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DIVISION OF MONETARY AFFAIRS

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TO: HEADS OF RESEARCH AT ALL FEDERAL RESERVE BANKS

Enclosed for distribution to respondents is a national summary of the April 2018 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures:

April 2018 Senior Loan Officer Opinion Survey on Bank Lending Practices

This document is available on the Federal Reserve Board's web site
(http://www.federalreserve.gov/econresdata/statisticsdata.htm)

The April 2018 Senior Loan Officer Opinion Survey on Bank Lending Practices

The April 2018 Senior Loan Officer Opinion Survey on Bank Lending Practices addressed changes in the standards and terms on, and demand for, bank loans to businesses and households over the past three months, which generally corresponds to the first quarter of 2018.[1] Responses were received from 72 domestic banks and 22 U.S. branches and agencies of foreign banks. Unless otherwise indicated, this summary refers to the responses of domestic banks.

Regarding loans to businesses, respondents to the April survey indicated that, on balance, they eased their standards and terms on commercial and industrial (C&I) loans to large and middle-market firms and left their standards unchanged for small firms. Meanwhile, banks eased standards on nonfarm nonresidential loans and tightened standards on multifamily loans, whereas standards on construction and land development loans were little changed. Demand for C&I and for commercial real estate (CRE) loans reportedly weakened.

Banks also responded to a set of special questions inquiring about changes in lending policies and demand for CRE loans over the past year. Banks reportedly eased important lending terms, including maximum loan size and the spread of loan rates over their cost of funds, across all three major CRE loan categories—that is, construction and land development loans, nonfarm nonresidential loans, and multifamily loans. Almost all banks that reportedly eased CRE credit policies cited more aggressive competition from other banks or nonbank lenders as an important reason for easing.

For loans to households, banks reported that, on balance, their lending standards on most categories of residential real estate (RRE) loans remained basically unchanged, while standards on auto and credit card loans tightened modestly. Meanwhile, banks reported weaker demand for auto loans, credit card loans, and most categories of RRE loans.

Lending to Businesses

(Table 1, questions 1–12; Table 2, questions 1–8)

Questions on commercial and industrial lending. On net, a moderate fraction of domestic banks reportedly eased standards on loans to large and middle-market firms, while standards on loans to small firms were little changed. Over the first three months of the year, banks reportedly eased most terms on C&I loans to large and middle-market firms and to small firms. A significant fraction of banks reportedly narrowed loan rate spreads on loans to large and middle-market firms and a moderate fraction narrowed spreads on loans to small firms.

[1] Respondent banks received the survey on March 26, 2018, and responses were due by April 9, 2018.

Notably, all domestic banks that reportedly eased standards or terms on C&I loans over the past three months cited increased competition from other lenders as a reason for easing. In addition, significant fractions of banks mentioned a more favorable or less uncertain economic outlook; improvements of industry-specific problems; increased tolerance for risk; and reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards as important reasons for easing.

Foreign banks reported that C&I loan standards remained about unchanged. Meanwhile, foreign banks reportedly eased several terms on C&I loans. Moderate net fractions of foreign banks reportedly increased the maximum size of credit lines, narrowed loan rate spreads, reduced the use of interest rate floors, and eased loan covenants.

A modest net percentage of domestic banks reported weaker demand for C&I loans to large and middle-market firms in the first quarter, while demand for loans to small firms changed little.[2] Foreign banks also reported that demand for C&I loans remained about unchanged. The number of inquiries from potential borrowers reportedly rose moderately at domestic banks and modestly at foreign banks.

Most domestic banks that reported experiencing reduced C&I loan demand indicated that customers shifting their borrowing to other sources of credit and increases in customers' internally generated funds were important reasons for weaker demand.

Questions on commercial real estate lending. Standards on construction and land development loans reportedly remained about unchanged, while a modest net percentage of banks reported tightening standards on multifamily loans and a modest net share of banks reported easing standards on nonfarm nonresidential loans. Notably, this was the first quarter in almost three years in which banks, on net, reported easing standards on one of the three main CRE loan categories. Meanwhile, a moderate net share of foreign banks reported tightening their standards on CRE loans.

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[2] For questions that ask about lending standards or terms, "net fraction" (or "net percentage") refers to the fraction of banks that reported having tightened ("tightened considerably" or "tightened somewhat") minus the fraction of banks that reported having eased ("eased considerably" or "eased somewhat"). For questions that ask about loan demand, this term refers to the fraction of banks that reported stronger demand ("substantially stronger" or "moderately stronger") minus the fraction of banks that reported weaker demand ("substantially weaker" or "moderately weaker"). For this summary, when standards, terms, or demand are said to have "remained basically unchanged," the net percentage of respondent banks that reported either tightening or easing of standards or terms, or stronger or weaker demand, is greater than or equal to 0 and less than or equal to 5 percent; "modest" refers to net percentages greater than 5 and less than or equal to 10 percent; "moderate" refers to net percentages greater than 10 and less than or equal to 20 percent; "significant" refers to net percentages greater than 20 and less than 50 percent; and "major" refers to net percentages greater than or equal to 50 percent.

Large and middle-market firms are defined as firms with annual sales of $50 million or more, and small firms are those with annual sales of less than $50 million.

Modest net shares of domestic banks indicated weaker demand for loans across the three main CRE loan categories. Over the same period, foreign banks reported that demand for CRE loans was about unchanged on balance.

Special Questions on Changes in Banks' Credit Policies on Commercial Real Estate Loans over the Past Year

(Table 1, questions 27–31; Table 2, questions 9–13)

The April survey included five special questions on CRE lending policies and demand. The questions asked banks to consider how their credit policies and loan demand for each major CRE loan category had changed over the past year and why.

Domestic banks reported that they had eased policies on all three major categories of CRE loans over the past year. In particular, moderate net fractions of banks reportedly narrowed spreads and increased the maximum size of loans across the three main CRE loan categories. Debt service coverage ratios, however, changed little on these three loan categories. Meanwhile, foreign banks also reported easing terms on all three major categories of CRE loans.

These findings contrast with the answers to the same questions in the survey administered a year ago. While banks reported last year a net tightening of most lending policies on CRE loans over 2016, in the current survey they reported a net easing of several lending policies over 2017 for all three major CRE loan categories.

A major fraction of banks that reportedly eased CRE credit policies over 2017 cited more aggressive competition from other banks or nonbank lenders as an important reason for easing. Significant net percentages of banks also mentioned increased tolerance for risk and more favorable or less uncertain outlooks for CRE property prices, for vacancy rates or other fundamentals on CRE properties, and for capitalization rates on CRE properties as important reasons for easing these credit policies over the past year.

The number of banks that reportedly experienced stronger demand for CRE loans over 2017 was only slightly larger than the number of banks that reportedly faced weaker demand. Most banks that reportedly experienced stronger demand for CRE loans mentioned, as important reasons, increases in customers’ acquisition or development of properties and a more favorable or less uncertain outlook for rental demand. Most banks that reportedly faced weaker demand cited, as important reasons, decreases in customers’ acquisition or development of properties, rising interest rates, and shifts of customer borrowing to other bank or nonbank sources. Answers from small and large domestic banks to these demand questions were similar.

Lending to Households

(Table 1, questions 13–26)

Questions on residential real estate lending. Standards for residential real estate lending remained about unchanged for all RRE loan categories except qualified mortgage (QM) jumbo residential mortgages, which reportedly eased in the first quarter of 2018.[3] A modest net fraction of banks reportedly eased standards for home equity lines of credit (HELOCs).

In the first quarter of 2018, significant net shares of domestic banks reported decreased demand for government and non-QM jumbo residential mortgages. In addition, moderate net fractions of banks reported decreased demand for GSE (government-sponsored enterprise)-eligible, QM non-jumbo non-GSE-eligible, QM jumbo, and non-QM non-jumbo residential mortgages. Over the same period, a significant net share of banks reported weaker demand for HELOCs.

Questions on consumer lending. Modest net percentages of banks reported tightening standards on auto and credit card loans over the past three months, while standards on other consumer loans were reportedly little changed on net. In addition to tightening standards for consumer loans, banks also reportedly continued to tighten several terms for credit card and auto lending. A modest net share of banks reported increasing minimum required credit scores for credit card loans. A moderate net fraction of banks reportedly widened loan rate spreads on auto loans, while a modest net share of banks reportedly lowered the extent to which auto loans are extended to customers who do not meet credit scoring thresholds.

Modest net percentages of banks reported weaker demand for auto, credit card, and other consumer loans.

This document was prepared by Marcelo Rezende, with the assistance of Akber Khan and Gideon Teitel, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

