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TO: HEADS OF RESEARCH AT ALL FEDERAL RESERVE BANKS

Enclosed for distribution to respondents is a national summary of the April 2016 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures:

April 2016 Senior Loan Officer Opinion Survey on Bank Lending Practices

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

The April 2016 Senior Loan Officer Opinion Survey on Bank Lending Practices

The April 2016 Senior Loan Officer Opinion Survey on Bank Lending Practices addressed changes in the standards and terms on, and demand for, bank loans to businesses and households over the past three months.[1] This summary discusses the responses from 70 domestic banks and 22 U.S. branches and agencies of foreign banks.[2]

Regarding loans to businesses, the April survey results indicated that, on balance, banks tightened their standards on commercial and industrial (C&I) and commercial real estate (CRE) loans over the first quarter of 2016.[3] The survey results indicated that demand for C&I loans had weakened and that demand for CRE loans had strengthened during the first quarter on net.

The first of two sets of special questions asked banks about lending to firms in the oil and natural gas drilling or extraction sector. The majority of domestic banks reported that loans to firms in this sector account for less than 5 percent of their outstanding C&I loans. In contrast, the majority of foreign banks reported that loans to firms in this sector account for more than 5 percent of their outstanding C&I loans. On balance, both domestic and foreign banks expect delinquency and charge-off rates on such loans to deteriorate over 2016 and noted that they were undertaking several actions to mitigate the risk of loan losses. In addition, on balance, banks indicated that the credit quality of loans made to businesses and households located in regions of the United States that are dependent on the energy sector had deteriorated somewhat.

The second set of special questions asked banks about their CRE lending policies and securitization activity. On balance, banks reported leaving most CRE loan terms unchanged over the past year. In response to conditions in the commercial mortgage-backed securities (CMBS) market over the past six months, on balance, banks reported increasing the volume of origination of CRE loans while decreasing the volume of CRE loan securitization. When asked about the

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[1] Respondent banks received the survey on or after March 29, 2016, and responses were due by April 12, 2016.

[2] Unless otherwise indicated, this document refers to reports from domestic respondents.

[3] For questions that ask about lending standards or terms, reported net fractions equal the fraction of banks that reported having tightened ("tightened considerably" or "tightened somewhat") minus the fraction of banks that reported having eased ("eased considerably" or "eased somewhat"). For questions that ask about loan 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"). For this summary, when standards, terms, or demand are said to have "remained basically unchanged," the net percentage of respondent banks that reported either tightening or easing of standards or terms, or stronger or weaker demand, is between 0 and 5 percent; the modifier "modest" refers to net percentages between 5 and 10 percent; the modifier "moderate" refers to net percentages between 10 and 20 percent; the modifier "significant" refers to net percentages between 20 and 50 percent; and the modifier "majority" refers to net percentages over 50 percent.

anticipated large amount of CRE loans originated in 2006 and currently held in CMBS that will need to be refinanced over the next six months, some banks noted they expect standards for these refinancings to be somewhat tighter than the standards they expect to apply to other CRE loans.

Regarding loans to households, banks reported having eased lending standards on most types of residential real estate (RRE) mortgage loans, while demand for these loans strengthened over the first quarter. Modest net fractions of banks reported easing lending standards on credit cards and other consumer loans, whereas lending standards for auto loans remained basically unchanged. Over the first quarter, banks reported stronger demand across all consumer loan categories.

Lending to Businesses

(Table 1, questions 1–23; Table 2, questions 1–18)

Questions on commercial and industrial lending. On balance, a moderate net fraction of banks reported a tightening of lending standards for C&I loans to large and middle-market firms over the past three months.[4] Meanwhile, only a modest net fraction of banks reported tightening lending standards for C&I loans to small firms. Banks reported that they tightened some C&I loan terms for large and middle-market firms: A moderate net fraction of banks reported that they had increased premiums charged on riskier loans, a modest net fraction of banks reported that loan covenants had tightened, and most other terms to such firms remained basically unchanged on net. Banks reported mixed responses regarding changes in loan terms for small firms. A majority of the domestic respondents that tightened either standards or terms on C&I loans over the past three months cited a less favorable or more uncertain economic outlook as well as a worsening of industry-specific problems affecting borrowers as important reasons. Meanwhile, a significant net fraction of foreign respondents reported a tightening of lending standards for C&I loans.

Regarding the demand for C&I loans, on balance, a modest net fraction of large banks reported that demand from large and middle-market firms was weaker during the first quarter, whereas demand remained basically unchanged for loans to small firms. Among the banks that reported weaker loan demand, customers' decreased investment in plant or equipment was the most commonly cited reason, though customers' reduced needs to finance merger and acquisition activity, accounts receivable, and inventories were also cited by the majority of respondents.

[4] The survey asked respondents separately about their standards for, and demand from, large and middle-market firms, which are generally defined as firms with annual sales of $50 million or more, and small firms, which are those with annual sales of less than $50 million.

Furthermore, a moderate net fraction of foreign bank respondents reported that demand for C&I loans weakened over the first quarter of 2016.

Special questions on commercial and industrial lending. The April survey asked a set of special questions about lending to firms in the oil and natural gas drilling or extraction sector. Of banks that made loans to such firms, the majority of domestic banks indicated that such lending accounts for less than 5 percent of their outstanding C&I loans, whereas the majority of foreign banks reported that loans to firms in this sector account for more than 5 percent of their outstanding C&I loans. The majority of both domestic and foreign banks reported that they expect delinquency and charge-off rates on loans to firms in the oil and natural gas drilling or extraction sector to deteriorate somewhat over the remainder of 2016. At the same time, the majority of both domestic and foreign banks reported taking a variety of actions to mitigate loan losses over the past year, including tightening lending policies on new loans or lines of credit made to firms in this sector, restructuring outstanding loans, requiring additional collateral, and setting aside additional reserves for a potential increase in loan losses. A significant percentage of banks also reported enforcing material adverse change clauses or other covenants to limit draws on existing credit lines to firms in this sector, tightening lending policies on new loans or lines of credit to firms in other sectors, and hedging the risks arising from declines in energy prices through derivatives contracts.

On balance, banks indicated a spillover from the energy sector onto credit quality of loans made to businesses and households located in energy-sector-dependent regions. In particular, a significant net fraction of banks reported that credit quality deteriorated for both auto loans and non-energy-sector C&I loans somewhat over the past year. Furthermore, moderate fractions of banks indicated that CRE loans, consumer credit card loans, and consumer loans other than credit card and auto loans made to businesses and households in these regions also deteriorated somewhat over the past year.

Questions on commercial real estate lending. On net, survey respondents indicated that their lending standards for CRE loans of all types tightened during the first quarter.[5] A significant net fraction of banks reported tightening standards for construction and land development loans and loans secured by multifamily residential properties, whereas a moderate net fraction of banks reported tightening standards for loans secured by nonfarm nonresidential properties.

During the first quarter of 2016, on balance, banks indicated that they had experienced stronger demand for all three types of CRE loans. Moderate net fractions of banks reported stronger demand for construction and land development loans and loans secured by nonfarm

[5] The three categories of CRE loans that banks are asked to consider are construction and land development loans, loans secured by nonfarm nonresidential properties, and loans secured by multifamily residential properties.

nonresidential properties, and a modest net fraction of banks reported stronger demand for loans secured by multifamily residential properties. Meanwhile, nearly all foreign banks reported leaving CRE lending standards basically unchanged, while a significant net fraction of foreign banks reported experiencing weaker demand for such loans.

Special questions on commercial real estate lending. The April survey included a set of special questions regarding CRE lending activities. First, banks were asked about changes over the past year in their lending policies for CRE loans. In particular, moderate net fractions of banks reported increasing maximum loan size and tightening loan-to-value ratios, while a modest net fraction reported tightening debt-service coverage ratios. Survey respondents indicated that other loan terms remained basically unchanged, on net, over the past year.

Next, banks were asked about their responses to conditions in the CMBS markets over the past six months. A moderate net fraction of banks reported moderately increasing the volume of origination of CRE loans, while a significant fraction reported moderately decreasing the volume of CRE loan securitization. On balance, banks reported that demand for loans or lines of credit from nonbank financial institutions, used to fund their CRE loan pipelines prior to securitization, remained basically unchanged over the past six months, while a moderate fraction of banks indicated tightening standards applied to such loans or lines of credit during this period. When asked about the anticipated large amount of CRE loans originated in 2006 and currently held in CMBS that will need to be refinanced over the next six months, a moderate net fraction of banks noted they expect standards for these refinancings to be somewhat tighter than standards they expect to apply to other CRE loans.

Lending to Households

(Table 1, questions 24–37)

Questions on residential real estate lending. During the first quarter, a moderate net fraction of banks reported having eased standards on GSE-eligible loans, while a modest net fraction of banks reported having eased standards on QM and non-QM jumbo residential mortgage loans as well as on QM non-jumbo non-GSE-eligible and non-QM non-jumbo residential mortgage loans.[6] Meanwhile, banks left lending standards basically unchanged for all other categories of RRE loans on net.

[6] The seven categories of residential home-purchase loans that banks are asked to consider are GSE-eligible, government, QM non-jumbo non-GSE-eligible, QM jumbo, non-QM jumbo, non-QM non-jumbo, and subprime. See the survey results tables that follow this summary for a description of each of these loan categories. The definition of a qualified mortgage (QM) was introduced in the 2013 Mortgage Rules under the Truth in Lending Act (12 CFR Part 1026.32, Regulation Z). The standard for a QM excludes mortgages with loan characteristics such as negative amortization, balloon and interest-only payment schedules, terms exceeding 30 years, alt-A or no

Over the first quarter of 2016, banks reported stronger demand for most categories of RRE mortgage loans. In particular, a significant net fraction of banks reported stronger demand for GSE-eligible and QM jumbo residential mortgages. At the same time, a moderate net fraction of banks reported stronger demand for government, QM non-jumbo non-GSE-eligible, and non-QM jumbo residential mortgages, and a modest fraction of banks reported stronger demand for non-QM non-jumbo residential mortgages. Credit standards were reportedly little changed for approving applications for revolving home equity lines of credit, and a moderate fraction of banks reported that demand for revolving home equity lines of credit had strengthened on net.

Questions on consumer lending. A moderate net fraction of banks indicated that they were more willing to make consumer installment loans during the first quarter compared with three months prior. Over the first quarter, a modest net fraction of banks reported easing lending standards on credit cards and other consumer loans, whereas lending standards for auto loans remained basically unchanged. On balance, banks reported that terms across all categories of consumer loans remained basically unchanged over the first quarter. Banks generally reported that demand for consumer loans had strengthened in the first quarter: Moderate net fractions of banks reported stronger demand for auto loans and consumer loans other than credit card and auto loans, whereas a modest net fraction reported that demand for credit card loans strengthened during the first quarter.

