Office of the
Comptroller of the Currency

2014 Survey of Credit Underwriting Practices

Office of the Comptroller of the Currency
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Contents

Introduction

The Office of the Comptroller of the Currency (OCC) conducted its 20th "Survey of Credit Underwriting Practices" to identify trends in lending standards and credit risk for the most common types of commercial and retail credit offered by national banks and federal savings associations (collectively, banks). The survey covers the 12-month period ending June 30, 2014, and shows results of this year's survey along with the prior 11 years to provide perspective over a cycle.[1]

The 2014 survey presents OCC examiner assessments of credit underwriting standards at 91 banks with assets of $3 billion or more. Examiners reported on loan products for each company whose loan volume was 2 percent or more of its committed loan portfolio, or greater than $10 billion in committed exposure. The survey covers loans totaling $4.9 trillion representing 94 percent of total loans in the federal banking system. Large banks discussed in this report are the 18 largest banks by asset size supervised by the OCC's Large Bank Supervision Department; the other 73 banks are supervised by the OCC's Midsize and Community Bank Supervision Department.

OCC examiners assigned to each bank assessed overall credit trends for 18 commercial and retail credit products. For the purposes of this survey, commercial credit includes 11 categories:

- Agricultural
- Asset-based
- Commercial leasing
- Commercial real estate (CRE) construction
- International
- Large corporate
- Leveraged
- Middle market
- Other commercial real estate
- Residential construction
- Small business

Retail credit includes seven categories:

- Affordable housing
- Conventional home equity
- Credit cards
- High loan-to-value (HLTV) home equity
- Indirect consumer lending
- Direct consumer lending
- Residential first mortgages

[1] Some data tables and charts cover shorter periods, as questions and topics were added to the survey at various points in time.

Underwriting standards, as used in this report, refers to the terms and conditions under which banks approve, extend, or renew credit, such as financial reporting, collateral requirements, repayment terms, pricing, and covenants. Conclusions about easing or tightening represent OCC examiners' observations during the 12-month survey period ending June 30, 2014. A conclusion that underwriting standards for a particular loan category eased or tightened does not necessarily indicate an adjustment in all of the standards for that particular product. Rather, the conclusion indicates that adjustments that did occur had the net effect of easing or tightening the aggregate conditions under which banks extended credit.

Part I of this report summarizes the overall findings of the survey. Part II shows the findings in data tables and graphs. Part III presents the raw data used to develop the survey's principal findings and to create the data tables and graphs.[2]

[2] Some percentages in tables and graphs may not add to 100 because of rounding.

Part I: Overall Results

Primary Findings

- **Underwriting standards** continued to ease for the third year in a row, reflecting broad trends similar to those seen in 2004 through 2006, just prior to the most recent credit crisis.
- The relative level of **credit risk** has also increased, with the commercial portfolio reflecting higher risk since the last survey. The level of credit risk is expected to increase in both commercial and retail portfolios over the next 12 months. (See figures 5 and 11 in part II.)
- In light of loosened standards, **supervisory efforts** will continue to focus on new product portfolios and those with increasing loan volumes.

Commentary on Underwriting

The results of this year's survey show a third consecutive year where underwriting standards have eased within both commercial and retail products. This compares to very similar results noted in the 2006 underwriting survey, just prior to the most recent credit crisis. Both surveys noted that banks were reaching for volume and yield as they eased standards. While loan quality is currently sound, credit risk is increasing through the continued easing of underwriting standards and accelerated loan growth.

Loan portfolios that experienced the most easing in underwriting standards were leveraged loans, indirect consumer, credit cards, large corporate, and international, continuing the trend noted over the last several years. Some easing was also noted in CRE construction and other CRE loans. Competition, abundant liquidity, and the search for yield in the current low-rate environment caused banks to relax pricing and terms. In addition, examiners reported a trend of increasing policy exceptions for both commercial and retail products, predominantly centered in commercial products with a small increase in retail policy exceptions. Large banks reported the highest share of eased underwriting standards.

Commercial underwriting standards eased in 34 percent of the banks, an increase from 14 percent and 28 percent in 2012 and 2013, respectively. Five percent of banks tightened commercial loan underwriting standards, with the percentage of banks tightening standards reverting to the lowest level seen since 2006. Leveraged loans show the largest easing for commercial products, with a loosening trend reflected in 48 percent of the banks that conduct leveraged lending activity. Other commercial loan products showing significant easing were CRE, both construction and other, international, and large corporate loans. For commercial products, pricing was the predominant method used to ease standards in 74 percent of products, indicating that competition for yield in the current low-rate environment contributes to eased standards.

Easing of retail underwriting standards continues, occurring in 22 percent of the banks over the past two years, stabilizing from an increasing trend noted since 2010. Standards in credit cards and indirect consumer loans eased the most primarily through changes in collateral requirements, with pricing and debt service requirements used as secondary methods to ease underwriting standards.

Examiners reported a trend of increasing policy exceptions for both commercial and retail products, predominantly centered in commercial products (22 percent) with a smaller increase

(11 percent) in retail policy exceptions. Exception tracking is in place for the majority (96 percent) of commercial and retail products.

Similar to the 2013 survey results, this year's survey indicates that the majority of banks generally apply the same underwriting standards to loans underwritten with the intent to hold as to those underwritten with the intent to sell. Some variance, however, was noted in leveraged loans, other CRE loans, and international loans. Examiners largely cited good or acceptable adherence to underwriting standards, with policy exceptions adequately supported and approved for most products.

Commentary on Credit Risk

The level of credit risk increased primarily in the commercial portfolio. Twenty-seven percent of commercial loan products reflect increased credit risk, versus 19 percent noted in 2013. Over the next 12 months, examiners expect credit risk will increase for almost half (46 percent) of commercial loan products. The level of credit risk in retail remained steady over the past two years, with 14 percent of loan products reflecting increased credit risk. For the next 12 months, examiners expect that credit risk will increase in 27 percent of retail products. Similar year over year increases in credit risk were reported in the 2006 survey despite the relatively low level of problem assets and losses. The primary reasons supporting the projected increase in credit risk are continued loan growth along with loosened underwriting standards, strong competition, and changes in interest rates and other economic factors.

Competitive pressures, abundant liquidity, and desire for yield in the low interest-rate environment have resulted in eased underwriting standards and increasing credit-risk concerns. Although some traditional credit-risk indicators have stabilized, loosened underwriting standards in a competitive market generally add risk back into the system. Supervisory efforts will continue to focus on the impact of increasing loan volumes in light of loosened standards and the potential for increasing credit risks.

