholar

[9] M. Blum. Failing Company Discriminant Analysis. *Journal of Accounting Research* **12**(1): 1–25, 1974.

PubMed | Web of Science® | Google Scholar

[10] E. Brewer and G. G. Garcia. Insolvent S&L's: A Logit Analysis of Recovery or Merger. Paper presented at the American Economic Association Meetings, 1985.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. Privacy Policy

Manage Preferences

Accept All

Reject Non-Essential

Web of Science® Google Scholar

[13] R. H. Pettway and J. F. Sinkey, Jr. Establishing On-Site Bank Examination Priorities: An Early Warning System Using Accounting and Market Information. *Journal of Finance* **35**(1): 137–149, 1980.

Web of Science® Google Scholar

[14] J. F. Sinkey, Jr. A Multivariate Statistical Analysis of the Characteristics of Problem Banks. *Journal of Finance* **30**(1): 21–36, 1975.

Web of Science® Google Scholar

## Citing Literature

Download PDF

ABOUT WILEY ONLINE LIBRARY

Privacy Policy
Terms of Use
About Cookies
Manage Cookies
Accessibility
Wiley Research DE&I Statement and Publishing Policies

HELP & SUPPORT

Contact Us
Training and Support
DMCA & Reporting Piracy
Sitemap

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. Privacy Policy

Manage Preferences
Accept All
Reject Non-Essential

Copyright © 1999-2026 John Wiley & Sons, Inc or related companies. All rights reserved, including rights for text and data mining and training of artificial intelligence technologies or similar technologies.

WILEY

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. Privacy Policy

Manage Preferences

Accept All

Reject Non-Essential