This document was prepared by Maya Shaton, with the assistance of William Hayes and Blake Taylor, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

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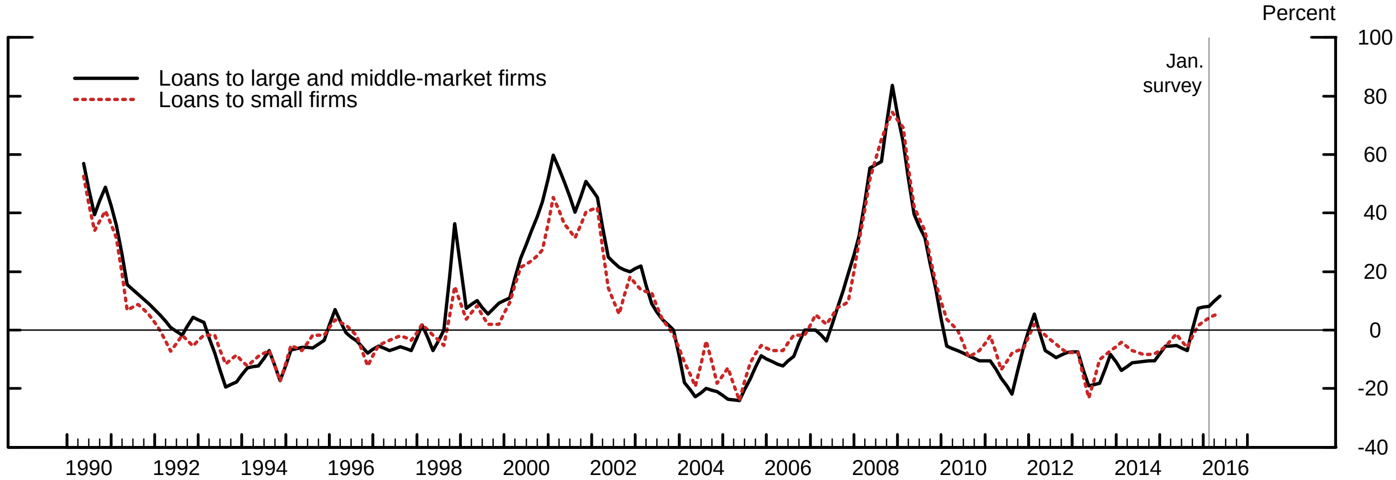
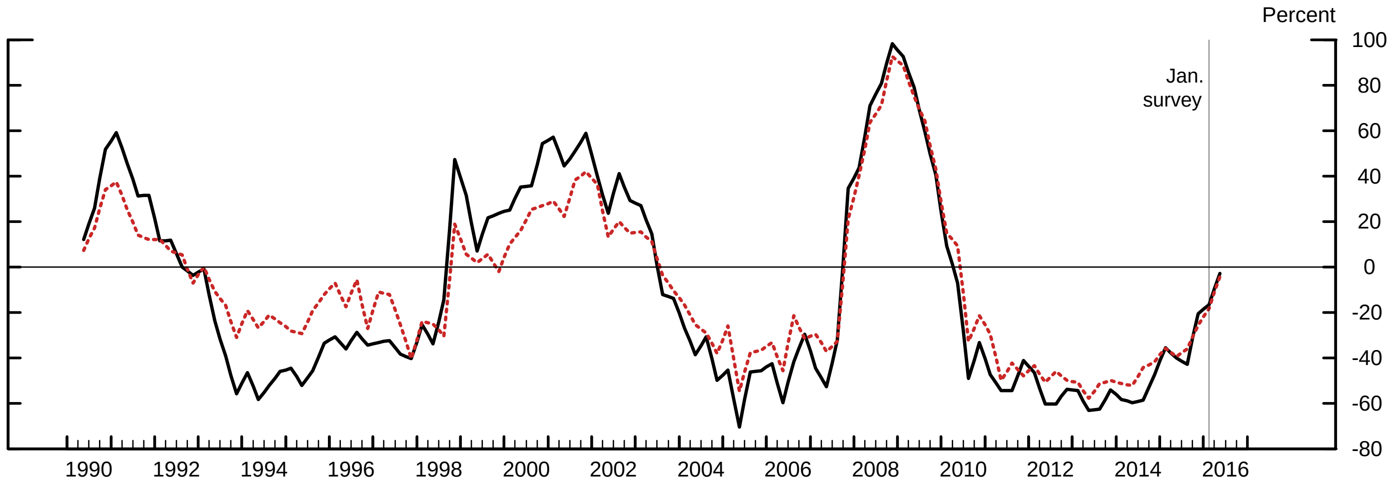
documentation, and total points and fees that exceed 3 percent of the loan amount. In addition, a QM requires that the monthly debt-to-income ratio of borrowers not exceed 43 percent. For more on the ability to repay and QM standards under Regulation Z, see the Consumer Financial Protection Bureau's website at www.consumerfinance.gov/regulations/ability-to-repay-and-qualified-mortgage-standards-under-the-truth-in-lending-act-regulation-z.

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

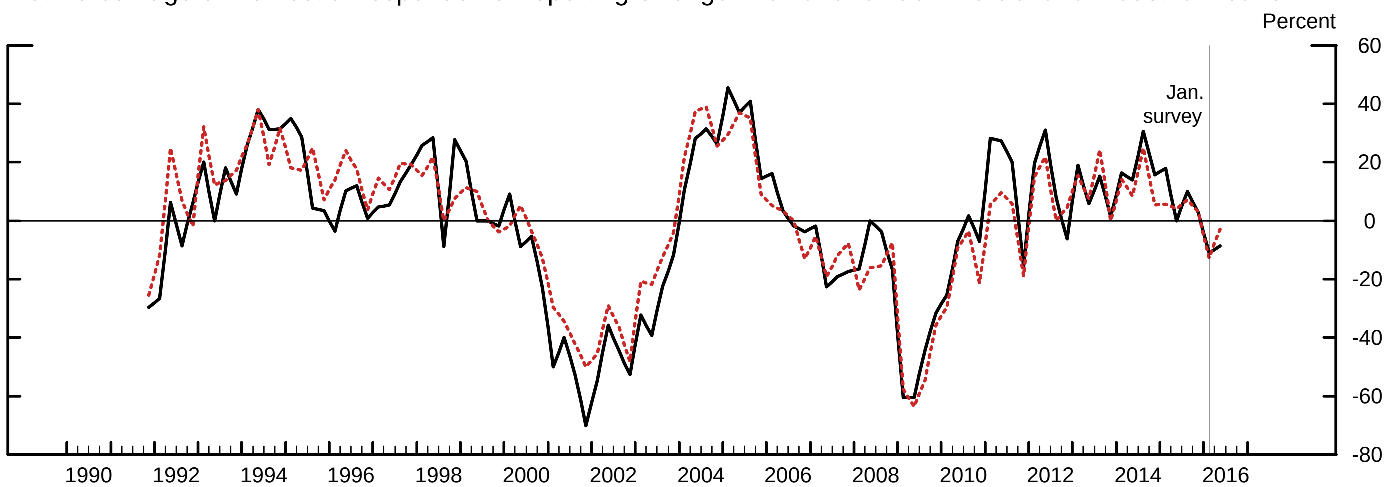
Net Percentage of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



