Table 2

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

(Status of Policy as of April 2020)

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	4	18.2
Tightened somewhat	9	40.9
Remained basically unchanged	9	40.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

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

a. Maximum size of credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	3	13.6
Tightened somewhat	7	31.8
Remained basically unchanged	12	54.5
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	2	9.1
Tightened somewhat	6	27.3
Remained basically unchanged	14	63.6
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

c. Costs of credit lines

	All Respondents	
	Banks	Percent
Tightened considerably	4	18.2
Tightened somewhat	8	36.4
Remained basically unchanged	10	45.5
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	2	9.1
Tightened somewhat	11	50.0
Remained basically unchanged	8	36.4
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100

e. Premiums charged on riskier loans

	All Respondents	
	Banks	Percent
Tightened considerably	5	22.7
Tightened somewhat	9	40.9
Remained basically unchanged	8	36.4
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

f. Loan covenants

	All Respondents	
	Banks	Percent
Tightened considerably	1	4.5
Tightened somewhat	6	27.3
Remained basically unchanged	14	63.6
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100

g. Collateralization requirements

	All Respondents	
	Banks	Percent
Tightened considerably	1	4.5
Tightened somewhat	7	31.8
Remained basically unchanged	14	63.6
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

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

	All Respondents	
	Banks	Percent
Tightened considerably	2	9.1
Tightened somewhat	3	13.6
Remained basically unchanged	16	72.7
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100

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

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

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

	All Respondents	
	Banks	Percent
Not important	12	80.0
Somewhat important	3	20.0
Very important	0	0.0
Total	15	100

b. Less favorable or more uncertain economic outlook

	All Respondents	
	Banks	Percent
Not important	1	6.7
Somewhat important	3	20.0
Very important	11	73.3
Total	15	100

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

	All Respondents	
	Banks	Percent
Not important	2	15.4
Somewhat important	3	23.1
Very important	8	61.5
Total	13	100

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

	All Respondents	
	Banks	Percent
Not important	14	93.3
Somewhat important	1	6.7
Very important	0	0.0
Total	15	100

e. Reduced tolerance for risk

	All Respondents	
	Banks	Percent
Not important	5	33.3
Somewhat important	6	40.0
Very important	4	26.7
Total	15	100

f. Decreased liquidity in the secondary market for these loans

	All Respondents	
	Banks	Percent
Not important	4	26.7
Somewhat important	6	40.0
Very important	5	33.3
Total	15	100

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

	All Respondents	
	Banks	Percent
Not important	8	53.3
Somewhat important	7	46.7
Very important	0	0.0
Total	15	100

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

	All Respondents	
	Banks	Percent
Not important	12	80.0
Somewhat important	3	20.0
Very important	0	0.0
Total	15	100

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

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

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

b. More favorable or less uncertain economic outlook

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

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

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

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

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

e. Increased tolerance for risk

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

f. Increased liquidity in the secondary market for these loans

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

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

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

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

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

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	9	40.9
Moderately stronger	9	40.9
About the same	2	9.1
Moderately weaker	1	4.5
Substantially weaker	1	4.5
Total	22	100

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

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

a. Customer inventory financing needs increased

	All Respondents	
	Banks	**Percent**
Not important	11	78.6
Somewhat important	3	21.4
Very important	0	0.0
Total	14	100

b. Customer accounts receivable financing needs increased

	All Respondents	
	Banks	**Percent**
Not important	9	60.0
Somewhat important	5	33.3
Very important	1	6.7
Total	15	100

c. Customer investment in plant or equipment increased

	All Respondents	
	Banks	**Percent**
Not important	14	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	14	100

d. Customer internally generated funds decreased

	All Respondents	
	Banks	Percent
Not important	3	20.0
Somewhat important	5	33.3
Very important	7	46.7
Total	15	100

e. Customer merger or acquisition financing needs increased

	All Respondents	
	Banks	Percent
Not important	14	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	14	100

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	11	73.3
Somewhat important	1	6.7
Very important	3	20.0
Total	15	100

g. Customer precautionary demand for cash and liquidity increased

	All Respondents	
	Banks	Percent
Not important	0	0.0
Somewhat important	2	11.1
Very important	16	88.9
Total	18	100

