
Part A, Section 3: Small Business Lending

General Instructions:

What type of lending is reported in this section?

This section of Part A of the survey focuses on small business lending. For purposes of this survey, a small business loan has the same meaning as in the CRA regulations and Call Reports. That is, it means any loan to a business in an original amount of \$1 million or less, **excluding** loans to farms or secured by farm or any residential properties.

What is the time period covered and general scope of questions?

This section asks questions about your small business lending experiences, including information on your 1999 lending activities, on the loans held in portfolio as of December 31, 1999, and on loan performance and profitability of CRA and overall lending in this category. Many of the questions ask you to compare the experiences you have had regarding your CRA lending activities with the experiences you have had on your non-CRA small business lending. This section also asks a few questions about small business loans extended under “CRA special lending programs.”

How is CRA lending defined for this section?

For this section of the survey, we define CRA loans using the following definition: any small business loan made to a firm with annual revenues of \$1 million or less **within your banking institution’s local CRA-assessment area(s)**, or in a lower-income neighborhood (regardless of firm revenue) within your institution’s local CRA assessment area(s). According to the regulations that implement the CRA, a lower-income (low- and moderate-income) neighborhood (census tract) is one whose median family income is less than 80 percent of the median family income of the MSA or nonmetropolitan portion of the state where the business is located.

How are CRA special lending programs defined for this section?

By CRA special lending programs, we mean programs your institution has developed (or participates in) and uses specifically to enhance its CRA performance. A program meets this definition only if one of its documented purposes is to enhance your institution’s CRA performance. These may include special affordable lending programs that offer more flexible underwriting standards and special loan terms (such as discounted interest rates or waivers or discounts of fees); and special programs offered or developed in conjunction with third parties, such as lending consortia, nonprofit organizations, or government agencies that offer special lending programs in which you participate. Exclude traditional government-backed small business lending programs, such as those offered by the Small Business Administration (SBA), **unless** your institution provides a special enhancement to the program, such as providing technical assistance or a waiver of fees.

How should the activities of your affiliates be treated in this section?

Please provide information for your bank or savings association. Include the activities of affiliates **only** if they are considered in evaluating your institution’s CRA performance, and in such cases only include affiliate activity that occurs in your institution’s CRA assessment areas. Thus,

Contact Person for this Section

In case questions arise about answers given in this section, please provide (*print clearly*):

Institution Name _____

Contact _____

Phone Number () _____ - _____

in calculating your CRA and overall lending, do not include any activities of your affiliates in geographic markets outside of your institution’s CRA assessment areas. Consider the activities of an affiliate in the same manner in which they are considered in your CRA evaluation. For example, if you purchase loans originated by an affiliate but they are considered as originations for your CRA evaluation, then these loans should be counted as originations and not purchases.

What activity should be included in the “overall” column?

Responses in the “overall” column below should include **all** your small business loans, **including** loans both within and outside your CRA assessment areas and **including** your CRA loans in this product category.

How should the survey question responses be filled out?

Please provide a response to each question in the survey. In responding to all questions, we strongly urge you to make calculations and assessments using hard data whenever possible. If a particular question is not applicable to your institution (e.g., a question relates to loan purchases and your institution does not purchase any loans), check the “N/A” box provided in the survey. **If you do not know the answer to any question, please write “Don’t Know” or “DK” anywhere in the appropriate question response area.** If you do any small business lending, then no question in this section should be left blank. If a question response area is left completely blank, additional follow-up with your institution may be required to determine if the question was inadvertently skipped.

What precision should be used in responding to questions?

If the answer calls for a dollar amount, please answer in thousands. If it calls for a percent, please round to the nearest whole percent. If it calls for percentage points, please round to the nearest hundredth of a percentage point.

The information collected in the survey will not be made available to the public in a way that would allow members of the public to identify the responses provided by your institution. Also, the data will not be used for supervisory purposes.