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

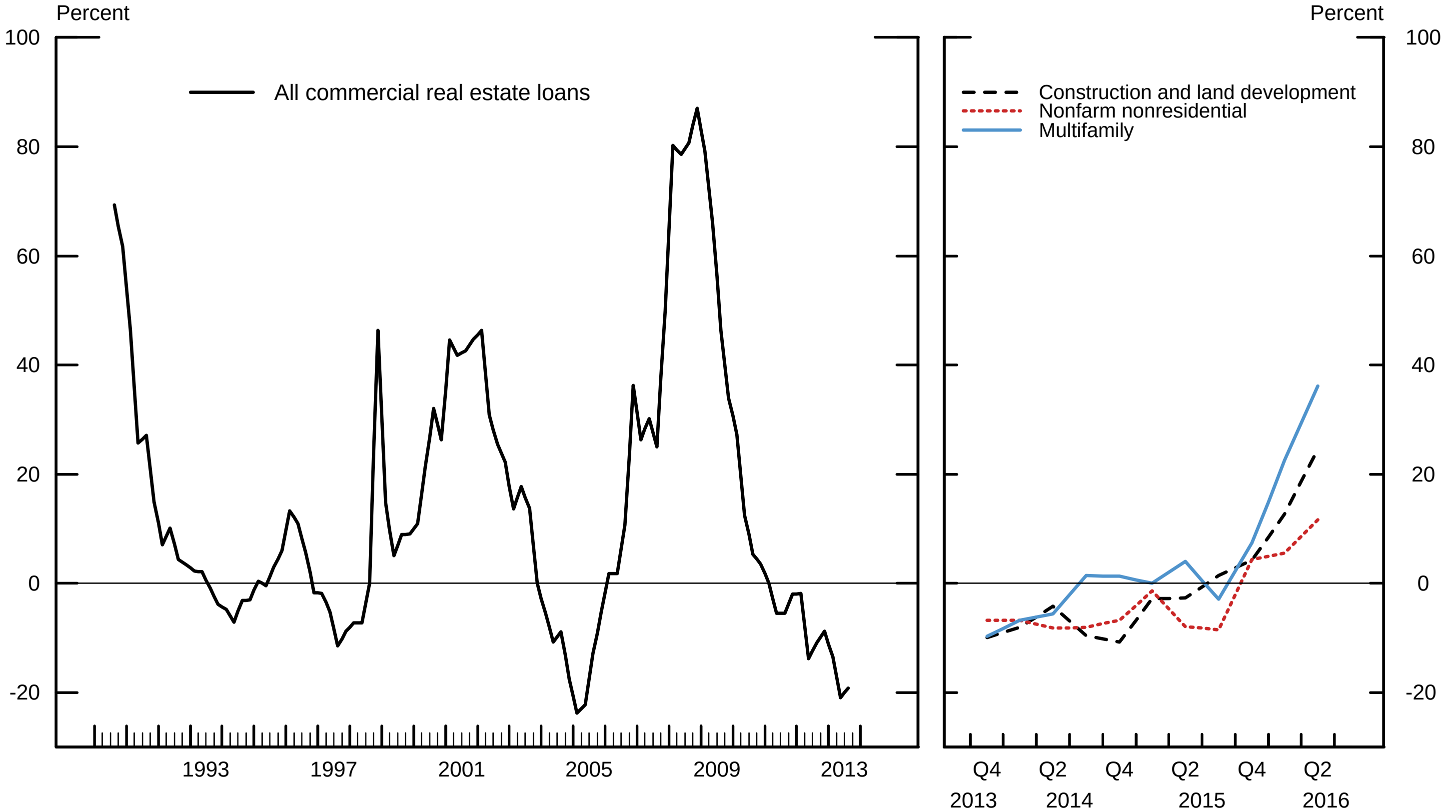


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

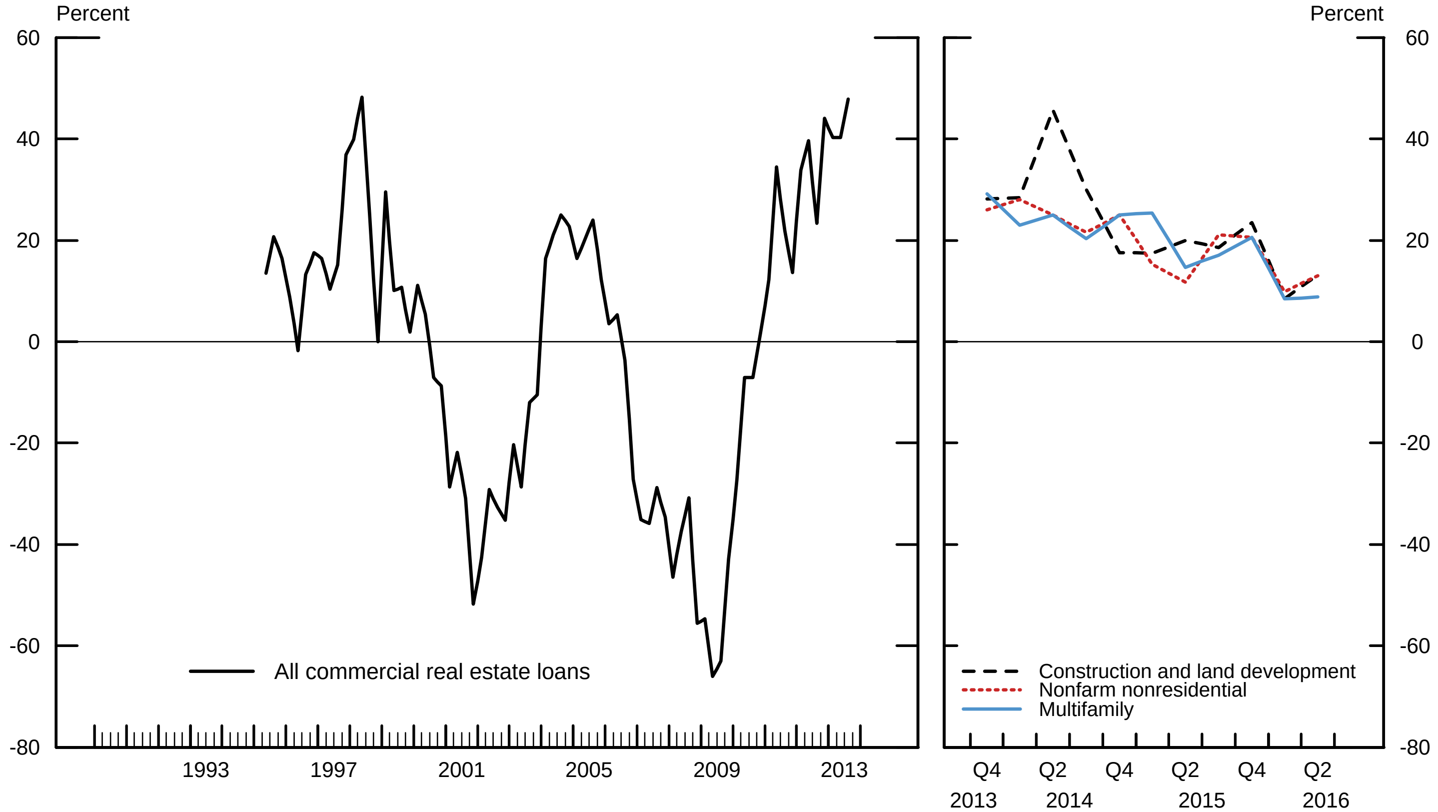


Measures of Supply and Demand for Commercial Real Estate Loans

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

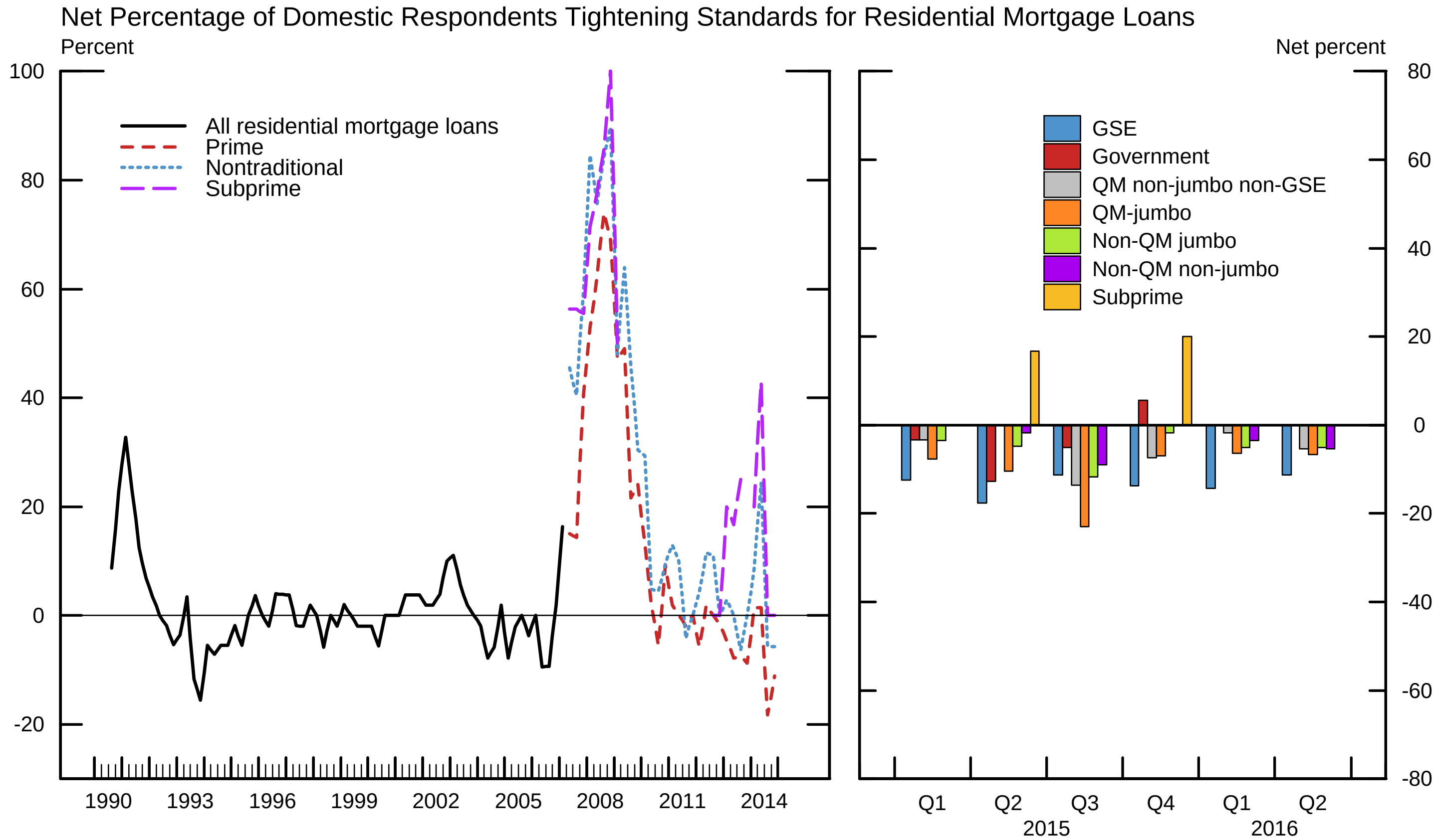


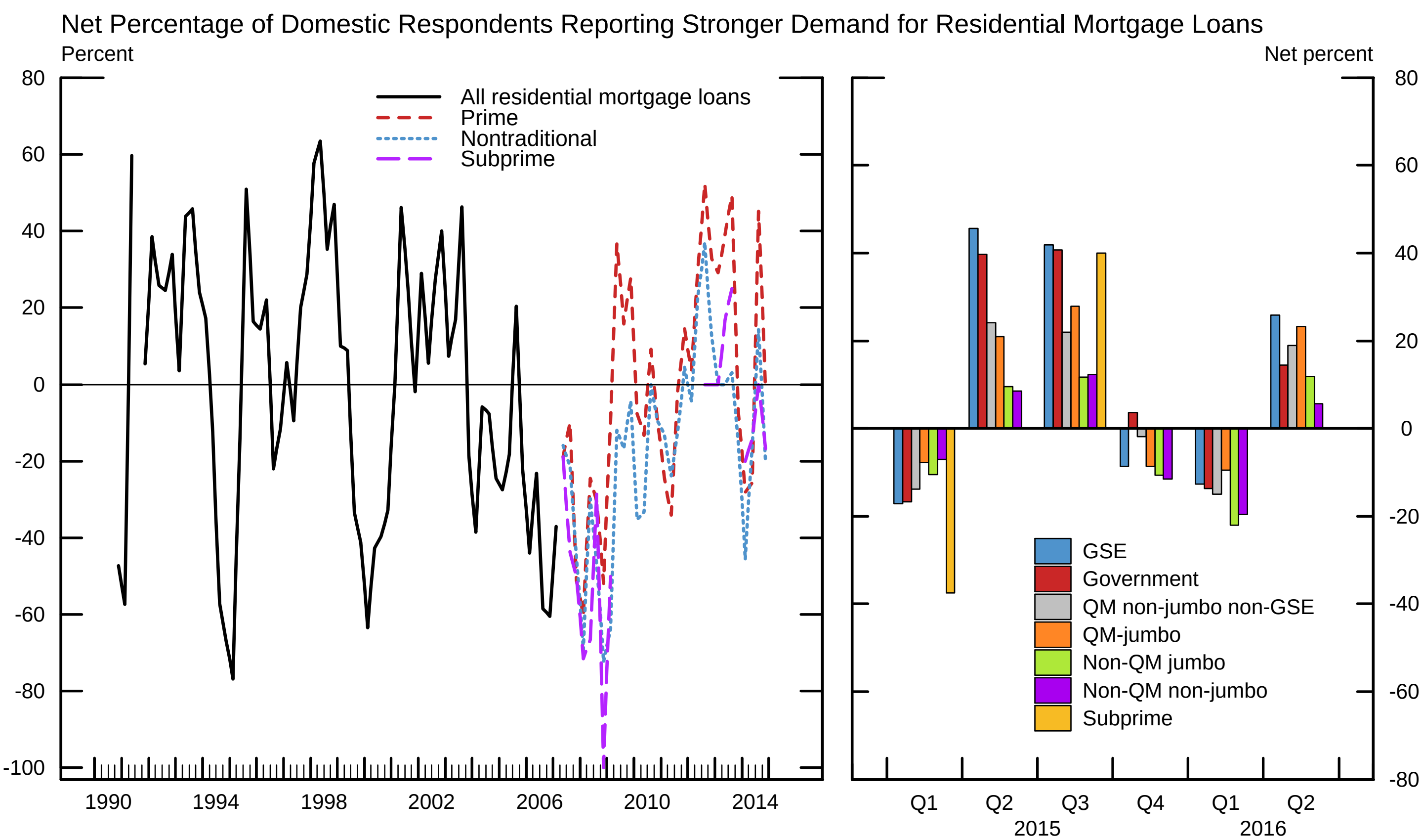
Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



Note: For data starting in 2013:Q4, changes in demand for construction and land development, nonfarm nonresidential, and multifamily loans are reported separately.