Commercial real estate lending products were cited as the most frequent credit-related area of concern identified by examiners for banks of all size. Commercial construction loans, other CRE loans, and residential real estate are a growing concern in 65 percent of all banks, particularly in midsize and community institutions. Issues include rapid growth in these segments, uncertain collateral valuations, increased commercial construction lending, and concerns with residential real estate in a lingering weak housing market. The products with the second most frequent credit-related concerns are leveraged, large corporate, and commercial and industrial lending. Banks have increased exposures to these types of credit. Competition is also a significant area of concern as banks strive for loan growth in the face of decreasing profitability and a desire to increase loan yields. Competitive pressures including those from non-bank lenders have also had a negative impact on repayment terms, pricing, and margins. A smaller percentage (5 percent) of banks have tightened standards in 2014 compared with the previous year's tightening of 8 percent.

The most frequent credit-related concerns in retail products center on increased competition that affected underwriting standards and risk selection criteria. In addition, ongoing weaknesses in certain economic sectors and maintaining sufficient controls with increased growth were areas of concern.

Examiners in community and midsize banks noted that exposure to all types of CRE and construction loans pose the greatest credit risk. Large bank examiner concerns for credit risk centered on commercial lending in general and leveraged and large corporate lending in particular.

Commercial Underwriting Standards

The number of banks where examiners reported a net easing in commercial credit standards increased compared to 2013. As presented in table 1, the survey results indicate that the majority of banks (61 percent) show unchanged underwriting standards while 34 percent of banks eased underwriting standards. The easing of standards occurred mainly in large banks, continuing a trend of the past three years, and comparable to the 2006 underwriting survey results.

Table 1: Overall Commercial Product Underwriting Trends

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	31%	26%	6%	0%	2%	20%	14%	28%	34%
Unchanged	63%	58%	42%	14%	33%	48%	70%	64%	61%
Tightened	6%	16%	52%	86%	65%	32%	16%	8%	5%

For additional information, see figure 1 in part II.

Similar to the results from the 2013 survey, competition is the predominant reason for changes in commercial underwriting standards. Strong competitive pressures along with ample market liquidity resulted in banks revisiting their risk tolerance and market strategies in order to remain competitive. Other factors contributing to eased underwriting standards were concerns with economic conditions, changes in market strategy, and ample market liquidity. The trend towards eased standards has been increasing with 34 percent of banks now showing eased standards. Eased standards were noted most prominently in leveraged loans, CRE products, large corporate loans, and international loans. Large banks eased their standards more than midsize and community banks.

Commercial underwriting standards tightened from 2007 to 2009 when tightened underwriting standards peaked with 86 percent of institutions showing tightened standards and no banks showing eased standards. Since then, the percentage of banks with tightening underwriting standards has steadily fallen, primarily due to competitive factors, with 5 percent of products having tightened standards over the past year. Examiners reported that where standards were tightened, the predominant reasons for tightening related to the competitive environment and economic outlook.

Examiners continued to note good or satisfactory monitoring of underwriting standards with 96 percent of underwriting and policy exceptions tracked. Exceptions were well supported for most products. For 78 percent of commercial products, the level of approved exceptions decreased or had no change.

Selected Product Trends

Commercial Real Estate

CRE products include commercial construction, residential construction, and all other CRE loans. Almost all surveyed banks offered at least one type of CRE product. CRE remains a concern to examiners given significant concentrations in this product relative to capital levels noted at some banks. While the majority of banks' underwriting standards remain unchanged for CRE, a higher percentage of banks eased standards in all three CRE products than did in 2013. Examiners cited changes in the competitive environment, economic outlook, risk appetite, and market strategy as the drivers behind the net easing of underwriting standards. Even though examiners indicate current underwriting standards for CRE products remained either conservative at 50 percent of banks offering this product, or moderate at 48 percent of banks, the increase in the risk profile of CRE products is due to broader concerns over concentrations in CRE, collateral valuations, rapid growth, construction lending, and the weak housing market.

The level and direction of credit risk in CRE categories shows increasing credit risk for commercial construction, residential construction, and other CRE, as banks increased their level of lending in these products. Increased credit risks were attributed to continued economic weakness, strong competition, a change in strategy, and changes in risk appetite. Examiner expectations for risk in the next 12 months show an increasing level of risk in 44 percent of banks offering commercial construction loans, 25 percent of banks offering residential construction loans, and 45 percent of banks offering other CRE loans. Tables 2, 3, and 4 provide breakdowns on changes in underwriting standards by real estate type, and tables 22, 24, and 26 in part III provide additional detail on changes in the levels of CRE risk.

Forty-three of the surveyed banks offered commercial construction loans. Table 2 shows that commercial construction underwriting standards remain largely unchanged, however, banks with eased standards have almost doubled since last year.

Table 2: CRE Lending: Commercial Construction

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	32%	28%	8%	0%	3%	3%	5%	18%	33%
Unchanged	56%	59%	43%	20%	25%	61%	75%	71%	65%
Tightened	12%	13%	49%	80%	72%	36%	20%	11%	2%

For additional information, see data tables 21 and 22 in part III.

Eight banks (9 percent) offer residential construction loan products. Performance of these products remained weak, and many banks have either exited the product or significantly curtailed new originations. Table 3 shows that eased underwriting standards are consistent with the broader trends of eased underwriting, a noticeable shift from 2013.

Table 3: CRE Lending: Residential Construction

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	25%	17%	2%	0%	0%	0%	0%	0%	12%
Unchanged	64%	50%	36%	8%	36%	63%	79%	92%	88%
Tightened	11%	33%	62%	92%	64%	37%	21%	8%	0%

For additional information, see data tables 23 and 24 in part III.

Eighty of the surveyed banks (88 percent) offered a variety of CRE loans for purposes other than residential or commercial construction. For purposes of this survey, the OCC broadly grouped these loans under an “other” category. Forty-five percent of examiner responses indicate that risk is expected to increase over the next 12 months based on concerns with the economic environment, collateral values, and easing underwriting standards. Despite this expectation of increased risk, underwriting standards continued to ease in response to competitive pressures. Table 4 shows that underwriting standards for CRE products other than construction have increasingly eased since 2010.

Table 4: CRE Lending: Other

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	32%	20%	2%	2%	2%	9%	12%	24%	37%
Unchanged	60%	73%	73%	22%	38%	58%	76%	68%	59%
Tightened	8%	7%	25%	76%	60%	33%	12%	8%	4%

For additional information, see data tables 25 and 26 in part III.

Leveraged Lending

Leveraged lending remains a concern due in large part to the degree of risk inherent in these loans along with banks’ increasing exposures and eased underwriting standards. The number of banks engaged in these activities has increased, as several midsize banking institutions and two community banks entered into this activity since last year’s survey. Twenty-five institutions—11 large banks (44 percent), 10 midsize banks (40 percent), and four community banks (16 percent)—currently originate leveraged loans. There are 11 banks (44 percent) that originate to hold and to sell, with the remaining 14 banks originating only to hold.

Leveraged lending is increasing, both in volume and dollar size of transactions. Table 5 shows that a significant percentage of banks originating leveraged loans eased underwriting standards 48 percent and 40 percent of the banks left underwriting standards unchanged. Increased competition, and market liquidity motivated banks to ease standards. Three banks (12 percent) tightened leveraged lending standards, due in part to recently issued regulatory guidance and desire for improved credit quality in this product.