If you have any questions about this questionnaire, please contact the Federal Reserve Board using the toll-free number (800-281-4930). Your call will be forwarded into a voice mail system where you can record your message. Every effort will be made to return your call within 24 hours.

General Questions

1. Does your banking institution originate or purchase small business loans?
 Yes No, do not answer the remaining questions 2–66 in this section
2. Were originations or purchases of small business loans **by your affiliates** considered in your last CRA examination?
 Yes No
3. Do you have a distinct unit or department that specializes in small business lending?
 Yes No
4. Do you have a distinct unit or department that specializes in CRA small business lending?
 Yes No
5. Do you have any CRA special lending programs that focus on small business lending?
 Yes No

Profile of 1999 Origination Activity

Please answer the following questions pertaining to your 1999 loan **origination experiences** in small business lending. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
6. What was the dollar amount of small business loans originated in calendar year 1999 by your banking institution (including originations in your assessment areas by affiliates that counted for your CRA evaluation)?	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None
7. The answer to question 6 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
8. Of the 1999 small business loan dollars reported in question 6, what percentage was originated by your affiliates?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate originations included	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate originations included
9. Of the 1999 small business loan dollars reported in question 6, what percentage was originated under CRA special lending programs?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs
10. Of the 1999 small business loan dollars reported in question 6, what percentage did you sell or participate out to another lender?	a. _____ percent (0-100%)	a. _____ percent (0-100%)

Profile of 1999 Purchase Activity

Please answer the following questions pertaining to your 1999 experiences in purchasing small business loans. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
11. What was the dollar amount of small business loans purchased in calendar year 1999 by your banking institution and retained in your portfolio at year-end (including purchases in your assessment areas by affiliates that counted for your CRA evaluation)?	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None
12. The answer to question 11 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
13. Of the 1999 small business loan dollars reported in question 11, what percentage was purchased by your affiliates?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate purchases included	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate purchases included
14. Of the 1999 small business loan dollars reported in question 11, what percentage did you purchase under CRA special lending programs?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs

Profile of Portfolio as of December 31, 1999

Please answer the following questions pertaining to your small business loan portfolio as of year-end 1999. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
15. What was the dollar amount of small business loans outstanding for your banking institution as of December 31, 1999?	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None
16. The answer to question 15 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered

Profile of Portfolio as of December 31, 1999 – Continued

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
17. Of the small business loan dollars in your portfolio as of December 31, 1999, what percentage did you originally purchase or originate under CRA special lending programs?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs
18. Approximately what percentage of the small business loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Fixed-rate loans b. Floating-rate loans	a. _____ percent b. _____ percent	a. _____ percent b. _____ percent
19. Approximately what percentage of the small business loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Lines of credit b. Term loans originated in 1999 c. Term loans originated in 1997-98 d. Term loans originated in 1995-96 e. Term loans originated in 1994 or earlier (Note: term loans should include commercial mortgages)	a. _____ percent b. _____ percent c. _____ percent d. _____ percent e. _____ percent	a. _____ percent b. _____ percent c. _____ percent d. _____ percent e. _____ percent
20. Approximately what percentage of the small business loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Loans with an outstanding balance less than \$100,000 b. Loans with an outstanding balance of \$100,000-\$249,999 c. Loans with an outstanding balance of \$250,000 or more	a. _____ percent b. _____ percent c. _____ percent	a. _____ percent b. _____ percent c. _____ percent
21. Approximately what percentage of the small business loan dollars in your portfolio as of December 31, 1999 was in loans to businesses with gross revenues of \$1 million or less?	a. _____ percent (0-100%)	a. _____ percent (0-100%)
22. Approximately what percentage of the small business loan dollars in your portfolio as of December 31, 1999 was in loans with a third party guarantee such as from the SBA (do not include personal guarantees)?	a. _____ percent (0-100%)	a. _____ percent (0-100%)