Measures of Supply and Demand for Residential Mortgage Loans

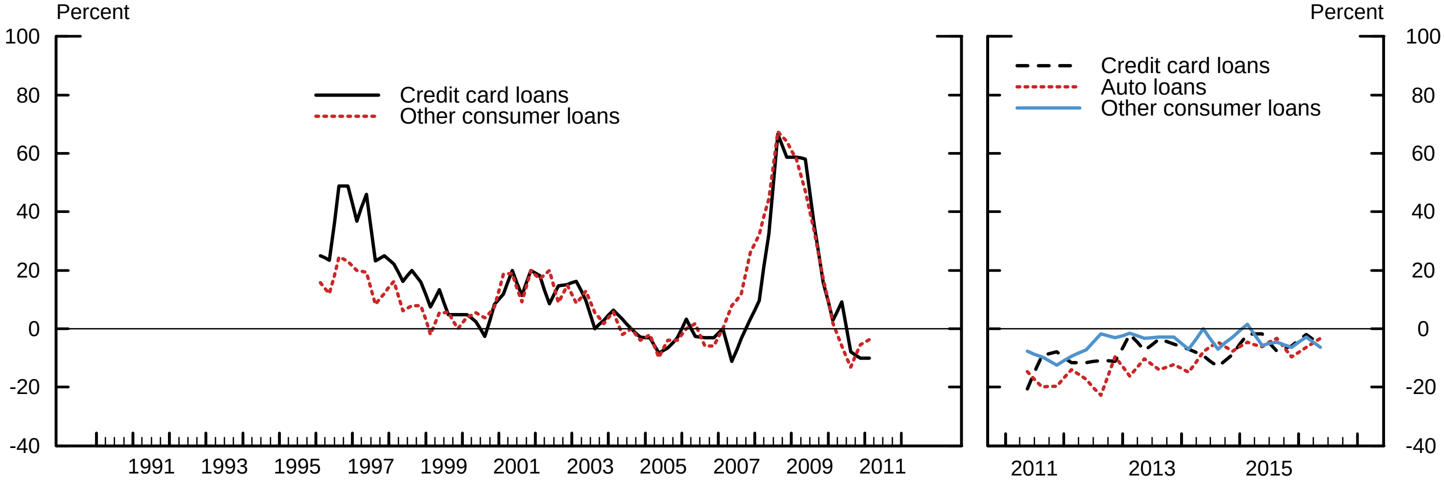




Note: For data starting in 2007:Q2, changes in standards and demand for prime, nontraditional, and subprime mortgage loans are reported separately. For data starting in 2014:Q4, changes in standards and demand were expanded into the following seven categories: GSE-eligible; government; QM non-jumbo non-GSE-eligible; QM-jumbo; non-QM jumbo; non-QM non-jumbo; and subprime. Series are not reported when the number of respondents is three or fewer.

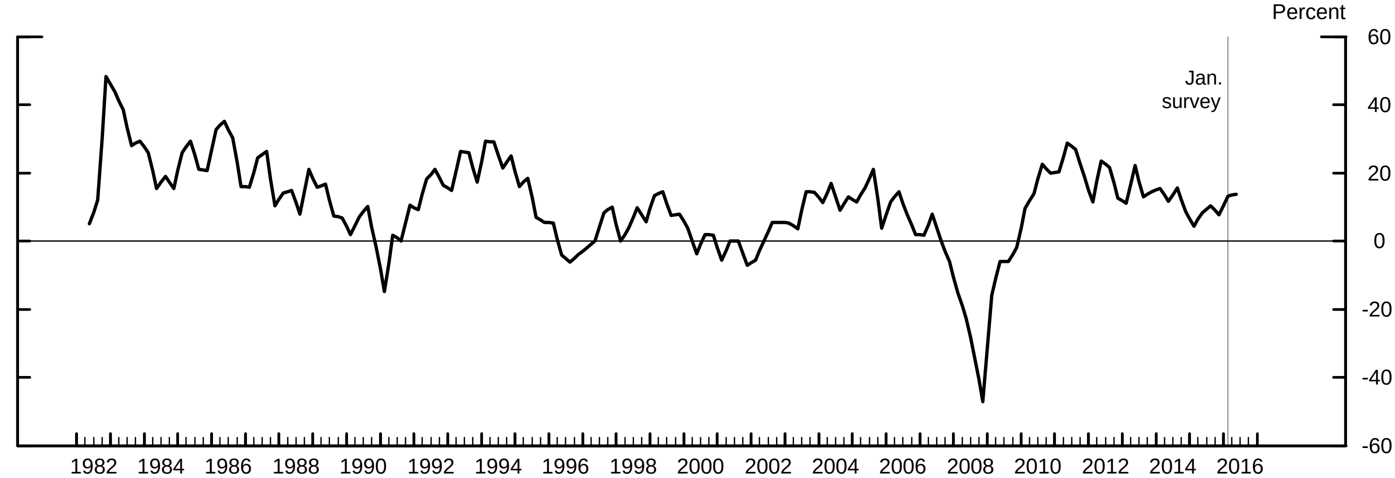
Measures of Supply and Demand for Consumer Loans

Net Percentage of Domestic Respondents Tightening Standards for Consumer Loans

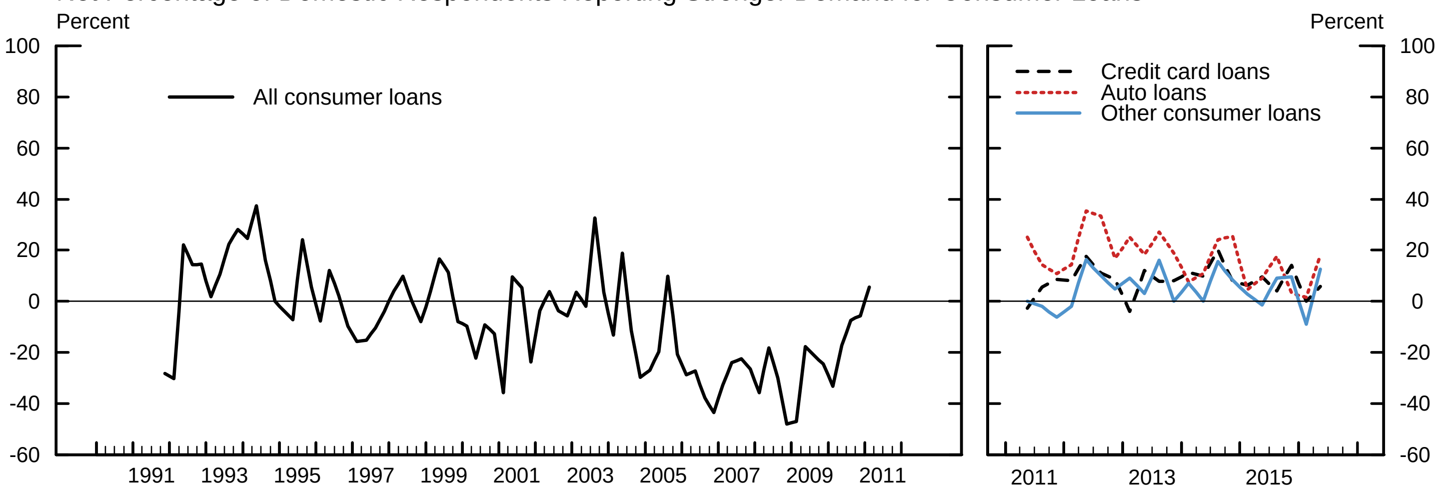


Note: For data starting in 2011:Q2, changes in standards for auto loans and consumer loans excluding credit card and auto loans are reported separately. In 2011:Q2 only, new and used auto loans are reported separately and equally weighted to calculate the auto loans series.

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 April 2016)

***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	2	2.9	2	4.8	0	0.0
Tightened somewhat	7	10.1	6	14.3	1	3.7
Remained basically unchanged	59	85.5	33	78.6	26	96.3
Eased somewhat	1	1.4	1	2.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	5	7.2	4	9.8	1	3.6
Remained basically unchanged	63	91.3	36	87.8	27	96.4
Eased somewhat	1	1.4	1	2.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	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	1	1.4	1	2.4	0	0.0
Tightened somewhat	8	11.6	7	16.7	1	3.7
Remained basically unchanged	54	78.3	30	71.4	24	88.9
Eased somewhat	6	8.7	4	9.5	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	3	4.3	2	4.8	1	3.7
Remained basically unchanged	62	89.9	38	90.5	24	88.9
Eased somewhat	4	5.8	2	4.8	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	5	7.2	5	11.9	0	0.0
Remained basically unchanged	59	85.5	34	81.0	25	92.6
Eased somewhat	5	7.2	3	7.1	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	11	15.9	9	21.4	2	7.4
Remained basically unchanged	45	65.2	27	64.3	18	66.7
Eased somewhat	12	17.4	6	14.3	6	22.2
Eased considerably	1	1.4	0	0.0	1	3.7
Total	69	100.0	42	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	12	17.4	9	21.4	3	11.1
Remained basically unchanged	54	78.3	32	76.2	22	81.5
Eased somewhat	3	4.3	1	2.4	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	100.0	27	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.4	0	0.0
Tightened somewhat	9	13.0	6	14.3	3	11.1
Remained basically unchanged	55	79.7	32	76.2	23	85.2
Eased somewhat	4	5.8	3	7.1	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	6	8.7	5	11.9	1	3.7
Remained basically unchanged	60	87.0	35	83.3	25	92.6
Eased somewhat	3	4.3	2	4.8	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	7	10.3	7	17.1	0	0.0
Remained basically unchanged	52	76.5	31	75.6	21	77.8
Eased somewhat	4	5.9	1	2.4	3	11.1
Eased considerably	5	7.4	2	4.9	3	11.1
Total	68	100.0	41	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	1	1.5	0	0.0	1	3.6
Remained basically unchanged	65	95.6	39	97.5	26	92.9
Eased somewhat	2	2.9	1	2.5	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	2	2.9	1	2.5	1	3.6
Remained basically unchanged	62	91.2	36	90.0	26	92.9
Eased somewhat	4	5.9	3	7.5	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	1	1.5	0	0.0	1	3.6
Remained basically unchanged	65	95.6	39	97.5	26	92.9
Eased somewhat	2	2.9	1	2.5	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	5	7.4	2	5.0	3	10.7
Remained basically unchanged	55	80.9	34	85.0	21	75.0
Eased somewhat	7	10.3	4	10.0	3	10.7
Eased considerably	1	1.5	0	0.0	1	3.6
Total	68	100.0	40	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	9	13.2	6	15.0	3	10.7
Remained basically unchanged	56	82.4	33	82.5	23	82.1
Eased somewhat	3	4.4	1	2.5	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	6	8.8	4	10.0	2	7.1
Remained basically unchanged	57	83.8	33	82.5	24	85.7
Eased somewhat	5	7.4	3	7.5	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	4	5.9	2	5.0	2	7.1
Remained basically unchanged	62	91.2	37	92.5	25	89.3
Eased somewhat	2	2.9	1	2.5	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	3	4.5	3	7.7	0	0.0
Remained basically unchanged	54	80.6	33	84.6	21	75.0
Eased somewhat	5	7.5	1	2.6	4	14.3
Eased considerably	5	7.5	2	5.1	3	10.7
Total	67	100.0	39	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	23	92.0	18	90.0	5	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	8.0	2	10.0	0	0.0
Total	25	100.0	20	100.0	5	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	28.0	6	30.0	1	20.0
Somewhat important	10	40.0	7	35.0	3	60.0
Very important	8	32.0	7	35.0	1	20.0
Total	25	100.0	20	100.0	5	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	8	32.0	6	30.0	2	40.0
Somewhat important	9	36.0	7	35.0	2	40.0
Very important	8	32.0	7	35.0	1	20.0
Total	25	100.0	20	100.0	5	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	19	76.0	15	75.0	4	80.0
Somewhat important	5	20.0	4	20.0	1	20.0
Very important	1	4.0	1	5.0	0	0.0
Total	25	100.0	20	100.0	5	100.0