Examiners also reported that the level of credit risk in leveraged loans increased in 68 percent of banks offering leveraged loans in 2014. Credit risk remains unchanged in 28 percent of banks. Increases were also noted during the previous two surveys at 8 percent in 2012 and 40 percent in 2013. Examiners expect that over the next year the credit risk in this product will likely remain unchanged or increase in all but one institution (96 percent of the banks) offering the product. Increase in risk is expected from continued strong competition and increasing market liquidity driven by banks and investors pursuit of growth in earning assets. Examiners will monitor these expected increases closely.

Table 5: Leveraged Lending

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	61%	67%	20%	0%	0%	37%	38%	53%	48%
Unchanged	31%	33%	20%	31%	25%	44%	62%	47%	40%
Tightened	8%	0%	60%	69%	75%	19%	0%	0%	12%

For additional information, see data tables 31 and 32 in part III.

Small Business Loans

Forty-five of the surveyed banks (49 percent) offer small business loans. Table 6 shows 18 percent of banks eased underwriting standards, 80 percent did not change underwriting standards, and 2 percent (one bank) tightened underwriting standards. Changes in the competitive environment and market strategy were the primary reasons noted for changes in small business credit underwriting standards.

Examiners indicate that small business credit risk declined or remained unchanged at 87 percent of the banks. Changes in external conditions and portfolio quality were most frequently reported as reasons for changes in the level of risk. Examiners expect the risk will increase or remain the same over the next year, however, in 91 percent of the banks offering the product

Table 6: Small Business Loans

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	19%	11%	11%	0%	0%	12%	9%	21%	18%
Unchanged	76%	76%	72%	36%	34%	55%	82%	79%	80%
Tightened	5%	13%	17%	64%	66%	33%	9%	0%	2%

For additional information, see data tables 35 and 36 in part III.

Originate to Hold Versus Originate to Sell

The OCC expects banks to underwrite loans based on sound underwriting standards, regardless of the intent to hold or sell loans, and to apply the same general standards to both types of lending.

Of the commercial loan products surveyed, 23 percent of these products were originated to sell. The largest categories of loans in this group are leveraged loans, large corporate loans, international credits, asset-based loans, and commercial leasing. As shown in table 7, the differences in hold versus sell underwriting standards decreased or remained at zero in all but two loan products. The OCC continues to monitor and assess any differences in underwriting standards for loans that banks intend to sell versus those they intend to hold. Differences in standards are notable for international, other CRE, and leveraged loans.

Table 7: Hold Versus Sell Underwriting Standards

Product	Underwritten differently						
	2008	2009	2010	2011	2012	2013	2014
International	40%	0%	10%	11%	9%	7%	20%
CRE—other	20%	9%	0%	0%	1%	0%	15%
Leveraged loans	67%	38%	12%	13%	15%	13%	9%
Asset-based loans	33%	13%	0%	0%	0%	0%	0%
CRE—commercial construction	20%	10%	0%	0%	0%	2%	0%
Large corporate	21%	21%	3%	3%	3%	0%	0%
CRE—residential construction	17%	17%	0%	0%	0%	0%	0%

Retail Underwriting Standards

Of the 91 banks that participated in the survey, 88 underwrite one or more of the seven retail loan products, with residential real estate loans being the largest, followed by home equity loans. Among surveyed banks, the size of their retail portfolio declined relative to the total portfolio of loans covered in the survey.

Examiners have reported a sustained trend of eased underwriting standards from 2010 through 2013, stabilizing at 22 percent of banks for 2013 and 2014 (see table 8). At the majority of banks (68 percent), standards remained unchanged consistent with 2013 results. Retail standards tightened in 10 percent of products. Examiners attributed the easing to changes in the competitive environment, market strategy, risk appetite, and regulatory policy guidelines. Good or acceptable adherence to underwriting standards was noted, with exceptions well supported for the majority of products. Exception tracking is in place for 96 percent of the individual retail products, consistent with the levels in the previous two years. Examiners report that 76 percent of the banks surveyed do not plan to introduce any new products during the next year.

Table 8: Overall Retail Product Underwriting Trends

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	28%	20%	0%	0%	0%	7%	15%	22%	22%
Unchanged	65%	67%	32%	17%	26%	63%	63%	68%	68%
Tightened	7%	13%	68%	83%	74%	30%	22%	10%	10%

For additional information, see figure 7 in part II.

Selected Product Trends

Residential Real Estate

Eighty-four of the surveyed banks (92 percent) originated residential real estate loans. As shown in table 9, there is a trend towards tightening standards, while 70 percent of the banks reported unchanged residential real estate underwriting standards. Although the housing market has continued to recover since the last survey, two banks exited the residential real estate business during the past year and two banks plan to exit the business in the coming year. Additionally, examiners indicated that the level of risk inherent in these portfolios remained unchanged or decreased at 88 percent of the banks, an increasing trend since 2010.

Table 9: Residential Real Estate Lending

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	26%	19%	0%	0%	5%	8%	10%	11%	10%
Unchanged	69%	67%	44%	27%	36%	52%	65%	76%	70%
Tightened	5%	14%	56%	73%	59%	40%	25%	13%	20%

For additional information, see data tables 49 and 50 in part III.

As shown in table 10, similar results were noted for conventional home equity loans, with 70 percent of banks keeping underwriting standards unchanged, and 11 percent easing standards. Examiner responses show that the level of risk for the next 12 months is expected to decline or remain unchanged at 84 percent of banks that offer this product.

Table 10: Conventional Home Equity

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	34%	19%	2%	0%	5%	9%	18%	5%	11%
Unchanged	64%	65%	46%	22%	35%	55%	68%	73%	70%
Tightened	2%	16%	52%	78%	60%	36%	14%	22%	19%

For additional information, see data tables 39 and 40 in Section III.

Since the 2013 survey, of the four banks that originated HLTV home equity loans, one bank has exited the business. Table 11 shows that the remaining three banks are reflecting largely unchanged underwriting standards with one bank reporting moderately tightened standards and no banks easing standards. Examiners expect the level of risk over the next 12 months to decline or remain unchanged at all banks.

Table 11: HLTV Home Equity

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	37%	22%	6%	0%	0%	0%	17%	0%	0%
Unchanged	63%	61%	6%	7%	13%	50%	17%	50%	67%
Tightened	0%	17%	88%	93%	87%	50%	66%	50%	33%

For additional information, see data tables 45 and 46.

Credit Cards

Twenty-six of the surveyed banks (29 percent) offered credit cards. Table 12 shows that underwriting standards were unchanged at 65 percent of the banks since the last survey, and the percentage of banks that tightened underwriting standards has consistently decreased from the peak in 2010. Examiners attributed the eased standards to changes in portfolio quality, risk selection, external conditions, and portfolio management practices. The primary methods used for easing credit underwriting standards were changes in the maximum size of the credit line, pricing and fees, scorecard cutoffs, debt-to-income ratios, and documentation requirements.

