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DIVISION OF MONETARY AFFAIRS

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TO: HEADS OF RESEARCH AT ALL FEDERAL RESERVE BANKS

Enclosed for distribution to respondents is a national summary of the July 2011 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures

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

The July 2011 Senior Loan Officer Opinion Survey on Bank Lending Practices

The July 2011 Senior Loan Officer Opinion Survey on Bank Lending Practices addressed changes in the supply of, and demand for, bank loans to businesses and households over the past three months. This summary is based on responses from 55 domestic banks and 22 U.S. branches and agencies of foreign banks (hereafter referred to as foreign banks).[1]

The July survey indicated that, on net, banks continued to ease lending standards and most terms on all major types of loans other than loans secured by real estate over the past three months.[2] Modest net fractions of respondents noted an increase in demand for commercial and industrial (C&I) and commercial real estate (CRE) loans over the same period; at the same time, banks reportedly experienced, on net, slightly weaker demand for some categories of residential real estate loans. In response to a special question, most banks indicated that they expected originations of residential real estate loans in the second half of 2011 to be about the same as in the first half of the year. Significant fractions of respondents to another special question indicated that, for most loan categories, the current level of lending standards was tighter than the middle of its recent historical range, though the reported degrees of tightness varied noticeably across categories.

Domestic banks further eased standards on C&I loans to firms of all sizes over the past three months. The net fraction of banks that reported easing on loans to smaller firms remained relatively low and below the net fraction that reportedly eased for large and middle-market firms.[3] On net, domestic and foreign banks indicated that they had eased most terms on C&I loans over the survey period, and the reported easing was especially pronounced for price-related terms. As in the past several surveys, the most commonly cited reason for having eased standards or terms on C&I loans was increased competition from other lenders. Modest net fractions of domestic and foreign banks continued to report an increase in demand for C&I loans over the past three months.

Domestic banks indicated that standards on both commercial and residential real estate loans were about unchanged over the past three months. The net portion of domestic respondents indicating an increase in demand for CRE loans in the current survey declined in comparison with the April survey. In contrast, small net fractions of respondents indicated that demand for both prime and nontraditional residential real

[1] Respondent banks received the survey on or after July 12, 2011, and responses were due by July 26, 2011.

[2] For questions that ask about lending standards or terms, reported net percentages equal the percentage of banks that reported having tightened standards ("tightened considerably" or "tightened somewhat") minus the percentage of banks that reported having eased standards ("eased considerably" or "eased somewhat"). For questions that ask about demand, reported net fractions equal the percentage of banks that reported stronger demand ("substantially stronger" or "moderately stronger") minus the percentage of banks that reported weaker demand ("substantially weaker" or "moderately weaker").

[3] *Large and middle-market firms* are generally defined as firms with annual sales of $50 million or more and *small firms* as those with annual sales of less than $50 million.

estate loans as well as for home equity lines of credit had weakened or remained basically unchanged over the survey period.

With respect to consumer lending, the net percentages of banks that reported easing standards were low and roughly in line with the previous survey. While positive net fractions of respondents reportedly experienced an increase in demand for both credit card and auto loans over the past three months, the pickup in demand was not widespread; moreover, demand for other consumer loans was about unchanged.

Business Lending
(Table 1, questions 1-8, 25; Table 2, questions 1-9)

Questions on commercial and industrial lending. The net fraction of domestic banks that indicated that they had eased standards on C&I loans to large and middle-market firms rose slightly to around 20 percent. On net, fewer domestic banks—about 10 percent—indicated an easing of standards on loans to smaller firms. On balance, domestic banks eased all of the surveyed terms on C&I loans to large and middle-market firms, with the most sizable net fractions of respondents reporting easing of price terms, including the spread of loan rates over banks' cost of funds, the use of interest rate floors, and the cost of credit lines. Domestic survey respondents also indicated some easing of loan terms for smaller firms, though the reported easing was less widespread than for loans to larger firms. For standards and for most terms on C&I loans, reported easing among domestic survey respondents was concentrated at large banks.[4] Of foreign banks, almost all indicated that standards on C&I loans had remained basically unchanged, though between 5 and 35 percent reported easing various C&I loan terms on balance.

Among both domestic and foreign banks that had eased standards or terms on C&I loans, the most commonly cited reason for doing so was more aggressive competition from other banks or nonbank lenders. A number of domestic banks also pointed to a more favorable or less uncertain economic outlook as an important reason for the change in their lending policies. The reasons most widely cited by domestic banks that reported that they had tightened C&I lending standards and terms over the past three months were a less favorable or more uncertain economic outlook, and increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards.

A modest net fraction of domestic respondents indicated that demand for C&I loans from large and middle-market firms had increased over the past three months, while the net fraction that reported stronger loan demand from smaller firms was close to zero. Most domestic banks that experienced a strengthening of demand cited a shift to bank borrowing from other funding sources as an important reason for the change in demand, as well as to an increase in customers' inventory financing needs. About 20 percent of foreign banks, on net, reported in the July survey that demand for C&I loans had increased.

[4] *Large banks* are defined as banks with assets greater than $20 billion as of March 31, 2011, and *other banks* as those with assets of less than $20 billion.

A special question in the July survey asked respondents to describe the current *level* of lending standards at their bank for several loan categories. Loan officers were asked to report how their current lending stance stood, relative to the range defined by the easiest and tightest standards applied by their bank since 2005. For different types of C&I loans, between 25 and 50 percent of domestic respondents indicated that their bank's current lending standards were near the middle of that range. Of the remaining domestic respondents, more indicated that their current levels of standards on C&I loans were tighter than the middle of the range, compared with the number that indicated that standards were easier than the middle of the range. The margin by which the number of banks with standards that were tighter than the midpoint exceeded the number of banks with standards that were easier than the midpoint varied according to borrower credit quality classification, loan syndication status, and borrower size. This margin was largest for non-investment-grade syndicated loans and nonsyndicated loans to smaller firms, as compared with investment-grade syndicated loans and nonsyndicated loans to large and middle-market firms. Foreign banks' responses for syndicated loans were about the same as those of domestic banks. By contrast, foreign banks were somewhat more likely than domestic banks to characterize the current level of standards as being tighter than the middle of their range for nonsyndicated loans to large and middle-market firms.

Questions on commercial real estate lending. The net fraction of domestic banks that reported that they had eased standards on CRE loans over the past three months remained close to zero, about the same as in the previous two surveys. Though few domestic banks have indicated any change in CRE standards over the past year, the July survey's special question revealed that standards for all types of CRE lending remain tight relative to the range that has prevailed since 2005 at most banks. Indeed, roughly 75 percent of domestic respondents indicated that their bank's standards for construction and land development (CLD) loans were tighter than the middle of the range that these standards have occupied since 2005, with nearly one-third of banks stating that standards on CLD loans were currently at their tightest level seen over this period. While fewer banks indicated that standards were at their tightest levels for nonfarm nonresidential CRE loans and for multifamily CRE loans, a majority of domestic respondents noted that their current level of standards was tighter than the middle of its recent historical range for these lending categories as well. Nearly 25 percent of foreign respondents reported that their CRE lending standards had eased, on net, over the past three months. Nearly all foreign banks indicated that their current level of standards was at or tighter than the middle of its recent historical range for all types of CRE loans.

On net, more than one-third of large domestic banks described demand for CRE loans as having strengthened over the previous three months, while smaller banks indicated that demand for such loans had remained about unchanged on net. Of the foreign banks, about 15 percent noted an increase in demand.

Lending to Households
(Table 1, questions 9-25)

Questions on residential real estate lending. On net, banks reported that standards on residential real estate loans were little changed for both prime and nontraditional loans over the past three months. About 10 percent of respondents, on net, indicated that they had eased standards on home equity lines of credit. Demand for prime residential mortgages was reportedly little changed, on net, while a small net fraction of banks indicated a weakening of demand for nontraditional residential mortgages.

For categories of residential real estate lending including prime mortgages, nontraditional mortgages, and home equity lines of credit, between about 10 and 15 percent of respondents to the special question described the current level of their lending standards as being easier than the middle of the range that standards have occupied since 2005. Significantly larger fractions indicated that standards were tighter than the middle of the range, and the remaining respondents indicated that standards were near the middle of the range.