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	60.0	12	60.0	3	60.0
Somewhat important	7	28.0	6	30.0	1	20.0
Very important	3	12.0	2	10.0	1	20.0
Total	25	100.0	20	100.0	5	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	20	80.0	15	75.0	5	100.0
Somewhat important	3	12.0	3	15.0	0	0.0
Very important	2	8.0	2	10.0	0	0.0
Total	25	100.0	20	100.0	5	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	23	92.0	18	90.0	5	100.0
Somewhat important	1	4.0	1	5.0	0	0.0
Very important	1	4.0	1	5.0	0	0.0
Total	25	100.0	20	100.0	5	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	15	62.5	11	57.9	4	80.0
Somewhat important	4	16.7	4	21.1	0	0.0
Very important	5	20.8	4	21.1	1	20.0
Total	24	100.0	19	100.0	5	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	19	90.5	11	84.6	8	100.0
Somewhat important	2	9.5	2	15.4	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	21	100.0	13	100.0	8	100.0

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	15	68.2	10	76.9	5	55.6
Somewhat important	5	22.7	2	15.4	3	33.3
Very important	2	9.1	1	7.7	1	11.1
Total	22	100.0	13	100.0	9	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	18	81.8	11	84.6	7	77.8
Somewhat important	4	18.2	2	15.4	2	22.2
Very important	0	0.0	0	0.0	0	0.0
Total	22	100.0	13	100.0	9	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	5	21.7	3	21.4	2	22.2
Somewhat important	10	43.5	6	42.9	4	44.4
Very important	8	34.8	5	35.7	3	33.3
Total	23	100.0	14	100.0	9	100.0

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	14	63.6	10	76.9	4	44.4
Somewhat important	8	36.4	3	23.1	5	55.6
Very important	0	0.0	0	0.0	0	0.0
Total	22	100.0	13	100.0	9	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	18	81.8	10	76.9	8	88.9
Somewhat important	4	18.2	3	23.1	1	11.1
Very important	0	0.0	0	0.0	0	0.0
Total	22	100.0	13	100.0	9	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	18	81.8	10	76.9	8	88.9
Somewhat important	3	13.6	2	15.4	1	11.1
Very important	1	4.5	1	7.7	0	0.0
Total	22	100.0	13	100.0	9	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	19	90.5	11	91.7	8	88.9
Somewhat important	2	9.5	1	8.3	1	11.1
Very important	0	0.0	0	0.0	0	0.0
Total	21	100.0	12	100.0	9	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	14	20.3	9	21.4	5	18.5
About the same	35	50.7	17	40.5	18	66.7
Moderately weaker	20	29.0	16	38.1	4	14.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	69	100.0	42	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	10	14.7	5	12.5	5	17.9
About the same	46	67.6	26	65.0	20	71.4
Moderately weaker	12	17.6	9	22.5	3	10.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	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	8	50.0	7	63.6	1	20.0
Somewhat important	8	50.0	4	36.4	4	80.0
Very important	0	0.0	0	0.0	0	0.0
Total	16	100.0	11	100.0	5	100.0

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	43.8	7	63.6	0	0.0
Somewhat important	7	43.8	3	27.3	4	80.0
Very important	2	12.5	1	9.1	1	20.0
Total	16	100.0	11	100.0	5	100.0

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	37.5	5	45.5	1	20.0
Somewhat important	9	56.3	5	45.5	4	80.0
Very important	1	6.3	1	9.1	0	0.0
Total	16	100.0	11	100.0	5	100.0

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	81.3	10	90.9	3	60.0
Somewhat important	3	18.8	1	9.1	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	16	100.0	11	100.0	5	100.0

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	75.0	8	72.7	4	80.0
Somewhat important	2	12.5	1	9.1	1	20.0
Very important	2	12.5	2	18.2	0	0.0
Total	16	100.0	11	100.0	5	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	7	41.2	5	41.7	2	40.0
Somewhat important	4	23.5	2	16.7	2	40.0
Very important	6	35.3	5	41.7	1	20.0
Total	17	100.0	12	100.0	5	100.0

g. Customer precautionary demand for cash and liquidity increased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	12	70.6	8	66.7	4	80.0
Somewhat important	3	17.6	2	16.7	1	20.0
Very important	2	11.8	2	16.7	0	0.0
Total	17	100.0	12	100.0	5	100.0

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

a. Customer inventory financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	9	45.0	8	47.1	1	33.3
Somewhat important	10	50.0	8	47.1	2	66.7
Very important	1	5.0	1	5.9	0	0.0
Total	20	100.0	17	100.0	3	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	50.0	8	47.1	2	66.7
Somewhat important	10	50.0	9	52.9	1	33.3
Very important	0	0.0	0	0.0	0	0.0
Total	20	100.0	17	100.0	3	100.0

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	25.0	5	29.4	0	0.0
Somewhat important	10	50.0	7	41.2	3	100.0
Very important	5	25.0	5	29.4	0	0.0
Total	20	100.0	17	100.0	3	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	65.0	12	70.6	1	33.3
Somewhat important	5	25.0	4	23.5	1	33.3
Very important	2	10.0	1	5.9	1	33.3
Total	20	100.0	17	100.0	3	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	8	38.1	8	44.4	0	0.0
Somewhat important	8	38.1	6	33.3	2	66.7
Very important	5	23.8	4	22.2	1	33.3
Total	21	100.0	18	100.0	3	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	15	75.0	12	70.6	3	100.0
Somewhat important	2	10.0	2	11.8	0	0.0
Very important	3	15.0	3	17.6	0	0.0
Total	20	100.0	17	100.0	3	100.0

g. Customer precautionary demand for cash and liquidity decreased

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	14	70.0	12	70.6	2	66.7
Somewhat important	4	20.0	3	17.6	1	33.3
Very important	2	10.0	2	11.8	0	0.0
Total	20	100.0	17	100.0	3	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The number of inquiries has increased substantially	0	0.0	0	0.0	0	0.0
The number of inquiries has increased moderately	13	18.6	9	21.4	4	14.3
The number of inquiries has stayed about the same	41	58.6	20	47.6	21	75.0
The number of inquiries has decreased moderately	16	22.9	13	31.0	3	10.7
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

Over the past year, declines in oil prices may have led to strains in firms involved in oil and natural gas drilling/extraction and in the companies that provide support to those firms. ***Question 7*** *asks you to indicate what fraction of C&I loans held on your bank's books were made to firms in the oil and natural gas drilling/extraction sector.* ***Question 8*** *asks about your outlook for delinquencies and charge-offs on such loans.* ***Question 9*** *asks about changes in lending policies made by your bank in response to developments in the oil and natural gas drilling/extraction sector.* ***Question 10*** *asks about possible spillover effects from declines in energy commodity prices and associated declines in energy sector activities to other loan types.*

7. Approximately what fraction of C&I loans currently outstanding on your bank's books were made to firms in the oil and natural gas drilling/extraction sector?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
More than 20 percent	1	1.7	1	2.6	0	0.0
More than 10 percent but less than 20 percent	7	11.7	4	10.3	3	14.3
More than 5 percent but less than 10 percent	9	15.0	7	17.9	2	9.5
More than 1 percent but less than 5 percent	20	33.3	17	43.6	3	14.3
Less than 1 percent	23	38.3	10	25.6	13	61.9
Total	60	100.0	39	100.0	21	100.0

For this question, 9 respondents answered “My bank does not have any outstanding loans or lines of credit to firms in the oil and natural gas drilling/extraction sector.”

8. Assuming that economic activity progresses in line with consensus forecasts, and energy commodity prices evolve in line with current futures prices, what is your outlook for delinquencies and charge-offs on your bank's existing loans to firms in the oil and natural gas drilling/extraction sector over the remainder of 2016?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Loan quality is likely to improve substantially	0	0.0	0	0.0	0	0.0
Loan quality is likely to improve somewhat	1	1.7	0	0.0	1	4.8
Loan quality is likely to remain around current levels	20	33.3	8	20.5	12	57.1
Loan quality is likely to deteriorate somewhat	35	58.3	27	69.2	8	38.1
Loan quality is likely to deteriorate substantially	4	6.7	4	10.3	0	0.0
Total	60	100.0	39	100.0	21	100.0

For this question, 7 respondents answered “My bank does not have any outstanding loans to firms in the oil and natural gas drilling/extraction sector.”

9. Please indicate how important each of the following actions have been in your bank's efforts to mitigate risks of loan losses from loans made to firms in the oil and natural gas drilling/extraction sector over the past year.

a. Tightening lending policies on new loans or lines of credit made to firms in this sector

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	11	19.6	6	15.8	5	27.8
Somewhat important	18	32.1	10	26.3	8	44.4
Very important	27	48.2	22	57.9	5	27.8
Total	56	100.0	38	100.0	18	100.0

b. Enforcing material adverse change clauses or other covenants to limit draws on existing credit lines to firms in this sector

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	29	51.8	19	50.0	10	55.6
Somewhat important	16	28.6	11	28.9	5	27.8
Very important	11	19.6	8	21.1	3	16.7
Total	56	100.0	38	100.0	18	100.0

c. Restructuring outstanding loans to make them more robust to the changed outlook for energy prices

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	12	21.4	4	10.5	8	44.4
Somewhat important	26	46.4	21	55.3	5	27.8
Very important	18	32.1	13	34.2	5	27.8
Total	56	100.0	38	100.0	18	100.0

d. Requiring additional collateral to better secure loans or credit lines to firms in this sector

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	9	16.1	6	15.8	3	16.7
Somewhat important	29	51.8	20	52.6	9	50.0
Very important	18	32.1	12	31.6	6	33.3
Total	56	100.0	38	100.0	18	100.0

e. Setting aside additional reserves for a potential increase in loan losses

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	16	28.6	6	15.8	10	55.6
Somewhat important	16	28.6	10	26.3	6	33.3
Very important	24	42.9	22	57.9	2	11.1
Total	56	100.0	38	100.0	18	100.0

f. Tightening lending policies on new loans or credit lines made to firms in other sectors

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	39	69.6	26	68.4	13	72.2
Somewhat important	12	21.4	8	21.1	4	22.2
Very important	5	8.9	4	10.5	1	5.6
Total	56	100.0	38	100.0	18	100.0

g. Hedging the risks arising from declines in energy prices through derivatives contracts

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	42	75.0	25	65.8	17	94.4
Somewhat important	9	16.1	9	23.7	0	0.0
Very important	5	8.9	4	10.5	1	5.6
Total	56	100.0	38	100.0	18	100.0

h. My bank has not needed to mitigate risks of loan losses made to firms in this sector

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	14	53.8	8	61.5	6	46.2
Somewhat important	4	15.4	2	15.4	2	15.4
Very important	8	30.8	3	23.1	5	38.5
Total	26	100.0	13	100.0	13	100.0