Credit risk in the card portfolios has predominantly decreased or remained unchanged; examiners reported no change in the level of credit risk at 62 percent of the banks and a decrease in the level of credit risk at 31 percent of the banks. In the next 12 months, examiners expect the level of credit risk to remain stable or increase somewhat at 96 percent of the banks. Examiners reported increased exposure to credit card portfolios at four banks since the last survey and noted that eight banks plan to significantly increase exposure in the next 12 months. Examiners expect that the direction of credit risk will increase somewhat at 58 percent of the banks.

Table 12: Credit Card Lending

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	19%	16%	18%	0%	0%	25%	35%	33%	31%
Unchanged	56%	79%	47%	32%	19%	31%	50%	54%	65%
Tightened	25%	5%	35%	68%	81%	44%	15%	13%	4%

For additional information, see data tables 41 and 42.

Consumer Lending (Direct and Indirect)

Direct and indirect consumer lending encompasses a variety of products, with banks taking different actions concerning underwriting standards or plans for each product in this section. Indirect lending is dominated by auto loans but can also include other products such as student, marine, and recreational vehicle loans. Examiners' conclusions about credit risk or the direction of credit risk may not be the same for all products grouped in this category. When differences exist, the response generally relates to the most significant product by dollar volume.

During the survey period, 21 banks (23 percent) and 24 banks (26 percent) participated in direct and indirect lending, respectively. Thirty-three percent of the banks participating in direct consumer lending and 46 percent of those originating indirect consumer lending plan to increase their exposure to these products in the coming year.

As shown in table 13, underwriting standards eased in 19 percent of the direct consumer lending banks, while 81 percent of those banks kept their standards unchanged, and none of the banks tightened standards. Examiners reported that the level of credit risk in direct lending portfolios was unchanged at 90 percent of the banks, with 9 percent of examiner responses expecting credit risk to increase in the next 12 months. See table 44 for additional detail.

Table 13: Direct Consumer Lending

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	3%	8%	6%	4%	0%	10%	12%	8%	19%
Unchanged	91%	87%	72%	28%	68%	75%	88%	85%	81%
Tightened	6%	5%	22%	68%	32%	15%	0%	7%	0%

For additional information, see data tables 43 and 44.

Table 14 shows 38 percent of banks eased underwriting standards for indirect lending, 58 percent of banks underwriting standards remained unchanged, the number of banks that tightened their standards continued its four-year decline to 4 percent. The underwriting standards that eased for these products are primarily the maximum size of the credit line, pricing and fees, collateral requirements, advance rates, maximum maturity, amortization requirements, scorecard cutoffs, debt-to-income, and documentation requirements.

The primary reasons for easing underwriting standards are attributable to changes in the competitive environment, economic outlook, market strategy, and risk appetite. Examiner responses indicate they expect that 71 percent of banks with indirect lending portfolios will have an increase in the level of credit risk over the next 12 months.

Table 14: Indirect Consumer Lending

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Eased	35%	16%	20%	0%	5%	37%	60%	63%	38%
Unchanged	52%	75%	56%	26%	33%	47%	35%	29%	58%
Tightened	13%	9%	24%	74%	62%	16%	5%	8%	4%

For additional information, see data tables 47 and 48.

Originate to Hold Versus Originate to Sell

Sixty-six percent of banks originated retail products to hold, while 32 percent of the banks originated for both sale and hold and 2 percent of the banks originated retail products for the sole purpose of selling the product. The most popular retail products to hold were home equity loans and consumer loans, while the most popular product to hold and sell were residential real estate loans. The OCC continues to monitor and assess any difference in underwriting standards for loans that banks intend to hold versus those they intend to sell.

Part II: Data Graphs

Some percentages used to create the data graphs may not add to 100 because of rounding.

Figure 1: Overall Commercial Credit Underwriting Trends (Percentage of Responses)

