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 2013)

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

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	55	80.9	30	81.1	25	80.6
Eased somewhat	13	19.1	7	18.9	6	19.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	37	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	76.9	27	79.4	23	74.2
Eased somewhat	15	23.1	7	20.6	8	25.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	65	100.0	34	100.0	31	100.0

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

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

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	1	2.7	0	0.0
Remained basically unchanged	56	82.4	28	75.7	28	90.3
Eased somewhat	11	16.2	8	21.6	3	9.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	37	100.0	31	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	57	83.8	32	86.5	25	80.6
Eased somewhat	10	14.7	4	10.8	6	19.4
Eased considerably	1	1.5	1	2.7	0	0.0
Total	68	100.0	37	100.0	31	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	44	64.7	23	62.2	21	67.7
Eased somewhat	23	33.8	14	37.8	9	29.0
Eased considerably	1	1.5	0	0.0	1	3.2
Total	68	100.0	37	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.2
Remained basically unchanged	23	33.8	13	35.1	10	32.3
Eased somewhat	42	61.8	22	59.5	20	64.5
Eased considerably	2	2.9	2	5.4	0	0.0
Total	68	100.0	37	100.0	31	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	2.9	0	0.0	2	6.5
Remained basically unchanged	51	75.0	23	62.2	28	90.3
Eased somewhat	14	20.6	13	35.1	1	3.2
Eased considerably	1	1.5	1	2.7	0	0.0
Total	68	100.0	37	100.0	31	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.2
Remained basically unchanged	45	66.2	19	51.4	26	83.9
Eased somewhat	22	32.4	18	48.6	4	12.9
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	37	100.0	31	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	65	95.6	35	94.6	30	96.8
Eased somewhat	3	4.4	2	5.4	1	3.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	37	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.3
Remained basically unchanged	39	59.1	25	69.4	14	46.7
Eased somewhat	19	28.8	10	27.8	9	30.0
Eased considerably	7	10.6	1	2.8	6	20.0
Total	66	100.0	36	100.0	30	100.0

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

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	58	90.6	30	90.9	28	90.3
Eased somewhat	6	9.4	3	9.1	3	9.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	78.1	24	72.7	26	83.9
Eased somewhat	13	20.3	8	24.2	5	16.1
Eased considerably	1	1.6	1	3.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	46	71.9	25	75.8	21	67.7
Eased somewhat	18	28.1	8	24.2	10	32.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.2
Remained basically unchanged	25	39.1	14	42.4	11	35.5
Eased somewhat	36	56.3	17	51.5	19	61.3
Eased considerably	2	3.1	2	6.1	0	0.0
Total	64	100.0	33	100.0	31	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	0	0.0	2	6.5
Remained basically unchanged	52	81.3	25	75.8	27	87.1
Eased somewhat	10	15.6	8	24.2	2	6.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.2
Remained basically unchanged	53	82.8	25	75.8	28	90.3
Eased somewhat	9	14.1	7	21.2	2	6.5
Eased considerably	1	1.6	1	3.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	61	95.3	31	93.9	30	96.8
Eased somewhat	3	4.7	2	6.1	1	3.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	33	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.3
Remained basically unchanged	38	61.3	24	75.0	14	46.7
Eased somewhat	16	25.8	7	21.9	9	30.0
Eased considerably	7	11.3	1	3.1	6	20.0
Total	62	100.0	32	100.0	30	100.0

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

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	100.0	0	--	2	100.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	50.0	0	--	1	50.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	1	50.0	0	--	1	50.0
Total	2	100.0	0	--	2	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	50.0	0	--	1	50.0
Somewhat important	1	50.0	0	--	1	50.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	100.0	0	--	2	100.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	50.0	0	--	1	50.0
Somewhat important	1	50.0	0	--	1	50.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

f. Decreased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	100.0	0	--	2	100.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	100.0	0	--	2	100.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	0	0.0	0	--	0	0.0
Total	2	100.0	0	--	2	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	50.0	0	--	1	50.0
Somewhat important	0	0.0	0	--	0	0.0
Very important	1	50.0	0	--	1	50.0
Total	2	100.0	0	--	2	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	43	91.5	24	88.9	19	95.0
Somewhat important	4	8.5	3	11.1	1	5.0
Very important	0	0.0	0	0.0	0	0.0
Total	47	100.0	27	100.0	20	100.0

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	30	62.5	19	67.9	11	55.0
Somewhat important	15	31.3	9	32.1	6	30.0
Very important	3	6.3	0	0.0	3	15.0
Total	48	100.0	28	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	41	85.4	26	92.9	15	75.0
Somewhat important	6	12.5	2	7.1	4	20.0
Very important	1	2.1	0	0.0	1	5.0
Total	48	100.0	28	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	2.0	1	3.4	0	0.0
Somewhat important	21	42.0	9	31.0	12	57.1
Very important	28	56.0	19	65.5	9	42.9
Total	50	100.0	29	100.0	21	100.0

