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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 2012 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures

The July 2012 Senior Loan Officer Opinion Survey on Bank Lending Practices

The July 2012 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 64 domestic banks and 23 U.S. branches and agencies of foreign banks.[1]

In the July survey, modest fractions of domestic banks, on balance, continued to report having eased their lending standards across most loan types over the past three months.[2] Relatively large fractions reported stronger demand for many types of loans over that period. In contrast, lending standards at U.S. branches and agencies of foreign banks continued to tighten for commercial and industrial (C&I) loans and were unchanged for commercial real estate (CRE) loans; demand for both types of loans reportedly weakened, on net, at those institutions.

At domestic banks, lending policies for loans to businesses generally eased over the past three months, and demand increased somewhat. Although a modest fraction of domestic banks reported having eased standards on C&I loans to large and middle-market firms, standards on loans to small firms were little changed on balance.[3] In addition, domestic banks continued to ease many terms on C&I loans to all types of firms. While loan demand from large and middle-market firms strengthened somewhat further over the past three months, loan demand from small firms was unchanged, on balance, over this period. A modest fraction of domestic banks reported that they had eased lending standards on CRE loans over the past three months, while a relatively sizable fraction, on net, continued to indicate that demand for such loans had strengthened.

Regarding loans to households, reported changes in standards were mixed across loan categories, while demand increased somewhat. Lending standards over the past three months were little changed, on net, for prime mortgages and tightened somewhat for nontraditional mortgages. However, a relatively large fraction of respondents reported having experienced stronger demand for prime mortgages over the same time period. Modest fractions of domestic banks, on net, indicated that they had eased standards on auto loans and on credit card loans. Standards on other consumer loans remained little changed. Small net fractions of banks reported increased demand for credit card and other consumer loans, while a relatively large fraction of banks reported an increase in demand for auto loans.

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[1] Respondent banks received the survey on or after July 3, 2012, and responses were due by July 17, 2012.

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

[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.

The July survey also contained three sets of special questions: The first set asked banks about lending to, and competition from, European banks; the second set asked about the revised Home Affordable Refinance Program (HARP 2.0); and the third set repeated a number of special questions from one year ago on the current level of standards relative to their range since 2005 for a broad variety of loan categories. In response to the first set, large fractions of both domestic and foreign banks that extend credit to banks headquartered in Europe or their affiliates or subsidiaries indicated that they had tightened standards on such loans over the past three months. A sizable fraction of domestic banks reported that their business had increased due to decreased competition from European banks and that they remain willing to accommodate additional such business. In response to the second set of special questions, about one-third of the respondents that are participating in HARP 2.0 reported that HARP refinance applications accounted for a significant share of total refinance applications over the past three months, and a large majority of respondents indicated that they anticipate that more than 60 percent of received HARP applications will be approved and successfully completed. Significant fractions of banks reported a number of factors limiting their participation in the program. Responses to the third set of questions suggested that lending standards for most categories of loans remained at least somewhat tighter, on balance, than the middle of their respective ranges since 2005.

Business Lending
(Table 1, questions 1–13; Table 2, questions 1–10)

Questions on commercial and industrial lending. A modest fraction of domestic banks continued to report having eased standards on C&I loans to large and middle-market firms; standards on loans to small firms were little changed, on balance, for the fourth consecutive survey. In contrast, a small number of U.S. branches and agencies of foreign banks reported having tightened their standards on C&I loans for the fourth consecutive quarter.

Domestic banks continued to ease many terms on C&I loans, on balance, regardless of firm size. In particular, relatively large fractions of respondents continued to indicate that they had narrowed the spreads on C&I loan rates over their cost of funds and had reduced their use of interest rate floors. In contrast, small fractions of foreign banks reported increasing the cost and reducing the maximum size of credit lines as well as raising premiums charged on riskier loans, while other C&I lending terms at those institutions changed little over the past three months.

Almost all domestic banks that reported having eased standards or terms on C&I loans continued to cite more-aggressive competition from other banks and nonbank lenders as a reason. Only about one-fourth of the banks that had eased lending policies had done so because of a more favorable or less uncertain economic outlook. Meanwhile, large majorities of the few banks, both domestic and foreign, that reported having tightened C&I credit standards or terms cited a less favorable or more uncertain economic outlook as the reason.

A significantly smaller net fraction of banks than in the previous survey reported stronger demand for C&I loans over the past three months. Only a modest fraction of domestic banks indicated that the demand for C&I loans by large and middle-market firms had been stronger, on balance, while demand for loans by small firms was unchanged on net. Domestic banks, on balance, also continued to report a rise in the number of inquiries from potential business borrowers regarding new or increased credit lines. In contrast, demand for C&I loans at foreign banks reportedly had weakened somewhat further for the second consecutive survey.

A large majority of the domestic banks that reported stronger demand for C&I loans cited increases in customers' funding needs related to inventories, accounts receivable, investment in plant or equipment, and mergers and acquisitions as important factors underlying the increase. At the same time, about one-fifth of domestic and foreign banks indicated weaker demand for C&I loans in the July survey, and most of those institutions reported that a decrease in investment in plant or equipment was an important factor.

Special questions on lending to and competition from European banks. A set of special questions in the July survey asked respondents about lending to, and competition from, banks headquartered in Europe and their affiliates and subsidiaries (regardless of the location of the affiliates or subsidiaries). Many of these questions were also asked in the previous three surveys.

A large fraction of both domestic and foreign banks that extend credit to European banks had tightened standards on such loans over the past three months—a fraction that was significantly higher than that in the April survey. Loan demand from European banks, however, was little changed on net. About one-half of domestic banks that compete with European banks reported that business had increased due to decreased competition from such banks. Furthermore, a very large majority of domestic respondents reported that they were willing to accommodate additional business in the second half of 2012 arising from decreased European competition. Slightly less than one-fourth of the domestic banks that experienced increases in C&I loans over the first half of this year indicated that either a moderate or a small portion of that increase had been attributable to purchases of loans from European banks.

Questions on commercial real estate lending. A modest fraction of domestic banks, on balance, reported having eased standards on CRE loans over the past three months, while a relatively sizable fraction, on net, continued to indicate having experienced stronger demand for such loans. In contrast, foreign survey respondents indicated that standards on such loans were unchanged for the second straight survey and that demand had been noticeably weaker, on net, over the past three months.

Lending to Households
(Table 1, questions 14–30)

Questions on residential real estate lending. On balance, domestic banks continued to report little change in lending standards for prime mortgages and having tightened standards somewhat for nontraditional mortgages over the past three months. Meanwhile, a relatively large net fraction of respondents reported having experienced stronger demand for prime and nontraditional mortgages over the same time period. In contrast, changes in both lending standards and demand for home equity lines of credit (HELOCs) were relatively muted on net over the past three months.

Special questions on the revised Home Affordable Refinance Program. A set of special questions asked domestic survey respondents about HARP 2.0. A majority of the large banks indicated that they had participated in HARP during the past three months, though only one-third of the other banks reported having done so. About one-third of the respondents that had participated in HARP reported that over the past three months between 30 percent and 70 percent of all refinance applications were attributable to HARP, while an additional one-third reported that between 10 percent and 30 percent were HARP applications. In addition, about two-thirds of those participating in HARP anticipate that more than 60 percent of these applications will be approved and successfully completed.

The July survey also asked banks to indicate to what extent various factors were affecting their willingness or ability to offer additional refinance loans through HARP. A large majority of banks reported that they had restricted their participation in HARP to those mortgages that they already serviced or held, while a smaller majority also indicated that the high volume of refinance applications had exceeded processing capacity. Many banks also reported that credit overlays that they had imposed on top of the HARP requirements were at least somewhat important factors in limiting their participation—a significant fraction of respondents reported having been unwilling to offer HARP refinance loans to some customers with high loan-to-value (LTV) ratios, limited or nonstandard documentation of income or assets, or low FICO scores. Almost all of the respondents that reported “Other” as being the most important factor for having been unwilling to offer HARP refinance loans specified that they did not participate in the program at all.

Questions on consumer lending. Moderate fractions of domestic banks reported that standards on auto loans had eased, on net, while somewhat smaller net fractions indicated that standards on credit card loans had eased. Standards on other consumer loans were about unchanged. Banks again reported having narrowed spreads on auto loans, while other terms across the three categories of consumer loans remained relatively little changed on net.

The fraction of respondents that indicated that they were more willing to make consumer installment loans now as opposed to three months ago remained elevated by historical standards, for the second consecutive survey.

A relatively large fraction of banks reported stronger demand for auto loans, on balance, while only modest net fractions of banks reported stronger demand for credit card loans and for other consumer loans. However, the share of banks that indicated that they had experienced higher demand was slightly smaller, on net, for all three loan categories than in the previous survey.

Special questions on the levels of lending standards relative to longer-term norms.
(Table 1, question 31; Table 2, question 11)

The July survey repeated a set of special questions from July 2011 that asked respondents to describe the current level of lending standards at their bank, rather than changes in standards over the survey period. Specifically, banks were asked to consider the range over which standards have varied between 2005 and the present for each loan category and to report where standards for such loans reside relative to the midpoint of that range.