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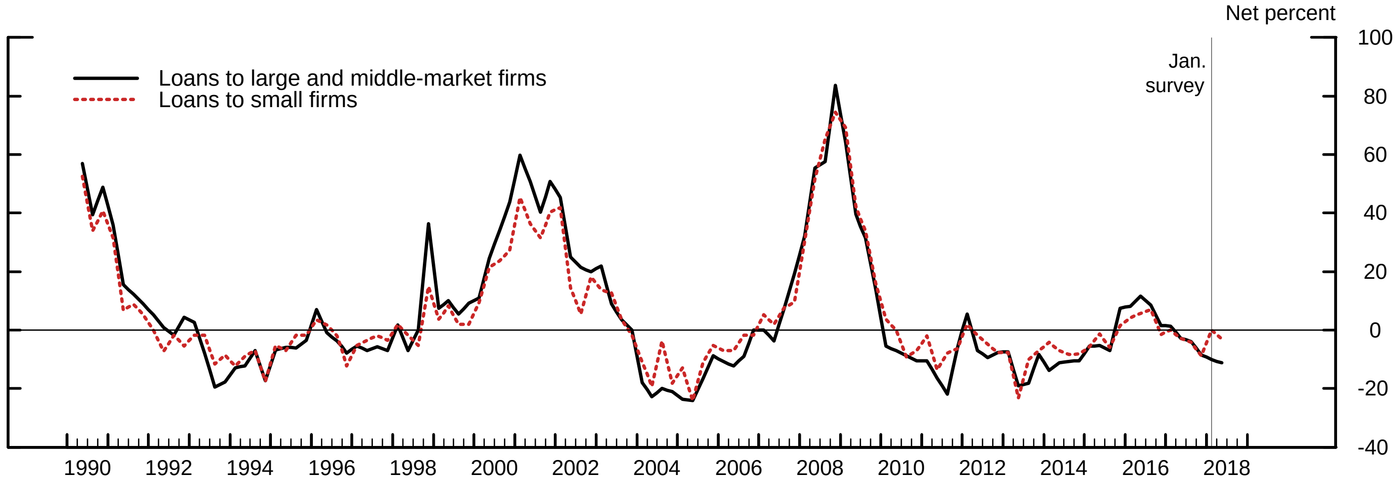
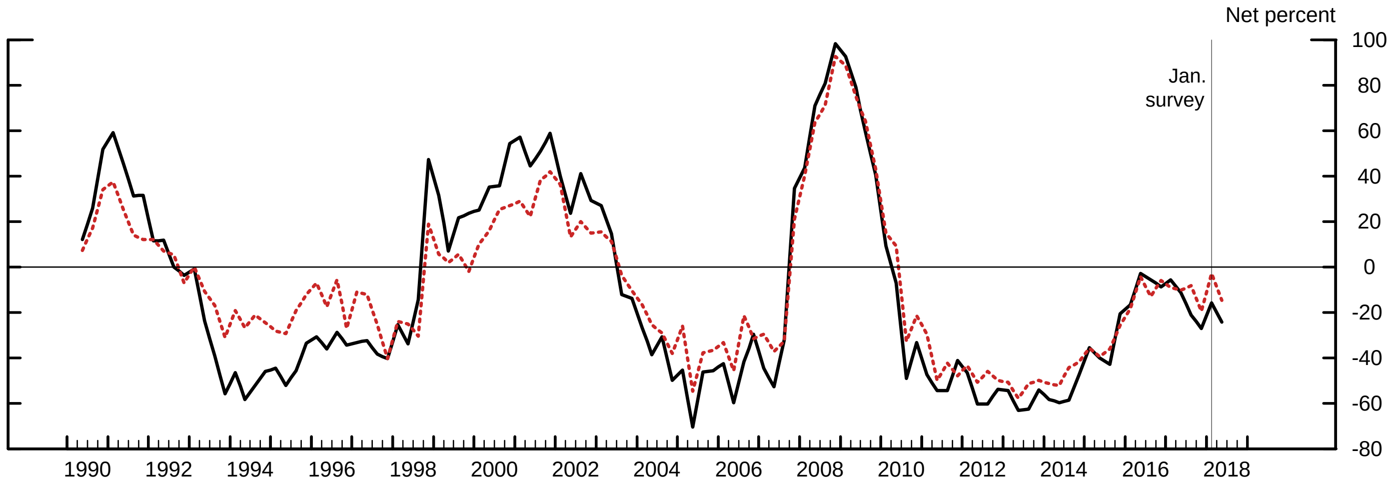
[3] The seven categories of residential home-purchase loans that banks are asked to consider are GSE-eligible, government, QM non-jumbo non-GSE-eligible, QM jumbo, non-QM jumbo, non-QM non-jumbo, and subprime. See the survey results tables that follow this summary for a description of each of these loan categories. The definition of a QM was introduced in the 2013 Mortgage Rules under the Truth in Lending Act (12 CFR Part 1026.32, Regulation Z). The standard for a QM excludes mortgages with loan characteristics such as negative amortization, balloon and interest-only payment schedules, terms exceeding 30 years, alt-A or no documentation, and total points and fees that exceed 3 percent of the loan amount. In addition, a QM requires that the monthly debt-to-income ratio of borrowers not exceed 43 percent. For more on the ability to repay and QM standards under Regulation Z, see the Consumer Financial Protection Bureau's website at www.consumerfinance.gov/regulations/ability-to-repay-and-qualified-mortgage-standards-under-the-truth-in-lending-act-regulation-z.

Measures of Supply and Demand for Commercial and Industrial Loans, by Size of Firm Seeking Loan

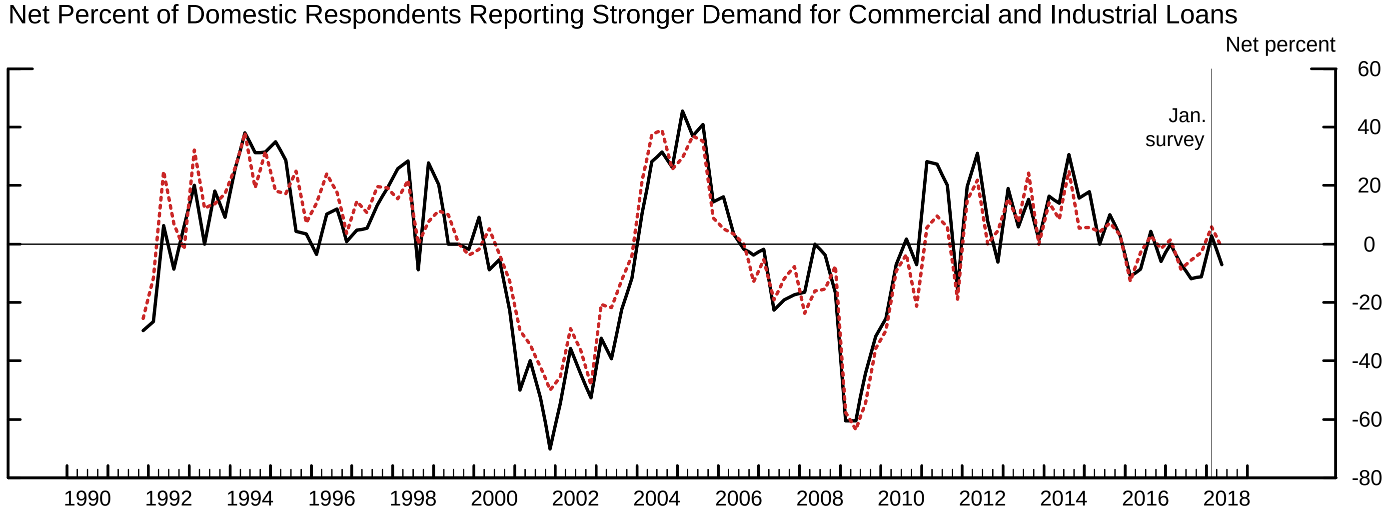
Net Percent of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



Net Percent of Domestic Respondents Increasing Spreads of Loan Rates over Bank's Cost of Funds