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	38	80.9	21	77.8	17	85.0
Somewhat important	8	17.0	6	22.2	2	10.0
Very important	1	2.1	0	0.0	1	5.0
Total	47	100.0	27	100.0	20	100.0

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	39	83.0	21	77.8	18	90.0
Somewhat important	7	14.9	5	18.5	2	10.0
Very important	1	2.1	1	3.7	0	0.0
Total	47	100.0	27	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	41	89.1	25	96.2	16	80.0
Somewhat important	3	6.5	1	3.8	2	10.0
Very important	2	4.3	0	0.0	2	10.0
Total	46	100.0	26	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	45	93.8	26	92.9	19	95.0
Somewhat important	2	4.2	1	3.6	1	5.0
Very important	1	2.1	1	3.6	0	0.0
Total	48	100.0	28	100.0	20	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	16	23.5	5	13.5	11	35.5
About the same	40	58.8	20	54.1	20	64.5
Moderately weaker	11	16.2	11	29.7	0	0.0
Substantially weaker	1	1.5	1	2.7	0	0.0
Total	68	100.0	37	100.0	31	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	14	21.5	2	5.9	12	38.7
About the same	42	64.6	24	70.6	18	58.1
Moderately weaker	9	13.8	8	23.5	1	3.2
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	65	100.0	34	100.0	31	100.0

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

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

a. Customer inventory financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	27.8	3	50.0	2	16.7
Somewhat important	13	72.2	3	50.0	10	83.3
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	6	100.0	12	100.0

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	16.7	1	16.7	2	16.7
Somewhat important	14	77.8	5	83.3	9	75.0
Very important	1	5.6	0	0.0	1	8.3
Total	18	100.0	6	100.0	12	100.0

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	11.1	1	16.7	1	8.3
Somewhat important	16	88.9	5	83.3	11	91.7
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	6	100.0	12	100.0

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	76.5	4	66.7	9	81.8
Somewhat important	3	17.6	2	33.3	1	9.1
Very important	1	5.9	0	0.0	1	9.1
Total	17	100.0	6	100.0	11	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	52.9	3	50.0	6	54.5
Somewhat important	8	47.1	3	50.0	5	45.5
Very important	0	0.0	0	0.0	0	0.0
Total	17	100.0	6	100.0	11	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	9	52.9	4	66.7	5	45.5
Somewhat important	6	35.3	1	16.7	5	45.5
Very important	2	11.8	1	16.7	1	9.1
Total	17	100.0	6	100.0	11	100.0

g. Customers' precautionary demand for cash and liquidity increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	88.2	5	83.3	10	90.9
Somewhat important	2	11.8	1	16.7	1	9.1
Very important	0	0.0	0	0.0	0	0.0
Total	17	100.0	6	100.0	11	100.0

h. Customers transitioned from commercial real estate loans to C&I loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	93.8	5	100.0	10	90.9
Somewhat important	1	6.3	0	0.0	1	9.1
Very important	0	0.0	0	0.0	0	0.0
Total	16	100.0	5	100.0	11	100.0

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

a. Customer inventory financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	38.5	4	33.3	1	100.0
Somewhat important	7	53.8	7	58.3	0	0.0
Very important	1	7.7	1	8.3	0	0.0
Total	13	100.0	12	100.0	1	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	38.5	4	33.3	1	100.0
Somewhat important	7	53.8	7	58.3	0	0.0
Very important	1	7.7	1	8.3	0	0.0
Total	13	100.0	12	100.0	1	100.0

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	4	30.8	4	33.3	0	0.0
Somewhat important	7	53.8	6	50.0	1	100.0
Very important	2	15.4	2	16.7	0	0.0
Total	13	100.0	12	100.0	1	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	46.2	5	41.7	1	100.0
Somewhat important	5	38.5	5	41.7	0	0.0
Very important	2	15.4	2	16.7	0	0.0
Total	13	100.0	12	100.0	1	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	46.2	5	41.7	1	100.0
Somewhat important	3	23.1	3	25.0	0	0.0
Very important	4	30.8	4	33.3	0	0.0
Total	13	100.0	12	100.0	1	100.0