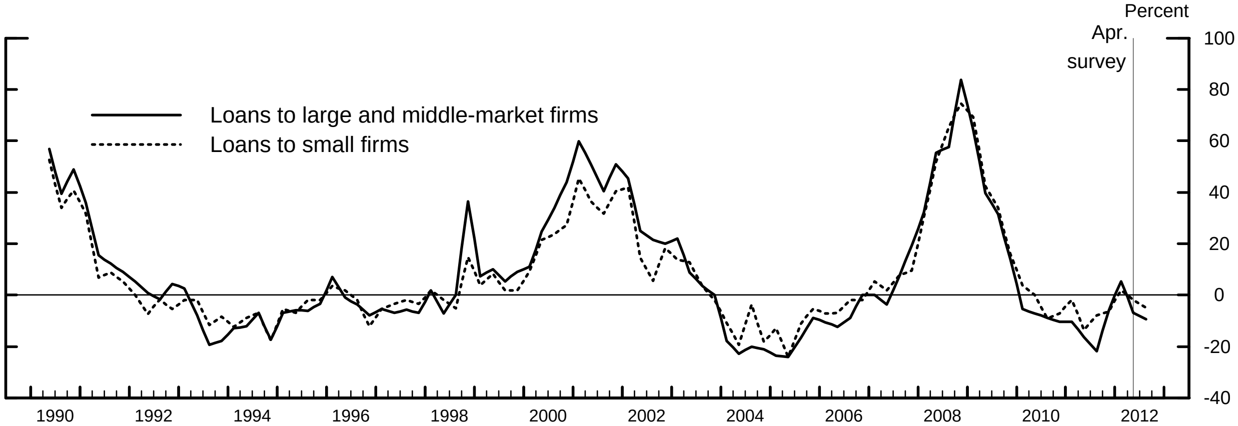
Regarding loans to businesses, large fractions of both domestic and foreign banks reported that lending standards on four different categories of C&I loans (investment-grade syndicated loans, below-investment-grade syndicated loans, other loans to large firms, and loans to small firms) were about at the middle of the range that those standards have occupied since 2005. A significant net fraction of domestic banks also reported that the current standards on all types of CRE loans (construction and land development loans; loans secured by nonfarm, nonresidential structures; and loans secured by multifamily structures) were tighter than the middle of the range that those standards have occupied since 2005, with very few banks reporting that standards were easier than the midpoint.

With respect to loans to households, a majority of the banks reported that lending standards for all five categories of residential mortgage loans included in the survey (prime conforming mortgages, prime jumbo mortgages, subprime mortgages, nontraditional mortgages, and HELOCs) were at least somewhat tighter than the middle of the range that those standards have occupied since 2005, while smaller but still significant fractions of domestic banks also reported that standards were tighter than the midpoint for prime credit card, subprime credit card, auto, and other consumer loans.

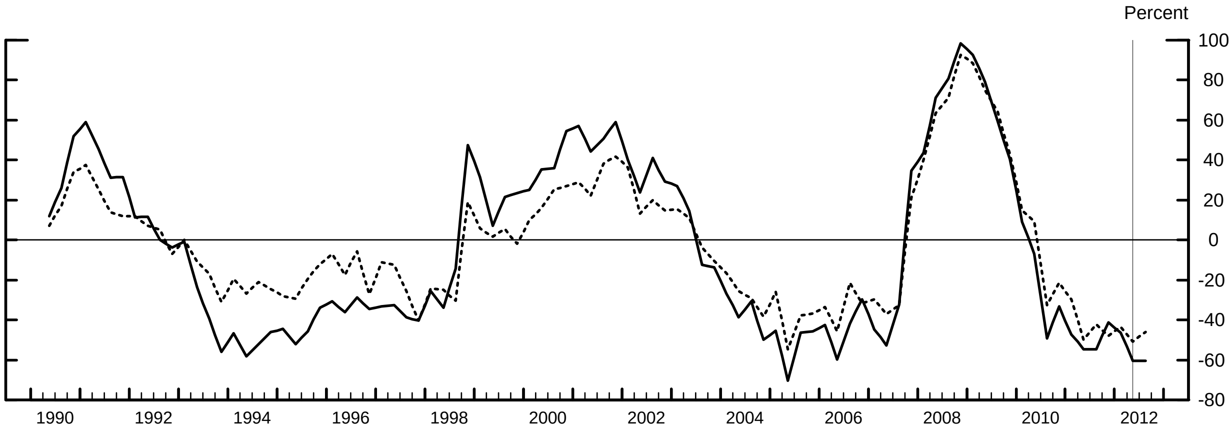
This document was prepared by Seung Jung Lee and Marcelo Rezende, with the assistance of Jane Brittingham and Sam Haltenhof, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

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

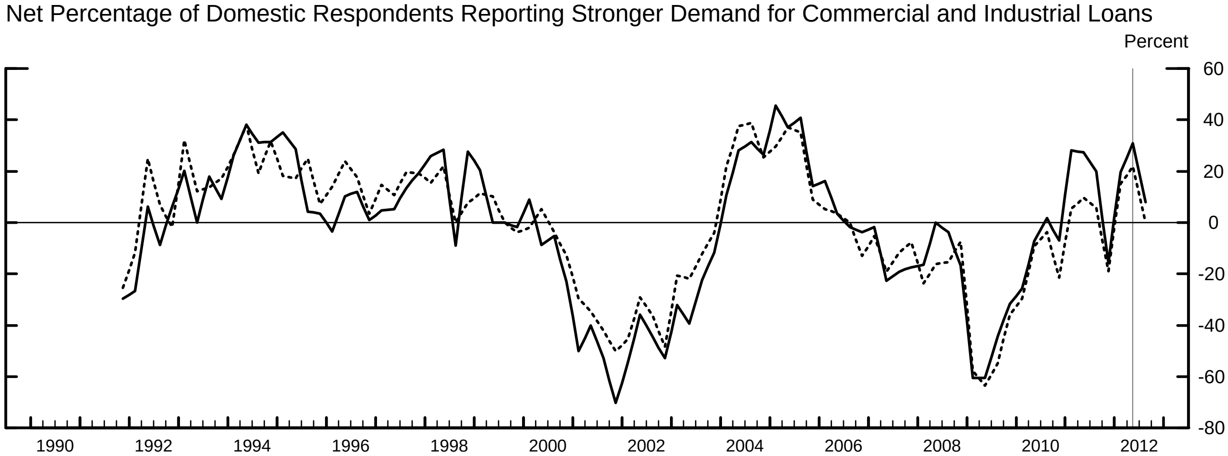
Net Percentage of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