Another special question queried banks about whether they expected their originations of residential real estate loans, which were quite weak, in the aggregate, over the first half of 2011, to increase or decrease over the remainder of this year. About three-quarters of banks reported that they expected the pace of their originations to remain at about the same level through the rest of 2011; the remaining respondents were roughly split between those that expected an increase and those that expected a decrease in the pace of originations. A follow-up question asked banks that did not anticipate any increase why they expected their originations to remain flat or to decrease. All respondents to this question cited reduced or unchanged demand from creditworthy borrowers and almost all of these respondents also pointed to unfavorable or uncertain forecasts for the broad economy and for house prices. Another common but less frequently cited reason for the expected lack of expansion in originations was increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards.

Questions on consumer lending. Moderate net fractions of banks reportedly eased their lending standards on consumer loans over the past three months. For credit card loans and for consumer loans other than credit card and auto loans, positive net fractions of banks reported having eased standards, but these fractions were less than 10 percent. For auto loans, the fraction that reported easing standards was more substantial, at nearly20 percent. For all three consumer loan categories, the net fraction of large banks reporting an easing of standards was greater than the corresponding fraction of other banks. With respect to loan terms, banks eased some of the surveyed terms, on balance, but most banks reported no change in most terms; in addition, the indicated easing in terms was slightly more widespread for auto than for other consumer loans.

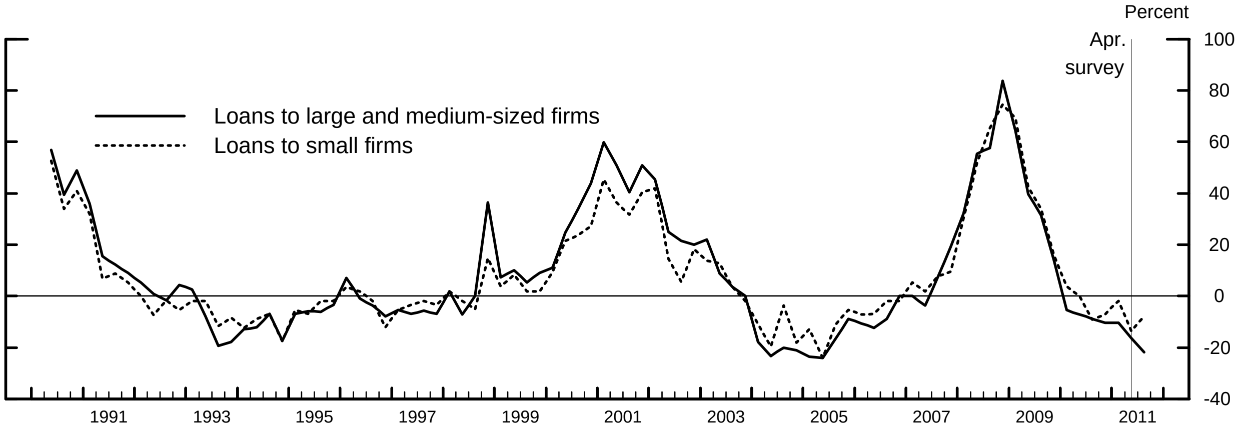
In the special questions on the level of standards, roughly one-third of respondent banks described the current level of their standards for auto loans as being tighter than the middle of the range at their bank since 2005, while the corresponding percentages for credit card and other consumer loans were over 50 percent. For all three consumer loan types, the majority of the remaining banks reported that the current level of standards was near the middle of its recent historical range.

A moderate net fraction of banks reportedly experienced an increase in demand for auto loans over the past three months. In contrast, the reported demand for credit card and other consumer loans was about unchanged on net.

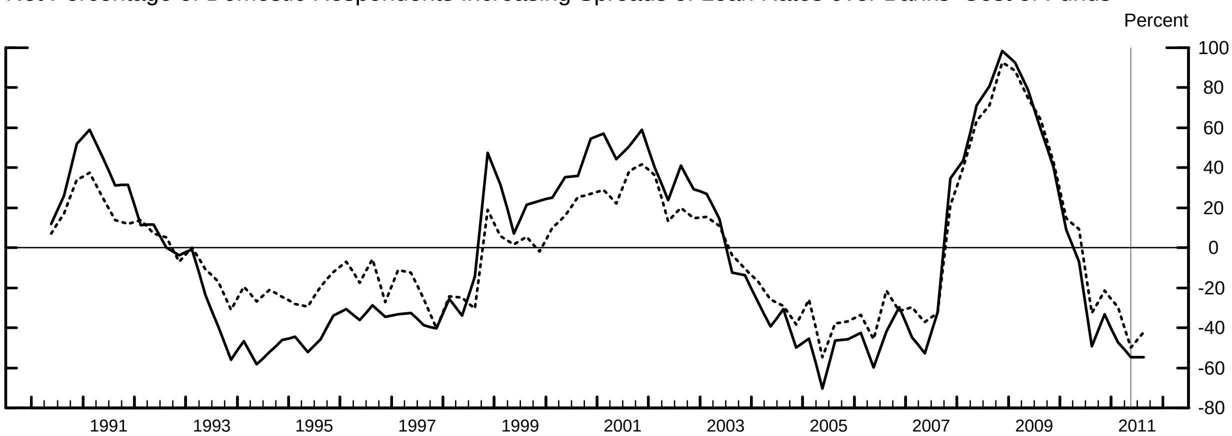
This document was prepared by Mary Beth Chosak with the assistance of Sam Haltenhof and Ben Rump, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

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

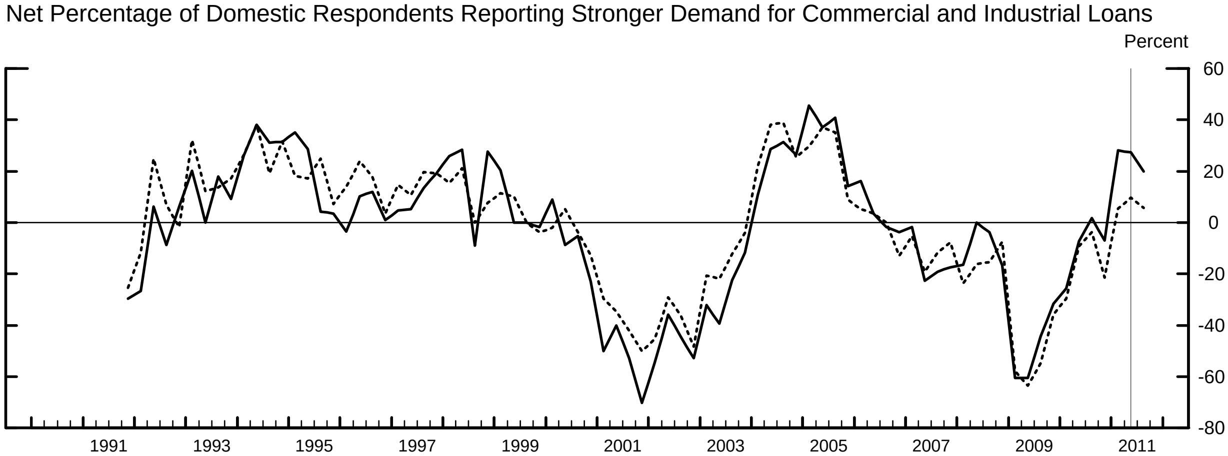
Net Percentage of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



Net Percentage of Domestic Respondents Increasing Spreads of Loan Rates over Banks' Cost of Funds