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	6	46.2	6	50.0	0	0.0
Somewhat important	6	46.2	5	41.7	1	100.0
Very important	1	7.7	1	8.3	0	0.0
Total	13	100.0	12	100.0	1	100.0

g. Customers’ precautionary demand for cash and liquidity decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	76.9	9	75.0	1	100.0
Somewhat important	3	23.1	3	25.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100.0	12	100.0	1	100.0

h. Customers transitioned from C&I loans to commercial real estate loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	92.3	11	91.7	1	100.0
Somewhat important	1	7.7	1	8.3	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100.0	12	100.0	1	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The number of inquiries has increased substantially	0	0.0	0	0.0	0	0.0
The number of inquiries has increased moderately	16	23.9	4	10.8	12	40.0
The number of inquiries has stayed about the same	39	58.2	22	59.5	17	56.7
The number of inquiries has decreased moderately	12	17.9	11	29.7	1	3.3
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	67	100.0	37	100.0	30	100.0

The ongoing fiscal and financial strains in Europe may have affected lending conditions and funding options for banks headquartered in Europe and their affiliates and subsidiaries. ***Question 7*** *addresses changes in your bank's lending policies toward these banking organizations over the past three months.* ***Question 8*** *addresses changes in these organizations' demand for funding from U.S. banks.* ***Question 9*** *asks about changes in business at your bank as a result of increased or decreased competition from European banks and their affiliates and subsidiaries.*

In answering these questions, please consider banks headquartered in Europe and affiliates and subsidiaries of European banks regardless of the location of those affiliates and subsidiaries.

7. Over the past three months, how have your bank's credit standards and terms for approving applications for loans or credit lines to banks headquartered in Europe and their affiliates and subsidiaries (as described in the introduction to these special questions) changed?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	.
Tightened somewhat	0	0.0	0	0.0	0	.
Remained basically unchanged	20	100.0	20	100.0	0	.
Eased somewhat	0	0.0	0	0.0	0	.
Eased considerably	0	0.0	0	0.0	0	.
Total	20	100.0	20	100.0	0	.

For this question, 44 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

8. Over the past three months and apart from normal seasonal variation, how has demand for loans at your bank from banks headquartered in Europe and their affiliates and subsidiaries (as described in the introduction to these special questions) changed? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	.
Moderately stronger	1	5.0	1	5.0	0	.
About the same	19	95.0	19	95.0	0	.
Moderately weaker	0	0.0	0	0.0	0	.
Substantially weaker	0	0.0	0	0.0	0	.
Total	20	100.0	20	100.0	0	.

For this question, 44 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank does not compete with European banks for our business	32	55.2	9	29.0	23	85.2
My bank has experienced an increase in competition from European banks	2	3.4	2	6.5	0	0.0
My bank has experienced a decrease in competition from European banks, but such decreased competition has not appreciably increased my bank's business	16	27.6	13	41.9	3	11.1
My bank has experienced a decrease in competition from European banks, and such decreased competition has increased my bank's business to some extent	8	13.8	7	22.6	1	3.7
My bank has experienced a decrease in competition from European banks, and such decreased competition has increased my bank's business to a considerable extent	0	0.0	0	0.0	0	0.0
Total	58	100.0	31	100.0	27	100.0

For this question, 5 respondents answered “Other (please specify).”

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	1	2.8	0	0.0
Remained basically unchanged	51	76.1	26	72.2	25	80.6
Eased somewhat	15	22.4	9	25.0	6	19.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100.0	36	100.0	31	100.0

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	27	40.3	13	36.1	14	45.2
About the same	40	59.7	23	63.9	17	54.8
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	67	100.0	36	100.0	31	100.0

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

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

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

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

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

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.3
Remained basically unchanged	57	89.1	29	85.3	28	93.3
Eased somewhat	6	9.4	5	14.7	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	34	100.0	30	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	30	100.0	20	100.0	10	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	30	100.0	20	100.0	10	100.0

For this question, 35 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

	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	16.7	0	0.0	1	25.0
Remained basically unchanged	5	83.3	2	100.0	3	75.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	6	100.0	2	100.0	4	100.0

For this question, 59 respondents answered “My bank does not originate subprime residential mortgages.”

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.6	1	2.9	0	0.0
Moderately stronger	28	43.8	13	38.2	15	50.0
About the same	31	48.4	16	47.1	15	50.0
Moderately weaker	4	6.3	4	11.8	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	64	100.0	34	100.0	30	100.0

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	4	13.3	2	10.0	2	20.0
About the same	22	73.3	14	70.0	8	80.0
Moderately weaker	4	13.3	4	20.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	30	100.0	20	100.0	10	100.0

For this question, 35 respondents answered “My bank does not originate nontraditional residential mortgages.”

C. 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	1	16.7	0	0.0	1	25.0
About the same	5	83.3	2	100.0	3	75.0
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	6	100.0	2	100.0	4	100.0

For this question, 59 respondents answered “My bank does not originate subprime residential mortgages.”