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

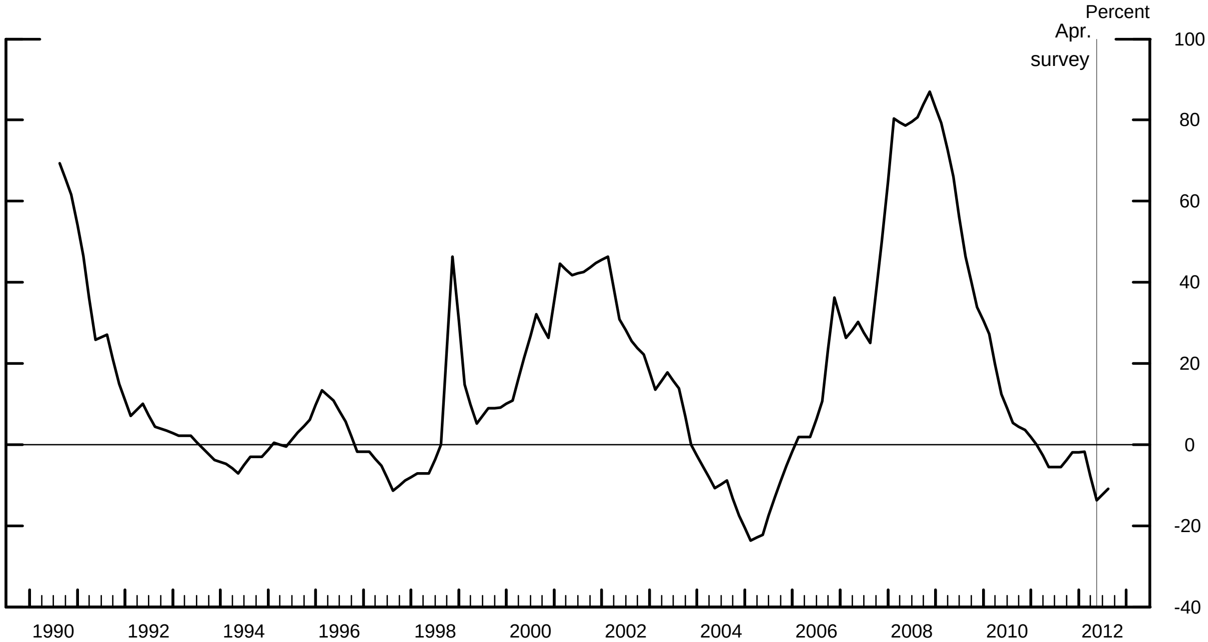


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

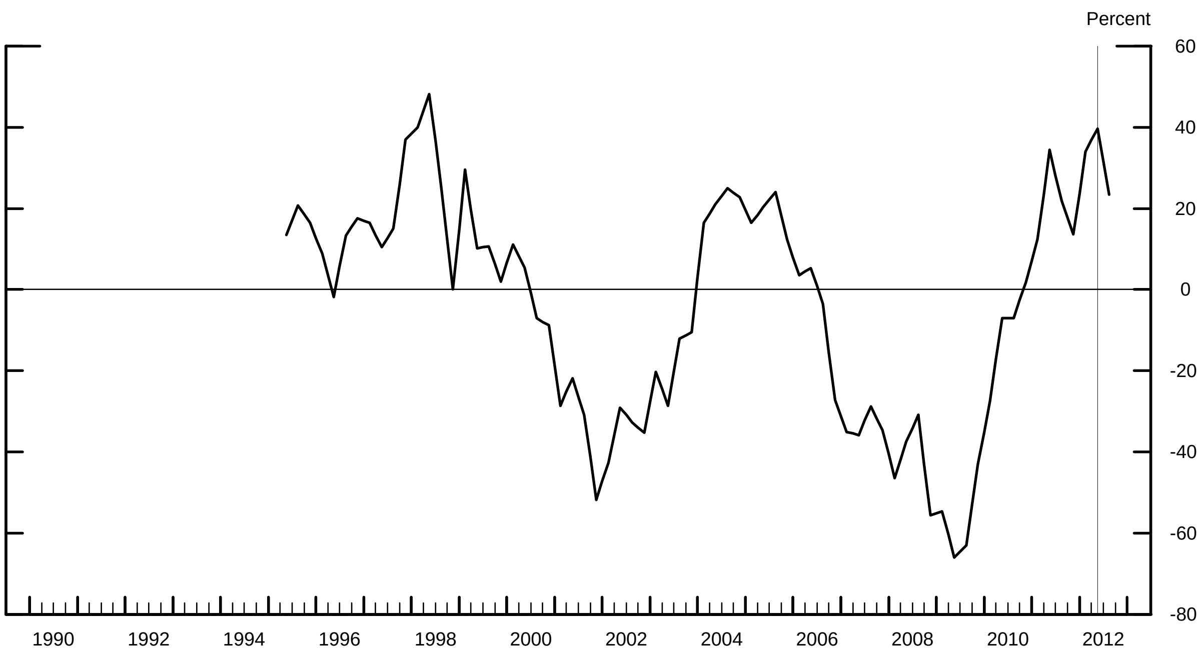


Measures of Supply and Demand for Commercial Real Estate Loans

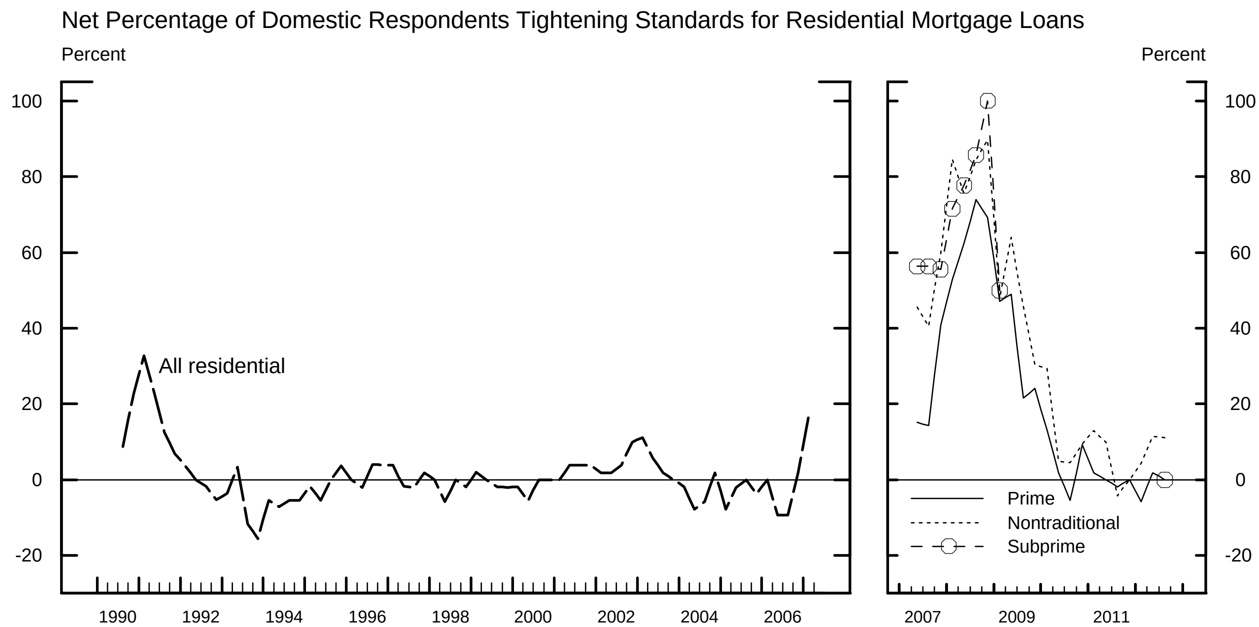
Net Percentage of Domestic Respondents Tightening Standards for Commercial Real Estate Loans



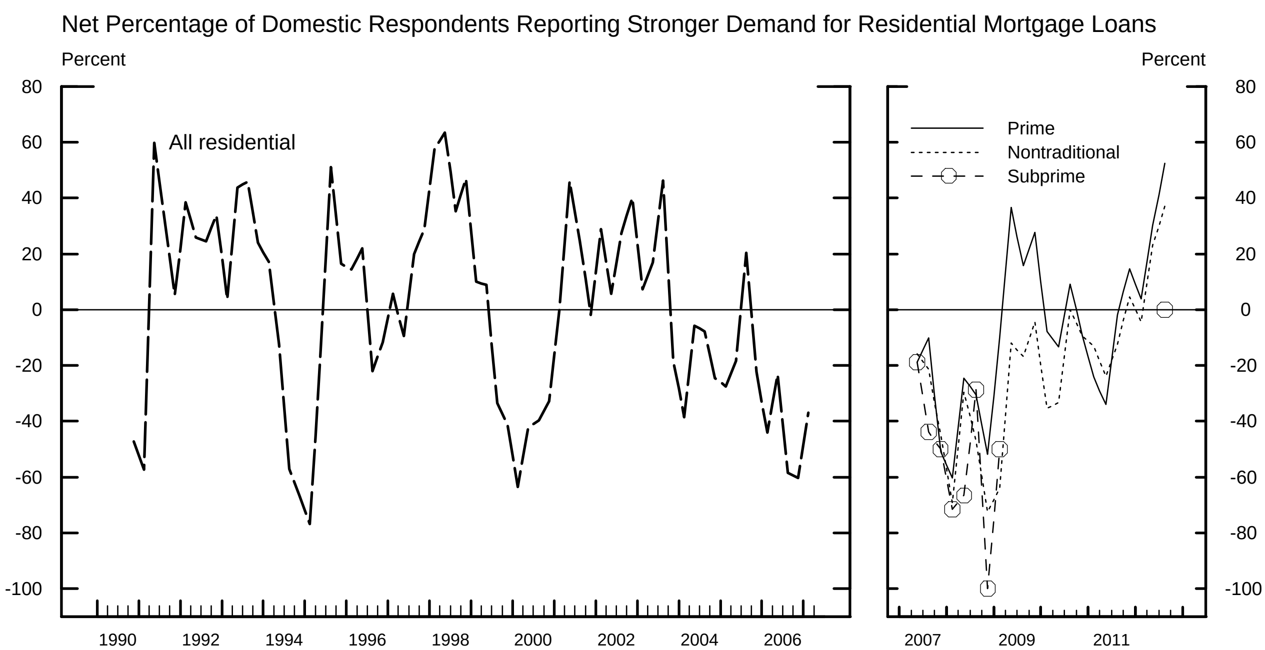
Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



Measures of Supply and Demand for Residential Mortgage Loans



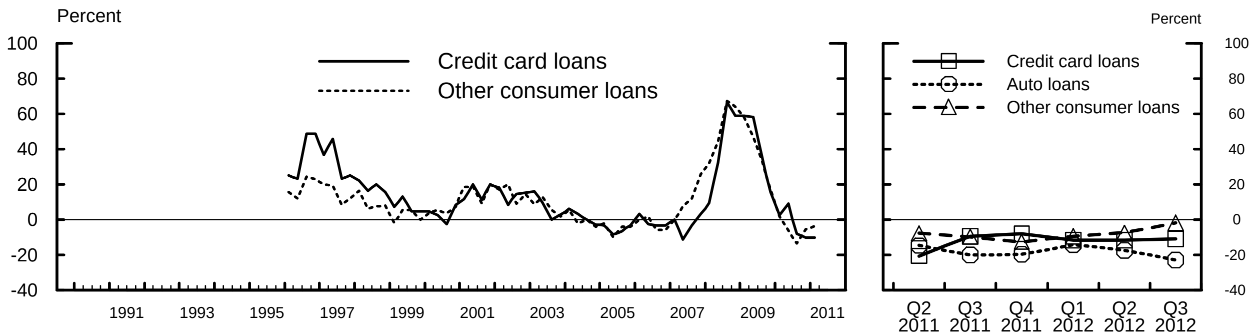
Note: For data starting in 2007:Q2, changes in standards for prime, nontraditional, and subprime mortgage loans are reported separately. Series are not reported when the number of respondents is three or fewer.