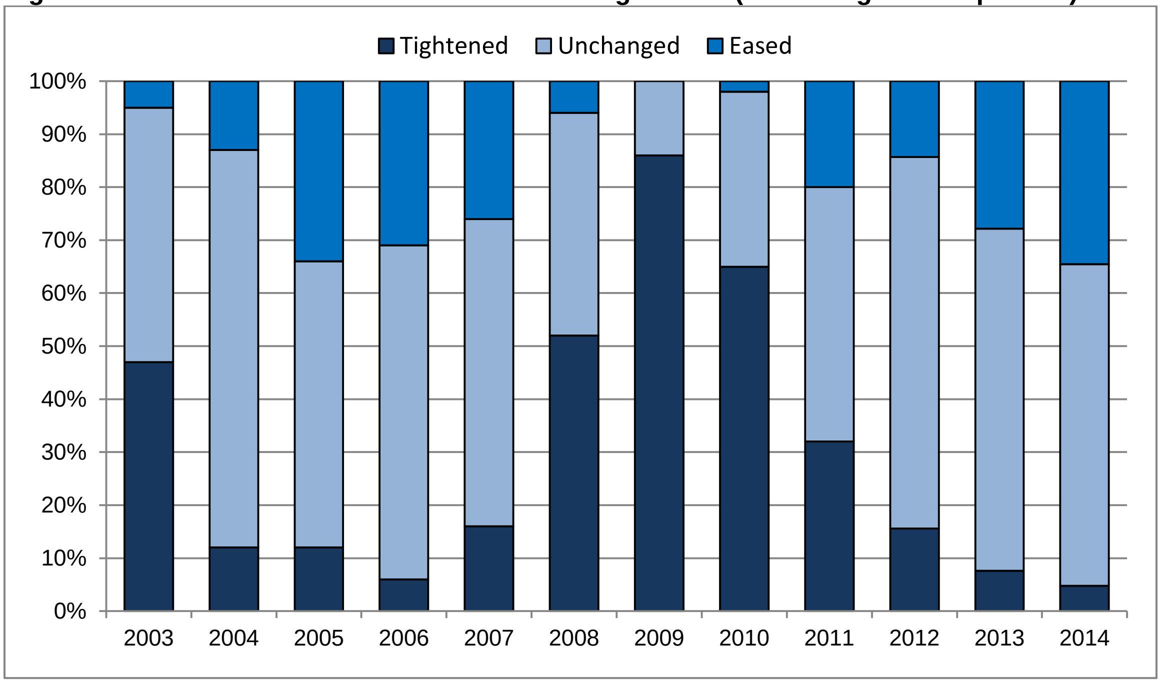


Figure 2: Commercial Underwriting Trends, by Product Type

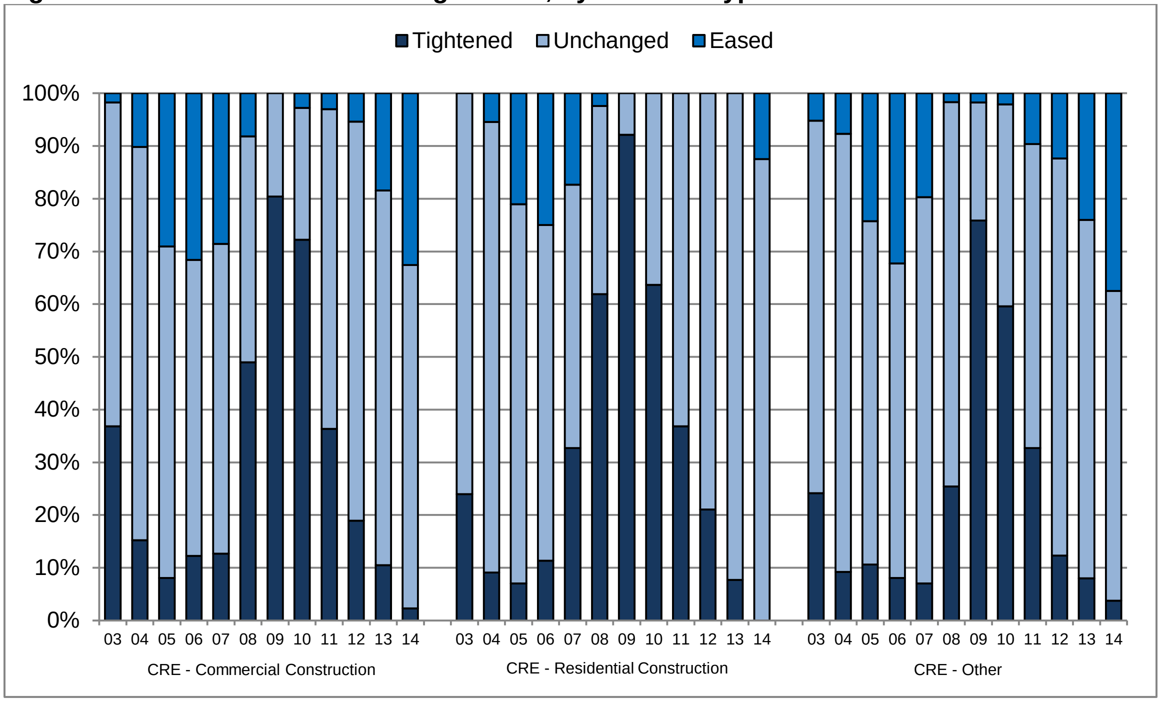


Figure 2 (cont.): Commercial Underwriting Trends, by Product Type

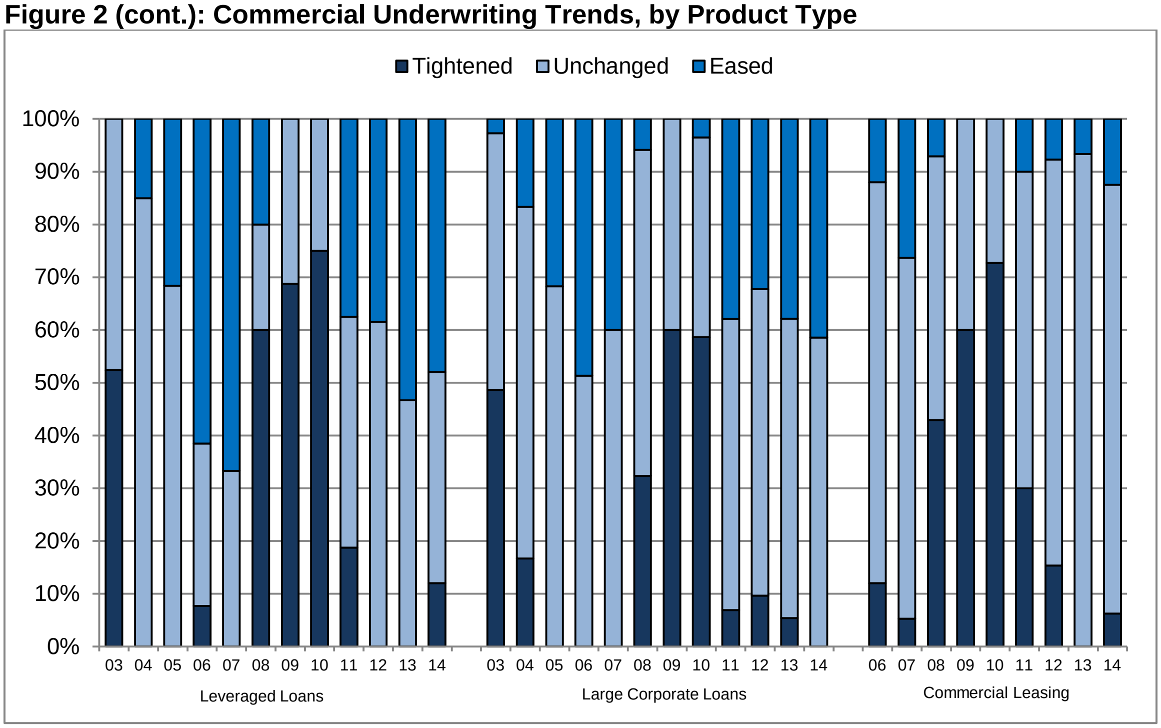


Figure 2 (cont.): Commercial Underwriting Trends, by Product Type

