Table 1

Senior Loan Officer Opinion Survey on Bank Lending Practices at Selected Large Banks in the United States [1]

(Status of policy as of April 2012)

***Questions 1-6** ask about commercial and industrial (C&I) loans at your bank. Questions 1-3 deal with changes in your bank's lending policies over the past three months. Questions 4-5 deal with changes in demand for C&I loans over the past three months. Question 6 asks about changes in prospective demand for C&I loans at your bank, as indicated by the volume of recent inquiries about the availability of new credit lines or increases in existing lines. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

1. Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—to large and middle-market firms and to small firms changed? (If your bank defines firm size differently from the categories suggested below, please use your definitions and indicate what they are.)

A. Standards for large and middle-market firms (annual sales of $50 million or more):

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	54	93.1	32	88.9	22	100.0
Eased somewhat	4	6.9	4	11.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

B. Standards for small firms (annual sales of less than $50 million):

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	54	98.2	32	97.0	22	100.0
Eased somewhat	1	1.8	1	3.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

2. For applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—from large and middle-market firms and from small firms that your bank currently is willing to approve, how have the terms of those loans changed over the past three months?

A. Terms for large and middle-market firms (annual sales of $50 million or more):

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.5	2	5.7	0	0.0
Remained basically unchanged	45	78.9	26	74.3	19	86.4
Eased somewhat	10	17.5	7	20.0	3	13.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	57	100.0	35	100.0	22	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	49	84.5	28	77.8	21	95.5
Eased somewhat	9	15.5	8	22.2	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	44	75.9	29	80.6	15	68.2
Eased somewhat	13	22.4	6	16.7	7	31.8
Eased considerably	1	1.7	1	2.8	0	0.0
Total	58	100.0	36	100.0	22	100.0

d. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	23	39.7	13	36.1	10	45.5
Eased somewhat	34	58.6	22	61.1	12	54.5
Eased considerably	1	1.7	1	2.8	0	0.0
Total	58	100.0	36	100.0	22	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.4	0	0.0	2	9.1
Remained basically unchanged	49	84.5	30	83.3	19	86.4
Eased somewhat	7	12.1	6	16.7	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.7	1	2.8	0	0.0
Remained basically unchanged	48	82.8	28	77.8	20	90.9
Eased somewhat	9	15.5	7	19.4	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	55	94.8	35	97.2	20	90.9
Eased somewhat	3	5.2	1	2.8	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

h. Use of interest rate floors (more use=tightened, less use=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	32	55.2	19	52.8	13	59.1
Eased somewhat	22	37.9	15	41.7	7	31.8
Eased considerably	4	6.9	2	5.6	2	9.1
Total	58	100.0	36	100.0	22	100.0

B. Terms for small firms (annual sales of less than $50 million):

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	51	92.7	31	93.9	20	90.9
Eased somewhat	4	7.3	2	6.1	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	48	87.3	28	84.8	20	90.9
Eased somewhat	7	12.7	5	15.2	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	46	83.6	30	90.9	16	72.7
Eased somewhat	9	16.4	3	9.1	6	27.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

d. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	27	49.1	17	51.5	10	45.5
Eased somewhat	28	50.9	16	48.5	12	54.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.6	0	0.0	2	9.1
Remained basically unchanged	48	87.3	29	87.9	19	86.4
Eased somewhat	4	7.3	3	9.1	1	4.5
Eased considerably	1	1.8	1	3.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	1	3.0	0	0.0
Remained basically unchanged	48	87.3	29	87.9	19	86.4
Eased somewhat	6	10.9	3	9.1	3	13.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	53	96.4	32	97.0	21	95.5
Eased somewhat	2	3.6	1	3.0	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

h. Use of interest rate floors (more use=tightened, less use=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	33	62.3	20	64.5	13	59.1
Eased somewhat	17	32.1	9	29.0	8	36.4
Eased considerably	3	5.7	2	6.5	1	4.5
Total	53	100.0	31	100.0	22	100.0

3. If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change?

A. Possible reasons for tightening credit standards or loan terms:

a. Deterioration in your bank's current or expected capital position

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	83.3	4	100.0	1	50.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	1	16.7	0	0.0	1	50.0
Total	6	100.0	4	100.0	2	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	33.3	2	50.0	0	0.0
Somewhat important	4	66.7	2	50.0	2	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

c. Worsening of industry-specific problems (please specify industries)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	50.0	3	75.0	0	0.0
Somewhat important	2	33.3	1	25.0	1	50.0
Very important	1	16.7	0	0.0	1	50.0
Total	6	100.0	4	100.0	2	100.0

d. Less aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	83.3	3	75.0	2	100.0
Somewhat important	1	16.7	1	25.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	50.0	3	75.0	0	0.0
Somewhat important	1	16.7	1	25.0	0	0.0
Very important	2	33.3	0	0.0	2	100.0
Total	6	100.0	4	100.0	2	100.0

f. Decreased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	83.3	4	100.0	1	50.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	1	16.7	0	0.0	1	50.0
Total	6	100.0	4	100.0	2	100.0

g. Deterioration in your bank's current or expected liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	83.3	4	100.0	1	50.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	1	16.7	0	0.0	1	50.0
Total	6	100.0	4	100.0	2	100.0

h. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	50.0	2	50.0	1	50.0
Somewhat important	2	33.3	2	50.0	0	0.0
Very important	1	16.7	0	0.0	1	50.0
Total	6	100.0	4	100.0	2	100.0