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.

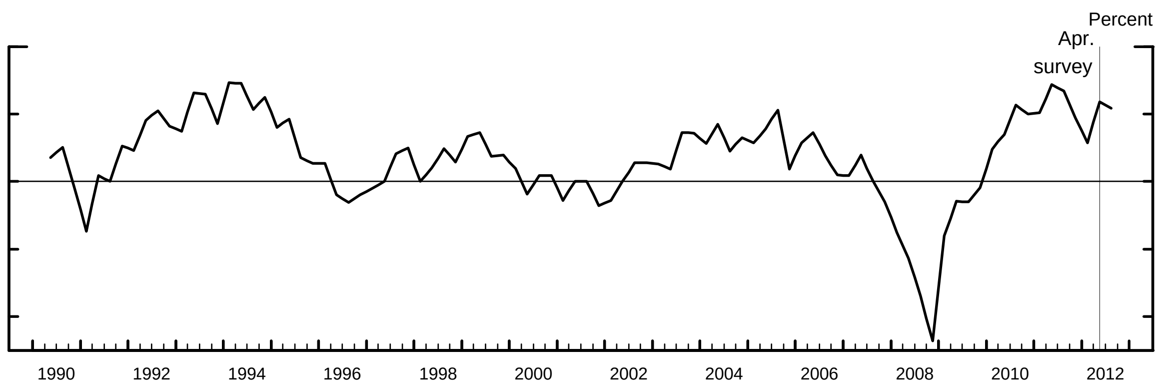
Measures of Supply and Demand for Consumer Loans

Net Percentage of Domestic Respondents Tightening Standards for Consumer Loans

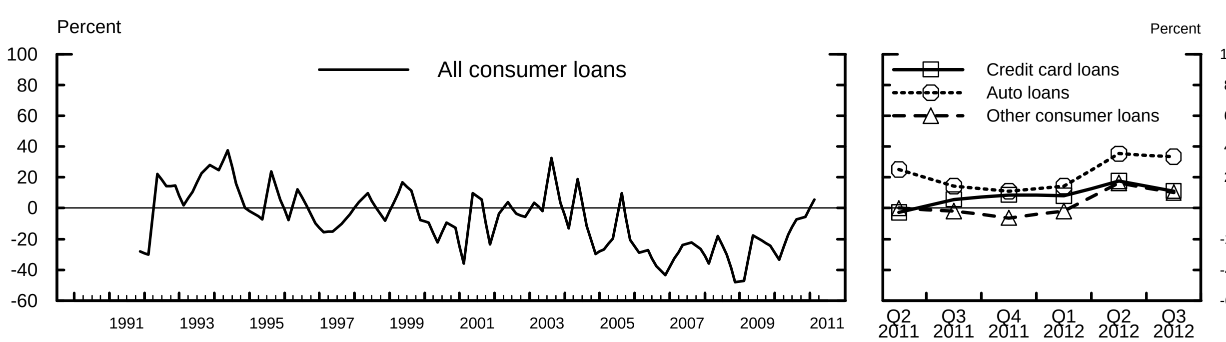


Note: For data starting in 2011:Q2, changes in standards for auto loans and consumer loans excluding credit card and auto loans are reported separately. In 2011:Q2 only, new and used auto loans are reported separately and equally weighted to calculate the auto loans series.

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 2012)

***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	57	90.5	33	91.7	24	88.9
Eased somewhat	6	9.5	3	8.3	3	11.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	58	95.1	31	93.9	27	96.4
Eased somewhat	3	4.9	2	6.1	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	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	3	4.8	2	5.6	1	3.7
Remained basically unchanged	48	76.2	28	77.8	20	74.1
Eased somewhat	12	19.0	6	16.7	6	22.2
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	1.6	1	2.8	0	0.0
Remained basically unchanged	52	82.5	30	83.3	22	81.5
Eased somewhat	10	15.9	5	13.9	5	18.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	1.6	1	2.8	0	0.0
Remained basically unchanged	43	68.3	26	72.2	17	63.0
Eased somewhat	18	28.6	9	25.0	9	33.3
Eased considerably	1	1.6	0	0.0	1	3.7
Total	63	100.0	36	100.0	27	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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	25	39.7	19	52.8	6	22.2
Eased somewhat	37	58.7	17	47.2	20	74.1
Eased considerably	1	1.6	0	0.0	1	3.7
Total	63	100.0	36	100.0	27	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	4	6.3	1	2.8	3	11.1
Remained basically unchanged	55	87.3	33	91.7	22	81.5
Eased somewhat	4	6.3	2	5.6	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	3	4.8	2	5.6	1	3.7
Remained basically unchanged	54	85.7	28	77.8	26	96.3
Eased somewhat	6	9.5	6	16.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	62	98.4	35	97.2	27	100.0
Eased somewhat	1	1.6	1	2.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	1	2.8	0	0.0
Remained basically unchanged	39	61.9	26	72.2	13	48.1
Eased somewhat	17	27.0	7	19.4	10	37.0
Eased considerably	6	9.5	2	5.6	4	14.8
Total	63	100.0	36	100.0	27	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	54	88.5	30	90.9	24	85.7
Eased somewhat	7	11.5	3	9.1	4	14.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	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	55	90.2	30	90.9	25	89.3
Eased somewhat	6	9.8	3	9.1	3	10.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	46	75.4	28	84.8	18	64.3
Eased somewhat	14	23.0	5	15.2	9	32.1
Eased considerably	1	1.6	0	0.0	1	3.6
Total	61	100.0	33	100.0	28	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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	33	54.1	23	69.7	10	35.7
Eased somewhat	27	44.3	10	30.3	17	60.7
Eased considerably	1	1.6	0	0.0	1	3.6
Total	61	100.0	33	100.0	28	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	8.2	1	3.0	4	14.3
Remained basically unchanged	54	88.5	31	93.9	23	82.1
Eased somewhat	2	3.3	1	3.0	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	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	3.3	1	3.0	1	3.6
Remained basically unchanged	56	91.8	29	87.9	27	96.4
Eased somewhat	3	4.9	3	9.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	61	100.0	33	100.0	28	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	61	100.0	33	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	1	3.0	0	0.0
Remained basically unchanged	40	65.6	24	72.7	16	57.1
Eased somewhat	14	23.0	5	15.2	9	32.1
Eased considerably	6	9.8	3	9.1	3	10.7
Total	61	100.0	33	100.0	28	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	8	88.9	5	100.0	3	75.0
Somewhat important	1	11.1	0	0.0	1	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	9	100.0	5	100.0	4	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	33.3	0	0.0	3	75.0
Somewhat important	5	55.6	5	100.0	0	0.0
Very important	1	11.1	0	0.0	1	25.0
Total	9	100.0	5	100.0	4	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	5	55.6	3	60.0	2	50.0
Somewhat important	3	33.3	1	20.0	2	50.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100.0	5	100.0	4	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	6	75.0	3	75.0	3	75.0
Somewhat important	1	12.5	1	25.0	0	0.0
Very important	1	12.5	0	0.0	1	25.0
Total	8	100.0	4	100.0	4	100.0

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	4	50.0	3	75.0	1	25.0
Somewhat important	3	37.5	1	25.0	2	50.0
Very important	1	12.5	0	0.0	1	25.0
Total	8	100.0	4	100.0	4	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	7	87.5	4	100.0	3	75.0
Somewhat important	1	12.5	0	0.0	1	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	8	100.0	4	100.0	4	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	7	87.5	4	100.0	3	75.0
Somewhat important	1	12.5	0	0.0	1	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	8	100.0	4	100.0	4	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	7	87.5	3	75.0	4	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	1	12.5	1	25.0	0	0.0
Total	8	100.0	4	100.0	4	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	36	92.3	18	94.7	18	90.0
Somewhat important	3	7.7	1	5.3	2	10.0
Very important	0	0.0	0	0.0	0	0.0
Total	39	100.0	19	100.0	20	100.0