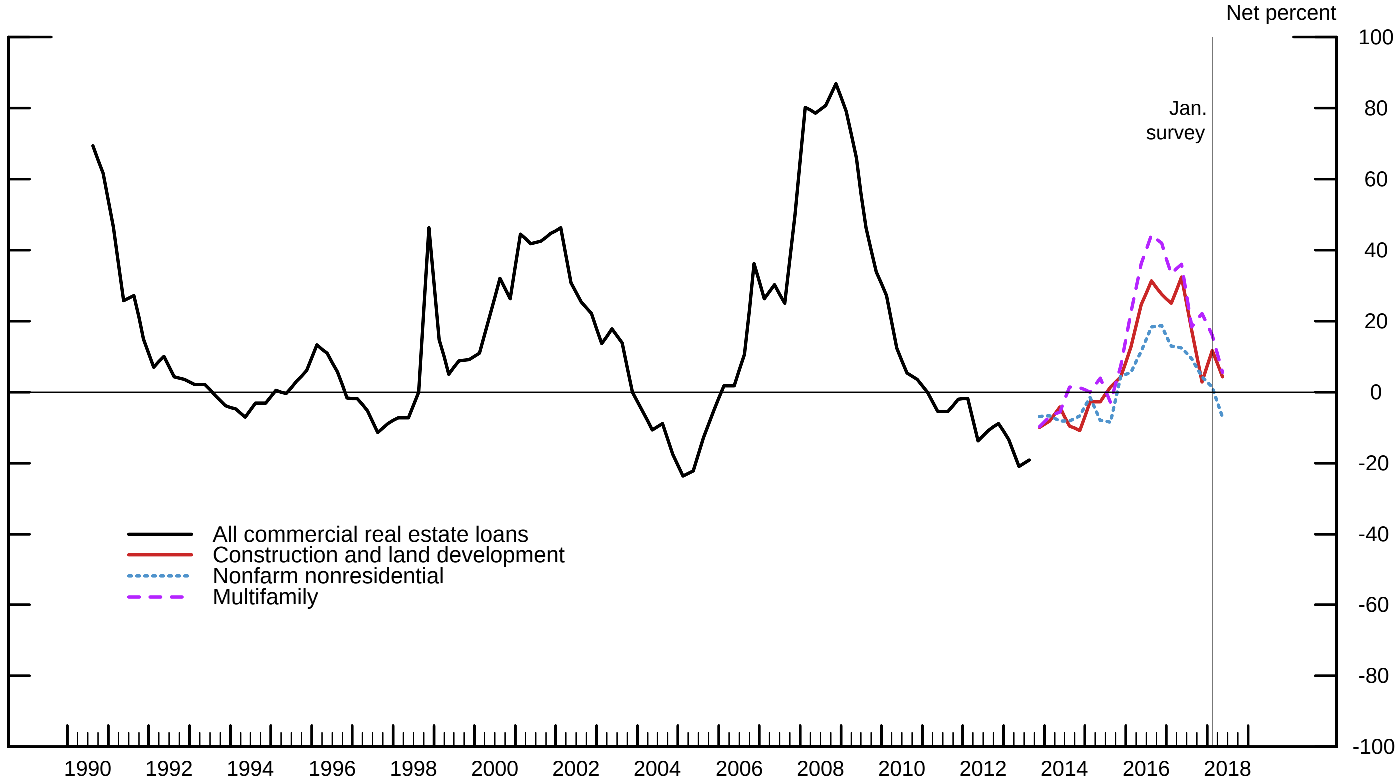


Net Percent of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

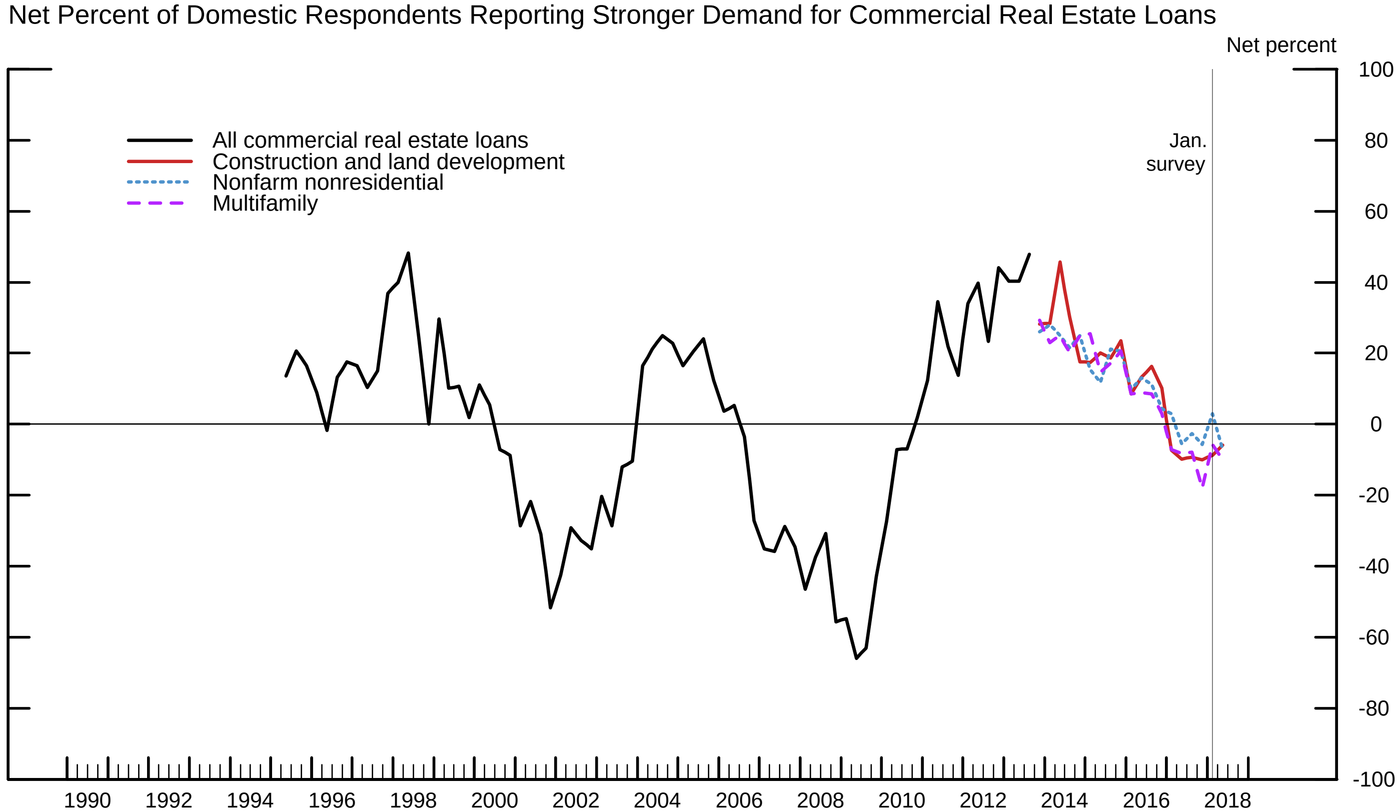


Measures of Supply and Demand for Commercial Real Estate Loans

Net Percent of Domestic Respondents Tightening Standards for Commercial Real Estate Loans

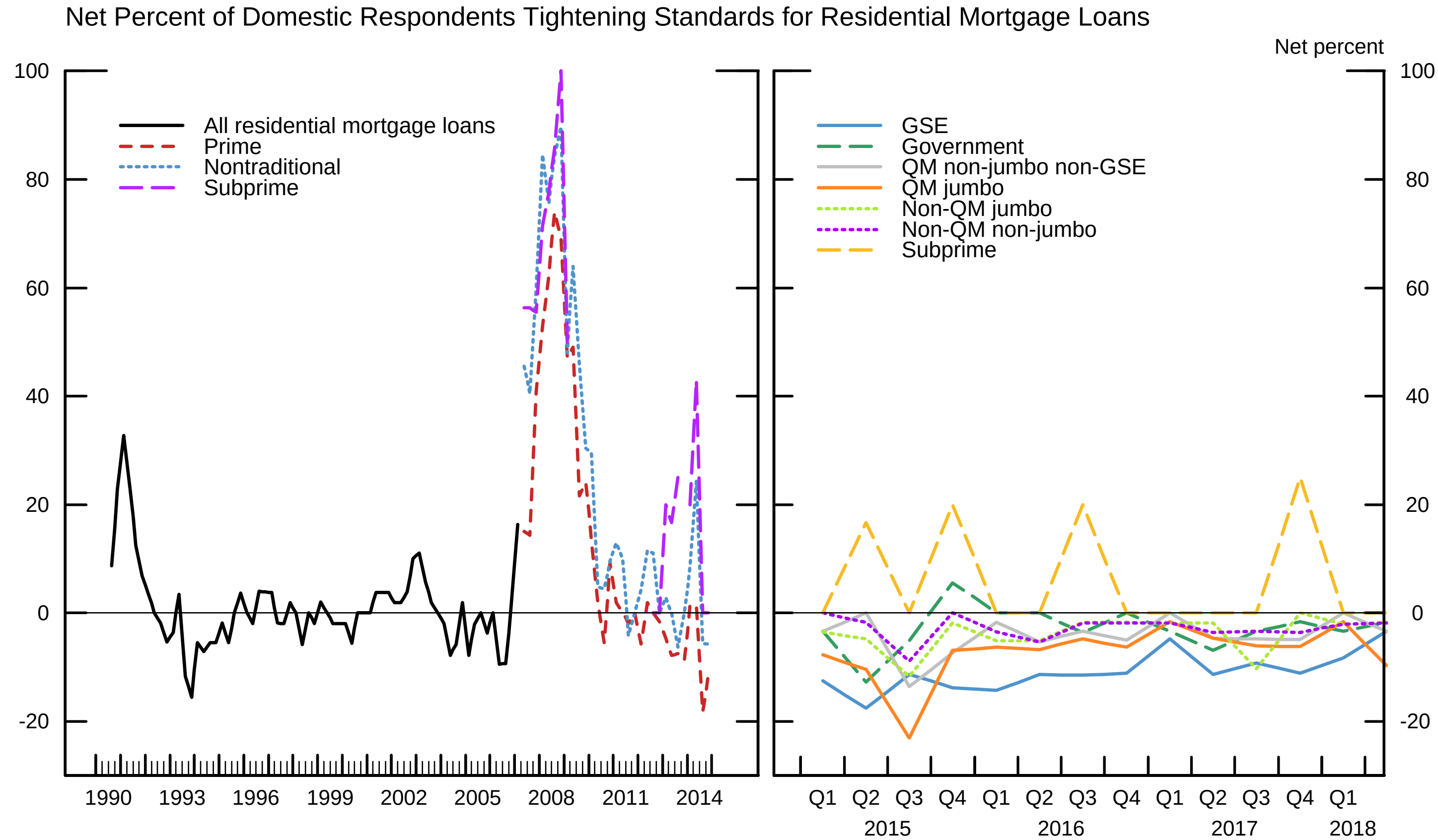


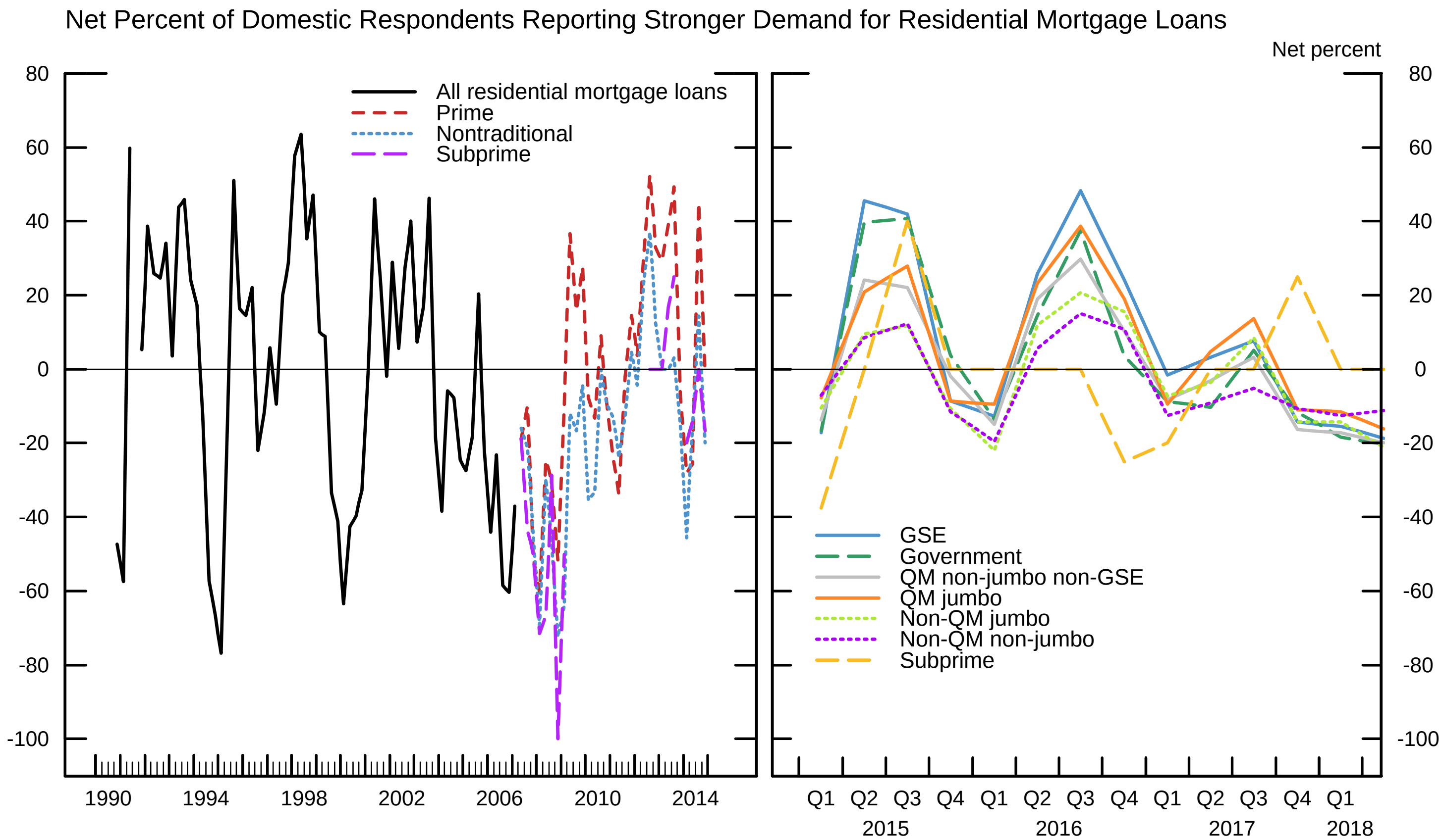
Net Percent of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



Note: For data starting in 2013:Q4, changes in demand for construction and land development, nonfarm nonresidential, and multifamily loans are reported separately.