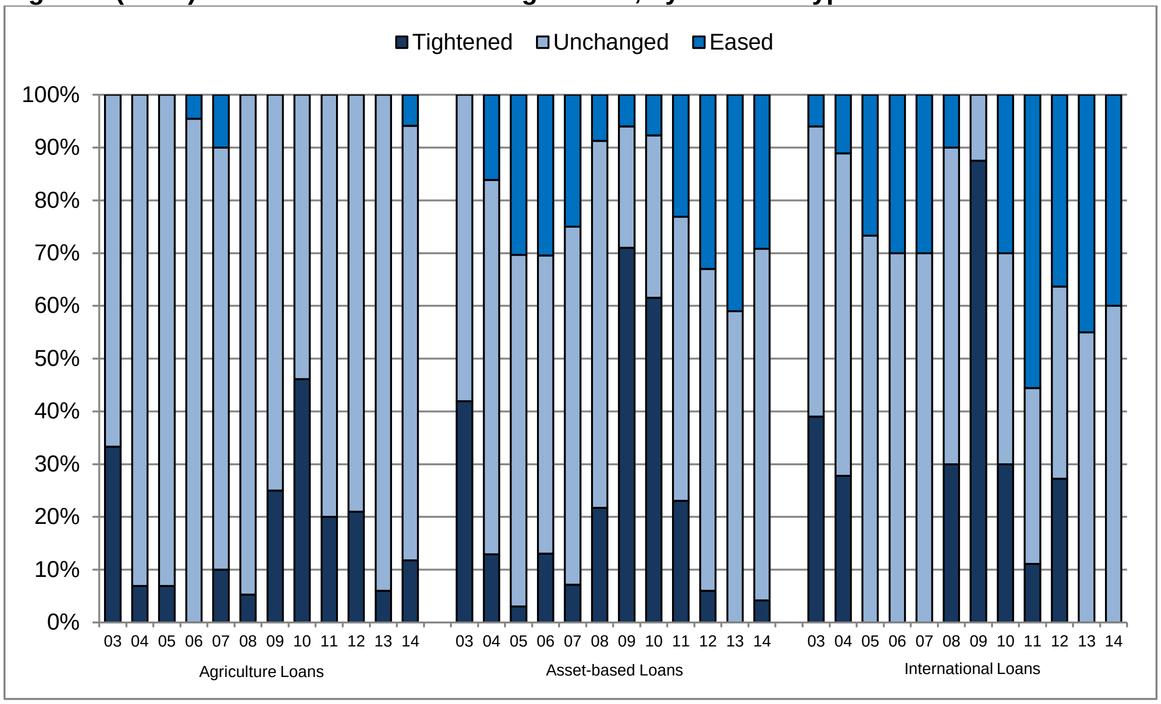


Figure 2 (cont.): Commercial Underwriting Trends, by Product Type

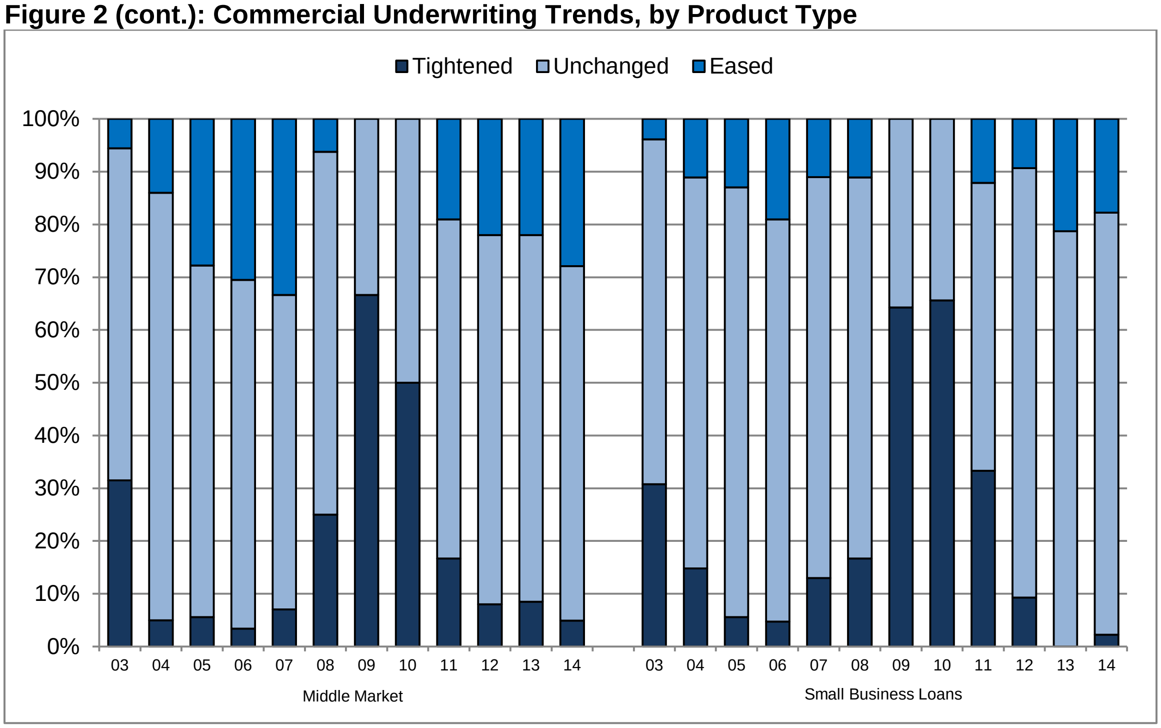


Figure 3: Reasons for Changing Commercial Underwriting Standards

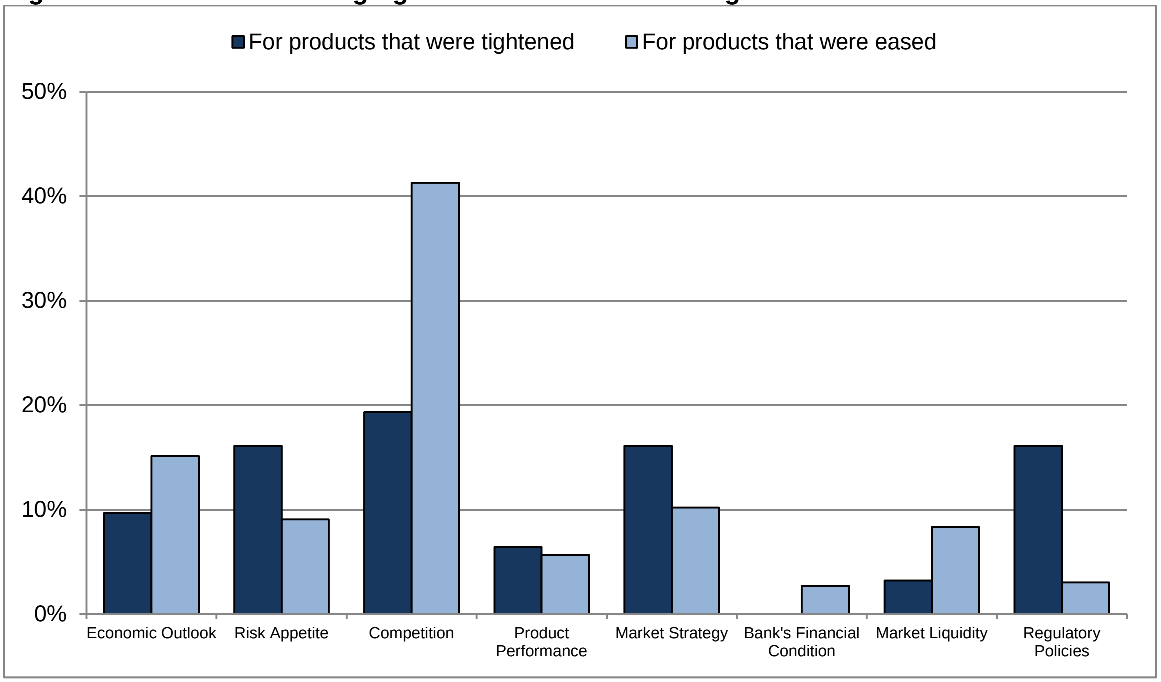