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

a. Customer inventory financing needs decreased

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

b. Customer accounts receivable financing needs decreased

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

c. Customer investment in plant or equipment decreased

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

d. Customer internally generated funds increased

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

e. Customer merger or acquisition financing needs decreased

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

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

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

g. Customer precautionary demand for cash and liquidity decreased

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

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

	All Respondents	
	Banks	**Percent**
The number of inquiries has increased substantially	6	27.3
The number of inquiries has increased moderately	9	40.9
The number of inquiries has stayed about the same	6	27.3
The number of inquiries has decreased moderately	0	0.0
The number of inquiries has decreased substantially	1	4.5
Total	22	100

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

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	6	40.0
Tightened somewhat	4	26.7
Remained basically unchanged	4	26.7
Eased somewhat	1	6.7
Eased considerably	0	0.0
Total	15	100

For this question, 4 respondents answered "My bank does not originate CRE loans."

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

	All Respondents	
	Banks	**Percent**
Substantially stronger	1	6.7
Moderately stronger	2	13.3
About the same	6	40.0
Moderately weaker	2	13.3
Substantially weaker	4	26.7
Total	15	100

Questions 9-10 *ask about changes in demand for commercial and industrial (C&I) loans at your bank over the past six months across various industries, defined by North American Industry Classification System (NAICS) codes, and the reasons for those changes.*

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

A. Agriculture, forestry, fishing, and hunting (NAICS code 11):

	All Respondents	
	Banks	**Percent**
Substantially stronger	2	9.1
Moderately stronger	0	0.0
About the same	9	40.9
Moderately weaker	1	4.5
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	10	45.5
Total	22	100

B. Mining, utilities, and construction (NAICS codes 21-23):

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	5	22.7
About the same	11	50.0
Moderately weaker	2	9.1
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	4	18.2
Total	22	100

C. Manufacturing (NAICS codes 31-33):

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	12	54.5
About the same	8	36.4
Moderately weaker	1	4.5
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	1	4.5
Total	22	100

D. Retail and wholesale trade (NAICS codes 42-45):

	All Respondents	
	Banks	**Percent**
Substantially stronger	2	9.5
Moderately stronger	6	28.6
About the same	11	52.4
Moderately weaker	0	0.0
Substantially weaker	1	4.8
My bank does not originate loans to firms in this industry	1	4.8
Total	21	100

E. Transportation and warehousing (NAICS codes 48-49):

	All Respondents	
	Banks	Percent
Substantially stronger	3	13.6
Moderately stronger	4	18.2
About the same	11	50.0
Moderately weaker	2	9.1
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	2	9.1
Total	22	100

F. Information and professional, scientific, and technical services (NAICS codes 51 and 54):

	All Respondents	
	Banks	Percent
Substantially stronger	1	4.5
Moderately stronger	5	22.7
About the same	14	63.6
Moderately weaker	1	4.5
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	1	4.5
Total	22	100

G. Finance, insurance, and real estate rental and leasing (NAICS codes 52-53):

	All Respondents	
	Banks	Percent
Substantially stronger	1	4.8
Moderately stronger	5	23.8
About the same	13	61.9
Moderately weaker	1	4.8
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	1	4.8
Total	21	100

H. Other services except public administration and those in F and G (NAICS codes 55-81):

	All Respondents	
	Banks	Percent
Substantially stronger	0	0.0
Moderately stronger	4	19.0
About the same	15	71.4
Moderately weaker	1	4.8
Substantially weaker	0	0.0
My bank does not originate loans to firms in this industry	1	4.8
Total	21	100

10. If demand for C&I loans has strengthened or weakened over the past six months (as described in **questions 9A-9H**), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. If stronger loan demand (if you answered 1 or 2 to any of **questions 9A-9H**), possible reasons:

a. Customer inventory financing needs increased

	All Respondents	
	Banks	Percent
Not important	7	53.8
Somewhat important	6	46.2
Very important	0	0.0
Total	13	100

b. Customer accounts receivable financing needs increased

	All Respondents	
	Banks	Percent
Not important	7	53.8
Somewhat important	6	46.2
Very important	0	0.0
Total	13	100

c. Customer investment in plant or equipment increased

	All Respondents	
	Banks	Percent
Not important	9	75.0
Somewhat important	3	25.0
Very important	0	0.0
Total	12	100

d. Customer merger or acquisition financing needs increased

	All Respondents	
	Banks	Percent
Not important	8	61.5
Somewhat important	4	30.8
Very important	1	7.7
Total	13	100

e. Customer internally generated funds decreased

	All Respondents	
	Banks	Percent
Not important	5	41.7
Somewhat important	3	25.0
Very important	4	33.3
Total	12	100

f. Customer precautionary demand for cash and liquidity increased

	All Respondents	
	Banks	Percent
Not important	1	6.7
Somewhat important	4	26.7
Very important	10	66.7
Total	15	100

g. Customer borrowing shifted to your bank from other banks because these other sources became less attractive