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	0	0.0	2	6.7
Remained basically unchanged	59	90.8	33	94.3	26	86.7
Eased somewhat	4	6.2	2	5.7	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	65	100.0	35	100.0	30	100.0

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	5	7.7	3	8.6	2	6.7
About the same	46	70.8	22	62.9	24	80.0
Moderately weaker	14	21.5	10	28.6	4	13.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	65	100.0	35	100.0	30	100.0

The following special questions ask about residential real estate lending policies at your institution. ***Questions 16-17*** *ask you to compare your current policies in approving applications for GSE-eligible and FHA-eligible home purchase loans relative to those policies that prevailed last year.* ***Questions 18-19*** *ask about factors that may be affecting your bank's current willingness to approve residential real estate applications for home purchase loans and how those factors changed over the last year.* ***Question 20*** *asks about how you anticipate your bank's holding of residential real estate assets will change over the next year.*

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Much less likely	9	15.0	2	6.1	7	25.9
Somewhat less likely	7	11.7	4	12.1	3	11.1
About the same	43	71.7	27	81.8	16	59.3
Somewhat more likely	1	1.7	0	0.0	1	3.7
Much more likely	0	0.0	0	0.0	0	0.0
Total	60	100.0	33	100.0	27	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Much less likely	4	6.6	2	6.1	2	7.1
Somewhat less likely	4	6.6	1	3.0	3	10.7
About the same	49	80.3	28	84.8	21	75.0
Somewhat more likely	3	4.9	2	6.1	1	3.6
Much more likely	1	1.6	0	0.0	1	3.6
Total	61	100.0	33	100.0	28	100.0

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	0	0.0	0	0.0	0	0.0
Somewhat less likely	0	0.0	0	0.0	0	0.0
About the same	57	93.4	32	97.0	25	89.3
Somewhat more likely	3	4.9	1	3.0	2	7.1
Much more likely	1	1.6	0	0.0	1	3.6
Total	61	100.0	33	100.0	28	100.0

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	4	6.5	2	6.1	2	6.9
Somewhat less likely	5	8.1	1	3.0	4	13.8
About the same	50	80.6	30	90.9	20	69.0
Somewhat more likely	3	4.8	0	0.0	3	10.3
Much more likely	0	0.0	0	0.0	0	0.0
Total	62	100.0	33	100.0	29	100.0

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	0	0.0	0	0.0	0	0.0
Somewhat less likely	4	6.5	1	3.0	3	10.3
About the same	50	80.6	28	84.8	22	75.9
Somewhat more likely	6	9.7	3	9.1	3	10.3
Much more likely	2	3.2	1	3.0	1	3.4
Total	62	100.0	33	100.0	29	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	0	0.0	0	0.0	0	0.0
Somewhat less likely	1	1.6	0	0.0	1	3.4
About the same	52	83.9	27	81.8	25	86.2
Somewhat more likely	6	9.7	4	12.1	2	6.9
Much more likely	3	4.8	2	6.1	1	3.4
Total	62	100.0	33	100.0	29	100.0

17. For each of the following questions, indicate how much more or less likely it currently is, compared with a year ago, that your bank would approve an application for a 30-year fixed-rate FHA home purchase mortgage loan to a borrower with the stated FICO score (or equivalent). In each case, assume that the borrower provides a 3.5 percent down payment and that all other characteristics of the borrower and the property are typical for loan applications that are eligible for FHA insurance with that FICO score or equivalent. (Please assign each borrower category a number between 1 and 5 using the following scale: 1=much less likely, 2=somewhat less likely, 3=about the same, 4=somewhat more likely, 5=much more likely.)

a. A borrower with a FICO score (or equivalent) of 580

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	11	20.0	1	3.4	10	38.5
Somewhat less likely	7	12.7	3	10.3	4	15.4
About the same	36	65.5	24	82.8	12	46.2
Somewhat more likely	1	1.8	1	3.4	0	0.0
Much more likely	0	0.0	0	0.0	0	0.0
Total	55	100.0	29	100.0	26	100.0

b. A borrower with a FICO score (or equivalent) of 620

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	10	18.2	4	13.8	6	23.1
Somewhat less likely	7	12.7	2	6.9	5	19.2
About the same	38	69.1	23	79.3	15	57.7
Somewhat more likely	0	0.0	0	0.0	0	0.0
Much more likely	0	0.0	0	0.0	0	0.0
Total	55	100.0	29	100.0	26	100.0

c. A borrower with a FICO score (or equivalent) of 660

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much less likely	1	1.7	0	0.0	1	3.7
Somewhat less likely	4	6.9	1	3.2	3	11.1
About the same	50	86.2	29	93.5	21	77.8
Somewhat more likely	3	5.2	1	3.2	2	7.4
Much more likely	0	0.0	0	0.0	0	0.0
Total	58	100.0	31	100.0	27	100.0