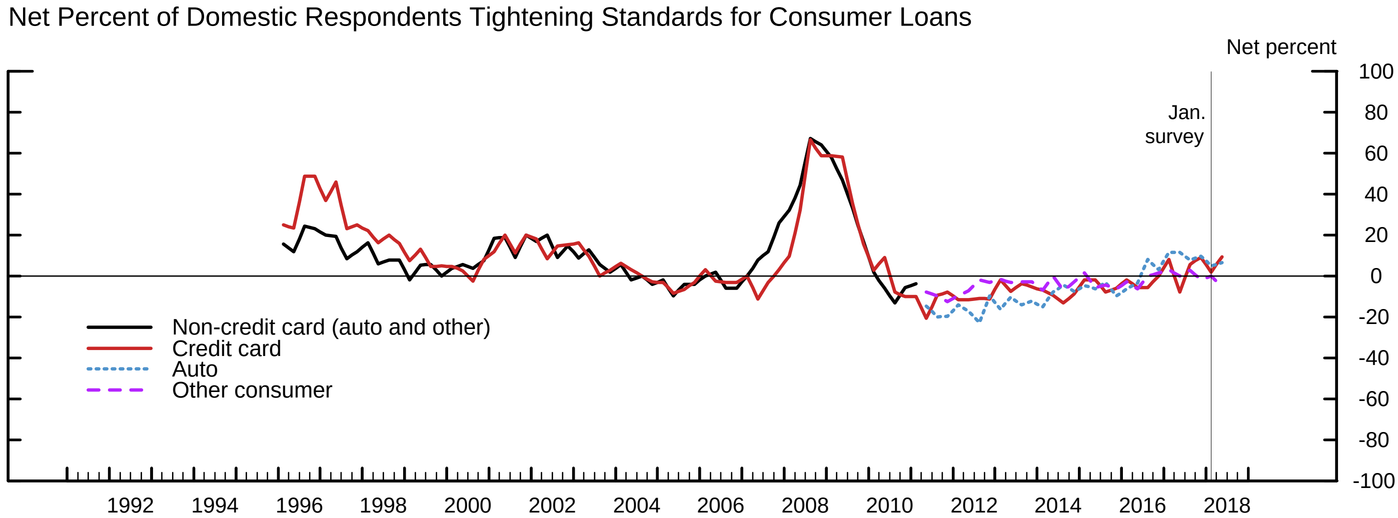
Measures of Supply and Demand for Residential Mortgage Loans



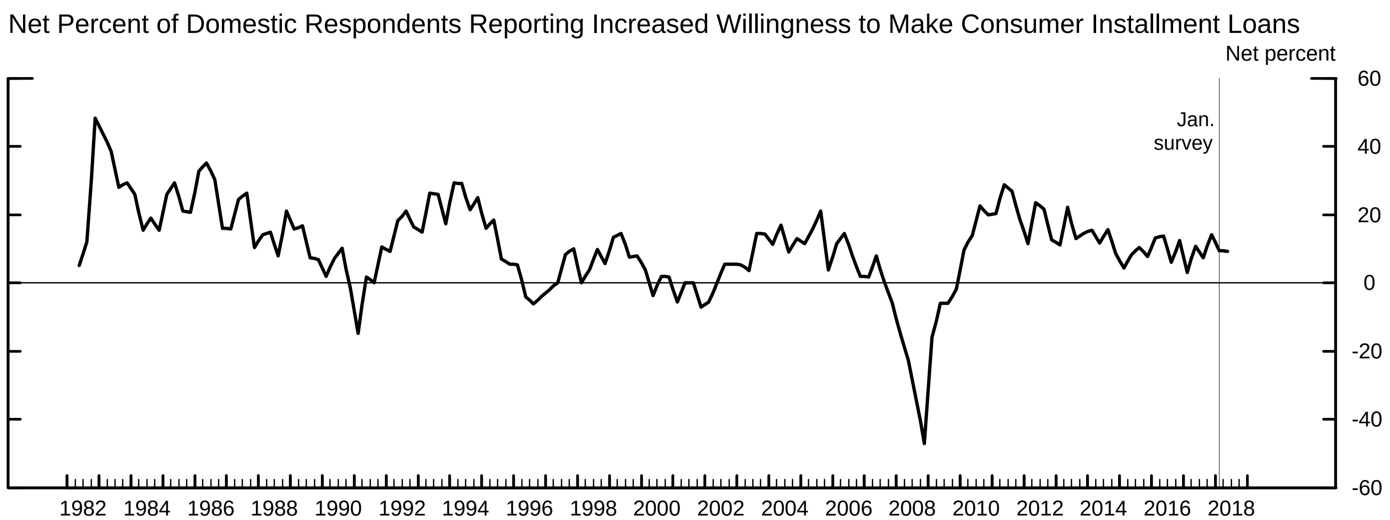


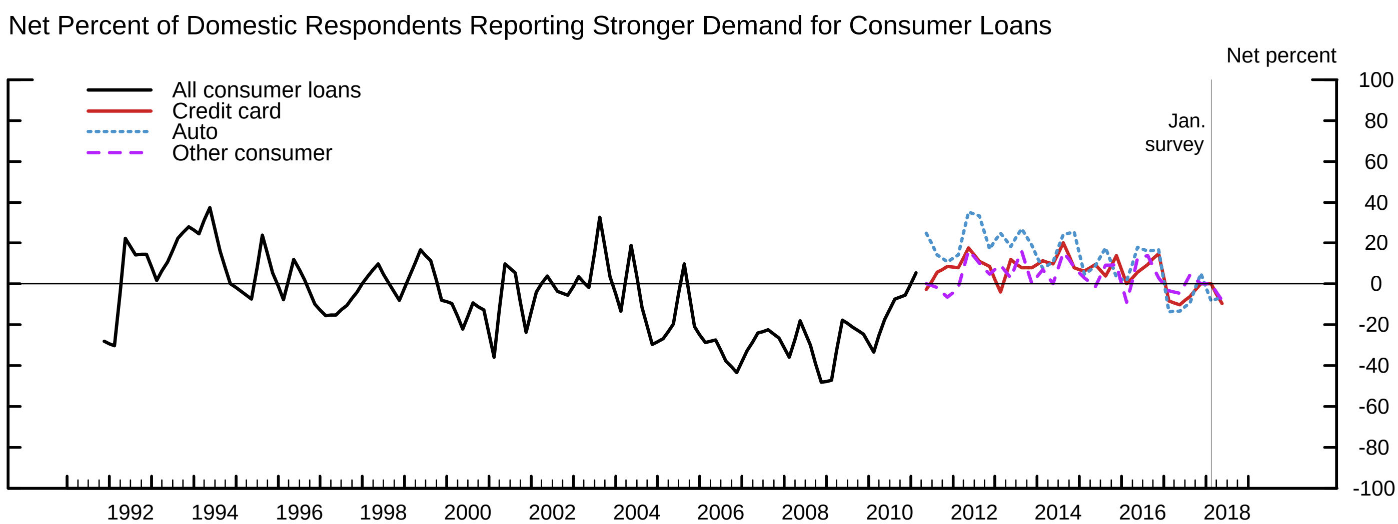
Note: For data starting in 2007:Q2, changes in standards and demand for prime, nontraditional, and subprime mortgage loans are reported separately. For data starting in 2015:Q1, changes in standards and demand were expanded into the following seven categories: GSE-eligible; government; QM non-jumbo non-GSE-eligible; QM jumbo; non-QM jumbo; non-QM non-jumbo; and subprime. Series are not reported when the number of respondents is three or fewer.

Measures of Supply and Demand for Consumer Loans



Note: For data starting in 2011:Q2, changes in standards for auto loans and consumer loans excluding credit card and auto loans are reported separately. In 2011:Q2 only, new and used auto loans are reported separately and equally weighted to calculate the auto loans series.





Note: For data starting in 2011:Q2, changes in demand for credit card loans, auto loans, and consumer loans excluding credit card and auto loans are reported separately.

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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 2018)

***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	1	1.4	1	2.2	0	0.0
Remained basically unchanged	61	85.9	38	82.6	23	92.0
Eased somewhat	9	12.7	7	15.2	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

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	1	1.5	1	2.4	0	0.0
Remained basically unchanged	63	94.0	39	92.9	24	96.0
Eased somewhat	3	4.5	2	4.8	1	4.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	42	100	25	100

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	1	1.4	1	2.2	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	59	84.3	36	78.3	23	95.8
Eased somewhat	10	14.3	9	19.6	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.2	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	65	92.9	43	93.5	22	91.7
Eased somewhat	4	5.7	2	4.3	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.2	0	0.0
Tightened somewhat	2	2.9	1	2.2	1	4.2
Remained basically unchanged	55	78.6	33	71.7	22	91.7
Eased somewhat	12	17.1	11	23.9	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

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	1	1.4	1	2.2	0	0.0
Tightened somewhat	4	5.7	1	2.2	3	12.5
Remained basically unchanged	43	61.4	24	52.2	19	79.2
Eased somewhat	22	31.4	20	43.5	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.2	0	0.0
Tightened somewhat	2	2.9	1	2.2	1	4.2
Remained basically unchanged	58	82.9	37	80.4	21	87.5
Eased somewhat	9	12.9	7	15.2	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.2	0	0.0
Tightened somewhat	1	1.4	0	0.0	1	4.2
Remained basically unchanged	55	79.7	35	77.8	20	83.3
Eased somewhat	12	17.4	9	20.0	3	12.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	45	100	24	100

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.2	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	64	91.4	41	89.1	23	95.8
Eased somewhat	5	7.1	4	8.7	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

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	1	1.4	1	2.2	0	0.0
Tightened somewhat	1	1.4	0	0.0	1	4.2
Remained basically unchanged	56	81.2	36	80.0	20	83.3
Eased somewhat	8	11.6	6	13.3	2	8.3
Eased considerably	3	4.3	2	4.4	1	4.2
Total	69	100	45	100	24	100

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	67	100.0	43	100.0	24	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	67	100	43	100	24	100

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	64	94.1	41	95.3	23	92.0
Eased somewhat	4	5.9	2	4.7	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

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	2	2.9	1	2.3	1	4.0
Remained basically unchanged	58	85.3	35	81.4	23	92.0
Eased somewhat	8	11.8	7	16.3	1	4.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

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	4	5.9	1	2.3	3	12.0
Remained basically unchanged	50	73.5	30	69.8	20	80.0
Eased somewhat	14	20.6	12	27.9	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

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	1	1.5	0	0.0	1	4.0
Remained basically unchanged	63	94.0	41	97.6	22	88.0
Eased somewhat	3	4.5	1	2.4	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	42	100	25	100

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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	63	94.0	40	93.0	23	95.8
Eased somewhat	4	6.0	3	7.0	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	43	100	24	100

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	66	97.1	42	97.7	24	96.0
Eased somewhat	2	2.9	1	2.3	1	4.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

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	1	1.5	0	0.0	1	4.0
Remained basically unchanged	59	89.4	37	90.2	22	88.0
Eased somewhat	4	6.1	3	7.3	1	4.0
Eased considerably	2	3.0	1	2.4	1	4.0
Total	66	100	41	100	25	100

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? (Please respond to either A, B, or both as appropriate.)