	All Respondents	
	Banks	Percent
Not important	9	69.2
Somewhat important	3	23.1
Very important	1	7.7
Total	13	100

h. Customer borrowing shifted to your bank from nonbank sources (such as insurance companies, pension funds, and other nonbank financial institutions) because these other sources became less attractive

	All Respondents	
	Banks	Percent
Not important	11	84.6
Somewhat important	1	7.7
Very important	1	7.7
Total	13	100

i. Customer borrowing shifted to your bank from the corporate bond market because this other source became less attractive

	All Respondents	
	Banks	Percent
Not important	7	50.0
Somewhat important	2	14.3
Very important	5	35.7
Total	14	100

j. Given your bank's lending standards, more borrowers met its underwriting requirements

	All Respondents	
	Banks	Percent
Not important	12	92.3
Somewhat important	1	7.7
Very important	0	0.0
Total	13	100

B. If weaker loan demand (if you answered 4 or 5 to any of **questions 9A-9H**), possible reasons:

a. Customer inventory financing needs decreased

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

b. Customer accounts receivable financing needs decreased

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

c. Customer investment in plant or equipment decreased

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

d. Customer merger or acquisition financing needs decreased

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

e. Customer internally generated funds increased

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

f. Customer precautionary demand for cash and liquidity decreased

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

g. Customer borrowing shifted from your bank to other banks because these other sources became more attractive

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

h. Customer borrowing shifted from your bank to nonbank sources (such as insurance companies, pension funds, and other nonbank financial institutions) because these other sources became more attractive

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

i. Customer borrowing shifted from your bank to the corporate bond market because this other source became more attractive

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

j. Given your bank's lending standards, fewer borrowers met its underwriting requirements

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

Questions 11-14 *ask how your bank has changed its lending policies over the past year for three different types of* ***commercial real estate (CRE) loans****: construction and land development loans, loans secured by nonfarm nonresidential properties, and loans secured by multifamily residential properties.* ***Question 15*** *deals with changes in demand for CRE loans over the past year.*

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

A. Maximum loan size

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	0	0.0
Remained Basically Unchanged	6	100.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

B. Maximum loan maturity

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	0	0.0
Remained Basically Unchanged	6	100.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	1	16.7
Remained Basically Unchanged	5	83.3
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	16.7
Tightened Somewhat	0	0.0
Remained Basically Unchanged	5	83.3
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	16.7
Tightened Somewhat	0	0.0
Remained Basically Unchanged	4	66.7
Eased Somewhat	1	16.7
Eased Considerably	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	0	0.0
Remained Basically Unchanged	6	100.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	0	0.0
Remained Basically Unchanged	6	100.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	6	100

For this question, 14 respondents answered "My bank does not originate construction and land development loans."

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

A. Maximum loan size

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	7.7
Tightened Somewhat	3	23.1
Remained Basically Unchanged	8	61.5
Eased Somewhat	1	7.7
Eased Considerably	0	0.0
Total	13	100

B. Maximum loan maturity

	All Respondents	
	Banks	Percent
Tightened Considerably	1	7.7
Tightened Somewhat	0	0.0
Remained Basically Unchanged	12	92.3
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	13	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	2	15.4
Tightened Somewhat	4	30.8
Remained Basically Unchanged	7	53.8
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	13	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	1	7.7
Tightened Somewhat	4	30.8
Remained Basically Unchanged	7	53.8
Eased Somewhat	1	7.7
Eased Considerably	0	0.0
Total	13	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	1	7.7
Tightened Somewhat	3	23.1
Remained Basically Unchanged	8	61.5
Eased Somewhat	1	7.7
Eased Considerably	0	0.0
Total	13	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	0	0.0
Tightened Somewhat	4	30.8
Remained Basically Unchanged	7	53.8
Eased Somewhat	2	15.4
Eased Considerably	0	0.0
Total	13	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	0	0.0
Tightened Somewhat	2	15.4
Remained Basically Unchanged	11	84.6
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	13	100

For this question, 7 respondents answered "My bank does not originate nonfarm-nonresidential loans."