Figure 4: Methods Used to Change Commercial Underwriting Standards

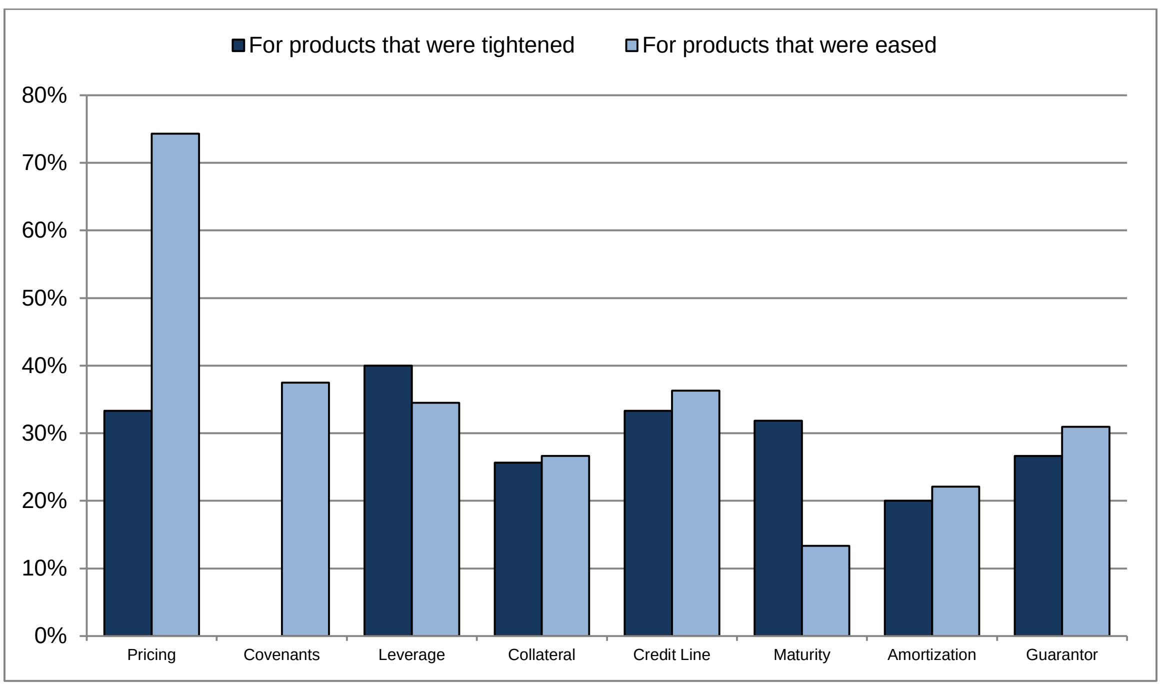


Figure 5: Commercial Credit Risk—Direction of Change and Outlook on Change

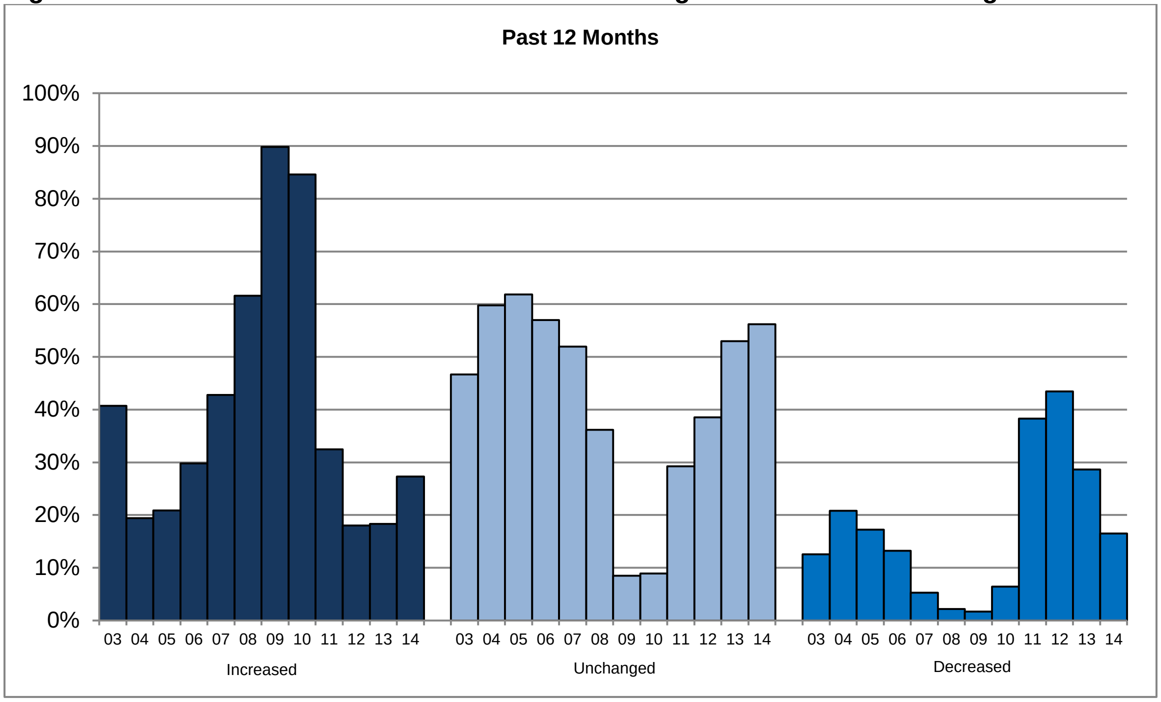


Figure 5 (cont.): Commercial Credit Risk—Direction of Change and Outlook on Change