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	7	77.8	4	100.0	3	60.0
Somewhat important	2	22.2	0	0.0	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	9	100	4	100	5	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	33.3	1	25.0	2	40.0
Somewhat important	5	55.6	3	75.0	2	40.0
Very important	1	11.1	0	0.0	1	20.0
Total	9	100	4	100	5	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	62.5	3	75.0	2	50.0
Somewhat important	3	37.5	1	25.0	2	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	8	100	4	100	4	100

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	7	77.8	4	100.0	3	60.0
Somewhat important	2	22.2	0	0.0	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	9	100	4	100	5	100

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	55.6	3	75.0	2	40.0
Somewhat important	3	33.3	0	0.0	3	60.0
Very important	1	11.1	1	25.0	0	0.0
Total	9	100	4	100	5	100

f. Decreased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	77.8	4	100.0	3	60.0
Somewhat important	1	11.1	0	0.0	1	20.0
Very important	1	11.1	0	0.0	1	20.0
Total	9	100	4	100	5	100

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	6	66.7	4	100.0	2	40.0
Somewhat important	2	22.2	0	0.0	2	40.0
Very important	1	11.1	0	0.0	1	20.0
Total	9	100	4	100	5	100

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	6	66.7	4	100.0	2	40.0
Somewhat important	2	22.2	0	0.0	2	40.0
Very important	1	11.1	0	0.0	1	20.0
Total	9	100	4	100	5	100

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	23	88.5	20	95.2	3	60.0
Somewhat important	3	11.5	1	4.8	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	21	100	5	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	17	65.4	16	76.2	1	20.0
Somewhat important	9	34.6	5	23.8	4	80.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	21	100	5	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	78.3	16	84.2	2	50.0
Somewhat important	5	21.7	3	15.8	2	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	23	100	19	100	4	100

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	0	0.0	0	0.0	0	0.0
Somewhat important	12	40.0	9	37.5	3	50.0
Very important	18	60.0	15	62.5	3	50.0
Total	30	100	24	100	6	100

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	69.2	15	71.4	3	60.0
Somewhat important	6	23.1	5	23.8	1	20.0
Very important	2	7.7	1	4.8	1	20.0
Total	26	100	21	100	5	100

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	80.8	17	81.0	4	80.0
Somewhat important	5	19.2	4	19.0	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	21	100	5	100

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	25	96.2	21	100.0	4	80.0
Somewhat important	1	3.8	0	0.0	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	21	100	5	100

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	18	69.2	16	76.2	2	40.0
Somewhat important	8	30.8	5	23.8	3	60.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	21	100	5	100

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	8	11.3	7	15.2	1	4.0
About the same	50	70.4	28	60.9	22	88.0
Moderately weaker	13	18.3	11	23.9	2	8.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

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	7	10.3	5	11.6	2	8.0
About the same	53	77.9	33	76.7	20	80.0
Moderately weaker	8	11.8	5	11.6	3	12.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

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? (Please respond to either A, B, or both as appropriate.)

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	4	36.4	4	44.4	0	0.0
Somewhat important	6	54.5	5	55.6	1	50.0
Very important	1	9.1	0	0.0	1	50.0
Total	11	100	9	100	2	100

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	27.3	3	33.3	0	0.0
Somewhat important	7	63.6	6	66.7	1	50.0
Very important	1	9.1	0	0.0	1	50.0
Total	11	100	9	100	2	100

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	45.5	5	55.6	0	0.0
Somewhat important	4	36.4	2	22.2	2	100.0
Very important	2	18.2	2	22.2	0	0.0
Total	11	100	9	100	2	100

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	80.0	7	87.5	1	50.0
Somewhat important	1	10.0	0	0.0	1	50.0
Very important	1	10.0	1	12.5	0	0.0
Total	10	100	8	100	2	100

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	27.3	2	22.2	1	50.0
Somewhat important	5	45.5	4	44.4	1	50.0
Very important	3	27.3	3	33.3	0	0.0
Total	11	100	9	100	2	100

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	8	72.7	6	66.7	2	100.0
Somewhat important	3	27.3	3	33.3	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	11	100	9	100	2	100

g. Customer precautionary demand for cash and liquidity increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	100.0	8	100.0	2	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	10	100	8	100	2	100

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	6	50.0	5	55.6	1	33.3
Somewhat important	6	50.0	4	44.4	2	66.7
Very important	0	0.0	0	0.0	0	0.0
Total	12	100	9	100	3	100

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	50.0	5	55.6	1	33.3
Somewhat important	6	50.0	4	44.4	2	66.7
Very important	0	0.0	0	0.0	0	0.0
Total	12	100	9	100	3	100

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	50.0	4	44.4	2	66.7
Somewhat important	6	50.0	5	55.6	1	33.3
Very important	0	0.0	0	0.0	0	0.0
Total	12	100	9	100	3	100

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	16.7	2	22.2	0	0.0
Somewhat important	10	83.3	7	77.8	3	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	12	100	9	100	3	100

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	58.3	4	44.4	3	100.0
Somewhat important	5	41.7	5	55.6	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	12	100	9	100	3	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	30.8	3	30.0	1	33.3
Somewhat important	6	46.2	5	50.0	1	33.3
Very important	3	23.1	2	20.0	1	33.3
Total	13	100	10	100	3	100

g. Customer precautionary demand for cash and liquidity decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	11	84.6	8	80.0	3	100.0
Somewhat important	2	15.4	2	20.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100	10	100	3	100

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	16	22.9	11	24.4	5	20.0
The number of inquiries has stayed about the same	47	67.1	30	66.7	17	68.0
The number of inquiries has decreased moderately	7	10.0	4	8.9	3	12.0
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	70	100	45	100	25	100

Questions 7-12 *ask about changes in standards and demand over the past three months for three different types of commercial real estate (CRE) loans at your bank: construction and land development loans, loans secured by nonfarm nonresidential properties, and loans secured by multifamily residential properties. Please report changes in enforcement of existing policies as changes in policies.*

7. Over the past three months, how have your bank's credit standards for approving new applications for **construction and land development loans** or credit lines 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	4	5.8	0	0.0	4	16.0
Remained basically unchanged	64	92.8	43	97.7	21	84.0
Eased somewhat	1	1.4	1	2.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

8. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by nonfarm nonresidential properties** 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	2	2.9	1	2.2	1	4.0
Remained basically unchanged	61	87.1	39	86.7	22	88.0
Eased somewhat	7	10.0	5	11.1	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	45	100	25	100

9. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by multifamily residential properties** 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	8	11.3	5	10.9	3	12.0
Remained basically unchanged	59	83.1	37	80.4	22	88.0
Eased somewhat	4	5.6	4	8.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

10. Apart from normal seasonal variation, how has demand for **construction and land development loans** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	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	9	13.2	6	14.0	3	12.0
About the same	46	67.6	26	60.5	20	80.0
Moderately weaker	13	19.1	11	25.6	2	8.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	68	100	43	100	25	100

11. Apart from normal seasonal variation, how has demand for **loans secured by nonfarm nonresidential properties** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	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	4	5.7	2	4.4	2	8.0
About the same	57	81.4	35	77.8	22	88.0
Moderately weaker	9	12.9	8	17.8	1	4.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	70	100	45	100	25	100

12. Apart from normal seasonal variation, how has demand for **loans secured by multifamily residential properties** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	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	6	8.6	3	6.7	3	12.0
About the same	51	72.9	32	71.1	19	76.0
Moderately weaker	13	18.6	10	22.2	3	12.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	70	100	45	100	25	100

Note: *Beginning with the January 2015 survey, the loan categories referred to in the questions regarding changes in credit standards and demand for residential mortgage loans have been revised to reflect the Consumer Financial Protection Bureau's qualified mortgage rules.*

Questions 13-14 *ask about seven categories of **residential mortgage loans** at your bank: Government-Sponsored Enterprise eligible (GSE-eligible) residential mortgages, government residential mortgages, Qualified Mortgage non-jumbo non-GSE-eligible (QM non-jumbo, non-GSE-eligible) residential mortgages, QM jumbo residential mortgages, non-QM jumbo residential mortgages, non-QM non-jumbo residential mortgages, and subprime residential mortgages. For the purposes of this survey, please use the following definitions of these loan categories and include first-lien closed-end loans to purchase homes only. The loan categories have been defined so that every first-lien closed-end residential mortgage loan used for home purchase fits into one of the following seven categories:*

- *The **GSE-eligible** category of residential mortgages includes loans that meet the underwriting guidelines, including loan limit amounts, of the GSEs - Fannie Mae and Freddie Mac.*
- *The **government** category of residential mortgages includes loans that are insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, or originated under government programs, including the U.S. Department of Agriculture home loan programs.*
- *The **QM non-jumbo, non-GSE-eligible** category of residential mortgages includes loans that satisfy the standards for a qualified mortgage and have loan balances that are below the loan limit amounts set by the GSEs but otherwise do not meet the GSE underwriting guidelines.*
- *The **QM jumbo** category of residential mortgages includes loans that satisfy the standards for a qualified mortgage but have loan balances that are above the loan limit amount set by the GSEs.*
- *The **non-QM jumbo** category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are above the loan limit amount set by the GSEs.*
- *The **non-QM non-jumbo** category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are below the loan limit amount set by the GSEs. (Please exclude loans classified by your bank as subprime in this category.)*
- *The **subprime** category of residential mortgages includes loans classified by your bank as subprime. This category typically includes loans made to borrowers with weakened credit histories that include payment delinquencies, charge-offs, judgements, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.*

Question 13 *deals with changes in your bank's credit standards for loans in each of the seven loan categories over the past three months. 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.* ***Question 14*** *deals with changes in demand for loans in each of the seven loan categories over the past three months.*

13. Over the past three months, how have your bank's credit standards for approving applications from individuals for mortgage loans to purchase homes changed? (Please consider only new originations as opposed to the refinancing of existing mortgages.)

A. Credit standards on mortgage loans that your bank categorizes as ***GSE-eligible*** 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	1	1.7	0	0.0	1	4.3
Remained basically unchanged	55	93.2	33	91.7	22	95.7
Eased somewhat	3	5.1	3	8.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100	36	100	23	100

For this question, 9 respondents answered "My bank does not originate GSE-eligible residential mortgages."

B. Credit standards on mortgage loans that your bank categorizes as ***government*** 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	58	98.3	35	97.2	23	100.0
Eased somewhat	1	1.7	1	2.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100	36	100	23	100

For this question, 9 respondents answered "My bank does not originate government residential mortgages."

C. Credit standards on mortgage loans that your bank categorizes as ***QM non-jumbo, non-GSE-eligible*** 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	58	96.7	36	100.0	22	91.7
Eased somewhat	2	3.3	0	0.0	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100	36	100	24	100

For this question, 7 respondents answered "My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages."