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

A. Maximum loan size

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	10.0
Tightened Somewhat	1	10.0
Remained Basically Unchanged	7	70.0
Eased Somewhat	1	10.0
Eased Considerably	0	0.0
Total	10	100

B. Maximum loan maturity

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	10.0
Tightened Somewhat	0	0.0
Remained Basically Unchanged	9	90.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	10	100

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

	All Respondents	
	Banks	**Percent**
Tightened Considerably	1	10.0
Tightened Somewhat	5	50.0
Remained Basically Unchanged	4	40.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	10	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	0	0.0
Tightened Somewhat	4	40.0
Remained Basically Unchanged	5	50.0
Eased Somewhat	1	10.0
Eased Considerably	0	0.0
Total	10	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	0	0.0
Tightened Somewhat	4	40.0
Remained Basically Unchanged	6	60.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	10	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	0	0.0
Tightened Somewhat	3	30.0
Remained Basically Unchanged	5	50.0
Eased Somewhat	2	20.0
Eased Considerably	0	0.0
Total	10	100

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

	All Respondents	
	Banks	Percent
Tightened Considerably	0	0.0
Tightened Somewhat	1	10.0
Remained Basically Unchanged	9	90.0
Eased Somewhat	0	0.0
Eased Considerably	0	0.0
Total	10	100

For this question, 10 respondents answered "My bank does not originate multifamliy loans."

14. If your bank has tightened or eased its credit policies for CRE loans over the past year (as described in questions 11-13 above), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. Possible reasons for tightening credit policies on CRE loans over the past year (where tightening corresponds to answers 1 or 2 in questions 11-13 above):

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

	All Respondents	
	Banks	Percent
Not important	1	12.5
Somewhat important	1	12.5
Very important	6	75.0
Total	8	100

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

	All Respondents	
	Banks	Percent
Not important	2	25.0
Somewhat important	2	25.0
Very important	4	50.0
Total	8	100

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

	All Respondents	
	Banks	Percent
Not important	2	25.0
Somewhat important	0	0.0
Very important	6	75.0
Total	8	100

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

	All Respondents	
	Banks	Percent
Not important	7	87.5
Somewhat important	1	12.5
Very important	0	0.0
Total	8	100

e. Reduced tolerance for risk

	All Respondents	
	Banks	Percent
Not important	3	37.5
Somewhat important	2	25.0
Very important	3	37.5
Total	8	100

f. Decreased ability to securitize CRE loans

	All Respondents	
	Banks	Percent
Not important	2	25.0
Somewhat important	3	37.5
Very important	3	37.5
Total	8	100

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

	All Respondents	
	Banks	**Percent**
Not important	6	75.0
Somewhat important	2	25.0
Very important	0	0.0
Total	8	100

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

	All Respondents	
	Banks	**Percent**
Not important	6	75.0
Somewhat important	2	25.0
Very important	0	0.0
Total	8	100

B. Possible reasons for easing credit policies on CRE loans over the past year (where easing corresponds to answers 4 or 5 in questions 11-13 above)

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

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

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

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

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

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

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

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

e. Increased tolerance for risk

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

f. Increased ability to securitize CRE loans

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

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

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

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

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

15. If demand for CRE loans from your bank has strengthened or weakened over the past year, how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

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

a. Customer acquisition or development of properties increased

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

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

	All Respondents	
	Banks	**Percent**
Not important	3	50.0
Somewhat important	2	33.3
Very important	1	16.7
Total	6	100

c. General level of interest rates decreased

	All Respondents	
	Banks	**Percent**
Not important	3	50.0
Somewhat important	2	33.3
Very important	1	16.7
Total	6	100

d. Customer internally generated funds decreased

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

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

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

f. Customer precautionary demand for cash and liquidity increased

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

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

a. Customer acquisition or development of properties decreased

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

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

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

c. General level of interest rates increased

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

d. Customer internally generated funds increased

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

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

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

f. Customer precautionary demand for cash and liquidity decreased

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

1. As of December 31, 2019, the 22 respondents had combined assets of $1.5 trillion, compared to $2.5 trillion for all foreign-related banking institutions in the United States. The sample is selected from among the largest foreign-related banking institutions in those Federal Reserve Districts where such institutions are common.

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