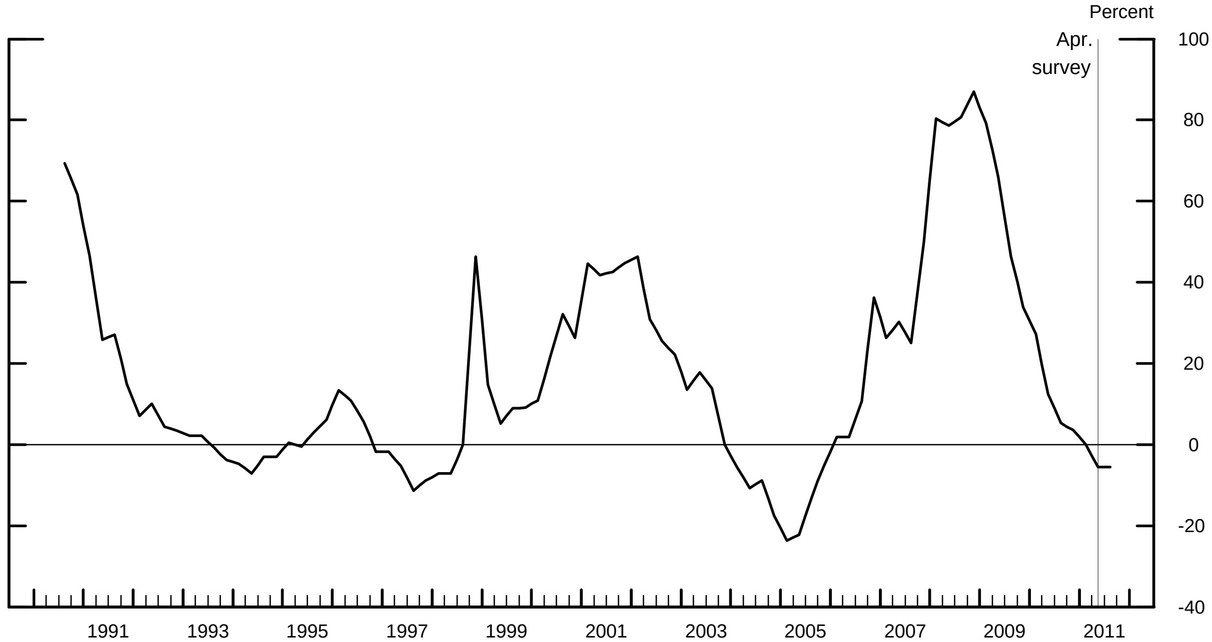


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

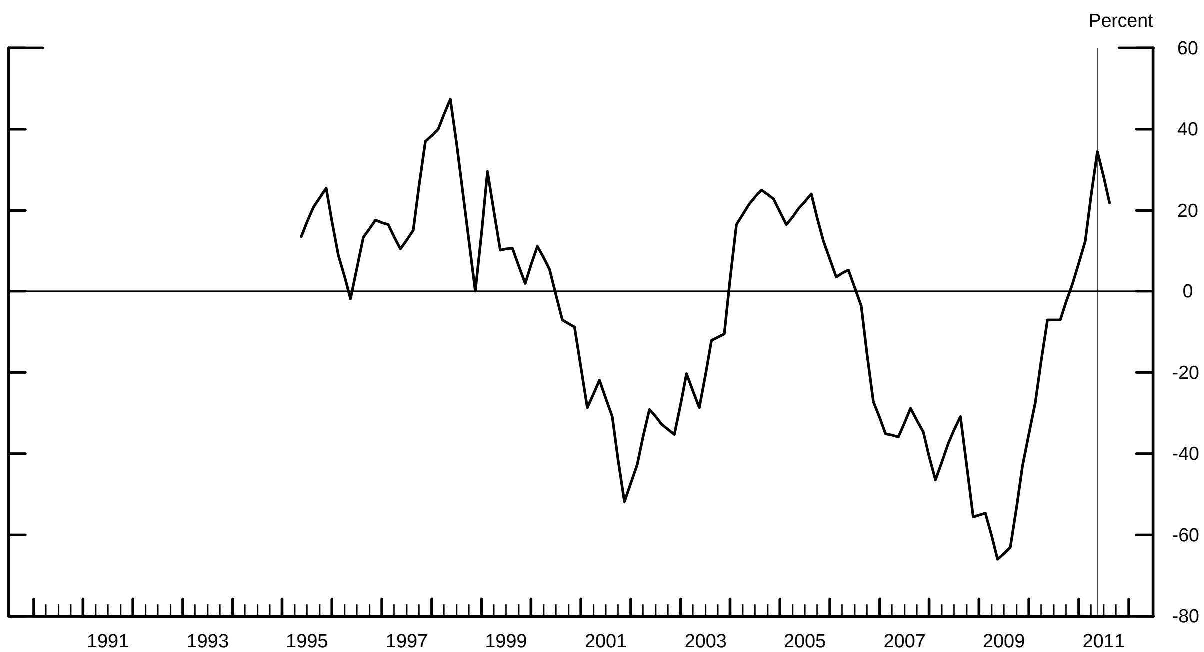


Measures of Supply and Demand for Commercial Real Estate Loans

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

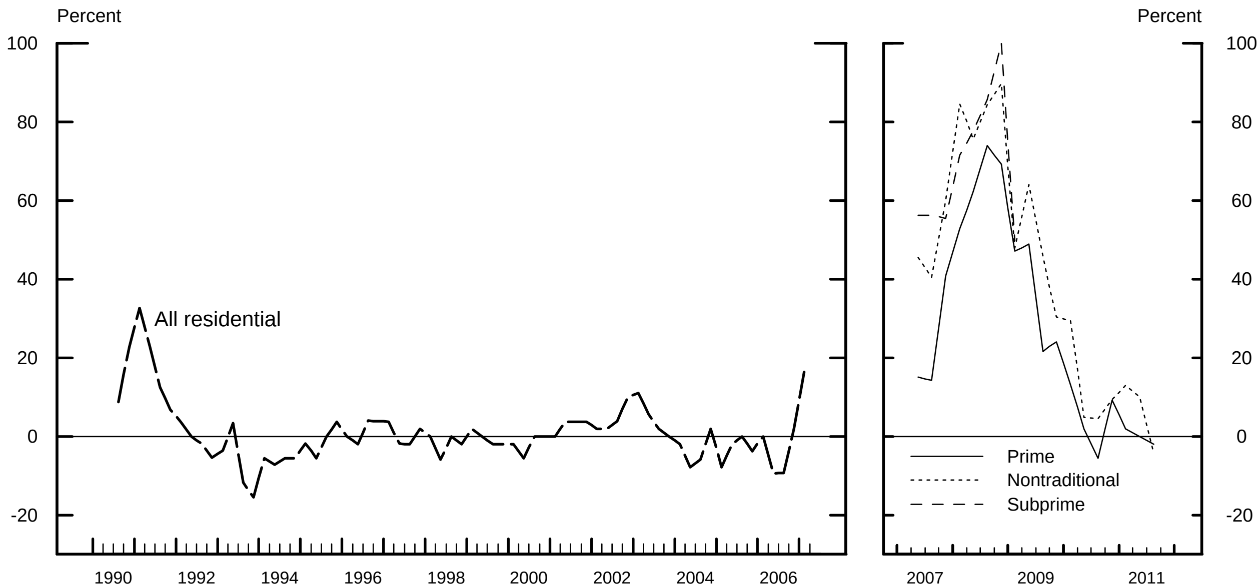


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



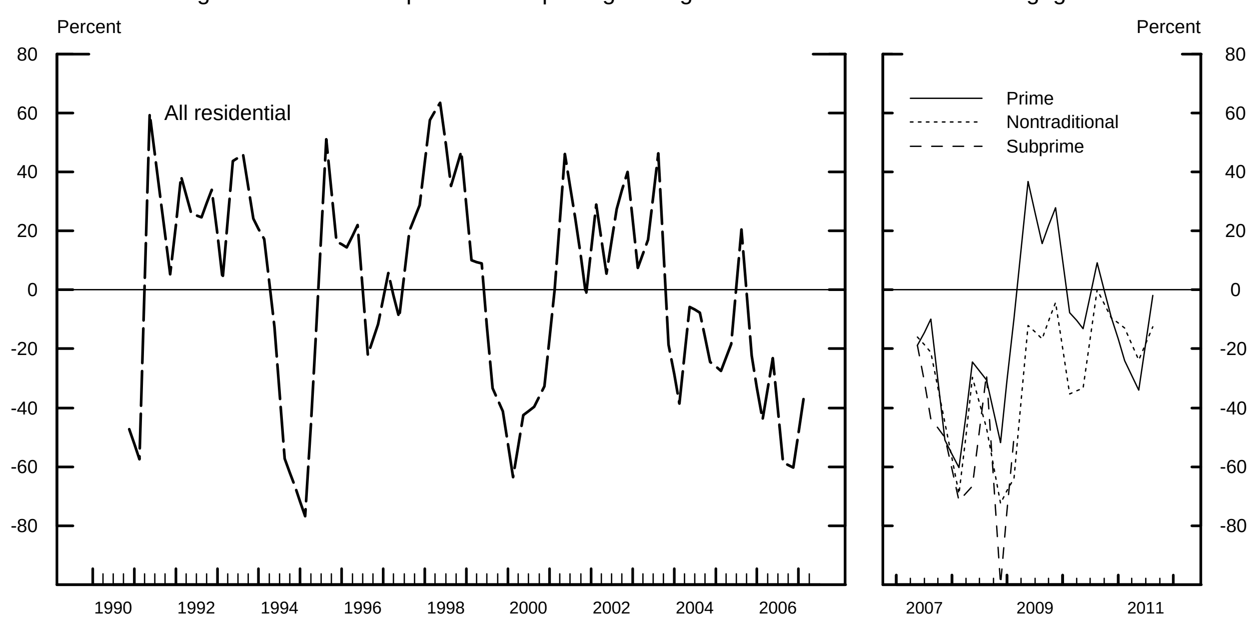
Measures of Supply and Demand for Residential Mortgage Loans

Net Percentage of Domestic Respondents Tightening Standards for Residential Mortgage Loans



Note: For data starting in 2007:Q2, changes in standards for prime, nontraditional, and subprime mortgage loans are reported separately. Series are not reported when the number of respondents is three or fewer.

