

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 October 2008)

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	8	14.5	6	18.8	2	8.7
Tightened somewhat	38	69.1	21	65.6	17	73.9
Remained basically unchanged	9	16.4	5	15.6	4	17.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	9	16.4	5	15.6	4	17.4
Tightened somewhat	32	58.2	18	56.3	14	60.9
Remained basically unchanged	14	25.5	9	28.1	5	21.7
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	6	10.9	3	9.4	3	13.0
Tightened somewhat	32	58.2	22	68.8	10	43.5
Remained basically unchanged	17	30.9	7	21.9	10	43.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	3	9.4	0	0.0
Tightened somewhat	31	56.4	18	56.3	13	56.5
Remained basically unchanged	21	38.2	11	34.4	10	43.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	20	36.4	15	46.9	5	21.7
Tightened somewhat	32	58.2	16	50.0	16	69.6
Remained basically unchanged	3	5.5	1	3.1	2	8.7
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	22	40.0	16	50.0	6	26.1
Tightened somewhat	32	58.2	16	50.0	16	69.6
Remained basically unchanged	1	1.8	0	0.0	1	4.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	27	49.1	16	50.0	11	47.8
Tightened somewhat	21	38.2	13	40.6	8	34.8
Remained basically unchanged	7	12.7	3	9.4	4	17.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	2	6.3	1	4.3
Tightened somewhat	38	69.1	25	78.1	13	56.5
Remained basically unchanged	14	25.5	5	15.6	9	39.1
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	2	6.3	1	4.3
Tightened somewhat	30	54.5	17	53.1	13	56.5
Remained basically unchanged	22	40.0	13	40.6	9	39.1
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	6	10.9	4	12.5	2	8.7
Tightened somewhat	27	49.1	15	46.9	12	52.2
Remained basically unchanged	22	40.0	13	40.6	9	39.1
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	3	9.4	0	0.0
Tightened somewhat	29	52.7	15	46.9	14	60.9
Remained basically unchanged	23	41.8	14	43.8	9	39.1
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	16	29.1	12	37.5	4	17.4
Tightened somewhat	33	60.0	17	53.1	16	69.6
Remained basically unchanged	6	10.9	3	9.4	3	13.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	19	34.5	11	34.4	8	34.8
Tightened somewhat	32	58.2	19	59.4	13	56.5
Remained basically unchanged	4	7.3	2	6.3	2	8.7
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	21	38.2	12	37.5	9	39.1
Tightened somewhat	25	45.5	15	46.9	10	43.5
Remained basically unchanged	9	16.4	5	15.6	4	17.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	3	9.4	0	0.0
Tightened somewhat	35	63.6	22	68.8	13	56.5
Remained basically unchanged	17	30.9	7	21.9	10	43.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	100.0

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	3	5.5	2	6.3	1	4.3
Tightened somewhat	30	54.5	17	53.1	13	56.5
Remained basically unchanged	22	40.0	13	40.6	9	39.1
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	32	100.0	23	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	32	61.5	17	54.8	15	71.4
Somewhat important	14	26.9	11	35.5	3	14.3
Very important	6	11.5	3	9.7	3	14.3
Total	52	100.0	31	100.0	21	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	1.9	0	0.0	1	4.8
Somewhat important	18	34.0	9	28.1	9	42.9
Very important	34	64.2	23	71.9	11	52.4
Total	53	100.0	32	100.0	21	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	10	19.2	4	12.5	6	30.0
Somewhat important	26	50.0	18	56.3	8	40.0
Very important	16	30.8	10	31.3	6	30.0
Total	52	100.0	32	100.0	20	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	27	50.9	14	43.8	13	61.9
Somewhat important	21	39.6	14	43.8	7	33.3
Very important	5	9.4	4	12.5	1	4.8
Total	53	100.0	32	100.0	21	100.0