B. Possible reasons for easing credit standards or loan terms:

a. Improvement in your bank's current or expected capital position

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	33	94.3	23	100.0	10	83.3
Somewhat important	1	2.9	0	0.0	1	8.3
Very important	1	2.9	0	0.0	1	8.3
Total	35	100.0	23	100.0	12	100.0

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	20	57.1	13	56.5	7	58.3
Somewhat important	14	40.0	10	43.5	4	33.3
Very important	1	2.9	0	0.0	1	8.3
Total	35	100.0	23	100.0	12	100.0

c. Improvement in industry-specific problems (please specify industries)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	30	85.7	21	91.3	9	75.0
Somewhat important	3	8.6	1	4.3	2	16.7
Very important	2	5.7	1	4.3	1	8.3
Total	35	100.0	23	100.0	12	100.0

d. More aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	2.9	1	4.3	0	0.0
Somewhat important	16	45.7	9	39.1	7	58.3
Very important	18	51.4	13	56.5	5	41.7
Total	35	100.0	23	100.0	12	100.0

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	27	77.1	17	73.9	10	83.3
Somewhat important	7	20.0	5	21.7	2	16.7
Very important	1	2.9	1	4.3	0	0.0
Total	35	100.0	23	100.0	12	100.0

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	28	80.0	18	78.3	10	83.3
Somewhat important	6	17.1	5	21.7	1	8.3
Very important	1	2.9	0	0.0	1	8.3
Total	35	100.0	23	100.0	12	100.0

g. Improvement in your bank's current or expected liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	31	88.6	22	95.7	9	75.0
Somewhat important	4	11.4	1	4.3	3	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	35	100.0	23	100.0	12	100.0

h. Reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	33	94.3	22	95.7	11	91.7
Somewhat important	2	5.7	1	4.3	1	8.3
Very important	0	0.0	0	0.0	0	0.0
Total	35	100.0	23	100.0	12	100.0

4. Apart from normal seasonal variation, how has demand for C&I loans changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

A. Demand for C&I loans from large and middle-market firms (annual sales of $50 million or more):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	25	43.1	13	36.1	12	54.5
About the same	26	44.8	17	47.2	9	40.9
Moderately weaker	7	12.1	6	16.7	1	4.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

B. Demand for C&I loans from small firms (annual sales of less than $50 million):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	17	30.9	5	15.2	12	54.5
About the same	33	60.0	24	72.7	9	40.9
Moderately weaker	5	9.1	4	12.1	1	4.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

5. If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have been the following possible reasons for the change?

A. If stronger loan demand (answer 1 or 2 to question 4A or 4B), possible reasons:

a. Customer inventory financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	10	37.0	5	33.3	5	41.7
Somewhat important	16	59.3	10	66.7	6	50.0
Very important	1	3.7	0	0.0	1	8.3
Total	27	100.0	15	100.0	12	100.0

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	9	33.3	6	40.0	3	25.0
Somewhat important	17	63.0	9	60.0	8	66.7
Very important	1	3.7	0	0.0	1	8.3
Total	27	100.0	15	100.0	12	100.0

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	25.9	6	40.0	1	8.3
Somewhat important	19	70.4	9	60.0	10	83.3
Very important	1	3.7	0	0.0	1	8.3
Total	27	100.0	15	100.0	12	100.0

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	26	96.3	14	93.3	12	100.0
Somewhat important	1	3.7	1	6.7	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	27	100.0	15	100.0	12	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	12	44.4	4	26.7	8	66.7
Somewhat important	13	48.1	9	60.0	4	33.3
Very important	2	7.4	2	13.3	0	0.0
Total	27	100.0	15	100.0	12	100.0

f. Customer borrowing shifted to your bank from other bank or nonbank sources because these other sources became less attractive

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	9	33.3	4	26.7	5	41.7
Somewhat important	13	48.1	7	46.7	6	50.0
Very important	5	18.5	4	26.7	1	8.3
Total	27	100.0	15	100.0	12	100.0

B. If weaker loan demand (answer 4 or 5 to question 4A or 4B), possible reasons:

a. Customer inventory financing needs decreased

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	42.9	3	50.0	0	0.0
Somewhat important	3	42.9	2	33.3	1	100.0
Very important	1	14.3	1	16.7	0	0.0
Total	7	100.0	6	100.0	1	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	42.9	3	50.0	0	0.0
Somewhat important	3	42.9	2	33.3	1	100.0
Very important	1	14.3	1	16.7	0	0.0
Total	7	100.0	6	100.0	1	100.0

c. Customer investment in plant or equipment decreased

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	28.6	2	33.3	0	0.0
Somewhat important	2	28.6	1	16.7	1	100.0
Very important	3	42.9	3	50.0	0	0.0
Total	7	100.0	6	100.0	1	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	28.6	2	33.3	0	0.0
Somewhat important	5	71.4	4	66.7	1	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	7	100.0	6	100.0	1	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	4	57.1	3	50.0	1	100.0
Somewhat important	1	14.3	1	16.7	0	0.0
Very important	2	28.6	2	33.3	0	0.0
Total	7	100.0	6	100.0	1	100.0

f. Customer borrowing shifted from your bank to other bank or nonbank credit sources because these other sources became more attractive