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	28	71.8	16	84.2	12	60.0
Somewhat important	11	28.2	3	15.8	8	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	39	100.0	19	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	35	89.7	19	100.0	16	80.0
Somewhat important	4	10.3	0	0.0	4	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	39	100.0	19	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	3	7.5	1	5.3	2	9.5
Somewhat important	18	45.0	11	57.9	7	33.3
Very important	19	47.5	7	36.8	12	57.1
Total	40	100.0	19	100.0	21	100.0

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	32	82.1	18	94.7	14	70.0
Somewhat important	7	17.9	1	5.3	6	30.0
Very important	0	0.0	0	0.0	0	0.0
Total	39	100.0	19	100.0	20	100.0

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	33	84.6	16	84.2	17	85.0
Somewhat important	6	15.4	3	15.8	3	15.0
Very important	0	0.0	0	0.0	0	0.0
Total	39	100.0	19	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	32	82.1	17	89.5	15	75.0
Somewhat important	5	12.8	1	5.3	4	20.0
Very important	2	5.1	1	5.3	1	5.0
Total	39	100.0	19	100.0	20	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	34	91.9	19	100.0	15	83.3
Somewhat important	1	2.7	0	0.0	1	5.6
Very important	2	5.4	0	0.0	2	11.1
Total	37	100.0	19	100.0	18	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	15	23.8	6	16.7	9	33.3
About the same	38	60.3	24	66.7	14	51.9
Moderately weaker	10	15.9	6	16.7	4	14.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	63	100.0	36	100.0	27	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	11	18.0	4	12.1	7	25.0
About the same	39	63.9	24	72.7	15	53.6
Moderately weaker	11	18.0	5	15.2	6	21.4
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	61	100.0	33	100.0	28	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	3	16.7	2	25.0	1	10.0
Somewhat important	15	83.3	6	75.0	9	90.0
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	8	100.0	10	100.0

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	27.8	3	37.5	2	20.0
Somewhat important	13	72.2	5	62.5	8	80.0
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	8	100.0	10	100.0

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	6	33.3	4	50.0	2	20.0
Somewhat important	11	61.1	3	37.5	8	80.0
Very important	1	5.6	1	12.5	0	0.0
Total	18	100.0	8	100.0	10	100.0

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	17	94.4	7	87.5	10	100.0
Somewhat important	1	5.6	1	12.5	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	8	100.0	10	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	6	33.3	1	12.5	5	50.0
Somewhat important	12	66.7	7	87.5	5	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	18	100.0	8	100.0	10	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	8	44.4	3	37.5	5	50.0
Somewhat important	8	44.4	4	50.0	4	40.0
Very important	2	11.1	1	12.5	1	10.0
Total	18	100.0	8	100.0	10	100.0

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

a. Customer inventory financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	5	38.5	3	37.5	2	40.0
Somewhat important	8	61.5	5	62.5	3	60.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100.0	8	100.0	5	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	6	46.2	4	50.0	2	40.0
Somewhat important	7	53.8	4	50.0	3	60.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100.0	8	100.0	5	100.0

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	2	15.4	2	25.0	0	0.0
Somewhat important	9	69.2	6	75.0	3	60.0
Very important	2	15.4	0	0.0	2	40.0
Total	13	100.0	8	100.0	5	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	11	84.6	6	75.0	5	100.0
Somewhat important	1	7.7	1	12.5	0	0.0
Very important	1	7.7	1	12.5	0	0.0
Total	13	100.0	8	100.0	5	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	6	46.2	4	50.0	2	40.0
Somewhat important	6	46.2	3	37.5	3	60.0
Very important	1	7.7	1	12.5	0	0.0
Total	13	100.0	8	100.0	5	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	9	69.2	6	75.0	3	60.0
Somewhat important	3	23.1	1	12.5	2	40.0
Very important	1	7.7	1	12.5	0	0.0
Total	13	100.0	8	100.0	5	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
The number of inquiries has increased substantially	0	0.0	0	0.0	0	0.0
The number of inquiries has increased moderately	21	32.8	11	30.6	10	35.7
The number of inquiries has stayed about the same	33	51.6	19	52.8	14	50.0
The number of inquiries has decreased moderately	10	15.6	6	16.7	4	14.3
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

The ongoing fiscal and financial strains in Europe may have affected lending conditions and funding options for banks headquartered in Europe and their affiliates and subsidiaries. ***Question 7*** *addresses changes in your bank's lending policies toward these banking organizations over the past three months.* ***Question 8*** *addresses changes in these organizations' demand for funding at U.S. banks.* ***Question 9*** *asks about increased business at your bank as a result of decreased competition from European banks and their affiliates and subsidiaries.* ***Question 10*** *asks about your bank's willingness to accommodate additional such business.* ***Question 11*** *addresses the extent to which purchases of outstanding C&I loan balances from European banks and their affiliates and subsidiaries have contributed to recent C&I loan growth at your bank.*

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

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

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	1	4.5	1	4.8	0	0.0
Tightened somewhat	13	59.1	12	57.1	1	100.0
Remained basically unchanged	8	36.4	8	38.1	0	0.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	22	100.0	21	100.0	1	100.0

For this question, 40 respondents answered "My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries."

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	2	9.1	2	9.5	0	0.0
About the same	19	86.4	18	85.7	1	100.0
Moderately weaker	1	4.5	1	4.8	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	22	100.0	21	100.0	1	100.0

For this question, 41 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
My bank does not compete with European banks for our business	27	43.5	5	14.3	22	81.5
My bank has not experienced a decrease in competition from European banks	3	4.8	2	5.7	1	3.7
Such decreased competition has not appreciably increased business	15	24.2	14	40.0	1	3.7
Such decreased competition has increased business to some extent	17	27.4	14	40.0	3	11.1
Such decreased competition has increased business to a considerable extent	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	100.0	27	100.0

For this question, 1 respondent answered “Other (please specify).”

10. Please indicate your bank's willingness to accommodate business arising from reduced competition with European banks and their affiliates during the second half of 2012.

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Very willing	19	32.2	12	34.3	7	29.2
Somewhat willing	29	49.2	20	57.1	9	37.5
Not willing	11	18.6	3	8.6	8	33.3
Total	59	100.0	35	100.0	24	100.0

11. According to the Federal Reserve’s H.8 statistical release, “Assets and Liabilities of Commercial Banks in the United States,” C&I loans at domestic banks have continued to increase robustly over the first six months of 2012. If outstanding C&I loans at your bank have increased over the past 6 months, approximately what portion of that increase has been due to purchases of outstanding C&I loan balances from European banks and their affiliates and subsidiaries?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Almost all	0	0.0	0	0.0	0	0.0
A significant portion	0	0.0	0	0.0	0	0.0
A moderate portion	2	3.4	2	5.6	0	0.0
A small portion	11	19.0	9	25.0	2	9.1
None at all	45	77.6	25	69.4	20	90.9
Total	58	100.0	36	100.0	22	100.0

For this question, 4 respondents answered “My bank has not experienced growth in C&I loans in the first six months of 2012.”

Questions 12-13 *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 12 deals with changes in your bank's standards over the past three months. Question 13 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.*

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.6
Remained basically unchanged	55	85.9	30	83.3	25	89.3
Eased somewhat	8	12.5	6	16.7	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

13. 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	1	1.6	1	2.8	0	0.0
Moderately stronger	19	29.7	11	30.6	8	28.6
About the same	39	60.9	21	58.3	18	64.3
Moderately weaker	5	7.8	3	8.3	2	7.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

Questions 14-15 *ask about three categories of* ***residential mortgage loans*** *at your bank—prime residential mortgages, nontraditional residential mortgages, and subprime residential mortgages. Question 14 deals with changes in your bank's credit standards for loans in each of these categories over the past three months. Question 15 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.*

14. 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	1	1.6	0	0.0	1	3.7
Tightened somewhat	1	1.6	0	0.0	1	3.7
Remained basically unchanged	57	93.4	32	94.1	25	92.6
Eased somewhat	2	3.3	2	5.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	34	100.0	27	100.0

For this question, 2 respondents answered “My bank does not originate prime residential mortgages.”

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	14.8	4	23.5	0	0.0
Remained basically unchanged	22	81.5	12	70.6	10	100.0
Eased somewhat	1	3.7	1	5.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	27	100.0	17	100.0	10	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	6	100.0	4	100.0	2	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

For this question, 56 respondents answered "My bank does not originate subprime residential mortgages."

15. 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	6	9.8	1	2.9	5	18.5
Moderately stronger	29	47.5	18	52.9	11	40.7
About the same	23	37.7	13	38.2	10	37.0
Moderately weaker	3	4.9	2	5.9	1	3.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	61	100.0	34	100.0	27	100.0

For this question, 2 respondents answered “My bank does not originate prime residential mortgages.”

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	11	40.7	7	41.2	4	40.0
About the same	15	55.6	9	52.9	6	60.0
Moderately weaker	1	3.7	1	5.9	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	27	100.0	17	100.0	10	100.0

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	0	0.0	0	0.0	0	0.0
About the same	6	100.0	4	100.0	2	100.0
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	6	100.0	4	100.0	2	100.0

For this question, 56 respondents answered “My bank does not originate subprime residential mortgages.”