10. If your bank has other loans outstanding to businesses or households located in regions of the United States that are dependent on the energy sector, how has the **credit quality** of the loans to customers **in those regions** changed as a result of the decline in energy commodity prices and associated declines in energy sector activities over the past year?

a. C&I loans to firms not in the oil and natural gas drilling/extraction sector

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	1	1.8	0	0.0	1	5.3
Credit quality remained about unchanged	40	70.2	27	71.1	13	68.4
Credit quality deteriorated somewhat	16	28.1	11	28.9	5	26.3
Credit quality deteriorated substantially	0	0.0	0	0.0	0	0.0
Total	57	100.0	38	100.0	19	100.0

b. Commercial real estate loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	3	5.4	2	5.6	1	5.0
Credit quality remained about unchanged	43	76.8	27	75.0	16	80.0
Credit quality deteriorated somewhat	9	16.1	7	19.4	2	10.0
Credit quality deteriorated substantially	1	1.8	0	0.0	1	5.0
Total	56	100.0	36	100.0	20	100.0

c. Residential real estate loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	1	2.0	0	0.0	1	5.3
Credit quality remained about unchanged	45	88.2	30	93.8	15	78.9
Credit quality deteriorated somewhat	5	9.8	2	6.3	3	15.8
Credit quality deteriorated substantially	0	0.0	0	0.0	0	0.0
Total	51	100.0	32	100.0	19	100.0

d. Auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	0	0.0	0	0.0	0	0.0
Credit quality remained about unchanged	39	75.0	26	78.8	13	68.4
Credit quality deteriorated somewhat	12	23.1	7	21.2	5	26.3
Credit quality deteriorated substantially	1	1.9	0	0.0	1	5.3
Total	52	100.0	33	100.0	19	100.0

e. Consumer credit card loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	0	0.0	0	0.0	0	0.0
Credit quality remained about unchanged	39	84.8	26	86.7	13	81.3
Credit quality deteriorated somewhat	7	15.2	4	13.3	3	18.8
Credit quality deteriorated substantially	0	0.0	0	0.0	0	0.0
Total	46	100.0	30	100.0	16	100.0

f. Consumer loans other than credit card and auto loans

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Credit quality has improved substantially	0	0.0	0	0.0	0	0.0
Credit quality improved somewhat	0	0.0	0	0.0	0	0.0
Credit quality remained about unchanged	42	85.7	28	93.3	14	73.7
Credit quality deteriorated somewhat	7	14.3	2	6.7	5	26.3
Credit quality deteriorated substantially	0	0.0	0	0.0	0	0.0
Total	49	100.0	30	100.0	19	100.0

Questions 11-16 *ask about changes in standards and demand over the past three months for three different types of commercial real estate (CRE) loans at your bank: construction and land development loans, loans secured by nonfarm nonresidential properties, and loans secured by multifamily residential properties. Please report changes in enforcement of existing policies as changes in policies.*

11. Over the past three months, how have your bank's credit standards for approving new applications for **construction and land development loans** or credit lines changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	2	2.9	2	4.9	0	0.0
Tightened somewhat	15	21.7	12	29.3	3	10.7
Remained basically unchanged	52	75.4	27	65.9	25	89.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	100.0	28	100.0

12. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by nonfarm nonresidential properties** 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	8	11.6	7	17.1	1	3.6
Remained basically unchanged	61	88.4	34	82.9	27	96.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	100.0	28	100.0

13. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by multifamily residential properties** changed?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	2	2.9	2	4.9	0	0.0
Tightened somewhat	23	33.3	17	41.5	6	21.4
Remained basically unchanged	44	63.8	22	53.7	22	78.6
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	17	25.0	10	25.0	7	25.0
About the same	43	63.2	24	60.0	19	67.9
Moderately weaker	8	11.8	6	15.0	2	7.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	68	100.0	40	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	11	15.9	9	22.0	2	7.1
About the same	56	81.2	30	73.2	26	92.9
Moderately weaker	2	2.9	2	4.9	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	13	19.1	7	17.5	6	21.4
About the same	48	70.6	28	70.0	20	71.4
Moderately weaker	6	8.8	4	10.0	2	7.1
Substantially weaker	1	1.5	1	2.5	0	0.0
Total	68	100.0	40	100.0	28	100.0

Questions 17-18 *ask about how your bank has changed its lending policies on CRE loans over the past year.*

17. Over the past year, how has your bank changed the following policies on CRE loans?

a. Maximum loan size

	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	5.7	3	7.1	1	3.6
Remained basically unchanged	55	78.6	30	71.4	25	89.3
Eased somewhat	11	15.7	9	21.4	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

b. Maximum loan 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	4	5.7	2	4.8	2	7.1
Remained basically unchanged	59	84.3	36	85.7	23	82.1
Eased somewhat	7	10.0	4	9.5	3	10.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

c. 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	16	22.9	14	33.3	2	7.1
Remained basically unchanged	37	52.9	18	42.9	19	67.9
Eased somewhat	17	24.3	10	23.8	7	25.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

d. Loan-to-value ratios

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	1	1.4	1	2.4	0	0.0
Tightened somewhat	9	12.9	4	9.5	5	17.9
Remained basically unchanged	58	82.9	36	85.7	22	78.6
Eased somewhat	2	2.9	1	2.4	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

e. Debt-service coverage ratios

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.4	0	0.0
Tightened somewhat	6	8.6	4	9.5	2	7.1
Remained basically unchanged	62	88.6	37	88.1	25	89.3
Eased somewhat	1	1.4	0	0.0	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

f. Market areas served (reduced market areas=tightened, expanded market areas=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	6	8.6	4	9.5	2	7.1
Remained basically unchanged	56	80.0	34	81.0	22	78.6
Eased somewhat	8	11.4	4	9.5	4	14.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100.0	42	100.0	28	100.0

g. Length of interest-only payment period (shorter interest-only periods=tightened, longer interest-only periods=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	7	10.1	4	9.8	3	10.7
Remained basically unchanged	54	78.3	33	80.5	21	75.0
Eased somewhat	8	11.6	4	9.8	4	14.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100.0	41	100.0	28	100.0

18. If your bank has tightened or eased its credit policies on CRE loans over the past year (as described in question 17), please select the 4 most important reasons among all the possible reasons listed below and rank them in order of importance. (Please respond to either A, B, or both as appropriate and rank the 4 most important reasons using a scale ranging from 4=the most important to 1=the least important.)

A. Possible reasons for tightening credit policies on CRE loans over the past year:

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Less favorable or more uncertain outlook for CRE property prices	2.4	2.5	2.1
Less favorable or more uncertain outlook for vacancy rates or other fundamentals on CRE properties	2.8	3.1	2.1
Less favorable or more uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties	2.6	2.8	2.1
Less aggressive competition from other banks or nonbank financial institutions (other financial intermediaries or the capital markets)	1.6	1.8	1.0
Reduced tolerance for risk	2.6	2.4	3.0
Decreased ability to securitize CRE loans	1.2	1.3	1.0
Increased concerns about capital adequacy, liquidity position, or regulation more broadly	1.8	1.9	1.7
Other	3.8	3.5	4.0
Number of respondents	32	21	11

B. Possible reasons for easing credit policies on CRE loans over the past year:

	All Respondents	Large Banks	Other Banks
	Mean	**Mean**	**Mean**
More favorable or less uncertain outlook for CRE property prices	1.8	1.6	2.0
More favorable or less uncertain outlook for vacancy rates or other fundamentals on CRE properties	2.4	2.1	2.8
More favorable or less uncertain capitalization rates (the ratio of current net operating income to the original sale price or current market value) on CRE properties	1.9	2.0	1.8
More aggressive competition from other banks or non-bank lenders (other financial intermediaries or the capital markets)	3.4	3.3	3.5
Increased tolerance for risk	2.2	2.2	2.2
Increased ability to securitize CRE loans	1.2	1.0	1.3
Decreased concerns about capital adequacy, liquidity position, or regulation more broadly	1.3	1.2	1.5
Other	2.4	2.8	1.0
Number of respondents	24	14	10

Yields on commercial mortgage-backed securities (CMBS) have increased considerably over the last six months. At the same time, outstanding CRE loans held on banks' books have continued to grow robustly in aggregate, according to the Federal Reserve's weekly H.8 statistical release, "Assets and Liabilities of Commercial Banks in the United States." ***Questions 19-23*** *ask how your bank's lending policies and practices regarding CRE loans have been affected by recent conditions in the CMBS market and by activities of nonbank financial institutions.*

19. How have conditions in the CMBS market affected the volume of CRE loan **originations** by your bank over the past six months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Led to a substantial decrease	0	0.0	0	0.0	0	0.0
Led to a moderate decrease	6	8.8	5	12.2	1	3.7
Led to no change	49	72.1	26	63.4	23	85.2
Led to a moderate increase	13	19.1	10	24.4	3	11.1
Led to a substantial increase	0	0.0	0	0.0	0	0.0
Total	68	100.0	41	100.0	27	100.0

For this question, 1 respondent answered “My bank does not originate CRE loans.”

20. How have conditions in the CMBS market affected the volume of CRE loan **securitizations** by your bank over the past six months?

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Led to a substantial decrease	2	7.7	2	16.7	0	0.0
Led to a moderate decrease	5	19.2	4	33.3	1	7.1
Led to no change	19	73.1	6	50.0	13	92.9
Led to a moderate increase	0	0.0	0	0.0	0	0.0
Led to a substantial increase	0	0.0	0	0.0	0	0.0
Total	26	100.0	12	100.0	14	100.0

For this question, 42 respondents answered “My bank does not securitize CRE loans.”

21. Apart from normal seasonal variation, how has demand for loans or lines of credit from nonbank financial institutions, used to fund their CRE loan pipelines prior to securitization, changed over the past six months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	0	0.0	0	0.0	0	0.0
Somewhat stronger	3	13.6	3	20.0	0	0.0
About the same	17	77.3	10	66.7	7	100.0
Somewhat weaker	2	9.1	2	13.3	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	22	100.0	15	100.0	7	100.0

For this question, 46 respondents answered “My bank does not originate these types of loans or credit lines.”

22. How have your bank’s credit standards for approving applications for loans or lines of credit to nonbank financial institutions, used to fund their CRE loan pipelines prior to securitization, changed over the past six months? (Please consider applications for new spot loans, and for new or increased 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	13.6	3	20.0	0	0.0
Remained basically unchanged	19	86.4	12	80.0	7	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	22	100.0	15	100.0	7	100.0

For this question, 46 respondents answered “My bank does not originate these types of loans or credit lines.”

23. In the next six months, a large amount of CRE loans originated in 2006 and currently held in CMBS will need to be refinanced. Assuming economic activity progresses in line with consensus forecasts, how are the standards that your bank would apply to such CRE loans **different from** those that you expect to apply to other CRE loans?