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	4	57.1	4	66.7	0	0.0
Somewhat important	2	28.6	1	16.7	1	100.0
Very important	1	14.3	1	16.7	0	0.0
Total	7	100.0	6	100.0	1	100.0

6. At your bank, apart from seasonal variation, how has the number of inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines changed over the past three months? (Please consider only inquiries for additional or increased C&I lines as opposed to the refinancing of existing loans.)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The number of inquiries has increased substantially	0	0.0	0	0.0	0	0.0
The number of inquiries has increased moderately	23	39.7	13	36.1	10	45.5
The number of inquiries has stayed about the same	30	51.7	18	50.0	12	54.5
The number of inquiries has decreased moderately	5	8.6	5	13.9	0	0.0
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

The ongoing fiscal and financial strains in Europe may have affected lending conditions for nonfinancial companies that have operations in the United States and significant exposure to European economies, as well as banks headquartered in Europe and their affiliates and subsidiaries. ***Question 7*** *deals with changes in your bank's lending policies toward both types of firms over the past three months. In addition, developments in Europe may have affected these firms' demand for credit from U.S. banks.* ***Question 8*** *deal with such changes in demand.* ***Question 9*** *asks about increases in business as a result of change in competition from European banks and their affiliates and subsidiaries.*

In answering these questions, please consider your bank's C&I lending to all nonfinancial companies with operations in the United States and significant exposure to European economies (for example, please consider your bank's C&I loans both to operations of European firms that are located in the United States and to domestic firms that conduct a significant portion of their business with European firms). With regard to banks, please consider banks headquartered in Europe and affiliates and subsidiaries of European banks regardless of the location of those affiliates and subsidiaries.

7. Over the past three months, how have your bank's credit standards and terms for approving applications for loans or credit lines—other than those to be used to finance mergers and acquisitions—for the following types of firms changed?

A. Nonfinancial companies that have operations in the United States and significant exposure to European economies (as described in the introduction to these special questions)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	12.5	4	14.8	0	0.0
Remained basically unchanged	28	87.5	23	85.2	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	32	100.0	27	100.0	5	100.0

For this question, 24 respondents answered “My bank does not make loans or extend credit lines to nonfinancial companies that have operations in the United States and significant exposure to European economies.”

B. Banks headquartered in Europe and their affiliates and subsidiaries (as described in the introduction to these special questions)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	2	8.7	2	9.1	0	0.0
Tightened somewhat	6	26.1	6	27.3	0	0.0
Remained basically unchanged	14	60.9	13	59.1	1	100.0
Eased somewhat	1	4.3	1	4.5	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	23	100.0	22	100.0	1	100.0

For this question, 32 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

8. Over the past three months and apart from normal seasonal variation, how has demand for loans at your bank from the following types of firms changed? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

A. Nonfinancial companies with operations in the United States and significant exposures to European economies (as described in the introduction to these special questions)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	2	6.3	2	7.4	0	0.0
About the same	29	90.6	24	88.9	5	100.0
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	1	3.1	1	3.7	0	0.0
Total	32	100.0	27	100.0	5	100.0

For this question, 24 respondents answered “My bank does not make loans or extend credit lines to nonfinancial companies that have operations in the United States and significant exposure to European economies.”

B. Banks headquartered in Europe and their affiliates and subsidiaries (as described in the introduction to these special questions)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	2	8.7	2	9.1	0	0.0
About the same	18	78.3	17	77.3	1	100.0
Moderately weaker	3	13.0	3	13.6	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	23	100.0	22	100.0	1	100.0

For this question, 32 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

9. Over the past three months, to what extent has your bank experienced an increase in business, with either foreign or domestic customers, as a result of decreased competition from European banks and their affiliates and subsidiaries?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank has not experienced a decrease in competition from European banks	3	5.5	3	8.6	0	0.0
My bank does not compete with European banks for our business	24	43.6	6	17.1	18	90.0
Such decreased competition has not appreciably increased business	8	14.5	7	20.0	1	5.0
Such decreased competition has increased business to some extent	20	36.4	19	54.3	1	5.0
Such decreased competition has increased business to a considerable extent	0	0.0	0	0.0	0	0.0
Total	55	100.0	35	100.0	20	100.0

Questions 10-11 *ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 10 deals with changes in your bank's standards over the past three months. Question 11 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

10. Over the past three months, how have your bank's credit standards for approving applications for CRE loans changed?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	86.2	31	86.1	19	86.4
Eased somewhat	8	13.8	5	13.9	3	13.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