Questions 16-17 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 16 deals with changes in your bank's credit standards over the past three months. Question 17 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.*

16. 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	1.6	1	2.9	0	0.0
Remained basically unchanged	61	96.8	34	97.1	27	96.4
Eased somewhat	1	1.6	0	0.0	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100.0	35	100.0	28	100.0

17. 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	14	22.2	7	20.0	7	25.0
About the same	39	61.9	21	60.0	18	64.3
Moderately weaker	10	15.9	7	20.0	3	10.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	63	100.0	35	100.0	28	100.0

Questions 18-20 *ask about the revised Home Affordable Refinance Program (``HARP 2.0'').*

18. Over the past three months, about what proportion of refinance applications that your bank has received can be attributed to HARP 2.0?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
More than 70 percent	0	0.0	0	0.0	0	0.0
Between 50 and 70 percent	2	6.7	2	9.5	0	0.0
Between 30 and 50 percent	8	26.7	7	33.3	1	11.1
Between 10 and 30 percent	9	30.0	7	33.3	2	22.2
Less than 10 percent	11	36.7	5	23.8	6	66.7
Total	30	100.0	21	100.0	9	100.0

For this question, 32 respondents answered “My bank has very little participation in HARP 2.0.”

19. Based on your experience to date with HARP 2.0, about what share of applications under HARP 2.0 do you anticipate will be approved and successfully completed?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
More than 80 percent	7	23.3	5	23.8	2	22.2
Between 60 and 80 percent	13	43.3	11	52.4	2	22.2
Between 40 and 60 percent	5	16.7	3	14.3	2	22.2
Between 20 and 40 percent	4	13.3	2	9.5	2	22.2
Less than 20 percent	1	3.3	0	0.0	1	11.1
Total	30	100.0	21	100.0	9	100.0

For this question, 32 respondents answered "My bank has very little participation in HARP 2.0."

20. Indicate to what extent each of the following factors is currently affecting your bank's willingness or ability to offer additional refinance loans through HARP 2.0. (Please assign each possible factor a number between 1 and 4 using the following scale: 1= not important, 2=somewhat important, 3=very important, 4=the most important.)

a. My bank does not offer HARP 2.0 refinances to borrowers with very high loan-to-value (LTV) ratios

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	25	51.0	17	58.6	8	40.0
Somewhat important	9	18.4	5	17.2	4	20.0
Very important	11	22.4	5	17.2	6	30.0
The most important	4	8.2	2	6.9	2	10.0
Total	49	100.0	29	100.0	20	100.0

b. My bank requires higher FICO scores (or other measures of creditworthiness) than are required by HARP 2.0

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	30	58.8	19	65.5	11	50.0
Somewhat important	9	17.6	5	17.2	4	18.2
Very important	8	15.7	3	10.3	5	22.7
The most important	4	7.8	2	6.9	2	9.1
Total	51	100.0	29	100.0	22	100.0

c. My bank does not offer HARP 2.0 refinances to borrowers with limited or nonstandard documentation of income or assets

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	27	55.1	20	71.4	7	33.3
Somewhat important	4	8.2	2	7.1	2	9.5
Very important	13	26.5	5	17.9	8	38.1
The most important	5	10.2	1	3.6	4	19.0
Total	49	100.0	28	100.0	21	100.0

d. My bank offers HARP 2.0 refinances only on mortgages that my bank already owns or services

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	14	28.6	12	41.4	2	10.0
Somewhat important	11	22.4	8	27.6	3	15.0
Very important	12	24.5	5	17.2	7	35.0
The most important	12	24.5	4	13.8	8	40.0
Total	49	100.0	29	100.0	20	100.0

e. Periods of high volume of loan refinance applications exceed my bank's refinance application processing capacity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	21	42.9	12	41.4	9	45.0
Somewhat important	10	20.4	8	27.6	2	10.0
Very important	12	24.5	5	17.2	7	35.0
The most important	6	12.2	4	13.8	2	10.0
Total	49	100.0	29	100.0	20	100.0

f. Other (please specify)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	1	7.7	1	12.5	0	0.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	15.4	2	25.0	0	0.0
The most important	10	76.9	5	62.5	5	100.0
Total	13	100.0	8	100.0	5	100.0

Questions 21-30 *ask about consumer lending at your bank. Question 21 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 22-27 deal with changes in credit standards and loan terms over the same period. Questions 28-30 deal with changes in demand for consumer loans over the past three months. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

21. Please indicate your bank's willingness to make consumer installment loans now as opposed to three months ago.

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Much more willing	0	0.0	0	0.0	0	0.0
Somewhat more willing	14	23.3	6	18.2	8	29.6
About unchanged	45	75.0	26	78.8	19	70.4
Somewhat less willing	0	0.0	0	0.0	0	0.0
Much less willing	1	1.7	1	3.0	0	0.0
Total	60	100.0	33	100.0	27	100.0

22. Over the past three months, how have your bank's credit standards for approving applications for credit cards from individuals or households changed?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	41	89.1	21	80.8	20	100.0
Eased somewhat	5	10.9	5	19.2	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	46	100.0	26	100.0	20	100.0

23. Over the past three months, how have your bank's credit standards for approving applications for auto loans to individuals or households changed? (Please include loans arising from retail sales of passenger cars and other vehicles such as minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use, whether new or used. Please exclude loans to finance fleet sales, personal cash loans secured by automobiles already paid for, loans to finance the purchase of commercial vehicles and farm equipment, and lease financing.)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	44	77.2	22	73.3	22	81.5
Eased somewhat	12	21.1	7	23.3	5	18.5
Eased considerably	1	1.8	1	3.3	0	0.0
Total	57	100.0	30	100.0	27	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	1	1.7	1	3.0	0	0.0
Tightened somewhat	1	1.7	1	3.0	0	0.0
Remained basically unchanged	55	91.7	29	87.9	26	96.3
Eased somewhat	3	5.0	2	6.1	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100.0	33	100.0	27	100.0

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

a. Credit limits

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	7.0	2	8.0	1	5.6
Remained basically unchanged	34	79.1	17	68.0	17	94.4
Eased somewhat	5	11.6	5	20.0	0	0.0
Eased considerably	1	2.3	1	4.0	0	0.0
Total	43	100.0	25	100.0	18	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.3	1	4.0	0	0.0
Remained basically unchanged	41	95.3	24	96.0	17	94.4
Eased somewhat	1	2.3	0	0.0	1	5.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	43	100.0	25	100.0	18	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	2	4.7	2	8.0	0	0.0
Remained basically unchanged	40	93.0	23	92.0	17	94.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	1	2.3	0	0.0	1	5.6
Total	43	100.0	25	100.0	18	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	40	93.0	23	92.0	17	94.4
Eased somewhat	3	7.0	2	8.0	1	5.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	43	100.0	25	100.0	18	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	42	97.7	24	96.0	18	100.0
Eased somewhat	1	2.3	1	4.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	43	100.0	25	100.0	18	100.0

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

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	89.3	24	82.8	26	96.3
Eased somewhat	5	8.9	4	13.8	1	3.7
Eased considerably	1	1.8	1	3.4	0	0.0
Total	56	100.0	29	100.0	27	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.4	3	10.3	0	0.0
Remained basically unchanged	35	62.5	22	75.9	13	48.1
Eased somewhat	18	32.1	4	13.8	14	51.9
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	29	100.0	27	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	50	89.3	27	93.1	23	85.2
Eased somewhat	6	10.7	2	6.9	4	14.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	29	100.0	27	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	53	94.6	26	89.7	27	100.0
Eased somewhat	3	5.4	3	10.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	29	100.0	27	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	54	98.2	28	96.6	26	100.0
Eased somewhat	1	1.8	1	3.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	29	100.0	26	100.0

27. Over the past three months, how has your bank changed the following terms and conditions on consumer loans *other than* credit card and auto loans?