18. Now considering both conforming and nonconforming home purchase loans, please indicate how important each of the following factors currently is in restraining your bank's willingness or ability to approve such loans. A wide variety of factors are listed, some of which may not be applicable to your bank. (Please assign each factor a number between 1 and 5 using the following scale: 1=not important, 2=somewhat important, 3=very important, 4=the most important factor, 5=not applicable.)

a. Periods of high volume of loan applications exceed capacity to process applications and complete timely and accurate appraisals and underwriting

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	27	46.6	11	34.4	16	61.5
Somewhat important	17	29.3	10	31.3	7	26.9
Very important	11	19.0	8	25.0	3	11.5
The most important factor	3	5.2	3	9.4	0	0.0
Total	58	100.0	32	100.0	26	100.0

For this question, 4 respondents answered “Not applicable.”

b. Balance sheet or warehousing capacity (capital considerations)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	35	61.4	17	51.5	18	75.0
Somewhat important	12	21.1	8	24.2	4	16.7
Very important	9	15.8	7	21.2	2	8.3
The most important factor	1	1.8	1	3.0	0	0.0
Total	57	100.0	33	100.0	24	100.0

For this question, 5 respondents answered “Not applicable.”

c. Servicing costs if mortgage were to become delinquent

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	31	52.5	16	48.5	15	57.7
Somewhat important	20	33.9	12	36.4	8	30.8
Very important	8	13.6	5	15.2	3	11.5
The most important factor	0	0.0	0	0.0	0	0.0
Total	59	100.0	33	100.0	26	100.0

For this question, 3 respondents answered "Not applicable."

d. Risk of putback of delinquent mortgages by the GSEs

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	25.9	7	23.3	8	28.6
Somewhat important	16	27.6	9	30.0	7	25.0
Very important	22	37.9	11	36.7	11	39.3
The most important factor	5	8.6	3	10.0	2	7.1
Total	58	100.0	30	100.0	28	100.0

For this question, 4 respondents answered "Not applicable."

e. Guarantee fees charged by the GSEs

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	25	46.3	13	44.8	12	48.0
Somewhat important	22	40.7	12	41.4	10	40.0
Very important	6	11.1	3	10.3	3	12.0
The most important factor	1	1.9	1	3.4	0	0.0
Total	54	100.0	29	100.0	25	100.0

For this question, 7 respondents answered "Not applicable."

f. Investor appetite for private label securitizations

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	18	40.9	11	44.0	7	36.8
Somewhat important	15	34.1	8	32.0	7	36.8
Very important	9	20.5	5	20.0	4	21.1
The most important factor	2	4.5	1	4.0	1	5.3
Total	44	100.0	25	100.0	19	100.0

For this question, 18 respondents answered “Not applicable.”

g. Borrowers' ability to obtain mortgage insurance or obtain simultaneous second liens from your bank or other lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	17	28.3	11	33.3	6	22.2
Somewhat important	20	33.3	8	24.2	12	44.4
Very important	21	35.0	14	42.4	7	25.9
The most important factor	2	3.3	0	0.0	2	7.4
Total	60	100.0	33	100.0	27	100.0

For this question, 2 respondents answered “Not applicable.”

h. Outlook for house prices and economic activity

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	17	27.9	8	24.2	9	32.1
Somewhat important	24	39.3	14	42.4	10	35.7
Very important	12	19.7	6	18.2	6	21.4
The most important factor	8	13.1	5	15.2	3	10.7
Total	61	100.0	33	100.0	28	100.0

For this question, 1 respondent answered “Not applicable.”

i. Risk-adjusted profitability of residential mortgage business relative to other possible uses of funds

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	13	21.7	5	15.6	8	28.6
Somewhat important	23	38.3	12	37.5	11	39.3
Very important	20	33.3	12	37.5	8	28.6
The most important factor	4	6.7	3	9.4	1	3.6
Total	60	100.0	32	100.0	28	100.0

For this question, 2 respondents answered “Not applicable.”

j. Other factor(s) (please explain)

	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	0	0.0	0	0.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
The most important factor	3	100.0	2	100.0	1	100.0
Total	3	100.0	2	100.0	1	100.0

For this question, 7 respondents answered “Not applicable.”