11. Apart from normal seasonal variation, how has demand for CRE loans changed over the past three months?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.7	1	2.8	0	0.0
Moderately stronger	25	43.1	16	44.4	9	40.9
About the same	29	50.0	18	50.0	11	50.0
Moderately weaker	3	5.2	1	2.8	2	9.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	58	100.0	36	100.0	22	100.0

Questions 12-13 *ask about three categories of* ***residential mortgage loans*** *at your bank—prime residential mortgages, nontraditional residential mortgages, and subprime residential mortgages. Question 12 deals with changes in your bank's credit standards for loans in each of these categories over the past three months. Question 13 deals with changes in demand for loans in each of these categories over the same period. If your bank's credit standards have not changed over the relevant period, please report them as unchanged even if the standards are either restrictive or accommodative relative to longer-term norms. If your bank's credit standards have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

For the purposes of this survey, please use the following definitions of these loan categories (note that the loan categories are not mutually exclusive) and include first-lien loans only:

- *The* ***prime*** *category of residential mortgages includes loans made to borrowers that typically had relatively strong, well-documented credit histories, relatively high credit scores, and relatively low debt-to-income ratios at the time of origination. This would include fully amortizing loans that have a fixed rate, a standard adjustable rate, or a common hybrid adjustable rate—those for which the interest rate is initially fixed for a multi-year period and subsequently adjusts more frequently.*

- *The* ***nontraditional*** *category of residential mortgages includes, but is not limited to, adjustable-rate mortgages with multiple payment options, interest-only mortgages, and ``Alt-A'' products such as mortgages with limited income verification and mortgages secured by non-owner-occupied properties. (Please exclude standard adjustable-rate mortgages and common hybrid adjustable-rate mortgages.)*

- *The* ***subprime*** *category of residential mortgages typically includes loans made to borrowers that displayed one or more of the following characteristics at the time of origination: weakened credit histories that include payment delinquencies, chargeoffs, judgments, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.*

12. Over the past three months, how have your bank's credit standards for approving applications from individuals for mortgage loans to purchase homes changed?

A. Credit standards on mortgage loans that your bank categorizes as prime residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.6	2	6.3	1	4.5
Remained basically unchanged	49	90.7	30	93.8	19	86.4
Eased somewhat	2	3.7	0	0.0	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	32	100.0	22	100.0

For this question, 1 respondent answered “My bank does not originate prime residential mortgages.”

B. Credit standards on mortgage loans that your bank categorizes as nontraditional residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	11.5	3	15.8	0	0.0
Remained basically unchanged	23	88.5	16	84.2	7	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	26	100.0	19	100.0	7	100.0

For this question, 29 respondents answered “My bank does not originate nontraditional residential mortgages.”

C. Credit standards on mortgage loans that your bank categorizes as subprime residential mortgages have:

Responses are not reported when the number of respondents is 3 or fewer.

13. Apart from normal seasonal variation, how has demand for mortgages to purchase homes changed over the past three months? (Please consider only new originations as opposed to the refinancing of existing mortgages.)

A. Demand for mortgages that your bank categorizes as prime residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	2	3.8	1	3.1	1	4.8
Moderately stronger	18	34.0	8	25.0	10	47.6
About the same	29	54.7	19	59.4	10	47.6
Moderately weaker	4	7.5	4	12.5	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	53	100.0	32	100.0	21	100.0

For this question, 2 respondents answered “My bank does not originate prime residential mortgages.”

B. Demand for mortgages that your bank categorizes as nontraditional residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	8	30.8	3	15.8	5	71.4
About the same	16	61.5	14	73.7	2	28.6
Moderately weaker	2	7.7	2	10.5	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	26	100.0	19	100.0	7	100.0

For this question, 29 respondents answered “My bank does not originate nontraditional residential mortgages.”

C. Demand for mortgages that your bank categorizes as subprime residential mortgages was:

Responses are not reported when the number of respondents is 3 or fewer.

Questions 14-15 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 14 deals with changes in your bank's credit standards over the past three months. Question 15 deals with changes in demand. If your bank's credit standards have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's credit standards have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

14. Over the past three months, how have your bank's credit standards for approving applications for revolving home equity lines of credit changed?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.4	2	5.9	1	4.5
Remained basically unchanged	51	91.1	31	91.2	20	90.9
Eased somewhat	2	3.6	1	2.9	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	34	100.0	22	100.0

15. Apart from normal seasonal variation, how has demand for revolving home equity lines of credit changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	7	12.5	3	8.8	4	18.2
About the same	40	71.4	23	67.6	17	77.3
Moderately weaker	9	16.1	8	23.5	1	4.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	56	100.0	34	100.0	22	100.0