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	1	1.7	1	3.1	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	57	96.6	31	96.9	26	96.3
Eased somewhat	1	1.7	0	0.0	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	32	100.0	27	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	1	1.7	1	3.1	0	0.0
Tightened somewhat	1	1.7	0	0.0	1	3.7
Remained basically unchanged	48	81.4	31	96.9	17	63.0
Eased somewhat	9	15.3	0	0.0	9	33.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	32	100.0	27	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	1	1.7	1	3.1	0	0.0
Tightened somewhat	1	1.7	1	3.1	0	0.0
Remained basically unchanged	57	96.6	30	93.8	27	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	59	100.0	32	100.0	27	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	1	1.7	1	3.1	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	56	94.9	29	90.6	27	100.0
Eased somewhat	2	3.4	2	6.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	32	100.0	27	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	1	1.7	1	3.1	0	0.0
Tightened somewhat	2	3.4	2	6.3	0	0.0
Remained basically unchanged	55	93.2	28	87.5	27	100.0
Eased somewhat	1	1.7	1	3.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	32	100.0	27	100.0

28. Apart from normal seasonal variation, how has demand from individuals or households for credit card loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	6	13.3	5	19.2	1	5.3
About the same	38	84.4	21	80.8	17	89.5
Moderately weaker	1	2.2	0	0.0	1	5.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	45	100.0	26	100.0	19	100.0

29. Apart from normal seasonal variation, how has demand from individuals or households for auto loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.8	0	0.0	1	3.7
Moderately stronger	21	36.8	12	40.0	9	33.3
About the same	32	56.1	16	53.3	16	59.3
Moderately weaker	3	5.3	2	6.7	1	3.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	57	100.0	30	100.0	27	100.0

30. Apart from normal seasonal variation, how has demand from individuals or households for consumer loans other than credit card and auto loans changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	9	15.0	3	9.1	6	22.2
About the same	48	80.0	29	87.9	19	70.4
Moderately weaker	3	5.0	1	3.0	2	7.4
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	60	100.0	33	100.0	27	100.0

***Question 31** asks you to describe the current level of lending standards at your bank relative to the range of standards that has prevailed between 2005 and the present. 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.*

31. Using the range between the tightest and the easiest that lending 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 relative to that range?

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**
Near the easiest level that standards have been during this period	1	1.7	0	0.0	1	4.2
Significantly easier than the midpoint of the range that standards have been during this period	3	5.1	2	5.7	1	4.2
Somewhat easier than the midpoint of the range that standards have been during this period	14	23.7	9	25.7	5	20.8
Near the middle of the range that standards have been during this period	24	40.7	19	54.3	5	20.8
Somewhat tighter than the midpoint of the range that standards have been during this period	11	18.6	4	11.4	7	29.2
Significantly tighter than the midpoint of the range that standards have been during this period	3	5.1	0	0.0	3	12.5
Near the tightest level that standards have been during this period	3	5.1	1	2.9	2	8.3
Total	59	100.0	35	100.0	24	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**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	1	1.7	1	2.9	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	11	19.0	7	20.0	4	17.4
Near the middle of the range that standards have been during this period	20	34.5	15	42.9	5	21.7
Somewhat tighter than the midpoint of the range that standards have been during this period	13	22.4	8	22.9	5	21.7
Significantly tighter than the midpoint of the range that standards have been during this period	6	10.3	1	2.9	5	21.7
Near the tightest level that standards have been during this period	7	12.1	3	8.6	4	17.4
Total	58	100.0	35	100.0	23	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
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	11	17.7	6	17.1	5	18.5
Near the middle of the range that standards have been during this period	33	53.2	23	65.7	10	37.0
Somewhat tighter than the midpoint of the range that standards have been during this period	15	24.2	6	17.1	9	33.3
Significantly tighter than the midpoint of the range that standards have been during this period	1	1.6	0	0.0	1	3.7
Near the tightest level that standards have been during this period	2	3.2	0	0.0	2	7.4
Total	62	100.0	35	100.0	27	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
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	14	23.0	8	24.2	6	21.4
Near the middle of the range that standards have been during this period	23	37.7	17	51.5	6	21.4
Somewhat tighter than the midpoint of the range that standards have been during this period	20	32.8	8	24.2	12	42.9
Significantly tighter than the midpoint of the range that standards have been during this period	3	4.9	0	0.0	3	10.7
Near the tightest level that standards have been during this period	1	1.6	0	0.0	1	3.6
Total	61	100.0	33	100.0	28	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**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	3	4.8	1	2.9	2	7.1
Near the middle of the range that standards have been during this period	8	12.9	6	17.6	2	7.1
Somewhat tighter than the midpoint of the range that standards have been during this period	17	27.4	11	32.4	6	21.4
Significantly tighter than the midpoint of the range that standards have been during this period	17	27.4	10	29.4	7	25.0
Near the tightest level that standards have been during this period	17	27.4	6	17.6	11	39.3
Total	62	100.0	34	100.0	28	100.0

b. For nonfarm nonresidential purposes

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	1	1.6	1	2.9	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	1	1.6	0	0.0	1	3.6
Near the middle of the range that standards have been during this period	25	39.7	15	42.9	10	35.7
Somewhat tighter than the midpoint of the range that standards have been during this period	20	31.7	11	31.4	9	32.1
Significantly tighter than the midpoint of the range that standards have been during this period	14	22.2	8	22.9	6	21.4
Near the tightest level that standards have been during this period	2	3.2	0	0.0	2	7.1
Total	63	100.0	35	100.0	28	100.0

c. For multifamily purposes

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	2	3.2	2	5.9	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	6	9.7	3	8.8	3	10.7
Near the middle of the range that standards have been during this period	26	41.9	16	47.1	10	35.7
Somewhat tighter than the midpoint of the range that standards have been during this period	22	35.5	13	38.2	9	32.1
Significantly tighter than the midpoint of the range that standards have been during this period	6	9.7	0	0.0	6	21.4
Near the tightest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Total	62	100.0	34	100.0	28	100.0

C. Residential real estate:

a. Closed-end loans that your bank categorizes as prime residential mortgages with principal balances less than or equal to the conforming loan limits announced by the FHFA or that qualify for a guarantee from the Federal Housing Administration or the U.S. Department of Veterans Affairs

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	1	1.7	1	2.9	0	0.0
Near the middle of the range that standards have been during this period	24	40.0	11	32.4	13	50.0
Somewhat tighter than the midpoint of the range that standards have been during this period	17	28.3	10	29.4	7	26.9
Significantly tighter than the midpoint of the range that standards have been during this period	13	21.7	10	29.4	3	11.5
Near the tightest level that standards have been during this period	5	8.3	2	5.9	3	11.5
Total	60	100.0	34	100.0	26	100.0

b. Closed-end loans that your bank categorizes as prime residential mortgages (as described in questions 14A and 15A) 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**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	1	1.7	0	0.0	1	3.8
Near the middle of the range that standards have been during this period	19	31.7	10	29.4	9	34.6
Somewhat tighter than the midpoint of the range that standards have been during this period	15	25.0	9	26.5	6	23.1
Significantly tighter than the midpoint of the range that standards have been during this period	18	30.0	11	32.4	7	26.9
Near the tightest level that standards have been during this period	7	11.7	4	11.8	3	11.5
Total	60	100.0	34	100.0	26	100.0

c. Closed-end loans that your bank categorizes as nontraditional residential mortgages (as described in questions 14B and 15B)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Near the middle of the range that standards have been during this period	13	31.7	5	20.0	8	50.0
Somewhat tighter than the midpoint of the range that standards have been during this period	6	14.6	4	16.0	2	12.5
Significantly tighter than the midpoint of the range that standards have been during this period	9	22.0	7	28.0	2	12.5
Near the tightest level that standards have been during this period	13	31.7	9	36.0	4	25.0
Total	41	100.0	25	100.0	16	100.0

d. Closed-end loans that your bank categorizes as subprime residential mortgages (as described in questions 14C and 15C)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Near the middle of the range that standards have been during this period	4	18.2	0	0.0	4	40.0
Somewhat tighter than the midpoint of the range that standards have been during this period	2	9.1	1	8.3	1	10.0
Significantly tighter than the midpoint of the range that standards have been during this period	6	27.3	5	41.7	1	10.0
Near the tightest level that standards have been during this period	10	45.5	6	50.0	4	40.0
Total	22	100.0	12	100.0	10	100.0

e. Revolving home equity lines of credit

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	1	1.7	0	0.0	1	4.2
Near the middle of the range that standards have been during this period	17	29.3	7	20.6	10	41.7
Somewhat tighter than the midpoint of the range that standards have been during this period	17	29.3	10	29.4	7	29.2
Significantly tighter than the midpoint of the range that standards have been during this period	17	29.3	13	38.2	4	16.7
Near the tightest level that standards have been during this period	6	10.3	4	11.8	2	8.3
Total	58	100.0	34	100.0	24	100.0

D. Consumer lending:

a. Credit card loans that your bank categorizes as prime credit card loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	1	2.5	1	4.2	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	3	7.5	2	8.3	1	6.3
Near the middle of the range that standards have been during this period	23	57.5	13	54.2	10	62.5
Somewhat tighter than the midpoint of the range that standards have been during this period	7	17.5	3	12.5	4	25.0
Significantly tighter than the midpoint of the range that standards have been during this period	6	15.0	5	20.8	1	6.3
Near the tightest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Total	40	100.0	24	100.0	16	100.0

b. Credit card loans that your bank categorizes as subprime credit card loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	0	0.0	0	0.0	0	0.0
Near the middle of the range that standards have been during this period	10	38.5	6	42.9	4	33.3
Somewhat tighter than the midpoint of the range that standards have been during this period	4	15.4	1	7.1	3	25.0
Significantly tighter than the midpoint of the range that standards have been during this period	3	11.5	1	7.1	2	16.7
Near the tightest level that standards have been during this period	9	34.6	6	42.9	3	25.0
Total	26	100.0	14	100.0	12	100.0

c. Auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	3	5.5	1	3.6	2	7.4
Somewhat easier than the midpoint of the range that standards have been during this period	8	14.5	6	21.4	2	7.4
Near the middle of the range that standards have been during this period	23	41.8	9	32.1	14	51.9
Somewhat tighter than the midpoint of the range that standards have been during this period	13	23.6	6	21.4	7	25.9
Significantly tighter than the midpoint of the range that standards have been during this period	8	14.5	6	21.4	2	7.4
Near the tightest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Total	55	100.0	28	100.0	27	100.0

d. Consumer loans other than credit card and auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Near the easiest level that standards have been during this period	0	0.0	0	0.0	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	1	1.7	1	3.2	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	2	3.4	1	3.2	1	3.7
Near the middle of the range that standards have been during this period	30	51.7	13	41.9	17	63.0
Somewhat tighter than the midpoint of the range that standards have been during this period	12	20.7	5	16.1	7	25.9
Significantly tighter than the midpoint of the range that standards have been during this period	10	17.2	10	32.3	0	0.0
Near the tightest level that standards have been during this period	3	5.2	1	3.2	2	7.4
Total	58	100.0	31	100.0	27	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, 2012. The combined assets of the 36 large banks totaled $7.5 trillion, compared to $7.8 trillion for the entire panel of 64 banks, and $11.1 trillion for all domestically chartered, federally insured commercial banks.