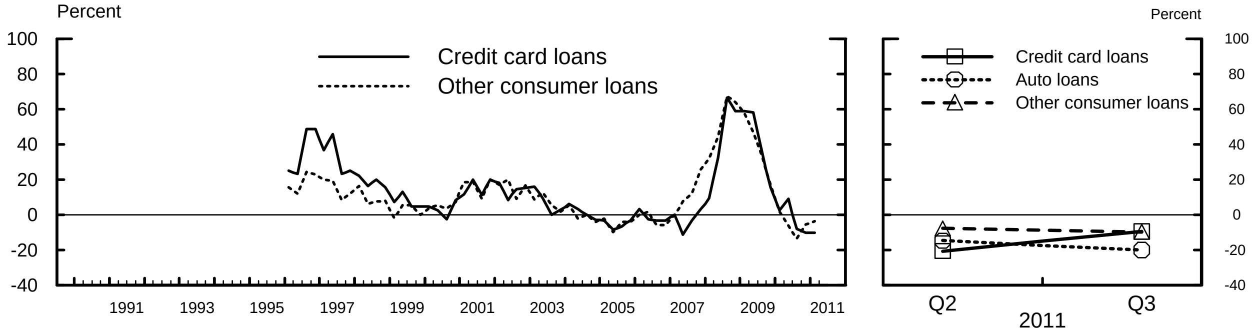
Net Percentage of Domestic Respondents Reporting Stronger Demand for Residential Mortgage Loans



Note: For data starting in 2007:Q2, changes in demand for prime, nontraditional, and subprime mortgage loans are reported separately. Series are not reported when the number of respondents is three or fewer.

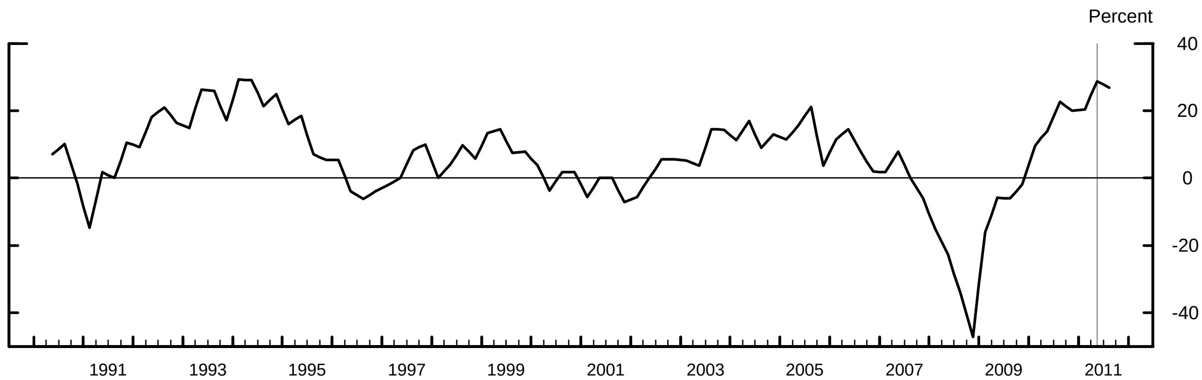
Measures of Supply and Demand for Consumer Loans

Net Percentage of Domestic Respondents Tightening Standards for Consumer Loans

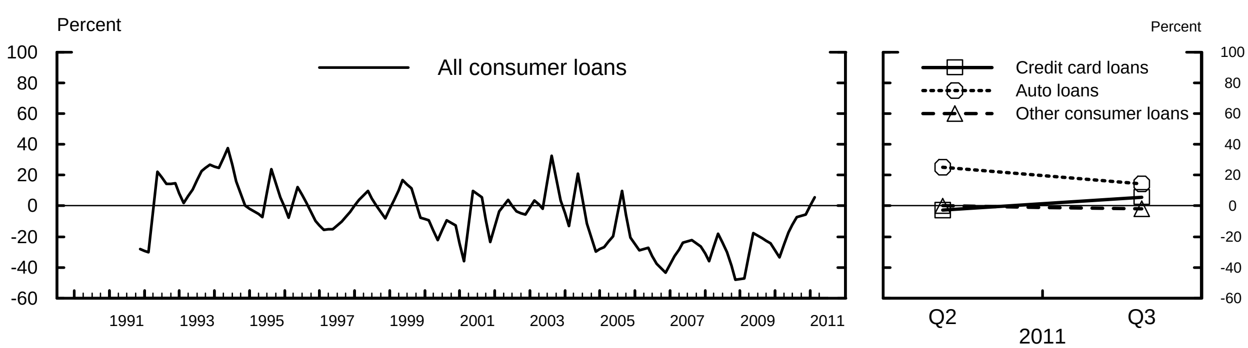


Note: For data starting in 2011:Q2, changes in standards for auto loans and consumer loans excluding credit card and auto loans are reported separately. In 2011:Q2 only, new and used auto loans are reported separately and equally weighted to calculate the auto loans series.

Net Percentage of Domestic Respondents Reporting Increased Willingness to Make Consumer Installment Loans



Net Percentage of Domestic Respondents Reporting Stronger Demand for Consumer Loans



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

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 July 2011)

***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	43	78.2	24	72.7	19	86.4
Eased somewhat	12	21.8	9	27.3	3	13.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	47	92.2	26	89.7	21	95.5
Eased somewhat	4	7.8	3	10.3	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	29	100.0	22	100.0

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

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

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	0	0.0	1	4.5
Remained basically unchanged	47	85.5	26	78.8	21	95.5
Eased somewhat	7	12.7	7	21.2	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	0	0.0	1	4.5
Remained basically unchanged	43	78.2	24	72.7	19	86.4
Eased somewhat	11	20.0	9	27.3	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	0	0.0	1	4.5
Remained basically unchanged	34	61.8	17	51.5	17	77.3
Eased somewhat	20	36.4	16	48.5	4	18.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.5	2	6.1	1	4.5
Remained basically unchanged	19	34.5	8	24.2	11	50.0
Eased somewhat	33	60.0	23	69.7	10	45.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	9.1	1	3.0	4	18.2
Remained basically unchanged	42	76.4	25	75.8	17	77.3
Eased somewhat	8	14.5	7	21.2	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.6	2	6.1	0	0.0
Remained basically unchanged	38	69.1	18	54.5	20	90.9
Eased somewhat	15	27.3	13	39.4	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

g. Collateralization requirements

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	26	48.1	16	50.0	10	45.5
Eased somewhat	22	40.7	14	43.8	8	36.4
Eased considerably	6	11.1	2	6.3	4	18.2
Total	54	100.0	32	100.0	22	100.0

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

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	52	100.0	30	100.0	22	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	52	100.0	30	100.0	22	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	46	88.5	25	83.3	21	95.5
Eased somewhat	6	11.5	5	16.7	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.9	0	0.0	1	4.5
Remained basically unchanged	40	76.9	21	70.0	19	86.4
Eased somewhat	11	21.2	9	30.0	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.9	1	3.3	0	0.0
Remained basically unchanged	28	53.8	12	40.0	16	72.7
Eased somewhat	23	44.2	17	56.7	6	27.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	9.6	1	3.3	4	18.2
Remained basically unchanged	44	84.6	26	86.7	18	81.8
Eased somewhat	3	5.8	3	10.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.9	1	3.3	0	0.0
Remained basically unchanged	43	82.7	23	76.7	20	90.9
Eased somewhat	8	15.4	6	20.0	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	51	98.1	29	96.7	22	100.0
Eased somewhat	1	1.9	1	3.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	31	60.8	18	62.1	13	59.1
Eased somewhat	15	29.4	9	31.0	6	27.3
Eased considerably	5	9.8	2	6.9	3	13.6
Total	51	100.0	29	100.0	22	100.0