The ongoing weakness in the housing sector continues to weigh on economic activity. The following set of special questions asks about residential mortgage lending policies at your institution. ***Questions 16-17*** *ask you to compare your current policies in originating residential mortgage loans for borrowers with different characteristics to those policies that prevailed in 2006.* ***Question 18*** *asks about how you anticipate holdings of loans and other assets secured by residential real estate will change at your institution over the next year.* ***Question 19*** *asks about factors that may be affecting your bank's ability to originate or purchase residential real estate loans.* ***Questions 20-23*** *ask about the revised Home Affordable Refinance Program (``HARP 2.0'') and refinancing of underwater mortgages outside of HARP 2.0.* ***If your bank does not originate residential mortgage loans, please skip these questions.***

16. For each of the following questions, indicate how much more or less likely it is, compared with 2006, that your bank would originate a GSE-eligible 30-year fixed-rate mortgage loan intended for home purchase to borrowers whose loan application has the stated FICO score (or equivalent) and down payment. In each case, assume that all other characteristics of the borrower and the property are typical for loan applications that are eligible for sale to the GSEs with that FICO score (or equivalent) and down payment. (Please assign each borrower category a number between 1 and 5 using the following scale: 1=much less likely, 2=somewhat less likely 3=about the same, 4=somewhat more likely, 5=much more likely.)

a. A borrower with a FICO score (or equivalent) of 620 and a down payment of 10 percent

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	31	59.6	18	56.3	13	65.0
Somewhat less likely	12	23.1	8	25.0	4	20.0
About the same	9	17.3	6	18.8	3	15.0
Somewhat more likely	0	0.0	0	0.0	0	0.0
Much more likely	0	0.0	0	0.0	0	0.0
Total	52	100.0	32	100.0	20	100.0

b. A borrower with a FICO score (or equivalent) of 680 and a down payment of 10 percent

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	11	21.2	6	18.8	5	25.0
Somewhat less likely	15	28.8	9	28.1	6	30.0
About the same	25	48.1	17	53.1	8	40.0
Somewhat more likely	0	0.0	0	0.0	0	0.0
Much more likely	1	1.9	0	0.0	1	5.0
Total	52	100.0	32	100.0	20	100.0

c. A borrower with a FICO score (or equivalent) of 720 and a down payment of 10 percent

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	4	7.7	2	6.3	2	10.0
Somewhat less likely	8	15.4	7	21.9	1	5.0
About the same	37	71.2	21	65.6	16	80.0
Somewhat more likely	2	3.8	2	6.3	0	0.0
Much more likely	1	1.9	0	0.0	1	5.0
Total	52	100.0	32	100.0	20	100.0

d. A borrower with a FICO score (or equivalent) of 620 and a down payment of 20 percent

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	20	38.5	11	34.4	9	45.0
Somewhat less likely	17	32.7	10	31.3	7	35.0
About the same	15	28.8	11	34.4	4	20.0
Somewhat more likely	0	0.0	0	0.0	0	0.0
Much more likely	0	0.0	0	0.0	0	0.0
Total	52	100.0	32	100.0	20	100.0

e. A borrower with a FICO score (or equivalent) of 680 and a down payment of 20 percent

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	4	7.7	2	6.3	2	10.0
Somewhat less likely	11	21.2	7	21.9	4	20.0
About the same	33	63.5	20	62.5	13	65.0
Somewhat more likely	3	5.8	3	9.4	0	0.0
Much more likely	1	1.9	0	0.0	1	5.0
Total	52	100.0	32	100.0	20	100.0

f. A borrower with a FICO score (or equivalent) of 720 and a down payment of 20 percent

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	0	0.0	0	0.0	0	0.0
Somewhat less likely	5	9.6	3	9.4	2	10.0
About the same	41	78.8	24	75.0	17	85.0
Somewhat more likely	1	1.9	1	3.1	0	0.0
Much more likely	5	9.6	4	12.5	1	5.0
Total	52	100.0	32	100.0	20	100.0

17. If you answered ``much less likely" or ``somewhat less likely" (answers 1 or 2) to any of the borrower categories in question 16, please indicate how important the following factors were for your answers. (Please assign each possible factor a number between 1 and 4 using the following scale: 1= not important, 2=somewhat important, 3=very important, 4=the most important.)

a. Higher servicing cost if mortgage were to become delinquent

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	17	38.6	7	25.9	10	58.8
Somewhat important	19	43.2	17	63.0	2	11.8
Very important	8	18.2	3	11.1	5	29.4
The most important	0	0.0	0	0.0	0	0.0
Total	44	100.0	27	100.0	17	100.0

b. Borrowers have higher costs or greater difficulty in obtaining mortgage insurance

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	15.9	3	11.1	4	23.5
Somewhat important	16	36.4	12	44.4	4	23.5
Very important	13	29.5	8	29.6	5	29.4
The most important	8	18.2	4	14.8	4	23.5
Total	44	100.0	27	100.0	17	100.0

c. Borrowers have higher costs or greater difficulty in obtaining simultaneous second liens from your bank or other lenders