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	13.2	3	9.4	4	19.0
Somewhat important	26	49.1	16	50.0	10	47.6
Very important	20	37.7	13	40.6	7	33.3
Total	53	100.0	32	100.0	21	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	23	43.4	8	25.0	15	71.4
Somewhat important	21	39.6	17	53.1	4	19.0
Very important	9	17.0	7	21.9	2	9.5
Total	53	100.0	32	100.0	21	100.0

g. Increase in defaults by borrowers in public debt markets

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	29	54.7	16	50.0	13	61.9
Somewhat important	23	43.4	16	50.0	7	33.3
Very important	1	1.9	0	0.0	1	4.8
Total	53	100.0	32	100.0	21	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	33	63.5	18	58.1	15	71.4
Somewhat important	13	25.0	9	29.0	4	19.0
Very important	6	11.5	4	12.9	2	9.5
Total	52	100.0	31	100.0	21	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	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	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	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	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	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

g. Reduction in defaults by borrowers in public debt markets

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	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	2	3.7	2	6.5	0	0.0
Moderately stronger	13	24.1	9	29.0	4	17.4
About the same	15	27.8	6	19.4	9	39.1
Moderately weaker	18	33.3	10	32.3	8	34.8
Substantially weaker	6	11.1	4	12.9	2	8.7
Total	54	100.0	31	100.0	23	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	1	1.9	1	3.2	0	0.0
Moderately stronger	12	22.2	8	25.8	4	17.4
About the same	24	44.4	11	35.5	13	56.5
Moderately weaker	12	22.2	8	25.8	4	17.4
Substantially weaker	5	9.3	3	9.7	2	8.7
Total	54	100.0	31	100.0	23	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	11	78.6	7	77.8	4	80.0
Somewhat important	3	21.4	2	22.2	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	14	100.0	9	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	10	66.7	6	60.0	4	80.0
Somewhat important	5	33.3	4	40.0	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	15	100.0	10	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	10	71.4	6	66.7	4	80.0
Somewhat important	4	28.6	3	33.3	1	20.0
Very important	0	0.0	0	0.0	0	0.0
Total	14	100.0	9	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	7	46.7	3	30.0	4	80.0
Somewhat important	5	33.3	5	50.0	0	0.0
Very important	3	20.0	2	20.0	1	20.0
Total	15	100.0	10	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	13	100.0	8	100.0	5	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	13	100.0	8	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	1	6.7	1	10.0	0	0.0
Somewhat important	3	20.0	2	20.0	1	20.0
Very important	11	73.3	7	70.0	4	80.0
Total	15	100.0	10	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	3	12.5	2	14.3	1	10.0
Somewhat important	19	79.2	11	78.6	8	80.0
Very important	2	8.3	1	7.1	1	10.0
Total	24	100.0	14	100.0	10	100.0

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	12.5	2	14.3	1	10.0
Somewhat important	19	79.2	11	78.6	8	80.0
Very important	2	8.3	1	7.1	1	10.0
Total	24	100.0	14	100.0	10	100.0

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	4.2	1	7.1	0	0.0
Somewhat important	14	58.3	9	64.3	5	50.0
Very important	9	37.5	4	28.6	5	50.0
Total	24	100.0	14	100.0	10	100.0

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	17	70.8	12	85.7	5	50.0
Somewhat important	6	25.0	2	14.3	4	40.0
Very important	1	4.2	0	0.0	1	10.0
Total	24	100.0	14	100.0	10	100.0

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	16.7	1	7.1	3	30.0
Somewhat important	12	50.0	7	50.0	5	50.0
Very important	8	33.3	6	42.9	2	20.0
Total	24	100.0	14	100.0	10	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	20	83.3	13	92.9	7	70.0
Somewhat important	2	8.3	0	0.0	2	20.0
Very important	2	8.3	1	7.1	1	10.0
Total	24	100.0	14	100.0	10	100.0

6. At your bank, 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 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	7	12.7	5	15.6	2	8.7
The number of inquiries has increased moderately	16	29.1	10	31.3	6	26.1
The number of inquiries has stayed about the same	14	25.5	4	12.5	10	43.5
The number of inquiries has decreased moderately	15	27.3	11	34.4	4	17.4
The number of inquiries has decreased substantially	3	5.5	2	6.3	1	4.3
Total	55	100.0	32	100.0	23	100.0

Questions 7-8 ask about changes in the dollar amount of outstanding C&I loans at your bank. Question 7 asks about changes in the outstanding dollar amount of C&I loans drawn under preexisting commitments and question 8 asks about changes in the outstanding dollar amount of C&I loans that were not drawn under preexisting commitments.