D. Credit standards on mortgage loans that your bank categorizes as ***QM jumbo*** 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	56	90.3	34	94.4	22	84.6
Eased somewhat	6	9.7	2	5.6	4	15.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	36	100	26	100

For this question, 6 respondents answered "My bank does not originate QM jumbo residential mortgages."

E. Credit standards on mortgage loans that your bank categorizes as ***non-QM jumbo*** 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	2	3.4	2	5.6	0	0.0
Remained basically unchanged	53	91.4	33	91.7	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	36	100	22	100

For this question, 10 respondents answered "My bank does not originate non-QM jumbo residential mortgages."

F. Credit standards on mortgage loans that your bank categorizes as ***non-QM non-jumbo*** 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	1	1.8	1	2.9	0	0.0
Remained basically unchanged	52	94.5	34	97.1	18	90.0
Eased somewhat	2	3.6	0	0.0	2	10.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100	35	100	20	100

For this question, 13 respondents answered "My bank does not originate non-QM non-jumbo residential mortgages."

G. Credit standards on mortgage loans that your bank categorizes as ***subprime*** 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	6	100.0	2	100.0	4	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	6	100	2	100	4	100

For this question, 62 respondents answered "My bank does not originate subprime residential mortgages."

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

A. Demand for mortgages that your bank categorizes as ***GSE-eligible*** 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	6	10.2	3	8.3	3	13.0
About the same	36	61.0	21	58.3	15	65.2
Moderately weaker	17	28.8	12	33.3	5	21.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100	36	100	23	100

For this question, 6 respondents answered "My bank does not originate GSE-eligible residential mortgages."

B. Demand for mortgages that your bank categorizes as ***government*** 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	4	6.8	1	2.8	3	13.0
About the same	39	66.1	24	66.7	15	65.2
Moderately weaker	16	27.1	11	30.6	5	21.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100	36	100	23	100

For this question, 8 respondents answered "My bank does not originate government residential mortgages."

C. Demand for mortgages that your bank categorizes as ***QM non-jumbo, non-GSE-eligible*** 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	6	10.0	2	5.7	4	16.0
About the same	36	60.0	21	60.0	15	60.0
Moderately weaker	18	30.0	12	34.3	6	24.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	60	100	35	100	25	100

For this question, 6 respondents answered "My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages."

D. Demand for mortgages that your bank categorizes as ***QM jumbo*** 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	7	11.3	1	2.8	6	23.1
About the same	38	61.3	23	63.9	15	57.7
Moderately weaker	17	27.4	12	33.3	5	19.2
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	62	100	36	100	26	100

For this question, 6 respondents answered "My bank does not originate QM jumbo residential mortgages."

E. Demand for mortgages that your bank categorizes as ***non-QM jumbo*** 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	4	7.0	1	2.9	3	13.6
About the same	37	64.9	23	65.7	14	63.6
Moderately weaker	15	26.3	10	28.6	5	22.7
Substantially weaker	1	1.8	1	2.9	0	0.0
Total	57	100	35	100	22	100

For this question, 9 respondents answered "My bank does not originate non-QM jumbo residential mortgages."

F. Demand for mortgages that your bank categorizes as ***non-QM non-jumbo*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	1.9	1	2.9	0	0.0
Moderately stronger	5	9.3	2	5.9	3	15.0
About the same	36	66.7	24	70.6	12	60.0
Moderately weaker	12	22.2	7	20.6	5	25.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	54	100	34	100	20	100

For this question, 11 respondents answered "My bank does not originate non-QM non-jumbo residential mortgages."

G. Demand for mortgages that your bank categorizes as ***subprime*** 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	0	0.0	0	0.0	0	0.0
About the same	6	100.0	2	100.0	4	100.0
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	6	100	2	100	4	100

For this question, 60 respondents answered "My bank does not originate subprime residential mortgages."

Questions 15-16 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 15 deals with changes in your bank's credit standards over the past three months. Question 16 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.*

15. 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	59	92.2	35	89.7	24	96.0
Eased somewhat	5	7.8	4	10.3	1	4.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100	39	100	25	100

16. 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	1	1.6	1	2.6	0	0.0
Moderately stronger	3	4.7	2	5.1	1	4.0
About the same	42	65.6	24	61.5	18	72.0
Moderately weaker	17	26.6	11	28.2	6	24.0
Substantially weaker	1	1.6	1	2.6	0	0.0
Total	64	100	39	100	25	100

__Questions 17-26__ ask about consumer lending at your bank. Question 17 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 18-23 deal with changes in credit standards and loan terms over the same period. Questions 24-26 deal 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.

17. 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	1.5	1	2.5	0	0.0
Somewhat more willing	5	7.7	4	10.0	1	4.0
About unchanged	59	90.8	35	87.5	24	96.0
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	65	100	40	100	25	100

18. 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	6	11.3	6	16.7	0	0.0
Remained basically unchanged	46	86.8	29	80.6	17	100.0
Eased somewhat	1	1.9	1	2.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100	36	100	17	100

19. 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	4	6.5	3	7.9	1	4.2
Remained basically unchanged	58	93.5	35	92.1	23	95.8
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	38	100	24	100

20. 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	1	1.6	1	2.6	0	0.0
Remained basically unchanged	57	91.9	34	89.5	23	95.8
Eased somewhat	4	6.5	3	7.9	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	38	100	24	100

21. 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	3	5.6	3	7.9	0	0.0
Remained basically unchanged	47	87.0	32	84.2	15	93.8
Eased somewhat	4	7.4	3	7.9	1	6.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100	38	100	16	100

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	3.8	2	5.3	0	0.0
Remained basically unchanged	49	92.5	34	89.5	15	100.0
Eased somewhat	2	3.8	2	5.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100	38	100	15	100

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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	54	100.0	38	100.0	16	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	38	100	16	100

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	6	11.1	6	15.8	0	0.0
Remained basically unchanged	47	87.0	31	81.6	16	100.0
Eased somewhat	1	1.9	1	2.6	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100	38	100	16	100

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	3	5.6	3	7.9	0	0.0
Remained basically unchanged	50	92.6	34	89.5	16	100.0
Eased somewhat	1	1.9	1	2.6	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100	38	100	16	100

22. 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	2	3.2	2	5.3	0	0.0
Remained basically unchanged	59	95.2	36	94.7	23	95.8
Eased somewhat	1	1.6	0	0.0	1	4.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	38	100	24	100

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	9	14.5	6	15.8	3	12.5
Remained basically unchanged	52	83.9	31	81.6	21	87.5
Eased somewhat	1	1.6	1	2.6	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	38	100	24	100

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	2	3.2	2	5.3	0	0.0
Remained basically unchanged	60	96.8	36	94.7	24	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	62	100	38	100	24	100

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	3	4.8	3	7.9	0	0.0
Remained basically unchanged	59	95.2	35	92.1	24	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	62	100	38	100	24	100

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	4	6.5	4	10.5	0	0.0
Remained basically unchanged	58	93.5	34	89.5	24	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	62	100	38	100	24	100

23. 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	61	96.8	36	94.7	25	100.0
Eased somewhat	2	3.2	2	5.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100	38	100	25	100

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	4.8	1	2.6	2	8.0
Remained basically unchanged	59	93.7	36	94.7	23	92.0
Eased somewhat	1	1.6	1	2.6	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100	38	100	25	100

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	62	100.0	37	100.0	25	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	62	100	37	100	25	100

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	63	100.0	38	100.0	25	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	63	100	38	100	25	100

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	63	100.0	38	100.0	25	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	63	100	38	100	25	100

24. 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	0	0.0	0	0.0	0	0.0
Moderately stronger	2	3.8	2	5.6	0	0.0
About the same	43	82.7	29	80.6	14	87.5
Moderately weaker	7	13.5	5	13.9	2	12.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	52	100	36	100	16	100

25. 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	0	0.0	0	0.0	0	0.0
Moderately stronger	4	6.6	3	8.1	1	4.2
About the same	49	80.3	29	78.4	20	83.3
Moderately weaker	8	13.1	5	13.5	3	12.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	61	100	37	100	24	100

26. 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	0	0.0	0	0.0	0	0.0
Moderately stronger	1	1.6	1	2.6	0	0.0
About the same	56	88.9	34	89.5	22	88.0
Moderately weaker	6	9.5	3	7.9	3	12.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	63	100	38	100	25	100

27. Over the past year, how has your bank changed the following policies on **construction and land development** loans?

a. Maximum loan size

	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	2.9	2	4.5	0	0.0
Remained basically unchanged	56	81.2	34	77.3	22	88.0
Eased somewhat	11	15.9	8	18.2	3	12.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

b. Maximum loan 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	1	1.4	0	0.0	1	4.0
Remained basically unchanged	65	94.2	43	97.7	22	88.0
Eased somewhat	3	4.3	1	2.3	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

c. 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	8	11.8	6	13.6	2	8.3
Remained basically unchanged	44	64.7	27	61.4	17	70.8
Eased somewhat	14	20.6	9	20.5	5	20.8
Eased considerably	2	2.9	2	4.5	0	0.0
Total	68	100	44	100	24	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=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	6	8.7	2	4.5	4	16.0
Remained basically unchanged	60	87.0	39	88.6	21	84.0
Eased somewhat	3	4.3	3	6.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=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	2.9	2	4.5	0	0.0
Remained basically unchanged	64	94.1	40	90.9	24	100.0
Eased somewhat	2	2.9	2	4.5	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	44	100	24	100

f. Market areas served (reduced market areas=tightened, expanded market areas=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	4	5.8	3	6.8	1	4.0
Remained basically unchanged	58	84.1	36	81.8	22	88.0
Eased somewhat	7	10.1	5	11.4	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=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	4.3	1	2.3	2	8.0
Remained basically unchanged	58	84.1	39	88.6	19	76.0
Eased somewhat	8	11.6	4	9.1	4	16.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	44	100	25	100

28. Over the past year, how has your bank changed the following policies on loans secured by **nonfarm-nonresidential** properties?

a. Maximum loan size

	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	1.4	1	2.2	0	0.0
Remained basically unchanged	55	78.6	34	73.9	21	87.5
Eased somewhat	14	20.0	11	23.9	3	12.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

b. Maximum loan 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	3	4.3	2	4.3	1	4.2
Remained basically unchanged	59	84.3	40	87.0	19	79.2
Eased somewhat	8	11.4	4	8.7	4	16.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

c. 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	1	1.4	1	2.2	0	0.0
Tightened somewhat	5	7.1	3	6.5	2	8.3
Remained basically unchanged	44	62.9	28	60.9	16	66.7
Eased somewhat	19	27.1	13	28.3	6	25.0
Eased considerably	1	1.4	1	2.2	0	0.0
Total	70	100	46	100	24	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=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	6	8.6	4	8.7	2	8.3
Remained basically unchanged	58	82.9	38	82.6	20	83.3
Eased somewhat	6	8.6	4	8.7	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=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	1	1.4	0	0.0	1	4.2
Remained basically unchanged	65	92.9	42	91.3	23	95.8
Eased somewhat	4	5.7	4	8.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

f. Market areas served (reduced market areas=tightened, expanded market areas=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	1	1.4	1	2.2	0	0.0
Remained basically unchanged	60	85.7	39	84.8	21	87.5
Eased somewhat	9	12.9	6	13.0	3	12.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	46	100	24	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=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	1	1.4	1	2.2	0	0.0
Remained basically unchanged	56	81.2	34	75.6	22	91.7
Eased somewhat	12	17.4	10	22.2	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	45	100	24	100