19. Still considering both conforming and nonconforming home purchase loans, please indicate how the following factors regarding your bank's willingness or ability to approve such loans have changed over the last year. (Please assign each possible factor a number between 1 and 6 using the following scale: 1=importance increased considerably, 2=importance increased somewhat, 3=importance remained basically unchanged, 4=importance decreased somewhat, 5=importance decreased considerably, 6=not applicable.)

a. Periods of high volume of loan applications exceed capacity to process applications and complete timely and accurate appraisals and underwriting

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Importance increased considerably	5	9.1	2	6.5	3	12.5
Importance increased somewhat	13	23.6	9	29.0	4	16.7
Importance remained basically unchanged	33	60.0	18	58.1	15	62.5
Importance decreased somewhat	4	7.3	2	6.5	2	8.3
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	31	100.0	24	100.0

For this question, 7 respondents answered “Not applicable.”

b. Balance sheet or warehousing capacity (capital considerations)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Importance increased considerably	3	5.8	3	9.7	0	0.0
Importance increased somewhat	7	13.5	5	16.1	2	9.5
Importance remained basically unchanged	41	78.8	23	74.2	18	85.7
Importance decreased somewhat	1	1.9	0	0.0	1	4.8
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	31	100.0	21	100.0

For this question, 10 respondents answered “Not applicable.”

c. Servicing costs if mortgage were to become delinquent

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Importance increased considerably	2	3.6	0	0.0	2	8.3
Importance increased somewhat	10	18.2	7	22.6	3	12.5
Importance remained basically unchanged	43	78.2	24	77.4	19	79.2
Importance decreased somewhat	0	0.0	0	0.0	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	31	100.0	24	100.0

For this question, 7 respondents answered “Not applicable.”

d. Risk of putback of delinquent mortgages by the GSEs

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Importance increased considerably	7	13.0	5	17.9	2	7.7
Importance increased somewhat	15	27.8	5	17.9	10	38.5
Importance remained basically unchanged	31	57.4	17	60.7	14	53.8
Importance decreased somewhat	1	1.9	1	3.6	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	28	100.0	26	100.0

For this question, 8 respondents answered “Not applicable.”

e. Guarantee fees charged by the GSEs

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	2	3.9	1	3.7	1	4.2
Importance increased somewhat	12	23.5	6	22.2	6	25.0
Importance remained basically unchanged	37	72.5	20	74.1	17	70.8
Importance decreased somewhat	0	0.0	0	0.0	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	27	100.0	24	100.0

For this question, 11 respondents answered "Not applicable."

f. Investor appetite for private label securitizations

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	0	0.0	0	0.0	0	0.0
Importance increased somewhat	5	11.9	2	8.3	3	16.7
Importance remained basically unchanged	37	88.1	22	91.7	15	83.3
Importance decreased somewhat	0	0.0	0	0.0	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	42	100.0	24	100.0	18	100.0

For this question, 20 respondents answered "Not applicable."

g. Borrowers' ability to obtain mortgage insurance or obtain simultaneous second liens from your bank or other lenders

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	1	1.6	1	3.0	0	0.0
Importance increased somewhat	12	19.7	6	18.2	6	21.4
Importance remained basically unchanged	48	78.7	26	78.8	22	78.6
Importance decreased somewhat	0	0.0	0	0.0	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	100.0

For this question, 1 respondent answered “Not applicable.”

h. Outlook for house prices and economic activity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	1	1.7	0	0.0	1	3.8
Importance increased somewhat	16	27.1	8	24.2	8	30.8
Importance remained basically unchanged	37	62.7	20	60.6	17	65.4
Importance decreased somewhat	5	8.5	5	15.2	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	33	100.0	26	100.0

For this question, 3 respondents answered “Not applicable.”

i. Risk-adjusted profitability of residential mortgage business relative to other possible uses of funds

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	4	6.9	2	6.3	2	7.7
Importance increased somewhat	19	32.8	11	34.4	8	30.8
Importance remained basically unchanged	35	60.3	19	59.4	16	61.5
Importance decreased somewhat	0	0.0	0	0.0	0	0.0
Importance decreased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	32	100.0	26	100.0

For this question, 4 respondents answered “Not applicable.”

j. Other factor(s) (please explain)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Importance increased considerably	0	.	0	.	0	.
Importance increased somewhat	0	.	0	.	0	.
Importance remained basically unchanged	0	.	0	.	0	.
Importance decreased somewhat	0	.	0	.	0	.
Importance decreased considerably	0	.	0	.	0	.
Total	0	.	0	.	0	.

For this question, 6 respondents answered “Not applicable.”

20. How do you anticipate your bank will change its holdings of residential real estate assets (loans and other assets secured by residential real estate) over the next year?