Profile of Delinquency as of December 31, 1999 and 1999 Net Charge-offs

Please answer the following questions pertaining to your small business loan delinquency in your 1999 year-end portfolio and net charge-off experience over calendar year 1999. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
23. What percentage of the small business loan dollars outstanding in your portfolio as of December 31, 1999 was 30-89 days delinquent?	a. ____ percentage points	a. ____ percentage points
24. The answer to question 23 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
25. What percentage of small business loan dollars as of December 31, 1999 that you either (1) held in portfolio or (2) sold, but continue to service, was 30-89 days delinquent?	a. ____ percentage points	a. ____ percentage points
26. The answer to question 25 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
27. What percentage of small business loan dollars outstanding in your portfolio as of December 31, 1999 was 90 days or more delinquent or non-accruing?	a. ____ percentage points	a. ____ percentage points
28. The answer to question 27 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
29. What percentage of small business loan dollars as of December 31, 1999 that you either (1) held in portfolio or (2) sold, but continue to service, was 90 days or more delinquent or non-accruing?	a. ____ percentage points	a. ____ percentage points
30. The answer to question 29 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered

Profile of Delinquency as of December 31, 1999 and 1999 Net Charge-offs – Continued

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
31. What was your net charge-off rate (in percentage points) in 1999 for small business lending (total net charge-offs of small business loans during 1999 divided by your average small business loan dollars outstanding over 1999)?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
32. The answer to question 31 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered

Profile of 1999 Profitability

*Please answer the following questions pertaining to the **profitability** of your 1999 small business lending. We are seeking a comprehensive measure of profitability and consequently your responses should reflect all factors that relate to profitability, including revenues and costs associated with overhead; origination; servicing; pricing; delinquency, default and losses; prepayment; loan sales and purchases; and related customer account business (e.g., deposit account relationships). (Respond by completing the appropriate blank or checking the box that best applies).*

	Column A Overall (all small business loans, including CRA loans)	Column B CRA Loans Only
33. Overall, considering all factors, your banking institution's 1999 small business lending was:	a. <input type="checkbox"/> Profitable b. <input type="checkbox"/> Marginally profitable c. <input type="checkbox"/> Break even d. <input type="checkbox"/> Marginally unprofitable e. <input type="checkbox"/> Unprofitable	a. <input type="checkbox"/> Profitable b. <input type="checkbox"/> Marginally profitable c. <input type="checkbox"/> Break even d. <input type="checkbox"/> Marginally unprofitable e. <input type="checkbox"/> Unprofitable
34. What was your overall return on equity (ROE) for your small business lending for 1999?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
35. The answers to questions 33 and 34 were based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous questions not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous questions not answered

Comparing Experiences with CRA and Non-CRA Lending

The following series of questions asks you to compare your experiences with 1999 CRA small business lending to those with non-CRA small business lending. In other words, we ask you to compare your experiences with loans included under our definition of CRA loans with those for all loans that are **not** included under this definition. (Respond by completing the appropriate blank or checking the box that best applies).

Relative Profitability

36. Considering all factors, **compared to non-CRA** small business lending, your banking institution's return on equity (ROE) for CRA small business lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
37. If higher or lower, how much higher or lower (e.g., if non-CRA loans had an ROE of 16.0% and CRA loans had an ROE of 17.5% the difference is 1.5 percentage points higher)?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
38. The answers to questions 36 and 37 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-
39. Considering all factors, compared to non-CRA small business lending **of the same loan size, product type (line of credit versus term loan), and length of customer relationship**, your return on equity (ROE) for CRA small business lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
40. If higher or lower, how much higher or lower?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
41. The answers to questions 39 and 40 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-
42. Considering all factors, compared to small business lending **outside of your CRA assessment area(s) to firms with revenues of less than \$1 million or to any firms located in lower-income neighborhoods**, your return on equity (ROE) for CRA small business lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
43. If higher or lower, how much higher or lower?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
44. The answers to questions 42 and 43 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-