29. Over the past year, how has your bank changed the following policies on loans secured by **multifamily** residential properties?

a. Maximum loan size

	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	4.2	2	4.3	1	4.0
Remained basically unchanged	54	76.1	33	71.7	21	84.0
Eased somewhat	14	19.7	11	23.9	3	12.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

b. Maximum loan 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	3	4.2	1	2.2	2	8.0
Remained basically unchanged	63	88.7	42	91.3	21	84.0
Eased somewhat	5	7.0	3	6.5	2	8.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

c. 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	1	1.4	1	2.2	0	0.0
Tightened somewhat	7	9.9	4	8.7	3	12.0
Remained basically unchanged	47	66.2	29	63.0	18	72.0
Eased somewhat	14	19.7	10	21.7	4	16.0
Eased considerably	2	2.8	2	4.3	0	0.0
Total	71	100	46	100	25	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=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	12	16.9	5	10.9	7	28.0
Remained basically unchanged	55	77.5	37	80.4	18	72.0
Eased somewhat	4	5.6	4	8.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=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	5	7.0	2	4.3	3	12.0
Remained basically unchanged	60	84.5	38	82.6	22	88.0
Eased somewhat	6	8.5	6	13.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

f. Market areas served (reduced market areas=tightened, expanded market areas=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	6	8.5	5	10.9	1	4.0
Remained basically unchanged	57	80.3	36	78.3	21	84.0
Eased somewhat	8	11.3	5	10.9	3	12.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	46	100	25	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=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	4.2	2	4.3	1	4.0
Remained basically unchanged	60	84.5	37	80.4	23	92.0
Eased somewhat	7	9.9	6	13.0	1	4.0
Eased considerably	1	1.4	1	2.2	0	0.0
Total	71	100	46	100	25	100

30. If your bank has tightened or eased its credit policies for CRE loans over the past year (as described in questions 27 through 29 above), how important have been the following possible reasons for the change?

A. Possible reasons for tightening credit policies on CRE loans over the past year:

a. Less favorable or more uncertain outlook for CRE property prices

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	19.2	2	13.3	3	27.3
Somewhat important	14	53.8	10	66.7	4	36.4
Very important	7	26.9	3	20.0	4	36.4
Total	26	100	15	100	11	100

b. Less favorable or more uncertain outlook for vacancy rates or other fundamentals on CRE properties

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	23.1	3	20.0	3	27.3
Somewhat important	15	57.7	10	66.7	5	45.5
Very important	5	19.2	2	13.3	3	27.3
Total	26	100	15	100	11	100

c. Less favorable or more uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	22.2	5	31.2	1	9.1
Somewhat important	16	59.3	9	56.2	7	63.6
Very important	5	18.5	2	12.5	3	27.3
Total	27	100	16	100	11	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	72.0	11	78.6	7	63.6
Somewhat important	7	28.0	3	21.4	4	36.4
Very important	0	0.0	0	0.0	0	0.0
Total	25	100	14	100	11	100

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	11	42.3	7	46.7	4	36.4
Somewhat important	12	46.2	7	46.7	5	45.5
Very important	3	11.5	1	6.7	2	18.2
Total	26	100	15	100	11	100

f. Decreased ability to securitize CRE loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	20	80.0	10	71.4	10	90.9
Somewhat important	4	16.0	4	28.6	0	0.0
Very important	1	4.0	0	0.0	1	9.1
Total	25	100	14	100	11	100

g. Increased concerns about my bank's capital adequacy or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	84.0	11	78.6	10	90.9
Somewhat important	3	12.0	3	21.4	0	0.0
Very important	1	4.0	0	0.0	1	9.1
Total	25	100	14	100	11	100

h. Increased concerns about the effects of regulatory changes or supervisory actions

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	69.2	10	66.7	8	72.7
Somewhat important	5	19.2	4	26.7	1	9.1
Very important	3	11.5	1	6.7	2	18.2
Total	26	100	15	100	11	100

30. If your bank has tightened or eased its credit policies for CRE loans over the past year (as described in questions 27 through 29 above), how important have been the following possible reasons for the change?

B. Possible reasons for easing credit policies on CRE loans over the past year:

a. More favorable or less uncertain outlook for CRE property prices

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	26	72.2	19	79.2	7	58.3
Somewhat important	7	19.4	4	16.7	3	25.0
Very important	3	8.3	1	4.2	2	16.7
Total	36	100	24	100	12	100

b. More favorable or less uncertain outlook for vacancy rates or other fundamentals on CRE properties

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	25	69.4	19	79.2	6	50.0
Somewhat important	7	19.4	5	20.8	2	16.7
Very important	4	11.1	0	0.0	4	33.3
Total	36	100	24	100	12	100

c. More favorable or less uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	27	75.0	20	83.3	7	58.3
Somewhat important	8	22.2	4	16.7	4	33.3
Very important	1	2.8	0	0.0	1	8.3
Total	36	100	24	100	12	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	15.4	5	20.0	1	7.1
Somewhat important	16	41.0	7	28.0	9	64.3
Very important	17	43.6	13	52.0	4	28.6
Total	39	100	25	100	14	100

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	58.3	12	50.0	9	75.0
Somewhat important	11	30.6	9	37.5	2	16.7
Very important	4	11.1	3	12.5	1	8.3
Total	36	100	24	100	12	100

f. Increased ability to securitize CRE loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	31	86.1	21	87.5	10	83.3
Somewhat important	3	8.3	2	8.3	1	8.3
Very important	2	5.6	1	4.2	1	8.3
Total	36	100	24	100	12	100

g. Reduced concerns about my bank's capital adequacy or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	29	80.6	20	83.3	9	75.0
Somewhat important	6	16.7	4	16.7	2	16.7
Very important	1	2.8	0	0.0	1	8.3
Total	36	100	24	100	12	100

h. Reduced concerns about the effects of regulatory changes or supervisory actions

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	30	83.3	20	83.3	10	83.3
Somewhat important	4	11.1	4	16.7	0	0.0
Very important	2	5.6	0	0.0	2	16.7
Total	36	100	24	100	12	100

31. If demand for CRE loans from your bank has strengthened or weakened over the past year, how important have been the following possible reasons for the change?

A. Possible reasons for stronger CRE loan demand over the past year:

a. Customers acquisition or development of properties increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	34.5	5	26.3	5	50.0
Somewhat important	14	48.3	12	63.2	2	20.0
Very important	5	17.2	2	10.5	3	30.0
Total	29	100	19	100	10	100

b. Customers outlook for rental demand became more favorable or less uncertain

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	28.6	5	27.8	3	30.0
Somewhat important	17	60.7	11	61.1	6	60.0
Very important	3	10.7	2	11.1	1	10.0
Total	28	100	18	100	10	100

c. General level of interest rates decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	75.0	12	66.7	9	90.0
Somewhat important	7	25.0	6	33.3	1	10.0
Very important	0	0.0	0	0.0	0	0.0
Total	28	100	18	100	10	100

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	75.0	13	72.2	8	80.0
Somewhat important	7	25.0	5	27.8	2	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	28	100	18	100	10	100

e. 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	16	57.1	10	55.6	6	60.0
Somewhat important	11	39.3	7	38.9	4	40.0
Very important	1	3.6	1	5.6	0	0.0
Total	28	100	18	100	10	100

f. Customer precautionary demand for cash and liquidity increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	19	67.9	13	72.2	6	60.0
Somewhat important	8	28.6	4	22.2	4	40.0
Very important	1	3.6	1	5.6	0	0.0
Total	28	100	18	100	10	100

31. If demand for CRE loans from your bank has strengthened or weakened over the past year, how important have been the following possible reasons for the change?

B. Possible reasons for weaker CRE loan demand over the past year:

a. Customers acquisition or development of properties decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	46.2	8	44.4	4	50.0
Somewhat important	9	34.6	5	27.8	4	50.0
Very important	5	19.2	5	27.8	0	0.0
Total	26	100	18	100	8	100

b. Customers outlook for rental demand became less favorable or more uncertain

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	14	53.8	10	55.6	4	50.0
Somewhat important	11	42.3	7	38.9	4	50.0
Very important	1	3.8	1	5.6	0	0.0
Total	26	100	18	100	8	100

c. General level of interest rates increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	11	44.0	8	47.1	3	37.5
Somewhat important	13	52.0	8	47.1	5	62.5
Very important	1	4.0	1	5.9	0	0.0
Total	25	100	17	100	8	100

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	20	76.9	16	88.9	4	50.0
Somewhat important	6	23.1	2	11.1	4	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	18	100	8	100

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	46.2	9	50.0	3	37.5
Somewhat important	13	50.0	8	44.4	5	62.5
Very important	1	3.8	1	5.6	0	0.0
Total	26	100	18	100	8	100

f. Customer precautionary demand for cash and liquidity decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	72.0	13	76.5	5	62.5
Somewhat important	7	28.0	4	23.5	3	37.5
Very important	0	0.0	0	0.0	0	0.0
Total	25	100	17	100	8	100

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, 2017. The combined assets of the 46 large banks totaled $10.3 trillion, compared to $10.5 trillion for the entire panel of 72 banks, and $14.7 trillion for all domestically chartered, federally insured commercial banks. Return to text

Last Update: May 8, 2017

Table 2

Senior Loan Officer Opinion Survey on Bank Lending Practices at Selected Branches and Agencies of Foreign Banks in the United States [1]

(Status of Policy as of April 2018)

***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—changed?

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.5
Remained basically unchanged	19	86.4
Eased somewhat	2	9.1
Eased considerably	0	0.0
Total	22	100

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

a. Maximum size of credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	81.8
Eased somewhat	4	18.2
Eased considerably	0	0.0
Total	22	100

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	22	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

c. Costs of credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.5
Remained basically unchanged	18	81.8
Eased somewhat	3	13.6
Eased considerably	0	0.0
Total	22	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	4.5
Remained basically unchanged	16	72.7
Eased somewhat	5	22.7
Eased considerably	0	0.0
Total	22	100

e. Premiums charged on riskier loans

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	4.5
Remained basically unchanged	19	86.4
Eased somewhat	2	9.1
Eased considerably	0	0.0
Total	22	100

f. Loan covenants

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	86.4
Eased somewhat	3	13.6
Eased considerably	0	0.0
Total	22	100

g. Collateralization requirements

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	95.5
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	85.7
Eased somewhat	3	14.3
Eased considerably	0	0.0
Total	21	100

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? (Please respond to either A, B, or both as appropriate.)