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

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

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

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

b. Less favorable or more uncertain economic outlook

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	66.7	3	75.0	1	50.0
Somewhat important	2	33.3	1	25.0	1	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

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

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

e. Reduced tolerance for risk

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

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	33.3	2	50.0	0	0.0
Somewhat important	3	50.0	1	25.0	2	100.0
Very important	1	16.7	1	25.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

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

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

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	16.7	1	25.0	0	0.0
Somewhat important	4	66.7	2	50.0	2	100.0
Very important	1	16.7	1	25.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	34	89.5	22	84.6	12	100.0
Somewhat important	4	10.5	4	15.4	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	38	100.0	26	100.0	12	100.0

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	23	60.5	15	57.7	8	66.7
Somewhat important	14	36.8	10	38.5	4	33.3
Very important	1	2.6	1	3.8	0	0.0
Total	38	100.0	26	100.0	12	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	29	76.3	18	69.2	11	91.7
Somewhat important	9	23.7	8	30.8	1	8.3
Very important	0	0.0	0	0.0	0	0.0
Total	38	100.0	26	100.0	12	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	7.5	3	11.1	0	0.0
Somewhat important	13	32.5	7	25.9	6	46.2
Very important	24	60.0	17	63.0	7	53.8
Total	40	100.0	27	100.0	13	100.0

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	31	81.6	19	73.1	12	100.0
Somewhat important	7	18.4	7	26.9	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	38	100.0	26	100.0	12	100.0

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	30	78.9	19	73.1	11	91.7
Somewhat important	7	18.4	6	23.1	1	8.3
Very important	1	2.6	1	3.8	0	0.0
Total	38	100.0	26	100.0	12	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	30	78.9	22	84.6	8	66.7
Somewhat important	7	18.4	4	15.4	3	25.0
Very important	1	2.6	0	0.0	1	8.3
Total	38	100.0	26	100.0	12	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	36	94.7	25	96.2	11	91.7
Somewhat important	2	5.3	1	3.8	1	8.3
Very important	0	0.0	0	0.0	0	0.0
Total	38	100.0	26	100.0	12	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	1.8	1	3.0	0	0.0
Moderately stronger	15	27.3	12	36.4	3	13.6
About the same	34	61.8	19	57.6	15	68.2
Moderately weaker	5	9.1	1	3.0	4	18.2
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	9	17.3	5	16.7	4	18.2
About the same	37	71.2	23	76.7	14	63.6
Moderately weaker	5	9.6	2	6.7	3	13.6
Substantially weaker	1	1.9	0	0.0	1	4.5
Total	52	100.0	30	100.0	22	100.0

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

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

a. Customer inventory financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	6	31.6	3	21.4	3	60.0
Somewhat important	13	68.4	11	78.6	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	19	100.0	14	100.0	5	100.0

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	8	42.1	4	28.6	4	80.0
Somewhat important	11	57.9	10	71.4	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	19	100.0	14	100.0	5	100.0

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	8	42.1	7	50.0	1	20.0
Somewhat important	10	52.6	6	42.9	4	80.0
Very important	1	5.3	1	7.1	0	0.0
Total	19	100.0	14	100.0	5	100.0

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	78.9	10	71.4	5	100.0
Somewhat important	4	21.1	4	28.6	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	19	100.0	14	100.0	5	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	36.8	3	21.4	4	80.0
Somewhat important	10	52.6	9	64.3	1	20.0
Very important	2	10.5	2	14.3	0	0.0
Total	19	100.0	14	100.0	5	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	4	21.1	4	28.6	0	0.0
Somewhat important	14	73.7	9	64.3	5	100.0
Very important	1	5.3	1	7.1	0	0.0
Total	19	100.0	14	100.0	5	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	1	14.3	1	25.0	0	0.0
Somewhat important	5	71.4	2	50.0	3	100.0
Very important	1	14.3	1	25.0	0	0.0
Total	7	100.0	4	100.0	3	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	14.3	1	25.0	0	0.0
Somewhat important	5	71.4	2	50.0	3	100.0
Very important	1	14.3	1	25.0	0	0.0
Total	7	100.0	4	100.0	3	100.0

c. Customer investment in plant or equipment decreased

	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	5	71.4	3	75.0	2	66.7
Very important	2	28.6	1	25.0	1	33.3
Total	7	100.0	4	100.0	3	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	28.6	2	50.0	0	0.0
Somewhat important	4	57.1	2	50.0	2	66.7
Very important	1	14.3	0	0.0	1	33.3
Total	7	100.0	4	100.0	3	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	28.6	1	25.0	1	33.3
Somewhat important	3	42.9	2	50.0	1	33.3
Very important	2	28.6	1	25.0	1	33.3
Total	7	100.0	4	100.0	3	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	100.0	4	100.0	3	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	7	100.0	4	100.0	3	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	2	3.6	2	6.1	0	0.0
The number of inquiries has increased moderately	16	29.1	11	33.3	5	22.7
The number of inquiries has stayed about the same	32	58.2	18	54.5	14	63.6
The number of inquiries has decreased moderately	2	3.6	1	3.0	1	4.5
The number of inquiries has decreased substantially	3	5.5	1	3.0	2	9.1
Total	55	100.0	33	100.0	22	100.0

Questions 7-8 *ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 7 deals with changes in your bank's standards over the past three months. Question 8 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	7.3	2	6.1	2	9.1
Remained basically unchanged	44	80.0	25	75.8	19	86.4
Eased somewhat	6	10.9	5	15.2	1	4.5
Eased considerably	1	1.8	1	3.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

8. 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	18	32.7	13	39.4	5	22.7
About the same	31	56.4	19	57.6	12	54.5
Moderately weaker	6	10.9	1	3.0	5	22.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	55	100.0	33	100.0	22	100.0

Questions 9-10 *ask about three categories of* ***residential mortgage loans*** *at your bank—prime residential mortgages, nontraditional residential mortgages, and subprime residential mortgages. Question 9 deals with changes in your bank's credit standards for loans in each of these categories over the past three months. Question 10 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.*

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.7	2	6.3	1	4.8
Remained basically unchanged	46	86.8	27	84.4	19	90.5
Eased somewhat	4	7.5	3	9.4	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100.0	32	100.0	21	100.0

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	1	4.2	1	5.6	0	0.0
Remained basically unchanged	21	87.5	16	88.9	5	83.3
Eased somewhat	2	8.3	1	5.6	1	16.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	24	100.0	18	100.0	6	100.0

For this question, 26 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

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

10. 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	0	0.0	0	0.0	0	0.0
Moderately stronger	12	22.6	4	12.5	8	38.1
About the same	28	52.8	19	59.4	9	42.9
Moderately weaker	13	24.5	9	28.1	4	19.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	53	100.0	32	100.0	21	100.0

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	2	8.3	2	11.1	0	0.0
About the same	17	70.8	12	66.7	5	83.3
Moderately weaker	4	16.7	4	22.2	0	0.0
Substantially weaker	1	4.2	0	0.0	1	16.7
Total	24	100.0	18	100.0	6	100.0

For this question, 26 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

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

Questions 11-12 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 11 deals with changes in your bank's credit standards over the past three months. Question 12 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.*

11. 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	1	1.9	0	0.0	1	4.5
Remained basically unchanged	47	88.7	27	87.1	20	90.9
Eased somewhat	5	9.4	4	12.9	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100.0	31	100.0	22	100.0

12. 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	10	18.9	3	9.7	7	31.8
About the same	29	54.7	22	71.0	7	31.8
Moderately weaker	14	26.4	6	19.4	8	36.4
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	53	100.0	31	100.0	22	100.0

***Question 13** asks about how originations of closed-end residential real estate loans at your bank are expected to change in the second half of 2011. If originations of such loans at your bank are expected to decrease or remain about the same, **Question 14** asks about the possible reasons for those expectations.*

13. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect its originations of closed-end residential real estate loans to change over the second half of 2011 compared to its originations of such loans in the first half of 2011, apart from normal seasonal variation?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Originations will increase significantly	0	0.0	0	0.0	0	0.0
Originations will increase somewhat	7	13.5	5	16.1	2	9.5
Originations will stay about the same	39	75.0	22	71.0	17	81.0
Originations will decrease somewhat	6	11.5	4	12.9	2	9.5
Originations will decrease significantly	0	0.0	0	0.0	0	0.0
Total	52	100.0	31	100.0	21	100.0

For this question, 1 respondent answered “My bank does not originate closed-end residential real estate loans.”