	All Respondents		**Large Banks**		**Other Banks**	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Considerably tighter	0	0.0	0	0.0	0	0.0
Somewhat tighter	8	12.1	6	14.6	2	8.0
About the same	57	86.4	34	82.9	23	92.0
Somewhat easier	0	0.0	0	0.0	0	0.0
Considerably easier	0	0.0	0	0.0	0	0.0
Total	66	100.0	41	100.0	25	100.0

Note: *Beginning with the January 2015 survey, the loan categories referred to in the questions regarding changes in credit standards and demand for residential mortgage loans have been revised to reflect the Consumer Financial Protection Bureau's qualified mortgage rules.*

Questions 24-25 *ask about seven categories of* ***residential mortgage loans*** *at your bank: Government-Sponsored Enterprise eligible (GSE-eligible) residential mortgages, government residential mortgages, Qualified Mortgage non-jumbo non-GSE-eligible (QM non-jumbo, non-GSE-eligible) residential mortgages, QM jumbo residential mortgages, non-QM jumbo residential mortgages, non-QM non-jumbo residential mortgages, and subprime residential mortgages.*

For the purposes of this survey, please use the following definitions of these loan categories and include first-lien closed-end loans to purchase homes only. The loan categories have been defined so that every first-lien closed-end residential mortgage loan used for home purchase fits into one of the following seven categories:

- *The* ***GSE-eligible*** *category of residential mortgages includes loans that meet the underwriting guidelines, including loan limit amounts, of the GSEs - Fannie Mae and Freddie Mac.*

- *The* ***government*** *category of residential mortgages includes loans that are insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, or originated under government programs, including the U.S. Department of Agriculture home loan programs.*

- *The* ***QM non-jumbo, non-GSE-eligible*** *category of residential mortgages includes loans that satisfy the standards for a qualified mortgage and have loan balances that are below the loan limit amounts set by the GSEs but otherwise do not meet the GSE underwriting guidelines.*

- *The* ***QM jumbo*** *category of residential mortgages includes loans that satisfy the standards for a qualified mortgage but have loan balances that are above the loan limit amount set by the GSEs.*

- *The* ***non-QM jumbo*** *category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are above the loan limit amount set by the GSEs.*

- *The* ***non-QM non-jumbo*** *category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are below the loan limit amount set by the GSEs.(Please exclude loans classified by your bank as subprime in this category.)*

- *The* ***subprime*** *category of residential mortgages includes loans classified by your bank as subprime. This category typically includes loans made to borrowers with weakened credit histories that include payment delinquencies, charge-offs, judgements, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.*

Question 24 *deals with changes in your bank's credit standards for loans in each of the seven loan categories over the past three months. 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.* ***Question 25*** *deals with changes in demand for loans in each of the seven loan categories over the past three months.*

24. Over the past three months, how have your bank's credit standards for approving applications from individuals for mortgage loans to purchase homes changed? (Please consider only new originations as opposed to the refinancing of existing mortgages.)

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	0	0.0	1	3.7
Remained basically unchanged	53	85.5	29	82.9	24	88.9
Eased somewhat	8	12.9	6	17.1	2	7.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	100.0	27	100.0

For this question, 4 respondents answered “My bank does not originate GSE-eligible residential mortgages.”

B. Credit standards on mortgage loans that your bank categorizes as government 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	2	3.6	0	0.0	2	8.0
Remained basically unchanged	51	92.7	29	96.7	22	88.0
Eased somewhat	2	3.6	1	3.3	1	4.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	30	100.0	25	100.0

For this question, 11 respondents answered “My bank does not originate government residential mortgages.”

C. Credit standards on mortgage loans that your bank categorizes as QM non-jumbo, non-GSE-eligible 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	54	94.7	29	90.6	25	100.0
Eased somewhat	3	5.3	3	9.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	57	100.0	32	100.0	25	100.0

For this question, 9 respondents answered “My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages.”

D. Credit standards on mortgage loans that your bank categorizes as QM jumbo 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	56	93.3	31	91.2	25	96.2
Eased somewhat	4	6.7	3	8.8	1	3.8
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100.0	34	100.0	26	100.0

For this question, 6 respondents answered “My bank does not originate QM jumbo residential mortgages.”

E. Credit standards on mortgage loans that your bank categorizes as non-QM jumbo residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.7	0	0.0	1	4.2
Remained basically unchanged	54	91.5	33	94.3	21	87.5
Eased somewhat	4	6.8	2	5.7	2	8.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	35	100.0	24	100.0

For this question, 7 respondents answered “My bank does not originate non-QM jumbo residential mortgages.”

F. Credit standards on mortgage loans that your bank categorizes as non-QM non-jumbo 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	53	94.6	32	94.1	21	95.5
Eased somewhat	3	5.4	2	5.9	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	34	100.0	22	100.0

For this question, 10 respondents answered “My bank does not originate non-QM non-jumbo residential mortgages.”

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

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

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

A. Demand for mortgages that your bank categorizes as GSE-eligible 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	22	35.5	13	37.1	9	33.3
About the same	34	54.8	19	54.3	15	55.6
Moderately weaker	6	9.7	3	8.6	3	11.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	100.0	27	100.0

For this question, 4 respondents answered “My bank does not originate GSE-eligible residential mortgages.”

B. Demand for mortgages that your bank categorizes as government 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	13	23.6	6	20.0	7	28.0
About the same	37	67.3	21	70.0	16	64.0
Moderately weaker	5	9.1	3	10.0	2	8.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	55	100.0	30	100.0	25	100.0

For this question, 11 respondents answered “My bank does not originate government residential mortgages.”

C. Demand for mortgages that your bank categorizes as QM non-jumbo, non-GSE-eligible residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.7	1	3.1	0	0.0
Moderately stronger	12	20.7	5	15.6	7	26.9
About the same	43	74.1	26	81.3	17	65.4
Moderately weaker	2	3.4	0	0.0	2	7.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	58	100.0	32	100.0	26	100.0

For this question, 8 respondents answered “My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages.”

D. Demand for mortgages that your bank categorizes as QM jumbo residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	3	5.0	2	5.9	1	3.8
Moderately stronger	14	23.3	10	29.4	4	15.4
About the same	40	66.7	21	61.8	19	73.1
Moderately weaker	3	5.0	1	2.9	2	7.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	60	100.0	34	100.0	26	100.0

For this question, 6 respondents answered “My bank does not originate QM jumbo residential mortgages.”

E. Demand for mortgages that your bank categorizes as non-QM jumbo residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.7	1	2.9	0	0.0
Moderately stronger	10	16.9	7	20.0	3	12.5
About the same	44	74.6	25	71.4	19	79.2
Moderately weaker	4	6.8	2	5.7	2	8.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100.0	35	100.0	24	100.0

For this question, 7 respondents answered “My bank does not originate non-QM jumbo residential mortgages.”

F. Demand for mortgages that your bank categorizes as non-QM non-jumbo residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Substantially stronger	1	1.9	1	3.0	0	0.0
Moderately stronger	6	11.1	5	15.2	1	4.8
About the same	43	79.6	25	75.8	18	85.7
Moderately weaker	4	7.4	2	6.1	2	9.5
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	54	100.0	33	100.0	21	100.0

For this question, 12 respondents answered “My bank does not originate non-QM non-jumbo residential mortgages.”

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

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

Questions 26-27 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 26 deals with changes in your bank's credit standards over the past three months. Question 27 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.*

26. 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	1.5	1	2.6	0	0.0
Remained basically unchanged	61	92.4	35	89.7	26	96.3
Eased somewhat	4	6.1	3	7.7	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	66	100.0	39	100.0	27	100.0

27. 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	18	27.3	12	30.8	6	22.2
About the same	37	56.1	20	51.3	17	63.0
Moderately weaker	11	16.7	7	17.9	4	14.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	66	100.0	39	100.0	27	100.0

Questions 28-37 *ask about consumer lending at your bank. Question 28 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 29-34 deal with changes in credit standards and loan terms over the same period. Questions 35-37deal 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.*

28. 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	1	1.5	1	2.7	0	0.0
Somewhat more willing	9	13.8	5	13.5	4	14.3
About unchanged	54	83.1	31	83.8	23	82.1
Somewhat less willing	1	1.5	0	0.0	1	3.6
Much less willing	0	0.0	0	0.0	0	0.0
Total	65	100.0	37	100.0	28	100.0

29. 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	2	3.8	2	5.9	0	0.0
Remained basically unchanged	46	86.8	28	82.4	18	94.7
Eased somewhat	4	7.5	3	8.8	1	5.3
Eased considerably	1	1.9	1	2.9	0	0.0
Total	53	100.0	34	100.0	19	100.0

30. 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	5	8.2	5	14.7	0	0.0
Remained basically unchanged	49	80.3	23	67.6	26	96.3
Eased somewhat	7	11.5	6	17.6	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100.0	34	100.0	27	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	1	2.8	1	3.6
Remained basically unchanged	56	87.5	31	86.1	25	89.3
Eased somewhat	6	9.4	4	11.1	2	7.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

32. 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	6.0	3	9.4	0	0.0
Remained basically unchanged	45	90.0	28	87.5	17	94.4
Eased somewhat	2	4.0	1	3.1	1	5.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	50	100.0	32	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	2	4.0	2	6.3	0	0.0
Remained basically unchanged	48	96.0	30	93.8	18	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	50	100.0	32	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	0	0.0	0	0.0	0	0.0
Remained basically unchanged	50	100.0	32	100.0	18	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	50	100.0	32	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	49	98.0	31	96.9	18	100.0
Eased somewhat	1	2.0	1	3.1	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	50	100.0	32	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	2	4.0	2	6.3	0	0.0
Remained basically unchanged	47	94.0	30	93.8	17	94.4
Eased somewhat	1	2.0	0	0.0	1	5.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	50	100.0	32	100.0	18	100.0

33. 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	1	1.6	1	2.9	0	0.0
Remained basically unchanged	59	95.2	32	91.4	27	100.0
Eased somewhat	2	3.2	2	5.7	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	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	7	11.3	6	17.1	1	3.7
Remained basically unchanged	49	79.0	24	68.6	25	92.6
Eased somewhat	6	9.7	5	14.3	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	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	2	3.2	2	5.7	0	0.0
Remained basically unchanged	60	96.8	33	94.3	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	62	100.0	35	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	4	6.5	3	8.6	1	3.7
Remained basically unchanged	55	88.7	29	82.9	26	96.3
Eased somewhat	3	4.8	3	8.6	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	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	3	4.8	2	5.7	1	3.7
Remained basically unchanged	59	95.2	33	94.3	26	96.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100.0	35	100.0	27	100.0

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

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	64	100.0	36	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	64	100.0	36	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	2	5.6	0	0.0
Remained basically unchanged	59	92.2	34	94.4	25	89.3
Eased somewhat	3	4.7	0	0.0	3	10.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	64	100.0	36	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	64	100.0	36	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	2	5.6	0	0.0
Remained basically unchanged	61	95.3	33	91.7	28	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	64	100.0	36	100.0	28	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.1	1	2.8	1	3.6
Remained basically unchanged	60	93.8	34	94.4	26	92.9
Eased somewhat	2	3.1	1	2.8	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

35. 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	1	2.0	1	3.0	0	0.0
Moderately stronger	7	13.7	5	15.2	2	11.1
About the same	38	74.5	24	72.7	14	77.8
Moderately weaker	5	9.8	3	9.1	2	11.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	51	100.0	33	100.0	18	100.0

36. 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	1.6	1	2.9	0	0.0
Moderately stronger	14	23.0	7	20.6	7	25.9
About the same	42	68.9	22	64.7	20	74.1
Moderately weaker	4	6.6	4	11.8	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	61	100.0	34	100.0	27	100.0