7. At your bank, how has the dollar amount of C&I loans outstanding that were drawn under preexisting commitments changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Declined considerably	0	0.0	0	0.0	0	0.0
Declined somewhat	5	9.1	1	3.1	4	17.4
Remained basically unchanged	24	43.6	10	31.3	14	60.9
Increased somewhat	21	38.2	17	53.1	4	17.4
Increased considerably	5	9.1	4	12.5	1	4.3
Total	55	100.0	32	100.0	23	100.0

8. At your bank, how has the dollar amount of C&I loans outstanding that were not drawn under preexisting commitments changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Declined considerably	0	0.0	0	0.0	0	0.0
Declined somewhat	7	13.0	5	16.1	2	8.7
Remained basically unchanged	24	44.4	13	41.9	11	47.8
Increased somewhat	21	38.9	12	38.7	9	39.1
Increased considerably	2	3.7	1	3.2	1	4.3
Total	54	100.0	31	100.0	23	100.0

Questions 9-10 ask about commercial real estate loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 9 deals with changes in your bank's standards over the past three months. Question 10 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.

9. Over the past three months, how have your bank's credit standards for approving applications for commercial real estate loans changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	22	40.7	13	41.9	9	39.1
Tightened somewhat	25	46.3	14	45.2	11	47.8
Remained basically unchanged	7	13.0	4	12.9	3	13.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	54	100.0	31	100.0	23	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	2	3.7	1	3.2	1	4.3
Moderately stronger	4	7.4	1	3.2	3	13.0
About the same	12	22.2	8	25.8	4	17.4
Moderately weaker	22	40.7	12	38.7	10	43.5
Substantially weaker	14	25.9	9	29.0	5	21.7
Total	54	100.0	31	100.0	23	100.0

Questions 11-12 ask about three categories of residential mortgage loans at your bank—prime residential mortgages, nontraditional residential mortgages, and subprime residential mortgages. Question 11 deals with changes in your bank's credit standards for loans in each of these categories over the past three months. Question 12 deals with changes in demand for loans in each of these categories over the same period. If your bank's credit standards have not changed over the relevant period, please report them as unchanged even if the standards are either restrictive or accommodative relative to longer-term norms. If your bank's credit standards have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.

For the purposes of this survey, please use the following definitions of these loan categories (note that the loan categories are not mutually exclusive) and include first-lien loans only:

- *The **prime** category of residential mortgages includes loans made to borrowers that typically had relatively strong, well-documented credit histories, relatively high credit scores, and relatively low debt-to-income ratios at the time of origination. This would include fully amortizing loans that have a fixed rate, a standard adjustable rate, or a common hybrid adjustable rate—those for which the interest rate is initially fixed for a multi-year period and subsequently adjusts more frequently.*
- *The **nontraditional** category of residential mortgages includes, but is not limited to, adjustable-rate mortgages with multiple payment options, interest-only mortgages, and "Alt-A" products such as mortgages with limited income verification and mortgages secured by non-owner-occupied properties. (Please exclude standard adjustable-rate mortgages and common hybrid adjustable-rate mortgages.)*
- *The **subprime** category of residential mortgages typically includes loans made to borrowers that displayed one or more of the following characteristics at the time of origination: weakened credit histories that include payment delinquencies, chargeoffs, judgments, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.*

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

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	2	3.8	2	6.7	0	0.0
Tightened somewhat	35	67.3	22	73.3	13	59.1
Remained basically unchanged	14	26.9	6	20.0	8	36.4
Eased somewhat	1	1.9	0	0.0	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	9	31.0	7	36.8	2	20.0
Tightened somewhat	17	58.6	10	52.6	7	70.0
Remained basically unchanged	3	10.3	2	10.5	1	10.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	29	100.0	19	100.0	10	100.0

For this question, 23 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	4	100.0	3	100.0	1	100.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	0	0.0	0	0.0	0	0.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	4	100.0	3	100.0	1	100.0

For this question, 46 respondents answered “My bank does not originate subprime residential mortgages.”

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

A. Demand for mortgages that your bank categorizes as prime residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	3	5.8	0	0.0	3	13.6
About the same	19	36.5	12	40.0	7	31.8
Moderately weaker	25	48.1	16	53.3	9	40.9
Substantially weaker	5	9.6	2	6.7	3	13.6
Total	52	100.0	30	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	0	0.0	0	0.0	0	0.0
About the same	8	27.6	4	21.1	4	40.0
Moderately weaker	16	55.2	14	73.7	2	20.0
Substantially weaker	5	17.2	1	5.3	4	40.0
Total	29	100.0	19	100.0	10	100.0

For this question, 23 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	0	0.0	0	0.0	0	0.0
About the same	0	0.0	0	0.0	0	0.0
Moderately weaker	2	50.0	2	66.7	0	0.0
Substantially weaker	2	50.0	1	33.3	1	100.0
Total	4	100.0	3	100.0	1	100.0

For this question, 46 respondents answered “My bank does not originate subprime residential mortgages.”