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 2012)

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	2	8.7
Remained basically unchanged	21	91.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	23	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	4	17.4
Remained basically unchanged	17	73.9
Eased somewhat	2	8.7
Eased considerably	0	0.0
Total	23	100.0

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	8.7
Remained basically unchanged	20	87.0
Eased somewhat	1	4.3
Eased considerably	0	0.0
Total	23	100.0

c. Costs of credit lines

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	13.6
Remained basically unchanged	19	86.4
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	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	4	18.2
Remained basically unchanged	15	68.2
Eased somewhat	3	13.6
Eased considerably	0	0.0
Total	22	100.0

e. Premiums charged on riskier loans

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	18.2
Remained basically unchanged	17	77.3
Eased somewhat	1	4.5
Eased considerably	0	0.0
Total	22	100.0

f. Loan covenants

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	4.3
Remained basically unchanged	20	87.0
Eased somewhat	2	8.7
Eased considerably	0	0.0
Total	23	100.0

g. Collateralization requirements

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	23	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	23	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	1	5.0
Remained basically unchanged	18	90.0
Eased somewhat	1	5.0
Eased considerably	0	0.0
Total	20	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	5	83.3
Somewhat important	1	16.7
Very important	0	0.0
Total	6	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents	
	Banks	**Percent**
Not important	1	16.7
Somewhat important	2	33.3
Very important	3	50.0
Total	6	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	3	50.0
Somewhat important	3	50.0
Very important	0	0.0
Total	6	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	4	80.0
Somewhat important	0	0.0
Very important	1	20.0
Total	5	100.0

e. Reduced tolerance for risk

	All Respondents	
	Banks	Percent
Not important	4	66.7
Somewhat important	1	16.7
Very important	1	16.7
Total	6	100.0

f. Decreased liquidity in the secondary market for these loans

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

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

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

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

	All Respondents	
	Banks	**Percent**
Not important	3	50.0
Somewhat important	3	50.0
Very important	0	0.0
Total	6	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	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	100.0

b. More favorable or less uncertain economic outlook

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

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

	All Respondents	
	Banks	**Percent**
Not important	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	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	3	75.0
Somewhat important	0	0.0
Very important	1	25.0
Total	4	100.0

e. Increased tolerance for risk

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

f. Increased liquidity in the secondary market for these loans

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

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

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

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

	All Respondents	
	Banks	Percent
Not important	5	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	5	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	0	0.0
About the same	17	77.3
Moderately weaker	5	22.7
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	0	--
Somewhat important	0	--
Very important	0	--
Total	0	--

b. Customer accounts receivable financing needs increased

	All Respondents	
	Banks	**Percent**
Not important	0	--
Somewhat important	0	--
Very important	0	--
Total	0	--

c. Customer investment in plant or equipment increased

	All Respondents	
	Banks	**Percent**
Not important	0	--
Somewhat important	0	--
Very important	0	--
Total	0	--

d. Customer internally generated funds decreased

	All Respondents	
	Banks	**Percent**
Not important	0	--
Somewhat important	0	--
Very important	0	--
Total	0	--

e. Customer merger or acquisition financing needs increased

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

b. Customer accounts receivable financing needs decreased

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

c. Customer investment in plant or equipment decreased

	All Respondents	
	Banks	**Percent**
Not important	1	25.0
Somewhat important	3	75.0
Very important	0	0.0
Total	4	100.0

d. Customer internally generated funds increased

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

e. Customer merger or acquisition financing needs decreased

	All Respondents	
	Banks	Percent
Not important	2	40.0
Somewhat important	2	40.0
Very important	1	20.0
Total	5	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	3	60.0
Somewhat important	1	20.0
Very important	1	20.0
Total	5	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	0	0.0
The number of inquiries has stayed about the same	20	90.9
The number of inquiries has decreased moderately	2	9.1
The number of inquiries has decreased substantially	0	0.0
Total	22	100.0

The ongoing fiscal and financial strains in Europe may have affected lending conditions and funding options for banks headquartered in Europe and their affiliates and subsidiaries. ***Question 7*** *addresses changes in your bank's lending policies toward these banking organizations over the past three months.* ***Question 8*** *addresses changes in these organizations' demand for funding.*

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

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	6	42.9
Remained basically unchanged	8	57.1
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

For this question, 6 respondents answered "My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries."

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

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	0	0.0
About the same	13	92.9
Moderately weaker	1	7.1
Substantially weaker	0	0.0
Total	14	100.0

For this question, 6 respondents answered "My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries."

Questions 9-10 *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 9 deals with changes in your bank's standards over the past three months. Question 10 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.*

9. 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	1	6.3
Tightened somewhat	0	0.0
Remained basically unchanged	14	87.5
Eased somewhat	1	6.3
Eased considerably	0	0.0
Total	16	100.0

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

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	1	6.7
About the same	10	66.7
Moderately weaker	3	20.0
Substantially weaker	1	6.7
Total	15	100.0

***Question 11** asks you to describe the current level of lending standards at your bank relative to the range of standards that has prevailed between 2005 and the present. 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.*

11. Using the range between the tightest and the easiest that lending 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 relative to that range?

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**
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	1	4.8
Somewhat easier than the midpoint of the range that standards have been during this period	5	23.8
Near the middle of the range that standards have been during this period	8	38.1
Somewhat tighter than the midpoint of the range that standards have been during this period	5	23.8
Significantly tighter than the midpoint of the range that standards have been during this period	0	0.0
Near the tightest level that standards have been during this period	2	9.5
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**
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint of the range that standards have been during this period	4	21.1
Near the middle of the range that standards have been during this period	6	31.6
Somewhat tighter than the midpoint of the range that standards have been during this period	5	26.3
Significantly tighter than the midpoint of the range that standards have been during this period	2	10.5
Near the tightest level that standards have been during this period	2	10.5
Total	19	100.0

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

	All Respondents	
	Banks	**Percent**
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint 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	7	50.0
Somewhat tighter than the midpoint of the range that standards have been during this period	3	21.4
Significantly tighter than the midpoint of the range that standards have been during this period	2	14.3
Near the tightest level that standards have been during this period	2	14.3
Total	14	100.0

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

	All Respondents	
	Banks	Percent
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint 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	4	50.0
Somewhat tighter than the midpoint of the range that standards have been during this period	0	0.0
Significantly tighter than the midpoint of the range that standards have been during this period	1	12.5
Near the tightest level that standards have been during this period	3	37.5
Total	8	100.0

B. Loans secured by commercial real estate:

a. For construction and land development purposes

	All Respondents	
	Banks	Percent
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint 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	2	18.2
Somewhat tighter than the midpoint of the range that standards have been during this period	1	9.1
Significantly tighter than the midpoint of the range that standards have been during this period	3	27.3
Near the tightest level that standards have been during this period	5	45.5
Total	11	100.0

b. For nonfarm nonresidential purposes

	All Respondents	
	Banks	**Percent**
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint 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	30.0
Somewhat tighter than the midpoint of the range that standards have been during this period	2	20.0
Significantly tighter than the midpoint of the range that standards have been during this period	3	30.0
Near the tightest level that standards have been during this period	2	20.0
Total	10	100.0

c. For multifamily purposes

	All Respondents	
	Banks	**Percent**
Near the easiest level that standards have been during this period	0	0.0
Significantly easier than the midpoint of the range that standards have been during this period	0	0.0
Somewhat easier than the midpoint 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	30.0
Somewhat tighter than the midpoint of the range that standards have been during this period	3	30.0
Significantly tighter than the midpoint of the range that standards have been during this period	1	10.0
Near the tightest level that standards have been during this period	3	30.0
Total	10	100.0

1. As of March 31, 2012, the 23 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.