14. If your bank's originations of closed-end residential real estate loans are expected to decrease or to stay about the same in the second half of 2011 (as described in question 13), how important are the following possible reasons for those expectations?

a. Consensus forecasts for the broad economy are still unfavorable or too uncertain

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	4.5	2	7.7	0	0.0
Somewhat important	23	52.3	14	53.8	9	50.0
Very important	19	43.2	10	38.5	9	50.0
Total	44	100.0	26	100.0	18	100.0

b. Consensus forecasts for house prices are still unfavorable or too uncertain

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	6.8	1	3.8	2	11.1
Somewhat important	20	45.5	12	46.2	8	44.4
Very important	21	47.7	13	50.0	8	44.4
Total	44	100.0	26	100.0	18	100.0

c. Reassessment of the risks inherent in mortgage lending

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	31	70.5	21	80.8	10	55.6
Somewhat important	12	27.3	4	15.4	8	44.4
Very important	1	2.3	1	3.8	0	0.0
Total	44	100.0	26	100.0	18	100.0

d. 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	19	43.2	12	46.2	7	38.9
Somewhat important	13	29.5	7	26.9	6	33.3
Very important	12	27.3	7	26.9	5	27.8
Total	44	100.0	26	100.0	18	100.0

e. Reduced or unchanged demand from creditworthy borrowers

	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	18	40.9	10	38.5	8	44.4
Very important	26	59.1	16	61.5	10	55.6
Total	44	100.0	26	100.0	18	100.0

f. Lack of active secondary and securitization markets for loans that do not conform to the standards of the government-sponsored enterprises (GSEs)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	31	70.5	18	69.2	13	72.2
Somewhat important	10	22.7	5	19.2	5	27.8
Very important	3	6.8	3	11.5	0	0.0
Total	44	100.0	26	100.0	18	100.0

g. Expected reduction in the conforming loan limits announced by the Federal Housing Finance Administration (FHFA)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	27	61.4	16	61.5	11	61.1
Somewhat important	14	31.8	7	26.9	7	38.9
Very important	3	6.8	3	11.5	0	0.0
Total	44	100.0	26	100.0	18	100.0

h. Reduced availability of private mortgage insurance

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	31	70.5	20	76.9	11	61.1
Somewhat important	10	22.7	4	15.4	6	33.3
Very important	3	6.8	2	7.7	1	5.6
Total	44	100.0	26	100.0	18	100.0

Questions 15-24 *ask about consumer lending at your bank. Question 15 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 16-21 deal with changes in credit standards and loan terms over the same period. Questions 22-24deal 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.*

15. 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	16	30.8	8	26.7	8	36.4
About unchanged	34	65.4	20	66.7	14	63.6
Somewhat less willing	1	1.9	1	3.3	0	0.0
Much less willing	1	1.9	1	3.3	0	0.0
Total	52	100.0	30	100.0	22	100.0

16. 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	39	90.7	21	84.0	18	100.0
Eased somewhat	4	9.3	4	16.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	43	100.0	25	100.0	18	100.0

17. 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	2.0	1	3.6	0	0.0
Remained basically unchanged	38	76.0	17	60.7	21	95.5
Eased somewhat	11	22.0	10	35.7	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	50	100.0	28	100.0	22	100.0

18. 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	2	3.8	2	6.7	0	0.0
Remained basically unchanged	43	82.7	22	73.3	21	95.5
Eased somewhat	7	13.5	6	20.0	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

19. 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	4	11.1	4	17.4	0	0.0
Remained basically unchanged	29	80.6	16	69.6	13	100.0
Eased somewhat	3	8.3	3	13.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	36	100.0	23	100.0	13	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	5.6	2	8.7	0	0.0
Remained basically unchanged	33	91.7	20	87.0	13	100.0
Eased somewhat	1	2.8	1	4.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	36	100.0	23	100.0	13	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.8	1	4.3	0	0.0
Remained basically unchanged	34	94.4	21	91.3	13	100.0
Eased somewhat	1	2.8	1	4.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	36	100.0	23	100.0	13	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	2.8	0	0.0	1	7.7
Remained basically unchanged	35	97.2	23	100.0	12	92.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	36	100.0	23	100.0	13	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	2.8	1	4.3	0	0.0
Remained basically unchanged	33	91.7	20	87.0	13	100.0
Eased somewhat	2	5.6	2	8.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	36	100.0	23	100.0	13	100.0

20. 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	44	91.7	24	88.9	20	95.2
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

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	2.1	1	3.7	0	0.0
Remained basically unchanged	27	56.3	14	51.9	13	61.9
Eased somewhat	19	39.6	12	44.4	7	33.3
Eased considerably	1	2.1	0	0.0	1	4.8
Total	48	100.0	27	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	47	95.9	26	92.9	21	100.0
Eased somewhat	2	4.1	2	7.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	49	100.0	28	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	44	89.8	24	85.7	20	95.2
Eased somewhat	5	10.2	4	14.3	1	4.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	49	100.0	28	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	47	95.9	26	92.9	21	100.0
Eased somewhat	2	4.1	2	7.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	49	100.0	28	100.0	21	100.0

21. 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	1	2.0	0	0.0	1	4.5
Remained basically unchanged	48	94.1	27	93.1	21	95.5
Eased somewhat	2	3.9	2	6.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	29	100.0	22	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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	40	78.4	23	79.3	17	77.3
Eased somewhat	11	21.6	6	20.7	5	22.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	29	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	49	98.0	28	96.6	21	100.0
Eased somewhat	1	2.0	1	3.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	50	100.0	29	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	2.0	1	3.4	0	0.0
Remained basically unchanged	46	90.2	25	86.2	21	95.5
Eased somewhat	4	7.8	3	10.3	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	29	100.0	22	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	2.0	1	3.4	0	0.0
Remained basically unchanged	48	94.1	26	89.7	22	100.0
Eased somewhat	2	3.9	2	6.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	29	100.0	22	100.0

22. 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	5	14.3	4	19.0	1	7.1
About the same	27	77.1	16	76.2	11	78.6
Moderately weaker	3	8.6	1	4.8	2	14.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	35	100.0	21	100.0	14	100.0

23. 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	1	2.0	0	0.0	1	4.8
Moderately stronger	12	24.5	5	17.9	7	33.3
About the same	30	61.2	20	71.4	10	47.6
Moderately weaker	6	12.2	3	10.7	3	14.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	49	100.0	28	100.0	21	100.0

24. 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	15.4	3	10.0	5	22.7
About the same	35	67.3	21	70.0	14	63.6
Moderately weaker	9	17.3	6	20.0	3	13.6
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

Question 25 *asks about the level of standards at your bank between 2005 and the present. In several quarters during this period, large fractions of respondents to this survey reported having tightened their lending standards on most major loan categories. For each of the loan categories listed below, please consider the points at which standards at your bank were tightest and easiest during this period.*

25. Using the range between the tightest and easiest that standards at your bank have been between 2005 and the present for each of the loan categories listed below, how would you describe the current level of standards?