A. Residential real estate loans held on balance sheet

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank will reduce its holdings substantially	3	4.7	2	5.9	1	3.3
My bank will reduce its holdings somewhat	10	15.6	7	20.6	3	10.0
My bank will keep its holdings about the same	21	32.8	9	26.5	12	40.0
My bank will increase its holdings somewhat	29	45.3	15	44.1	14	46.7
My bank will increase its holdings substantially	1	1.6	1	2.9	0	0.0
Total	64	100.0	34	100.0	30	100.0

B. Agency mortgage-backed securities (issued by the GSEs or guaranteed by GNMA)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank will reduce its holdings substantially	2	3.5	1	3.2	1	3.8
My bank will reduce its holdings somewhat	7	12.3	6	19.4	1	3.8
My bank will keep its holdings about the same	40	70.2	20	64.5	20	76.9
My bank will increase its holdings somewhat	7	12.3	3	9.7	4	15.4
My bank will increase its holdings substantially	1	1.8	1	3.2	0	0.0
Total	57	100.0	31	100.0	26	100.0

For this question, 5 respondents answered “My bank does not hold this type of asset.”

C. Residential mortgage-backed securities (private-label securitization)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank will reduce its holdings substantially	1	2.5	1	4.2	0	0.0
My bank will reduce its holdings somewhat	9	22.5	6	25.0	3	18.8
My bank will keep its holdings about the same	28	70.0	16	66.7	12	75.0
My bank will increase its holdings somewhat	2	5.0	1	4.2	1	6.3
My bank will increase its holdings substantially	0	0.0	0	0.0	0	0.0
Total	40	100.0	24	100.0	16	100.0

For this question, 22 respondents answered “My bank does not hold this type of asset.”

D. Total residential real estate assets (your bank's holdings of loans, agency MBS, and RMBS, taken together).

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank will reduce its holdings substantially	1	1.6	0	0.0	1	3.6
My bank will reduce its holdings somewhat	11	18.0	9	27.3	2	7.1
My bank will keep its holdings about the same	26	42.6	11	33.3	15	53.6
My bank will increase its holdings somewhat	22	36.1	12	36.4	10	35.7
My bank will increase its holdings substantially	1	1.6	1	3.0	0	0.0
Total	61	100.0	33	100.0	28	100.0

For this question, 1 respondent answered “My bank does not hold this type of asset.”

Questions 21-30 *ask about consumer lending at your bank. Question 21 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 22-27 deal with changes in credit standards and loan terms over the same period. Questions 28-30deal 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.*

21. 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	0	0.0	0	0.0	0	0.0
Somewhat more willing	14	22.2	6	18.2	8	26.7
About unchanged	49	77.8	27	81.8	22	73.3
Somewhat less willing	0	0.0	0	0.0	0	0.0
Much less willing	0	0.0	0	0.0	0	0.0
Total	63	100.0	33	100.0	30	100.0

22. 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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	92.6	28	93.3	22	91.7
Eased somewhat	4	7.4	2	6.7	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	30	100.0	24	100.0

23. 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	1	1.7	1	3.3	0	0.0
Remained basically unchanged	50	86.2	24	80.0	26	92.9
Eased somewhat	7	12.1	5	16.7	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	30	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	61	96.8	32	97.0	29	96.7
Eased somewhat	2	3.2	1	3.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	33	100.0	30	100.0

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

a. Credit limits

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.1	0	0.0	1	4.8
Remained basically unchanged	41	85.4	24	88.9	17	81.0
Eased somewhat	5	10.4	2	7.4	3	14.3
Eased considerably	1	2.1	1	3.7	0	0.0
Total	48	100.0	27	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.1	1	3.7	0	0.0
Remained basically unchanged	44	91.7	24	88.9	20	95.2
Eased somewhat	3	6.3	2	7.4	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	48	100.0	27	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	47	97.9	26	96.3	21	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	1	2.1	1	3.7	0	0.0
Total	48	100.0	27	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.1	0	0.0	1	4.8
Remained basically unchanged	43	89.6	25	92.6	18	85.7
Eased somewhat	4	8.3	2	7.4	2	9.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	48	100.0	27	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.1	0	0.0	1	4.8
Remained basically unchanged	43	89.6	24	88.9	19	90.5
Eased somewhat	4	8.3	3	11.1	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	48	100.0	27	100.0	21	100.0

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

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	86.2	23	76.7	27	96.4
Eased somewhat	7	12.1	6	20.0	1	3.6
Eased considerably	1	1.7	1	3.3	0	0.0
Total	58	100.0	30	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.2	3	10.0	0	0.0
Remained basically unchanged	40	69.0	22	73.3	18	64.3
Eased somewhat	13	22.4	4	13.3	9	32.1
Eased considerably	2	3.4	1	3.3	1	3.6
Total	58	100.0	30	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	54	93.1	28	93.3	26	92.9
Eased somewhat	4	6.9	2	6.7	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	30	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.7	1	3.3	0	0.0
Remained basically unchanged	54	93.1	28	93.3	26	92.9
Eased somewhat	3	5.2	1	3.3	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	30	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.4	1	3.3	1	3.6
Remained basically unchanged	53	91.4	26	86.7	27	96.4
Eased somewhat	3	5.2	3	10.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	58	100.0	30	100.0	28	100.0