37. 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	10	15.6	4	11.1	6	21.4
About the same	52	81.3	30	83.3	22	78.6
Moderately weaker	2	3.1	2	5.6	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	64	100.0	36	100.0	28	100.0

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1. The sample is selected from among the largest banks in each Federal Reserve District. In the table, large banks are defined as those with total domestic assets of $20 billion or more as of December 31, 2015. The combined assets of the 42 large banks totaled $9.4 trillion, compared to $9.7 trillion for the entire panel of 70 banks, and $13.5 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 April 2016)

***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	6	27.3
Remained basically unchanged	16	72.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100.0

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

a. Maximum size of credit lines

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

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	9.1
Remained basically unchanged	20	90.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	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	18	81.8
Eased somewhat	0	0.0
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	6	27.3
Remained basically unchanged	16	72.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100.0

f. Loan covenants

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	9.1
Remained basically unchanged	20	90.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100.0

g. Collateralization requirements

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	22	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100.0

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	20	100.0
Eased somewhat	0	0.0
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	8	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	8	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents	
	Banks	**Percent**
Not important	3	37.5
Somewhat important	5	62.5
Very important	0	0.0
Total	8	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	2	25.0
Somewhat important	0	0.0
Very important	6	75.0
Total	8	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	8	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	8	100.0

e. Reduced tolerance for risk

	All Respondents	
	Banks	**Percent**
Not important	2	25.0
Somewhat important	6	75.0
Very important	0	0.0
Total	8	100.0

f. Decreased liquidity in the secondary market for these loans

	All Respondents	
	Banks	**Percent**
Not important	4	50.0
Somewhat important	4	50.0
Very important	0	0.0
Total	8	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	8	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	8	100.0

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

	All Respondents	
	Banks	**Percent**
Not important	6	75.0
Somewhat important	2	25.0
Very important	0	0.0
Total	8	100.0

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

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

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

b. More favorable or less uncertain economic outlook

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

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

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

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

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

e. Increased tolerance for risk

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

f. Increased liquidity in the secondary market for these loans

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

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

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

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

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

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

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Moderately stronger	2	9.1
About the same	14	63.6
Moderately weaker	6	27.3
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

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

b. Customer accounts receivable financing needs increased

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

c. Customer investment in plant or equipment increased

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

d. Customer internally generated funds decreased

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

e. Customer merger or acquisition financing needs increased

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

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

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

g. Customer precautionary demand for cash and liquidity increased

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

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	6	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	6	100.0

b. Customer accounts receivable financing needs decreased

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

c. Customer investment in plant or equipment decreased

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

d. Customer internally generated funds increased

	All Respondents	
	Banks	Percent
Not important	6	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	6	100.0

e. Customer merger or acquisition financing needs decreased

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

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

	All Respondents	
	Banks	**Percent**
Not important	5	83.3
Somewhat important	1	16.7
Very important	0	0.0
Total	6	100.0

g. Customer precautionary demand for cash and liquidity decreased

	All Respondents	
	Banks	**Percent**
Not important	6	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	6	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	1	4.8
The number of inquiries has stayed about the same	18	85.7
The number of inquiries has decreased moderately	2	9.5
The number of inquiries has decreased substantially	0	0.0
Total	21	100.0

Over the past year, declines in oil prices may have led to strains in firms involved in oil and natural gas drilling/extraction and in the companies that provide support to those firms. ***Question 7*** *asks you to indicate what fraction of C&I loans held on your bank's books were made to firms in the oil and natural gas drilling/extraction sector.* ***Question 8*** *asks about your outlook for delinquencies and charge-offs on such loans.* ***Question 9*** *asks about changes in lending policies made by your bank in response to developments in the oil and natural gas drilling/extraction sector.* ***Question*** *asks about possible spillover effects from declines in energy commodity prices and associated declines in energy sector activities to other loan types.*

7. Approximately what fraction of C&I loans currently outstanding on your bank's books were made to firms in the oil and natural gas drilling/extraction sector?

	All Respondents	
	Banks	**Percent**
More than 20 percent	1	5.0
More than 10 percent but less than 20 percent	7	35.0
More than 5 percent but less than 10 percent	8	40.0
More than 1 percent but less than 5 percent	4	20.0
Less than 1 percent	0	0.0
Total	20	100.0

For this question, 1 respondent answered “My bank does not have any outstanding loans or lines of credit to firms in the oil and natural gas drilling/extraction sector.”

8. Assuming that economic activity progresses in line with consensus forecasts, and energy commodity prices evolve in line with current futures prices, what is your outlook for delinquencies and charge-offs on your bank's existing loans to firms in the oil and natural gas drilling/extraction sector over the remainder of 2016?

	All Respondents	
	Banks	**Percent**
Loan quality is likely to improve substantially	0	0.0
Loan quality is likely to improve somewhat	0	0.0
Loan quality is likely to remain around current levels	6	30.0
Loan quality is likely to deteriorate somewhat	13	65.0
Loan quality is likely to deteriorate substantially	1	5.0
Total	20	100.0

For this question, 1 respondent answered "My bank does not have any outstanding loans to firms in the oil and natural gas drilling/extraction sector."

9. Please indicate how important each of the following actions have been in your bank's efforts to mitigate risks of loan losses from loans made to firms in the oil and natural gas drilling/extraction sector over the past year.

a. Tightening lending policies on new loans or lines of credit made to firms in this sector

	All Respondents	
	Banks	**Percent**
Not important	2	10.0
Somewhat important	6	30.0
Very important	12	60.0
Total	20	100.0

b. Enforcing material adverse change clauses or other covenants to limit draws on existing credit lines to firms in this sector

	All Respondents	
	Banks	**Percent**
Not important	8	42.1
Somewhat important	8	42.1
Very important	3	15.8
Total	19	100.0

c. Restructuring outstanding loans to make them more robust to the changed outlook for energy prices

	All Respondents	
	Banks	**Percent**
Not important	4	21.1
Somewhat important	5	26.3
Very important	10	52.6
Total	19	100.0

d. Requiring additional collateral to better secure loans or credit lines to firms in this sector

	All Respondents	
	Banks	**Percent**
Not important	3	15.0
Somewhat important	6	30.0
Very important	11	55.0
Total	20	100.0

e. Setting aside additional reserves for a potential increase in loan losses

	All Respondents	
	Banks	Percent
Not important	6	30.0
Somewhat important	8	40.0
Very important	6	30.0
Total	20	100.0

f. Tightening lending policies on new loans or credit lines made to firms in other sectors

	All Respondents	
	Banks	Percent
Not important	8	40.0
Somewhat important	9	45.0
Very important	3	15.0
Total	20	100.0

g. Hedging the risks arising from declines in energy prices through derivatives contracts

	All Respondents	
	Banks	Percent
Not important	9	47.4
Somewhat important	9	47.4
Very important	1	5.3
Total	19	100.0

h. My bank has not needed to mitigate risks of loan losses made to firms in this sector

	All Respondents	
	Banks	**Percent**
Not important	7	50.0
Somewhat important	3	21.4
Very important	4	28.6
Total	14	100.0

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

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	13	92.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

11. 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	7.1
About the same	8	57.1
Moderately weaker	4	28.6
Substantially weaker	1	7.1
Total	14	100.0

Questions 12-13 *ask about how your bank has changed its lending policies on CRE loans over the past year.*

12. Over the past year, how has your bank changed the following policies on CRE loans?

a. Maximum loan size

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	13	92.9
Eased somewhat	1	7.1
Eased considerably	0	0.0
Total	14	100.0

b. Maximum loan maturity

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

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

	All Respondents	
	Banks	Percent
Tightened considerably	1	7.1
Tightened somewhat	2	14.3
Remained basically unchanged	8	57.1
Eased somewhat	3	21.4
Eased considerably	0	0.0
Total	14	100.0

d. Loan-to-value ratios

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	13	92.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

e. Debt-service coverage ratios

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	13	92.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

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

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	14	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

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

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	7.1
Remained basically unchanged	13	92.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	14	100.0

13. If your bank has tightened or eased its credit policies on CRE loans over the past year (as described in question 12), please select the 4 most important reasons among all the possible reasons listed below and rank them in order of importance. (Please respond to either A, B, or both as appropriate and rank the 4 most important reasons using a scale ranging from 4=the most important to 1=the least important.)

A. Possible reasons for tightening credit policies on CRE loans over the past year:

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

B. Possible reasons for easing credit policies on CRE loans over the past year:

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

Yields on commercial mortgage-backed securities (CMBS) have increased considerably over the last six months. At the same time, outstanding CRE loans held on banks' books have continued to grow robustly in aggregate, according to the Federal Reserve's weekly H.8 statistical release, "Assets and Liabilities of Commercial Banks in the United States." ***Questions 14-18*** *ask how your bank's lending policies and practices regarding CRE loans have been affected by recent conditions in the CMBS market and by activities of nonbank financial institutions.*

14. How have conditions in the CMBS market affected the volume of CRE loan **originations** by your bank over the past six months?

	All Respondents	
	Banks	**Percent**
Led to a substantial decrease	3	27.3
Led to a moderate decrease	1	9.1
Led to no change	7	63.6
Led to a moderate increase	0	0.0
Led to a substantial increase	0	0.0
Total	11	100.0

For this question, 5 respondents answered “My bank does not originate CRE loans.”

15. How have conditions in the CMBS market affected the volume of CRE loan **securitizations** by your bank over the past six months?

	All Respondents	
	Banks	**Percent**
Led to a substantial decrease	2	22.2
Led to a moderate decrease	3	33.3
Led to no change	4	44.4
Led to a moderate increase	0	0.0
Led to a substantial increase	0	0.0
Total	9	100.0

For this question, 7 respondents answered “My bank does not securitize CRE loans.”

16. Apart from normal seasonal variation, how has demand for loans or lines of credit from nonbank financial institutions, used to fund their CRE loan pipelines prior to securitization, changed over the past six months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents	
	Banks	**Percent**
Substantially stronger	0	0.0
Somewhat stronger	0	0.0
About the same	3	50.0
Somewhat weaker	1	16.7
Substantially weaker	2	33.3
Total	6	100.0

For this question, 9 respondents answered “My bank does not originate these types of loans or credit lines.”

17. How have your bank’s credit standards for approving applications for loans or lines of credit to nonbank financial institutions, used to fund their CRE loan pipelines prior to securitization, changed over the past six months? (Please consider applications for new spot loans, and for new or increased credit lines.)

	All Respondents	
	Banks	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	33.3
Remained basically unchanged	4	66.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	6	100.0

For this question, 9 respondents answered “My bank does not originate these types of loans or credit lines.”

18. In the next six months, a large amount of CRE loans originated in 2006 and currently held in CMBS will need to be refinanced. Assuming economic activity progresses in line with consensus forecasts, how are the standards that your bank would apply to such CRE loans **different from** those that you expect to apply to other CRE loans?

	All Respondents	
	Banks	**Percent**
Considerably tighter	0	0.0
Somewhat tighter	3	25.0
About the same	9	75.0
Somewhat easier	0	0.0
Considerably easier	0	0.0
Total	12	100.0

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1. As of December 31, 2015, the 22 respondents had combined assets of $1.2 trillion, compared to $2.3 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.