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	22	50.0	16	59.3	6	35.3
Somewhat important	13	29.5	8	29.6	5	29.4
Very important	6	13.6	2	7.4	4	23.5
The most important	3	6.8	1	3.7	2	11.8
Total	44	100.0	27	100.0	17	100.0

d. Higher risk of put-back of delinquent mortgages by the GSEs

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	8	18.2	5	18.5	3	17.6
Somewhat important	10	22.7	6	22.2	4	23.5
Very important	15	34.1	9	33.3	6	35.3
The most important	11	25.0	7	25.9	4	23.5
Total	44	100.0	27	100.0	17	100.0

e. Basel III treatment of mortgage servicing rights makes the business less attractive

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	27	61.4	15	55.6	12	70.6
Somewhat important	12	27.3	9	33.3	3	17.6
Very important	3	6.8	1	3.7	2	11.8
The most important	2	4.5	2	7.4	0	0.0
Total	44	100.0	27	100.0	17	100.0

f. Increased concerns about other effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	13	29.5	7	25.9	6	35.3
Somewhat important	16	36.4	9	33.3	7	41.2
Very important	14	31.8	10	37.0	4	23.5
The most important	1	2.3	1	3.7	0	0.0
Total	44	100.0	27	100.0	17	100.0

g. Greater concern about my bank's exposure to residential real estate loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	13	29.5	8	29.6	5	29.4
Somewhat important	17	38.6	10	37.0	7	41.2
Very important	12	27.3	7	25.9	5	29.4
The most important	2	4.5	2	7.4	0	0.0
Total	44	100.0	27	100.0	17	100.0

h. A less favorable or more uncertain outlook for house prices

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	15.9	3	11.1	4	23.5
Somewhat important	17	38.6	10	37.0	7	41.2
Very important	16	36.4	11	40.7	5	29.4
The most important	4	9.1	3	11.1	1	5.9
Total	44	100.0	27	100.0	17	100.0

i. A less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	18.2	5	18.5	3	17.6
Somewhat important	27	61.4	16	59.3	11	64.7
Very important	8	18.2	6	22.2	2	11.8
The most important	1	2.3	0	0.0	1	5.9
Total	44	100.0	27	100.0	17	100.0

j. The prevailing spread of mortgage rates over cost of funds is insufficient to compensate for risks

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	48.8	12	46.2	9	52.9
Somewhat important	13	30.2	8	30.8	5	29.4
Very important	7	16.3	4	15.4	3	17.6
The most important	2	4.7	2	7.7	0	0.0
Total	43	100.0	26	100.0	17	100.0

18. How do you anticipate your bank will change its holdings of residential real estate assets (such as residential real estate loans or government backed or other mortgage-backed securities) over the next year?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
My bank will reduce its holdings substantially	2	3.6	2	6.1	0	0.0
My bank will reduce its holdings somewhat	5	9.1	5	15.2	0	0.0
My bank will keep its holdings about the same	22	40.0	10	30.3	12	54.5
My bank will increase its holdings somewhat	24	43.6	15	45.5	9	40.9
My bank will increase its holdings substantially	2	3.6	1	3.0	1	4.5
Total	55	100.0	33	100.0	22	100.0

19. Indicate to what extent each of the following factors is currently affecting your bank's ability to originate or purchase additional residential real estate loans. (Please assign each factor a number between 1 and 4 using the following scale: 1= not at all a factor, 2= somewhat a factor, 3=very much a factor, 4=the most important factor.)

a. Periods of high volume of loan applications exceed application processing capacity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not at all a factor	16	30.2	8	24.2	8	40.0
Somewhat a factor	21	39.6	13	39.4	8	40.0
Very much a factor	11	20.8	9	27.3	2	10.0
The most important factor	5	9.4	3	9.1	2	10.0
Total	53	100.0	33	100.0	20	100.0

b. Difficulty in completing timely and accurate appraisals

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not at all a factor	23	43.4	15	45.5	8	40.0
Somewhat a factor	18	34.0	9	27.3	9	45.0
Very much a factor	12	22.6	9	27.3	3	15.0
The most important factor	0	0.0	0	0.0	0	0.0
Total	53	100.0	33	100.0	20	100.0

c. Difficulty in completing timely and accurate underwriting

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not at all a factor	23	43.4	11	33.3	12	60.0
Somewhat a factor	19	35.8	14	42.4	5	25.0
Very much a factor	10	18.9	8	24.2	2	10.0
The most important factor	1	1.9	0	0.0	1	5.0
Total	53	100.0	33	100.0	20	100.0

d. Difficulty in securing servicing and loan processing help from outside companies

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not at all a factor	42	79.2	24	72.7	18	90.0
Somewhat a factor	10	18.9	8	24.2	2	10.0
Very much a factor	1	1.9	1	3.0	0	0.0
The most important factor	0	0.0	0	0.0	0	0.0
Total	53	100.0	33	100.0	20	100.0

e. Difficulty in hiring sufficient servicing or loan processing staff at your bank

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not at all a factor	21	39.6	15	45.5	6	30.0
Somewhat a factor	25	47.2	15	45.5	10	50.0
Very much a factor	7	13.2	3	9.1	4	20.0
The most important factor	0	0.0	0	0.0	0	0.0
Total	53	100.0	33	100.0	20	100.0

f. Limited balance sheet or warehousing capacity

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not at all a factor	48	90.6	29	87.9	19	95.0
Somewhat a factor	2	3.8	2	6.1	0	0.0
Very much a factor	3	5.7	2	6.1	1	5.0
The most important factor	0	0.0	0	0.0	0	0.0
Total	53	100.0	33	100.0	20	100.0