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

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

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

b. Less favorable or more uncertain economic outlook

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

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

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

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

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

e. Reduced tolerance for risk

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

f. Decreased liquidity in the secondary market for these loans

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

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

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

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

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

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

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

	All Respondents	
	Banks	**Percent**
Not important	5	83.3
Somewhat important	1	16.7
Very important	0	0.0
Total	6	100

b. More favorable or less uncertain economic outlook

	All Respondents	
	Banks	**Percent**
Not important	3	50.0
Somewhat important	3	50.0
Very important	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Not important	4	66.7
Somewhat important	1	16.7
Very important	1	16.7
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Not important	1	16.7
Somewhat important	1	16.7
Very important	4	66.7
Total	6	100

e. Increased tolerance for risk

	All Respondents	
	Banks	**Percent**
Not important	4	66.7
Somewhat important	2	33.3
Very important	0	0.0
Total	6	100

f. Increased liquidity in the secondary market for these loans

	All Respondents	
	Banks	**Percent**
Not important	5	83.3
Somewhat important	1	16.7
Very important	0	0.0
Total	6	100

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

	All Respondents	
	Banks	Percent
Not important	5	83.3
Somewhat important	1	16.7
Very important	0	0.0
Total	6	100

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

	All Respondents	
	Banks	Percent
Not important	4	66.7
Somewhat important	2	33.3
Very important	0	0.0
Total	6	100

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.)

	All Respondents	
	Banks	Percent
Substantially stronger	0	0.0
Moderately stronger	2	9.1
About the same	18	81.8
Moderately weaker	2	9.1
Substantially weaker	0	0.0
Total	22	100

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? (Please respond to either A, B, or both as appropriate.)

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

a. Customer inventory financing needs increased

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

b. Customer accounts receivable financing needs increased

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

c. Customer investment in plant or equipment increased

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

d. Customer internally generated funds decreased

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

e. Customer merger or acquisition financing needs increased

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

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

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

g. Customer precautionary demand for cash and liquidity increased

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

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

a. Customer inventory financing needs decreased

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

b. Customer accounts receivable financing needs decreased

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

c. Customer investment in plant or equipment decreased

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

d. Customer internally generated funds increased

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

e. Customer merger or acquisition financing needs decreased

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

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

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

g. Customer precautionary demand for cash and liquidity decreased

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

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	
	Banks	**Percent**
The number of inquiries has increased substantially	1	4.5
The number of inquiries has increased moderately	2	9.1
The number of inquiries has stayed about the same	18	81.8
The number of inquiries has decreased moderately	1	4.5
The number of inquiries has decreased substantially	0	0.0
Total	22	100

Questions 7-8 *ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential properties. Question 7 deals with changes in your bank's standards over the past three months. Question 8 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.*

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	14.3
Remained basically unchanged	12	85.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

8. Apart from normal seasonal variation, how has demand for CRE loans changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	2	14.3
About the same	10	71.4
Moderately weaker	2	14.3
Substantially weaker	0	0.0
Total	14	100

9. Over the past year, how has your bank changed the following policies on **construction and land development** loans?

a. Maximum loan size

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	11	100

b. Maximum loan maturity

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	10	90.9
Eased somewhat	1	9.1
Eased considerably	0	0.0
Total	11	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	9	81.8
Eased somewhat	1	9.1
Eased considerably	1	9.1
Total	11	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	11	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	11	100

f. Market areas served (reduced market areas=tightened, expanded market areas=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	10	90.9
Eased somewhat	1	9.1
Eased considerably	0	0.0
Total	11	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	11	100

10. Over the past year, how has your bank changed the following policies on loans secured by **nonfarm-nonresidential** properties?

a. Maximum loan size

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	13	92.9
Eased somewhat	1	7.1
Eased considerably	0	0.0
Total	14	100

b. Maximum loan maturity

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	13	92.9
Eased somewhat	1	7.1
Eased considerably	0	0.0
Total	14	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	10	71.4
Eased somewhat	2	14.3
Eased considerably	1	7.1
Total	14	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	13	92.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

f. Market areas served (reduced market areas=tightened, expanded market areas=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	12	85.7
Eased somewhat	2	14.3
Eased considerably	0	0.0
Total	14	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	13	92.9
Eased somewhat	1	7.1
Eased considerably	0	0.0
Total	14	100

11. Over the past year, how has your bank changed the following policies on loans secured by **multifamily** residential properties?

a. Maximum loan size

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

b. Maximum loan maturity

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	12	85.7
Eased somewhat	2	14.3
Eased considerably	0	0.0
Total	14	100

d. Loan-to-value ratios (lower ratios=tightened, higher ratios=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	12	85.7
Eased somewhat	1	7.1
Eased considerably	0	0.0
Total	14	100

e. Debt service coverage ratios (higher ratios=tightened, lower ratios=eased)

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

f. Market areas served (reduced market areas=tightened, expanded market areas=eased)

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	12	85.7
Eased somewhat	2	14.3
Eased considerably	0	0.0
Total	14	100

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=eased)

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100

12. If your bank has tightened or eased its credit policies for CRE loans over the past year (as described in questions 9 through 11 above), how important have been the following possible reasons for the change?

A. Possible reasons for tightening credit policies on CRE loans over the past year:

a. Less favorable or more uncertain outlook for CRE property prices

	All Respondents	
	Banks	**Percent**
Not important	3	75.0
Somewhat important	0	0.0
Very important	1	25.0
Total	4	100

b. Less favorable or more uncertain outlook for vacancy rates or other fundamentals on CRE properties

	All Respondents	
	Banks	**Percent**
Not important	2	50.0
Somewhat important	1	25.0
Very important	1	25.0
Total	4	100

c. Less favorable or more uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties

	All Respondents	
	Banks	**Percent**
Not important	2	50.0
Somewhat important	1	25.0
Very important	1	25.0
Total	4	100

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

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	1	25.0
Very important	0	0.0
Total	4	100

e. Reduced tolerance for risk

	All Respondents	
	Banks	Percent
Not important	1	25.0
Somewhat important	2	50.0
Very important	1	25.0
Total	4	100

f. Decreased ability to securitize CRE loans

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

g. Increased concerns about my bank's capital adequacy or liquidity position

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

h. Increased concerns about the effects of regulatory changes or supervisory actions

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	0	0.0
Very important	1	25.0
Total	4	100

12. If your bank has tightened or eased its credit policies for CRE loans over the past year (as described in questions 9 through 11 above), how important have been the following possible reasons for the change?

B. Possible reasons for easing credit policies on CRE loans over the past year:

a. More favorable or less uncertain outlook for CRE property prices

	All Respondents	
	Banks	Percent
Not important	4	80.0
Somewhat important	0	0.0
Very important	1	20.0
Total	5	100

b. More favorable or less uncertain outlook for vacancy rates or other fundamentals on CRE properties

	All Respondents	
	Banks	Percent
Not important	3	60.0
Somewhat important	1	20.0
Very important	1	20.0
Total	5	100

c. More favorable or less uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties

	All Respondents	
	Banks	Percent
Not important	4	80.0
Somewhat important	0	0.0
Very important	1	20.0
Total	5	100

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

	All Respondents	
	Banks	Percent
Not important	1	20.0
Somewhat important	1	20.0
Very important	3	60.0
Total	5	100

e. Increased tolerance for risk

	All Respondents	
	Banks	Percent
Not important	4	80.0
Somewhat important	1	20.0
Very important	0	0.0
Total	5	100

f. Increased ability to securitize CRE loans

	All Respondents	
	Banks	Percent
Not important	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	100

g. Reduced concerns about my bank’s capital adequacy or liquidity position

	All Respondents	
	Banks	Percent
Not important	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	100

h. Reduced concerns about the effects of regulatory changes or supervisory actions

	All Respondents	
	Banks	Percent
Not important	4	80.0
Somewhat important	0	0.0
Very important	1	20.0
Total	5	100

13. If demand for CRE loans from your bank has strengthened or weakened over the past year, how important have been the following possible reasons for the change?

A. Possible reasons for stronger CRE loan demand over the past year:

a. Customers acquisition or development of properties increased

	All Respondents	
	Banks	Percent
Not important	1	25.0
Somewhat important	1	25.0
Very important	2	50.0
Total	4	100

b. Customers outlook for rental demand became more favorable or less uncertain

	All Respondents	
	Banks	Percent
Not important	2	50.0
Somewhat important	1	25.0
Very important	1	25.0
Total	4	100

c. General level of interest rates decreased

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	0	0.0
Very important	1	25.0
Total	4	100

d. Customer internally generated funds decreased

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	1	25.0
Very important	0	0.0
Total	4	100

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

	All Respondents	
	Banks	Percent
Not important	2	50.0
Somewhat important	2	50.0
Very important	0	0.0
Total	4	100

f. Customer precautionary demand for cash and liquidity increased

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	1	25.0
Very important	0	0.0
Total	4	100

13. If demand for CRE loans from your bank has strengthened or weakened over the past year, how important have been the following possible reasons for the change?

B. Possible reasons for weaker CRE loan demand over the past year:

a. Customers acquisition or development of properties decreased

	All Respondents	
	Banks	Percent
Not important	0	0.0
Somewhat important	4	80.0
Very important	1	20.0
Total	5	100

b. Customers outlook for rental demand became less favorable or more uncertain

	All Respondents	
	Banks	Percent
Not important	2	40.0
Somewhat important	2	40.0
Very important	1	20.0
Total	5	100

c. General level of interest rates increased

	All Respondents	
	Banks	Percent
Not important	1	20.0
Somewhat important	2	40.0
Very important	2	40.0
Total	5	100

d. Customer internally generated funds increased

	All Respondents	
	Banks	Percent
Not important	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	100

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

	All Respondents	
	Banks	Percent
Not important	1	20.0
Somewhat important	3	60.0
Very important	1	20.0
Total	5	100

f. Customer precautionary demand for cash and liquidity decreased

	All Respondents	
	Banks	Percent
Not important	3	60.0
Somewhat important	2	40.0
Very important	0	0.0
Total	5	100

1. As of December 31, 2017, the 22 respondents had combined assets of $1.4 trillion, compared to $2.5 trillion for all foreign-related banking institutions in the United States. The sample is selected from among the largest foreign-related banking institutions in those Federal Reserve Districts where such institutions are common. Return to text