27. 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	63	100.0	34	100.0	29	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	100.0	34	100.0	29	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	1	2.9	0	0.0
Remained basically unchanged	54	85.7	30	88.2	24	82.8
Eased somewhat	8	12.7	3	8.8	5	17.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	34	100.0	29	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	61	96.8	32	94.1	29	100.0
Eased somewhat	2	3.2	2	5.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	34	100.0	29	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	62	98.4	33	97.1	29	100.0
Eased somewhat	1	1.6	1	2.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	34	100.0	29	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	62	98.4	33	97.1	29	100.0
Eased somewhat	1	1.6	1	2.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	34	100.0	29	100.0

28. 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	9	18.0	5	17.2	4	19.0
About the same	38	76.0	22	75.9	16	76.2
Moderately weaker	3	6.0	2	6.9	1	4.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	50	100.0	29	100.0	21	100.0

29. 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	16	26.7	7	22.6	9	31.0
About the same	39	65.0	22	71.0	17	58.6
Moderately weaker	5	8.3	2	6.5	3	10.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	60	100.0	31	100.0	29	100.0

30. 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	8	12.5	3	8.8	5	16.7
About the same	50	78.1	27	79.4	23	76.7
Moderately weaker	6	9.4	4	11.8	2	6.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	64	100.0	34	100.0	30	100.0

Questions 31-32 *ask about lending policies at your institution for private student loans. Question 31 asks you to compare your current policies on approving applications for private student loans compared to those policies a year ago. Question 32 asks about your bank's anticipated holdings of private student loans over the next year.*

31. For applications for private student loans that your bank currently is willing to approve, how have your bank's terms and policies on those loans changed over the past year? (Please assign each term a number between 1 and 5 using the following scale: 1=tightened considerably, 2=tightened somewhat, 3=remained basically unchanged, 4=eased somewhat, 5=eased considerably.)

a. Maximum maturity of loans (shorter maturity=tightened; longer maturity=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	9.1	1	16.7	0	0.0
Remained basically unchanged	10	90.9	5	83.3	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	10	90.9	5	83.3	5	100.0
Eased somewhat	1	9.1	1	16.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

c. Premiums charged on riskier loans (higher premiums=tightened; lower premiums=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	11	100.0	6	100.0	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

d. Policies on a loan for a student attending a for-profit school

	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	9.1	1	16.7	0	0.0
Remained basically unchanged	10	90.9	5	83.3	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

e. Policies on a loan for a student attending a trade school

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	1	9.1	1	16.7	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	10	90.9	5	83.3	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

f. The student's current employment status (greater importance of being employed=tightened; less importance of being employed=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	11	100.0	6	100.0	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

g. Student loan default record of the school that will provide the education (more favorable default record=tightened; less favorable default record=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	9.1	1	16.7	0	0.0
Remained basically unchanged	8	72.7	3	50.0	5	100.0
Eased somewhat	1	9.1	1	16.7	0	0.0
Eased considerably	1	9.1	1	16.7	0	0.0
Total	11	100.0	6	100.0	5	100.0

h. Required FICO score of the student (higher score=tightened; lower 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	10	90.9	5	83.3	5	100.0
Eased somewhat	1	9.1	1	16.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

i. Incidence of requiring a co-signer for a student with a given FICO score (more often required=tightened; less often required=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	9.1	1	16.7	0	0.0
Remained basically unchanged	10	90.9	5	83.3	5	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	11	100.0	6	100.0	5	100.0

32. How do you anticipate your bank will change its holdings of private student loans over the next year?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
My bank will reduce its holdings substantially	1	7.1	1	11.1	0	0.0
My bank will reduce its holdings somewhat	3	21.4	3	33.3	0	0.0
My bank will keep its holdings about the same	7	50.0	2	22.2	5	100.0
My bank will increase its holdings somewhat	3	21.4	3	33.3	0	0.0
My bank will increase its holdings substantially	0	0.0	0	0.0	0	0.0
Total	14	100.0	9	100.0	5	100.0

For this question, 41 respondents answered “My bank does not hold this type of asset.”

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1. The sample is selected from among the largest banks in each Federal Reserve District. In the table, large banks are defined as those with total domestic assets of $20 billion or more as of December 31, 2012. The combined assets of the 37 large banks totaled $8.0 trillion, compared to $8.3 trillion for the entire panel of 68 banks, and $11.7 trillion for all domestically chartered, federally insured commercial banks.