A. C&I loans:

a. New syndicated or club loans (large loans originated by a group of relationship lenders) to investment-grade firms (or unrated firms of similar creditworthiness)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	4	8.0	3	9.4	1	5.6
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	10	20.0	8	25.0	2	11.1
Near the middle of the range that standards have been during this period	21	42.0	15	46.9	6	33.3
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	5	10.0	2	6.3	3	16.7
Slightly easier than the tightest that standards have been during this period	6	12.0	3	9.4	3	16.7
The tightest that standards have been during this period	4	8.0	1	3.1	3	16.7
Total	50	100.0	32	100.0	18	100.0

b. New syndicated or club loans to below-investment-grade firms (or unrated firms of similar creditworthiness)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	5	10.2	3	9.7	2	11.1
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	7	14.3	6	19.4	1	5.6
Near the middle of the range that standards have been during this period	13	26.5	8	25.8	5	27.8
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	8	16.3	7	22.6	1	5.6
Slightly easier than the tightest that standards have been during this period	11	22.4	6	19.4	5	27.8
The tightest that standards have been during this period	5	10.2	1	3.2	4	22.2
Total	49	100.0	31	100.0	18	100.0

c. Non-syndicated loans to large and middle-market firms (annual sales of $50 million or more)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	3	5.6	2	6.1	1	4.8
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	10	18.5	8	24.2	2	9.5
Near the middle of the range that standards have been during this period	23	42.6	15	45.5	8	38.1
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	9	16.7	6	18.2	3	14.3
Slightly easier than the tightest that standards have been during this period	8	14.8	2	6.1	6	28.6
The tightest that standards have been during this period	1	1.9	0	0.0	1	4.8
Total	54	100.0	33	100.0	21	100.0

d. Non-syndicated loans to small firms (annual sales of less than $50 million)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	3	5.9	2	6.7	1	4.8
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	6	11.8	4	13.3	2	9.5
Near the middle of the range that standards have been during this period	24	47.1	18	60.0	6	28.6
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	5	9.8	2	6.7	3	14.3
Slightly easier than the tightest that standards have been during this period	12	23.5	4	13.3	8	38.1
The tightest that standards have been during this period	1	2.0	0	0.0	1	4.8
Total	51	100.0	30	100.0	21	100.0

B. Loans secured by commercial real estate:

a. For construction and land development purposes

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	2	3.7	1	3.1	1	4.5
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	1	1.9	1	3.1	0	0.0
Near the middle of the range that standards have been during this period	10	18.5	5	15.6	5	22.7
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	5	9.3	5	15.6	0	0.0
Slightly easier than the tightest that standards have been during this period	20	37.0	15	46.9	5	22.7
The tightest that standards have been during this period	16	29.6	5	15.6	11	50.0
Total	54	100.0	32	100.0	22	100.0

b. For nonfarm nonresidential purposes

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	4	7.4	2	6.3	2	9.1
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	3	5.6	2	6.3	1	4.5
Near the middle of the range that standards have been during this period	12	22.2	8	25.0	4	18.2
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	7	13.0	5	15.6	2	9.1
Slightly easier than the tightest that standards have been during this period	20	37.0	11	34.4	9	40.9
The tightest that standards have been during this period	8	14.8	4	12.5	4	18.2
Total	54	100.0	32	100.0	22	100.0

c. For multifamily purposes

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	5	9.3	3	9.4	2	9.1
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	6	11.1	4	12.5	2	9.1
Near the middle of the range that standards have been during this period	13	24.1	10	31.3	3	13.6
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	13	24.1	8	25.0	5	22.7
Slightly easier than the tightest that standards have been during this period	15	27.8	7	21.9	8	36.4
The tightest that standards have been during this period	2	3.7	0	0.0	2	9.1
Total	54	100.0	32	100.0	22	100.0

C. Residential real estate

a. Closed-end loans that your bank categorizes as prime residential mortgages (as described in questions 9A and 10A) with principal balances less than or equal to the conforming loan limits announced by the FHFA[2] or that qualify for a guarantee from the Federal Housing Administration

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	3	5.9	1	3.2	2	10.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	2	3.9	1	3.2	1	5.0
Near the middle of the range that standards have been during this period	16	31.4	10	32.3	6	30.0
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	11	21.6	9	29.0	2	10.0
Slightly easier than the tightest that standards have been during this period	13	25.5	7	22.6	6	30.0
The tightest that standards have been during this period	6	11.8	3	9.7	3	15.0
Total	51	100.0	31	100.0	20	100.0

b. Closed-end loans that your bank categorizes as prime residential mortgages (as described in questions 9A and 10A) with principal balances greater than the conforming loan limits announced by the FHFA

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	2	3.9	1	3.2	1	5.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	3	5.9	1	3.2	2	10.0
Near the middle of the range that standards have been during this period	12	23.5	7	22.6	5	25.0
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	14	27.5	11	35.5	3	15.0
Slightly easier than the tightest that standards have been during this period	15	29.4	8	25.8	7	35.0
The tightest that standards have been during this period	5	9.8	3	9.7	2	10.0
Total	51	100.0	31	100.0	20	100.0

c. Closed-end loans that your bank categorizes as nontraditional residential mortgages (as described in questions 9B and 10B)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	1	4.5	1	5.9	0	0.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	1	4.5	1	5.9	0	0.0
Near the middle of the range that standards have been during this period	6	27.3	6	35.3	0	0.0
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	3	13.6	2	11.8	1	20.0
Slightly easier than the tightest that standards have been during this period	9	40.9	5	29.4	4	80.0
The tightest that standards have been during this period	2	9.1	2	11.8	0	0.0
Total	22	100.0	17	100.0	5	100.0

d. Closed-end loans that your bank categorizes as subprime residential mortgages (as described in questions 9C and 10C)

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

e. Revolving home equity lines of credit

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	4	8.2	2	6.7	2	10.5
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	3	6.1	2	6.7	1	5.3
Near the middle of the range that standards have been during this period	11	22.4	6	20.0	5	26.3
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	10	20.4	4	13.3	6	31.6
Slightly easier than the tightest that standards have been during this period	18	36.7	15	50.0	3	15.8
The tightest that standards have been during this period	3	6.1	1	3.3	2	10.5
Total	49	100.0	30	100.0	19	100.0

D. Consumer lending

a. Credit card loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	3	8.8	1	4.5	2	16.7
Near the middle of the range that standards have been during this period	12	35.3	8	36.4	4	33.3
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	7	20.6	4	18.2	3	25.0
Slightly easier than the tightest that standards have been during this period	11	32.4	8	36.4	3	25.0
The tightest that standards have been during this period	1	2.9	1	4.5	0	0.0
Total	34	100.0	22	100.0	12	100.0

b. Auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	5	10.6	2	7.4	3	15.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	4	8.5	2	7.4	2	10.0
Near the middle of the range that standards have been during this period	21	44.7	13	48.1	8	40.0
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	7	14.9	3	11.1	4	20.0
Slightly easier than the tightest that standards have been during this period	9	19.1	7	25.9	2	10.0
The tightest that standards have been during this period	1	2.1	0	0.0	1	5.0
Total	47	100.0	27	100.0	20	100.0

c. Consumer loans other than credit card and auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The easiest that standards have been during this period	0	0.0	0	0.0	0	0.0
Slightly tighter than the easiest that standards have been during this period	5	10.0	2	6.9	3	14.3
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	3	6.0	1	3.4	2	9.5
Near the middle of the range that standards have been during this period	16	32.0	8	27.6	8	38.1
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	8	16.0	5	17.2	3	14.3
Slightly easier than the tightest that standards have been during this period	17	34.0	13	44.8	4	19.0
The tightest that standards have been during this period	1	2.0	0	0.0	1	4.8
Total	50	100.0	29	100.0	21	100.0

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 March 31, 2011. The combined assets of the 33 large banks totaled $6.7 trillion, compared to $7.0 trillion for the entire panel of 55 banks, and $10.5 trillion for all domestically chartered, federally insured commercial banks.

2. Please include mortgages in high cost areas with loan balances greater than $417,000 that are within the area-specific conforming loan limits (up to $729,750 for fiscal year 2011) determined under the Economic Stimulus Act of 2008 and the Housing and Economic Recovery Act of 2008. For more information on conforming loan limits, please see: http://www.fhfa.gov/Default.aspx?Page=185.

Table 2

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

(Status of policy as of July 2011)

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

1. Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—changed?