20. To what extent is your bank participating in the revised Home Affordable Refinance Program (``HARP 2.0")?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank is actively soliciting applications and is satisfying most demand as it comes in	16	30.2	13	39.4	3	15.0
My bank is not actively soliciting applications, but is satisfying most demand as it comes in	12	22.6	6	18.2	6	30.0
My bank has very little participation in HARP	25	47.2	14	42.4	11	55.0
Total	53	100.0	33	100.0	20	100.0

21. Based on your experiences to date with HARP 2.0, about what share of applications under HARP 2.0 do you anticipate will be approved and successfully completed?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
More than 80 percent	5	9.6	5	15.2	0	0.0
Between 60 and 80 percent	12	23.1	10	30.3	2	10.5
Between 40 and 60 percent	6	11.5	4	12.1	2	10.5
Between 20 and 40 percent	2	3.8	0	0.0	2	10.5
Less than 20 percent	3	5.8	0	0.0	3	15.8
My bank has very little participation in HARP 2.0	24	46.2	14	42.4	10	52.6
Total	52	100.0	33	100.0	19	100.0

22. Indicate to what extent each of the following factors is currently affecting your bank's willingness or ability to offer additional refinance loans through HARP 2.0. (Please assign each possible factor a number between 1 and 4 using the following scale: 1= not important, 2=somewhat important, 3=very important, 4=the most important.)

a. Difficulty in identifying junior lien holders

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	30	65.2	18	62.1	12	70.6
Somewhat important	15	32.6	10	34.5	5	29.4
Very important	1	2.2	1	3.4	0	0.0
The most important	0	0.0	0	0.0	0	0.0
Total	46	100.0	29	100.0	17	100.0

b. Difficulty in obtaining resubordination of a known second lien

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	20	42.6	15	51.7	5	27.8
Somewhat important	16	34.0	12	41.4	4	22.2
Very important	9	19.1	2	6.9	7	38.9
The most important	2	4.3	0	0.0	2	11.1
Total	47	100.0	29	100.0	18	100.0

c. Difficulty in obtaining a transfer of existing private mortgage insurance (PMI) coverage

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	20	42.6	12	41.4	8	44.4
Somewhat important	19	40.4	13	44.8	6	33.3
Very important	4	8.5	3	10.3	1	5.6
The most important	4	8.5	1	3.4	3	16.7
Total	47	100.0	29	100.0	18	100.0

d. Risk that the GSEs might put back the mortgage

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	19	40.4	12	41.4	7	38.9
Somewhat important	11	23.4	8	27.6	3	16.7
Very important	9	19.1	4	13.8	5	27.8
The most important	8	17.0	5	17.2	3	16.7
Total	47	100.0	29	100.0	18	100.0

23. This question asks about your bank's willingness or ability to refinance underwater loans (for which the unpaid balance exceeds the appraised value) outside of HARP 2.0 for borrowers who have been current on their existing mortgage for at least 12 months.

A. For loans currently held in your own portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank is actively soliciting such applications and is satisfying most demand as it comes in	6	11.3	5	14.7	1	5.3
My bank is not actively soliciting such applications, but is satisfying most demand as it comes in	20	37.7	11	32.4	9	47.4
My bank is doing very little refinancing of underwater mortgage loans held in its portfolio outside of HARP 2.0	27	50.9	18	52.9	9	47.4
Total	53	100.0	34	100.0	19	100.0

B. For loans **not** currently held in your own portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank is actively soliciting such applications and is satisfying most demand as it comes in	5	9.3	2	6.1	3	14.3
My bank is not actively soliciting such applications, but is satisfying most demand as it comes in	13	24.1	9	27.3	4	19.0
My bank is doing very little refinancing of underwater mortgage loans held in its portfolio outside of HARP 2.0	36	66.7	22	66.7	14	66.7
Total	54	100.0	33	100.0	21	100.0

Questions 24-33 *ask about consumer lending at your bank. Question 24 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 25-30 deal with changes in credit standards and loan terms over the same period. Questions 31-33deal with changes in demand for consumer loans over the past three months. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

24. Please indicate your bank's willingness to make consumer installment loans now as opposed to three months ago.

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much more willing	1	1.8	0	0.0	1	4.5
Somewhat more willing	12	21.8	8	24.2	4	18.2
About unchanged	42	76.4	25	75.8	17	77.3
Somewhat less willing	0	0.0	0	0.0	0	0.0
Much less willing	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

25. Over the past three months, how have your bank's credit standards for approving applications for credit cards from individuals or households changed?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.3	1	3.6	0	0.0
Remained basically unchanged	36	83.7	23	82.1	13	86.7
Eased somewhat	6	14.0	4	14.3	2	13.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	43	100.0	28	100.0	15	100.0