Questions 13-14 ask about revolving home equity lines of credit at your bank. Question 13 deals with changes in your bank's credit standards over the past three months. Question 14 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.

13. 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	12	23.1	10	33.3	2	9.1
Tightened somewhat	29	55.8	14	46.7	15	68.2
Remained basically unchanged	10	19.2	6	20.0	4	18.2
Eased somewhat	1	1.9	0	0.0	1	4.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	10	19.2	6	20.0	4	18.2
About the same	20	38.5	8	26.7	12	54.5
Moderately weaker	20	38.5	14	46.7	6	27.3
Substantially weaker	2	3.8	2	6.7	0	0.0
Total	52	100.0	30	100.0	22	100.0

Questions 15-20 ask about consumer lending at your bank. Question 15 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 16-19 deal with changes in credit standards and loan terms over the same period. Question 20 deals with changes in demand for consumer loans over the past three months. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Much more willing	0	0.0	0	0.0	0	0.0
Somewhat more willing	0	0.0	0	0.0	0	0.0
About unchanged	28	52.8	13	43.3	15	65.2
Somewhat less willing	19	35.8	14	46.7	5	21.7
Much less willing	6	11.3	3	10.0	3	13.0
Total	53	100.0	30	100.0	23	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	5	14.7	3	14.3	2	15.4
Tightened somewhat	15	44.1	11	52.4	4	30.8
Remained basically unchanged	14	41.2	7	33.3	7	53.8
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	34	100.0	21	100.0	13	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	8	15.1	5	16.7	3	13.0
Tightened somewhat	26	49.1	16	53.3	10	43.5
Remained basically unchanged	19	35.8	9	30.0	10	43.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100.0	30	100.0	23	100.0

18. 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	3	9.1	1	4.8	2	16.7
Tightened somewhat	17	51.5	13	61.9	4	33.3
Remained basically unchanged	13	39.4	7	33.3	6	50.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	33	100.0	21	100.0	12	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	2	6.1	0	0.0	2	16.7
Tightened somewhat	7	21.2	6	28.6	1	8.3
Remained basically unchanged	23	69.7	14	66.7	9	75.0
Eased somewhat	1	3.0	1	4.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	33	100.0	21	100.0	12	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	3	9.1	2	9.5	1	8.3
Remained basically unchanged	30	90.9	19	90.5	11	91.7
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	33	100.0	21	100.0	12	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	3	9.1	1	4.8	2	16.7
Tightened somewhat	14	42.4	11	52.4	3	25.0
Remained basically unchanged	16	48.5	9	42.9	7	58.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	33	100.0	21	100.0	12	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	6	18.2	4	19.0	2	16.7
Tightened somewhat	13	39.4	9	42.9	4	33.3
Remained basically unchanged	14	42.4	8	38.1	6	50.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	33	100.0	21	100.0	12	100.0

19. Over the past three months, how has your bank changed the following terms and conditions on consumer loans other than credit card loans? (Please assign *each* term a number between 1 and 5 using the following scale: 1=tightened considerably, 2=tightened somewhat, 3=remained basically unchanged, 4=eased somewhat, 5=eased considerably.)

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.9	1	3.3	0	0.0
Tightened somewhat	9	17.3	6	20.0	3	13.6
Remained basically unchanged	42	80.8	23	76.7	19	86.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

b. 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	9	17.0	4	13.3	5	21.7
Tightened somewhat	30	56.6	19	63.3	11	47.8
Remained basically unchanged	13	24.5	6	20.0	7	30.4
Eased somewhat	1	1.9	1	3.3	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	53	100.0	30	100.0	23	100.0

c. Minimum required downpayment

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	4	7.7	2	6.7	2	9.1
Tightened somewhat	25	48.1	15	50.0	10	45.5
Remained basically unchanged	23	44.2	13	43.3	10	45.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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	5	9.6	3	10.0	2	9.1
Tightened somewhat	27	51.9	17	56.7	10	45.5
Remained basically unchanged	20	38.5	10	33.3	10	45.5
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100.0	30	100.0	22	100.0