Relative Profitability – Continued

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45. Considering all factors, compared to non-CRA small business lending your return on equity (ROE) for CRA small business lending **not originated under a CRA special lending program** for 1999 was: (i.e., compare non-CRA lending with CRA lending that was **not** originated under a CRA special lending program)
- a. Higher for CRA loans
b. Somewhat higher for CRA loans
c. About the same for CRA loans
d. Somewhat lower for CRA loans
e. Lower for CRA loans
-
46. If higher or lower, how much higher or lower?
- a. ____ . ____ percentage points higher
b. ROE about the same
c. ____ . ____ percentage points lower
-
47. The answers to questions 45 and 46 were based upon: (which of the following best applies)
- a. Actual tabulations
b. Estimate based on reasonable assumptions and data
c. Educated guess
d. Previous questions not answered

Relative Origination Costs

48. Compared to non-CRA loans, your average origination costs for CRA small business loans originated in 1999 were:
- a. Higher for CRA loans
b. Somewhat higher for CRA loans
c. About the same for CRA loans
d. Somewhat lower for CRA loans
e. Lower for CRA loans
-
49. Compared to non-CRA small business loans **of the same loan size, product type (line of credit versus term loan), and length of customer relationship**, your average origination costs for CRA small business loans originated in 1999 were:
- a. Higher for CRA loans
b. Somewhat higher for CRA loans
c. About the same for CRA loans
d. Somewhat lower for CRA loans
e. Lower for CRA loans
-
50. Please evaluate each of the following factors on their impact on your average origination costs for CRA compared to **non-CRA (all other)** small business loans **of the same loan size, product type, and length of customer relationship**.
- | | Higher for CRA | About the same | Lower for CRA |
|--|--------------------------|--------------------------|--------------------------|
| a. Time spent by your staff working with applicants and processing loan applications | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Financial incentives to your staff | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Loan approval rate | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Other (specify) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- Compared to origination costs of non-CRA loans, this factor causes origination costs of CRA loans to be: (check one box in each row)
-
51. The responses to questions 48, 49, and 50 were based on: (which of the following best applies)
- a. Actual tabulations
b. Estimate based on reasonable assumptions and data
c. Educated guess
d. Previous questions not answered

Relative Account Maintenance and Monitoring Costs

52. Compared to non-CRA small business loans, your average account maintenance and monitoring costs for CRA small business loans serviced in 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
53. Compared to non-CRA small business loans **of the same loan size, product type (line of credit versus term loan), and length of customer relationship**, your average account maintenance and monitoring costs for CRA small business loans in 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
54. Please evaluate each of the following factors on their impact on your average account maintenance and monitoring costs for CRA compared to **non-CRA (all other)** small business loans **of the same loan size, product type, and length of customer relationship**.
- | a. Costs of servicing accounts | Compared to account maintenance and monitoring costs of non-CRA loans, this factor causes account maintenance and monitoring costs of CRA loans to be: (check one box in each row) | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--------------------------|--------------------------|----------------|---------------|----|--------------------------|--------------------------|--------------------------|----|--------------------------|--------------------------|--------------------------|----|--------------------------|--------------------------|--------------------------|----|--------------------------|--------------------------|--------------------------|----|--------------------------|--------------------------|--------------------------|
| b. Costs of monitoring small businesses | <table border="0"><thead><tr><th></th><th>Higher for CRA</th><th>About the same</th><th>Lower for CRA</th></tr></thead><tbody><tr><td>a.</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td>b.</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td>c.</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td>d.</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr><tr><td>e.</td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr></tbody></table> | | Higher for CRA | About the same | Lower for CRA | a. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | b. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | c. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | d. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | e. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Higher for CRA | About the same | Lower for CRA | | | | | | | | | | | | | | | | | | | | | | |
| a. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | |
| b. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | |
| c. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | |
| d. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | |
| e. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | |
| c. Costs of working with delinquent borrowers | | | | | | | | | | | | | | | | | | | | | | | | | |
| d. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement) | | | | | | | | | | | | | | | | | | | | | | | | | |
| e. Other (specify) _____ | | | | | | | | | | | | | | | | | | | | | | | | | |
-
55. The responses to questions 52, 53, and 54 were based on: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered

Relative Credit Losses

56. Compared to non-CRA small business loans, your average credit losses for CRA small business loans during 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
57. Compared to non-CRA small business loans **of the same loan size, product type (line of credit versus term loan), and length of customer relationship**, your average credit losses for CRA small business loans during 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans

Relative Credit Losses – *Continued*

58. Please evaluate each of the following factors on their impact on your credit losses for CRA compared to **non-CRA (all other)** small business loans **of the same loan size, product type, and length of customer relationship.**

Compared to credit losses of non-CRA loans, this factor causes credit losses of CRA loans to be: (check one box in each row)

- a. Default rate
- b. Loss given default
- c. Losses associated with loss mitigation activities of loans not in default (e.g., forgiving interest payments and penalties)
- d. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement)
- e. Other (specify) _____

	Higher for CRA	About the same	Lower for CRA
a.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

59. The responses to questions 56, 57, and 58 were based on: (which of the following best applies)

- a. Actual tabulations
- b. Estimate based on reasonable assumptions and data
- c. Educated guess
- d. Previous questions not answered

Relative Pricing

For the questions below, please compare the pricing for small business loans you originated during 1999 using an APR-like concept (i.e., one that considers both the contract interest rate and fees). We are interested in the

APR of the loan at the time the loan was originated. (Respond by checking the box that best applies).

60. Compared to non-CRA small business loans, your **average** pricing (using an APR-like concept) for CRA small business loans originated in 1999 was:

- a. Higher for CRA loans
- b. Somewhat higher for CRA loans
- c. About the same for CRA loans
- d. Somewhat lower for CRA loans
- e. Lower for CRA loans

61. Compared to non-CRA small business loans **of the same loan size, product type (line of credit versus term loan), and length of customer relationship, and originated at the same time**, your average pricing (using an APR-like concept) for CRA small business loans originated in 1999 was:

- a. Higher for CRA loans
- b. Somewhat higher for CRA loans
- c. About the same for CRA loans
- d. Somewhat lower for CRA loans
- e. Lower for CRA loans

62. Please evaluate each of the following factors and their impact on pricing for CRA compared to **non-CRA (all other)** small business loans **of the same loan size, product type, and length of customer relationship, and originated at the same time.**

Compared to pricing of non-CRA loans, this factor causes pricing of CRA loans to be: (check one box in each row)

- a. Credit risk (including presence and quality of collateral)
- b. Origination costs
- c. Account maintenance and monitoring costs
- d. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement)
- e. Waivers of fees, discounted interest rates
- f. Other account relationships
- g. Other (specify) _____

	Higher for CRA	About the same	Lower for CRA
a.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

63. The responses to questions 60, 61, and 62 were based on: (which of the following best applies)

- a. Actual tabulations
- b. Estimate based on reasonable assumptions and data
- c. Educated guess
- d. Previous questions not answered

64. In general, has your CRA small business lending led to new profitable business opportunities for your bank?

Yes No

↓

If yes, has this lending resulted in:

- a. New customers? Yes No
b. Additional deposits? Yes No
c. Greater market share? Yes No
d. Additional loans? Yes No
e. New opportunities to cross-market products? Yes No

65. Other than items related to profitability, are there other benefits that your banking institution receives from CRA small business lending?

Yes No

↓

If yes, please specify _____

66. Other than items related to profitability, are there other costs that your banking institution incurs from CRA small business lending?

Yes No

↓

If yes, please specify _____

Please complete and return the general information sheet and both parts of the survey (four sections in Part A and one section in Part B) no later than March 1, 2000 to:
Federal Reserve Board
Attention: CRA Lending Survey
1709 New York Avenue, NW, Fifth Floor
Washington, DC 20006