26. Over the past three months, how have your bank's credit standards for approving applications for auto loans to individuals or households changed? (Please include loans arising from retail sales of passenger cars and other vehicles such as minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use, whether new or used. Please exclude loans to finance fleet sales, personal cash loans secured by automobiles already paid for, loans to finance the purchase of commercial vehicles and farm equipment, and lease financing.)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	43	82.7	23	76.7	20	90.9
Eased somewhat	9	17.3	7	23.3	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

27. Over the past three months, how have your bank's credit standards for approving applications for consumer loans other than credit card and auto loans changed?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	51	92.7	31	93.9	20	90.9
Eased somewhat	4	7.3	2	6.1	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

28. Over the past three months, how has your bank changed the following terms and conditions on new or existing credit card accounts for individuals or households?

a. Credit limits

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.6	0	0.0	1	7.1
Remained basically unchanged	35	89.7	22	88.0	13	92.9
Eased somewhat	3	7.7	3	12.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	39	100.0	25	100.0	14	100.0

b. Spreads of interest rates charged on outstanding balances over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	5.1	1	4.0	1	7.1
Remained basically unchanged	34	87.2	23	92.0	11	78.6
Eased somewhat	3	7.7	1	4.0	2	14.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	39	100.0	25	100.0	14	100.0

c. Minimum percent of outstanding balances required to be repaid each month

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.6	1	4.0	0	0.0
Remained basically unchanged	37	94.9	24	96.0	13	92.9
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	1	2.6	0	0.0	1	7.1
Total	39	100.0	25	100.0	14	100.0

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	5.1	1	4.0	1	7.1
Remained basically unchanged	37	94.9	24	96.0	13	92.9
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	39	100.0	25	100.0	14	100.0

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	5.1	2	8.0	0	0.0
Remained basically unchanged	36	92.3	23	92.0	13	92.9
Eased somewhat	1	2.6	0	0.0	1	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	39	100.0	25	100.0	14	100.0

29. Over the past three months, how has your bank changed the following terms and conditions on loans to individuals or households to purchase autos?

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	45	88.2	25	83.3	20	95.2
Eased somewhat	6	11.8	5	16.7	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

b. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.9	3	10.0	0	0.0
Remained basically unchanged	29	56.9	18	60.0	11	52.4
Eased somewhat	18	35.3	9	30.0	9	42.9
Eased considerably	1	2.0	0	0.0	1	4.8
Total	51	100.0	30	100.0	21	100.0

c. Minimum required down payment (higher=tightened, lower=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	49	96.1	29	96.7	20	95.2
Eased somewhat	2	3.9	1	3.3	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	49	96.1	28	93.3	21	100.0
Eased somewhat	2	3.9	2	6.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	48	94.1	28	93.3	20	95.2
Eased somewhat	3	5.9	2	6.7	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

30. Over the past three months, how has your bank changed the following terms and conditions on consumer loans *other than* credit card and auto loans?

a. Maximum maturity

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	53	100.0	32	100.0	21	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100.0	32	100.0	21	100.0

b. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.6	2	6.1	1	4.8
Remained basically unchanged	43	79.6	30	90.9	13	61.9
Eased somewhat	7	13.0	1	3.0	6	28.6
Eased considerably	1	1.9	0	0.0	1	4.8
Total	54	100.0	33	100.0	21	100.0

c. Minimum required down payment (higher=tightened, lower=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	53	98.1	33	100.0	20	95.2
Eased somewhat	1	1.9	0	0.0	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	33	100.0	21	100.0

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	53	98.1	33	100.0	20	95.2
Eased somewhat	1	1.9	0	0.0	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	33	100.0	21	100.0

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.9	1	3.0	0	0.0
Remained basically unchanged	53	98.1	32	97.0	21	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	33	100.0	21	100.0

31. Apart from normal seasonal variation, how has demand from individuals or households for credit card loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	2.5	1	3.8	0	0.0
Moderately stronger	7	17.5	5	19.2	2	14.3
About the same	31	77.5	20	76.9	11	78.6
Moderately weaker	1	2.5	0	0.0	1	7.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	40	100.0	26	100.0	14	100.0

32. Apart from normal seasonal variation, how has demand from individuals or households for auto loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	3	5.9	2	6.7	1	4.8
Moderately stronger	16	31.4	9	30.0	7	33.3
About the same	31	60.8	19	63.3	12	57.1
Moderately weaker	1	2.0	0	0.0	1	4.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

33. Apart from normal seasonal variation, how has demand from individuals or households for consumer loans other than credit card and auto loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.8	0	0.0	1	4.5
Moderately stronger	8	14.5	6	18.2	2	9.1
About the same	46	83.6	27	81.8	19	86.4
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

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1. The sample is selected from among the largest banks in each Federal Reserve District. In the table, large banks are defined as those with total domestic assets of $20 billion or more as of December 31, 2011. The combined assets of the 36 large banks totaled $7.5 trillion, compared to $7.7 trillion for the entire panel of 58 banks, and $11.1 trillion for all domestically chartered, federally insured commercial banks.