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	12	23.5	8	26.7	4	19.0
Tightened somewhat	19	37.3	11	36.7	8	38.1
Remained basically unchanged	20	39.2	11	36.7	9	42.9
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100.0	30	100.0	21	100.0

20. Apart from normal seasonal variation, how has demand for consumer loans of all types changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	1.9	1	3.3	0	0.0
Moderately stronger	3	5.8	3	10.0	0	0.0
About the same	19	36.5	8	26.7	11	50.0
Moderately weaker	25	48.1	16	53.3	9	40.9
Substantially weaker	4	7.7	2	6.7	2	9.1
Total	52	100.0	30	100.0	22	100.0

Questions 21-22 ask about your bank's changes in credit limits on existing credit card accounts for prime and nonprime borrowers.

21. Over the past three months, how has your bank changed credit limits on existing credit card accounts? (In responding, please consider cancelled accounts as reductions in credit limits.)

A. To prime borrowers:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Lowered limits considerably	0	0.0	0	0.0	0	0.0
Lowered limits somewhat	8	25.0	7	33.3	1	9.1
Limits are little changed	23	71.9	13	61.9	10	90.9
Raised limits somewhat	1	3.1	1	4.8	0	0.0
Raised limits considerably	0	0.0	0	0.0	0	0.0
Total	32	100.0	21	100.0	11	100.0

B. To nonprime borrowers:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Lowered limits considerably	5	19.2	3	16.7	2	25.0
Lowered limits somewhat	11	42.3	9	50.0	2	25.0
Limits are little changed	10	38.5	6	33.3	4	50.0
Raised limits somewhat	0	0.0	0	0.0	0	0.0
Raised limits considerably	0	0.0	0	0.0	0	0.0
Total	26	100.0	18	100.0	8	100.0

22. If you answered 1 or 2 to either part of question 21, how important have been the following possible reasons for the change?

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	13	86.7	10	90.9	3	75.0
Somewhat important	2	13.3	1	9.1	1	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	15	100.0	11	100.0	4	100.0

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	6.3	1	8.3	0	0.0
Somewhat important	4	25.0	3	25.0	1	25.0
Very important	11	68.8	8	66.7	3	75.0
Total	16	100.0	12	100.0	4	100.0

c. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	6.3	1	8.3	0	0.0
Somewhat important	9	56.3	8	66.7	1	25.0
Very important	6	37.5	3	25.0	3	75.0
Total	16	100.0	12	100.0	4	100.0

d. Decreased liquidity in securitization markets

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	11	73.3	9	81.8	2	50.0
Somewhat important	1	6.7	0	0.0	1	25.0
Very important	3	20.0	2	18.2	1	25.0
Total	15	100.0	11	100.0	4	100.0

e. Decline in customer credit scores

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	13.3	2	18.2	0	0.0
Somewhat important	9	60.0	6	54.5	3	75.0
Very important	4	26.7	3	27.3	1	25.0
Total	15	100.0	11	100.0	4	100.0

f. Customer missed payment(s) on credit card loan(s) at your bank

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	13.3	2	18.2	0	0.0
Somewhat important	8	53.3	5	45.5	3	75.0
Very important	5	33.3	4	36.4	1	25.0
Total	15	100.0	11	100.0	4	100.0

g. Customer missed payment(s) on other loan(s) at your bank

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	26.7	3	27.3	1	25.0
Somewhat important	7	46.7	4	36.4	3	75.0
Very important	4	26.7	4	36.4	0	0.0
Total	15	100.0	11	100.0	4	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	80.0	9	81.8	3	75.0
Somewhat important	2	13.3	2	18.2	0	0.0
Very important	1	6.7	0	0.0	1	25.0
Total	15	100.0	11	100.0	4	100.0

i. Other (please specify)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	0	--	0	--	0	--
Somewhat important	0	--	0	--	0	--
Very important	0	--	0	--	0	--
Total	0	--	0	--	0	--

1. The sample is selected from among the largest banks in each Federal Reserve District. In the table, large banks are defined as those with total domestic assets of \$20 billion or more as of June 30, 2008. The combined assets of the 32 large banks totaled \$6.0 trillion, compared to \$6.2 trillion for the entire panel of 55 banks, and \$9.7 trillion for all domestically chartered, federally insured commercial banks.