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	95.5
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100.0

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

a. Maximum size of credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	17	81.0
Eased somewhat	4	19.0
Eased considerably	0	0.0
Total	21	100.0

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	85.7
Eased somewhat	3	14.3
Eased considerably	0	0.0
Total	21	100.0

c. Costs of credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	1	5.0
Tightened somewhat	2	10.0
Remained basically unchanged	12	60.0
Eased somewhat	5	25.0
Eased considerably	0	0.0
Total	20	100.0

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	15.0
Remained basically unchanged	8	40.0
Eased somewhat	9	45.0
Eased considerably	0	0.0
Total	20	100.0

e. Premiums charged on riskier loans

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	5.0
Remained basically unchanged	16	80.0
Eased somewhat	3	15.0
Eased considerably	0	0.0
Total	20	100.0

f. Loan covenants

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	17	81.0
Eased somewhat	4	19.0
Eased considerably	0	0.0
Total	21	100.0

g. Collateralization requirements

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	20	95.2
Eased somewhat	1	4.8
Eased considerably	0	0.0
Total	21	100.0

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	13	68.4
Eased somewhat	6	31.6
Eased considerably	0	0.0
Total	19	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	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	0	0.0
Somewhat important	1	100.0
Very important	0	0.0
Total	1	100.0

e. Reduced tolerance for risk

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

f. Decreased liquidity in the secondary market for these loans

	All Respondents	
	Banks	**Percent**
Not important	0	0.0
Somewhat important	1	100.0
Very important	0	0.0
Total	1	100.0

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

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

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

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	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	
	Banks	**Percent**
Not important	6	85.7
Somewhat important	1	14.3
Very important	0	0.0
Total	7	100.0

b. More favorable or less uncertain economic outlook

	All Respondents	
	Banks	**Percent**
Not important	7	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	7	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	7	87.5
Somewhat important	1	12.5
Very important	0	0.0
Total	8	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	1	12.5
Somewhat important	2	25.0
Very important	5	62.5
Total	8	100.0

e. Increased tolerance for risk

	All Respondents	
	Banks	**Percent**
Not important	6	85.7
Somewhat important	0	0.0
Very important	1	14.3
Total	7	100.0

f. Increased liquidity in the secondary market for these loans

	All Respondents	
	Banks	**Percent**
Not important	6	85.7
Somewhat important	1	14.3
Very important	0	0.0
Total	7	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	7	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	7	100.0

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

	All Respondents	
	Banks	Percent
Not important	7	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	7	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.)

	All Respondents	
	Banks	Percent
Substantially stronger	0	0.0
Moderately stronger	5	22.7
About the same	16	72.7
Moderately weaker	1	4.5
Substantially weaker	0	0.0
Total	22	100.0

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

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

a. Customer inventory financing needs increased

	All Respondents	
	Banks	Percent
Not important	2	40.0
Somewhat important	2	40.0
Very important	1	20.0
Total	5	100.0

b. Customer accounts receivable financing needs increased

	All Respondents	
	Banks	**Percent**
Not important	1	20.0
Somewhat important	4	80.0
Very important	0	0.0
Total	5	100.0

c. Customer investment in plant or equipment increased

	All Respondents	
	Banks	**Percent**
Not important	2	40.0
Somewhat important	3	60.0
Very important	0	0.0
Total	5	100.0

d. Customer internally generated funds decreased

	All Respondents	
	Banks	**Percent**
Not important	4	80.0
Somewhat important	1	20.0
Very important	0	0.0
Total	5	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents	
	Banks	**Percent**
Not important	0	0.0
Somewhat important	3	60.0
Very important	2	40.0
Total	5	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	3	60.0
Somewhat important	2	40.0
Very important	0	0.0
Total	5	100.0

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

a. Customer inventory financing needs decreased

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

c. Customer investment in plant or equipment decreased

	All Respondents	
	Banks	Percent
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

d. Customer internally generated funds increased

	All Respondents	
	Banks	Percent
Not important	0	0.0
Somewhat important	0	0.0
Very important	1	100.0
Total	1	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents	
	Banks	Percent
Not important	0	0.0
Somewhat important	0	0.0
Very important	1	100.0
Total	1	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	1	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	1	100.0

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

	All Respondents	
	Banks	**Percent**
The number of inquiries has increased substantially	0	0.0
The number of inquiries has increased moderately	4	19.0
The number of inquiries has stayed about the same	17	81.0
The number of inquiries has decreased moderately	0	0.0
The number of inquiries has decreased substantially	0	0.0
Total	21	100.0

***Questions 7-8** ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 7 deals with changes in your bank's standards over the past three months. Question 8 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	9	75.0
Eased somewhat	3	25.0
Eased considerably	0	0.0
Total	12	100.0

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

	All Respondents	
	Banks	**Percent**
Substantially stronger	1	8.3
Moderately stronger	2	16.7
About the same	8	66.7
Moderately weaker	1	8.3
Substantially weaker	0	0.0
Total	12	100.0

***Question 9** asks about the level of standards at your bank between 2005 and the present. In several quarters during this period, large fractions of respondents to this survey reported having tightened their lending standards on most major loan categories. For each of the loan categories listed below, please consider the points at which standards at your bank were tightest (most restrictive or least accommodative) and easiest (most accommodative or least restrictive) during this period.*

9. Using the range between the tightest and easiest that standards at your bank have been between 2005 and the present for each of the loan categories listed below, how would you describe the current level of standards?

A. C&I loans:

a. New syndicated or club loans (large loans originated by a group of relationship lenders) to investment-grade firms (or unrated firms of similar creditworthiness)

	All Respondents	
	Banks	**Percent**
The easiest that standards have been during this period	1	4.8
Slightly tighter than the easiest that standards have been during this period	3	14.3
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	4	19.0
Near the middle of the range that standards have been during this period	7	33.3
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	2	9.5
Slightly easier than the tightest that standards have been during this period	4	19.0
The tightest that standards have been during this period	0	0.0
Total	21	100.0

b. New syndicated or club loans to below-investment-grade firms (or unrated firms of similar creditworthiness)

	All Respondents	
	Banks	**Percent**
The easiest that standards have been during this period	0	0.0
Slightly tighter than the easiest that standards have been during this period	5	23.8
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	2	9.5
Near the middle of the range that standards have been during this period	5	23.8
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	4	19.0
Slightly easier than the tightest that standards have been during this period	4	19.0
The tightest that standards have been during this period	1	4.8
Total	21	100.0

c. Non-syndicated loans to large and middle-market firms (annual sales of $50 million or more)

	All Respondents	
	Banks	**Percent**
The easiest that standards have been during this period	0	0.0
Slightly tighter than the easiest that standards have been during this period	1	5.6
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	2	11.1
Near the middle of the range that standards have been during this period	6	33.3
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	4	22.2
Slightly easier than the tightest that standards have been during this period	3	16.7
The tightest that standards have been during this period	2	11.1
Total	18	100.0

d. Non-syndicated loans to small firms (annual sales of less than $50 million)

	All Respondents	
	Banks	Percent
The easiest that standards have been during this period	0	0.0
Slightly tighter than the easiest that standards have been during this period	0	0.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	1	14.3
Near the middle of the range that standards have been during this period	4	57.1
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	0	0.0
Slightly easier than the tightest that standards have been during this period	1	14.3
The tightest that standards have been during this period	1	14.3
Total	7	100.0

B. Loans secured by commercial real estate:

a. For construction and land development purposes

	All Respondents	
	Banks	Percent
The easiest that standards have been during this period	0	0.0
Slightly tighter than the easiest that standards have been during this period	0	0.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	0	0.0
Near the middle of the range that standards have been during this period	3	37.5
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	1	12.5
Slightly easier than the tightest that standards have been during this period	2	25.0
The tightest that standards have been during this period	2	25.0
Total	8	100.0

b. For nonfarm nonresidential purposes

	All Respondents	
	Banks	**Percent**
The easiest that standards have been during this period	1	11.1
Slightly tighter than the easiest that standards have been during this period	0	0.0
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	0	0.0
Near the middle of the range that standards have been during this period	5	55.6
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	1	11.1
Slightly easier than the tightest that standards have been during this period	2	22.2
The tightest that standards have been during this period	0	0.0
Total	9	100.0

c. For multifamily purposes

	All Respondents	
	Banks	**Percent**
The easiest that standards have been during this period	0	0.0
Slightly tighter than the easiest that standards have been during this period	1	14.3
Significantly tighter than the easiest but easier than the middle of the range that standards have been during this period	0	0.0
Near the middle of the range that standards have been during this period	3	42.9
Significantly easier than the tightest but tighter than the middle of the range that standards have been during this period	2	28.6
Slightly easier than the tightest that standards have been during this period	1	14.3
The tightest that standards have been during this period	0	0.0
Total	7	100.0

1. As of March 31, 2011, the 22 respondents had combined assets of $1.1 trillion, compared to $2.1 trillion for all foreign related banking institutions in the United States. The sample is selected from among the largest foreign-related banking institutions in those Federal Reserve Districts where such institutions are common.