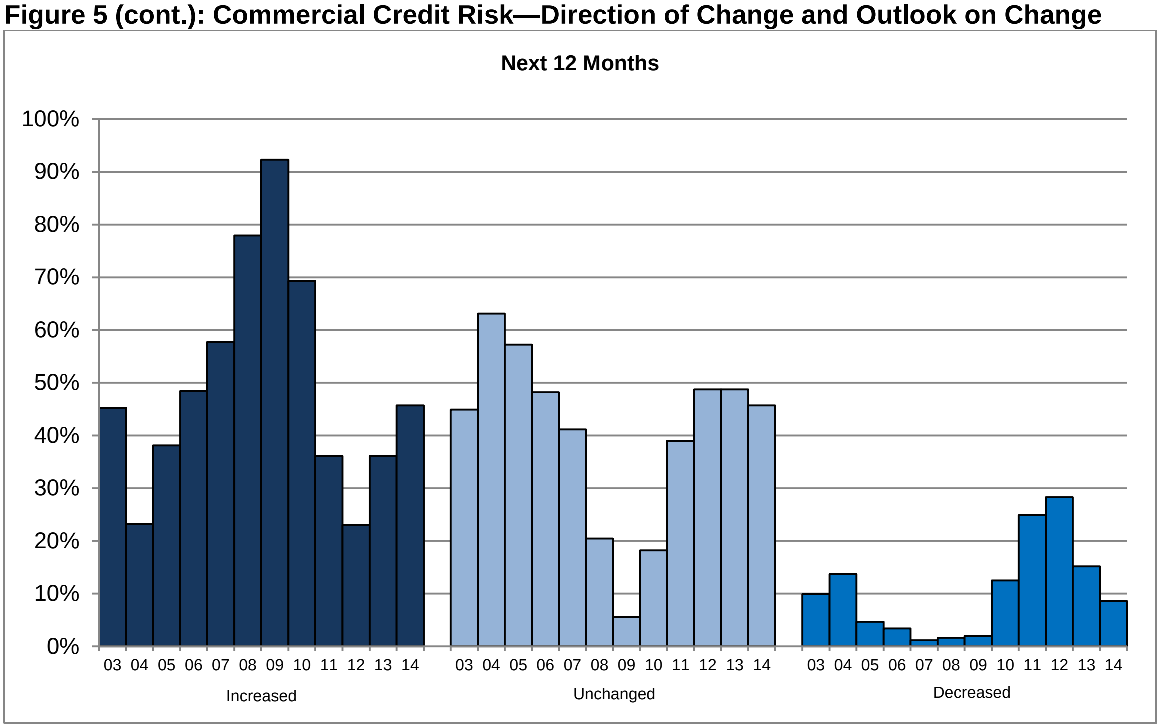


Figure 6: Commercial Credit Risk Trends—Current Credit Risk Change, by Product Type

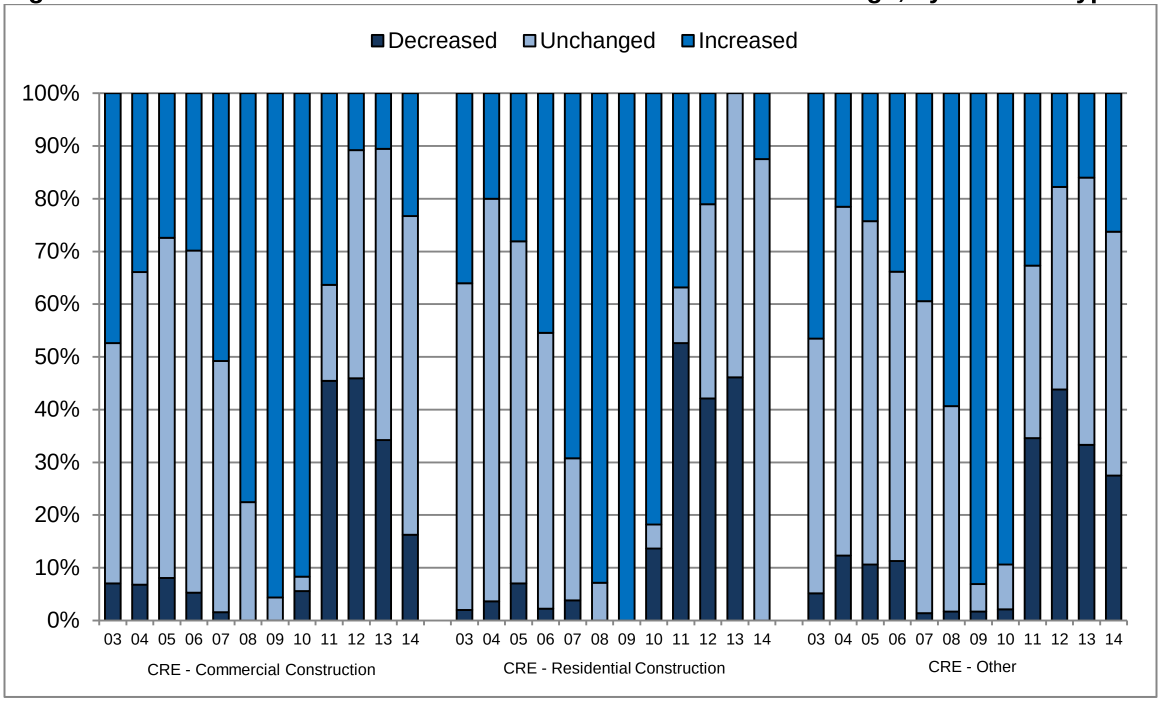


Figure 6 (cont.): Commercial Credit Risk Trends—Current Credit Risk Change by Product Type

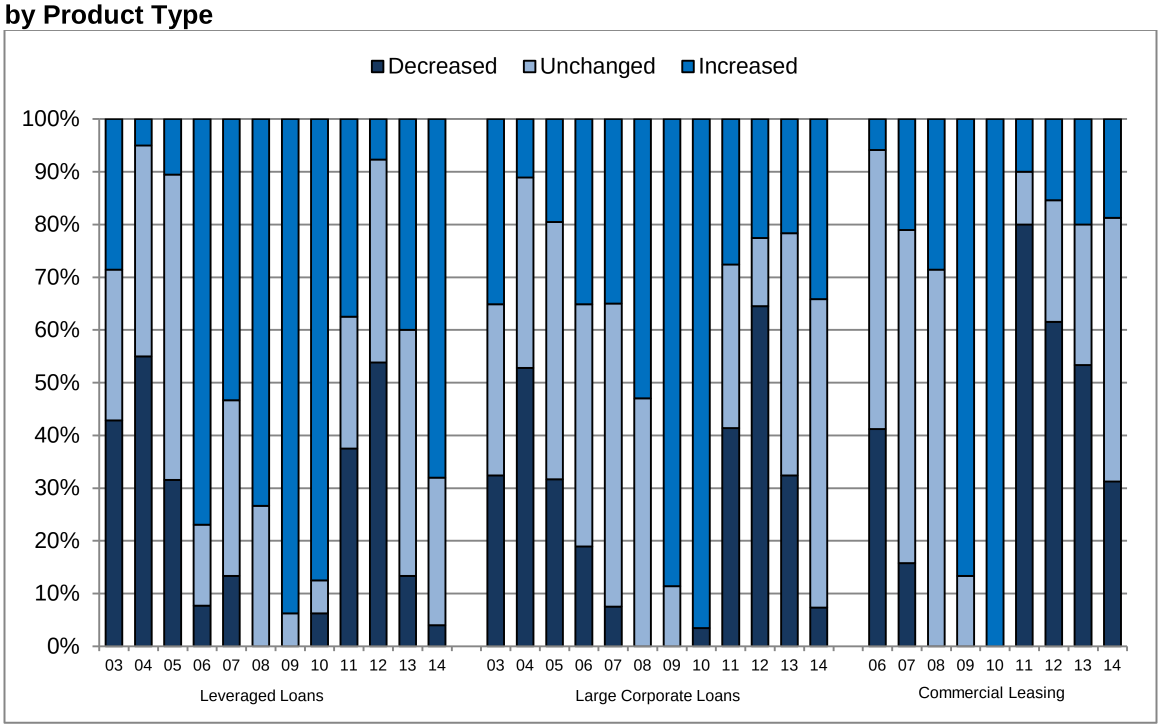


Figure 6 (cont.): Commercial Credit Risk Trends—Current Credit Risk Change, by Product Type

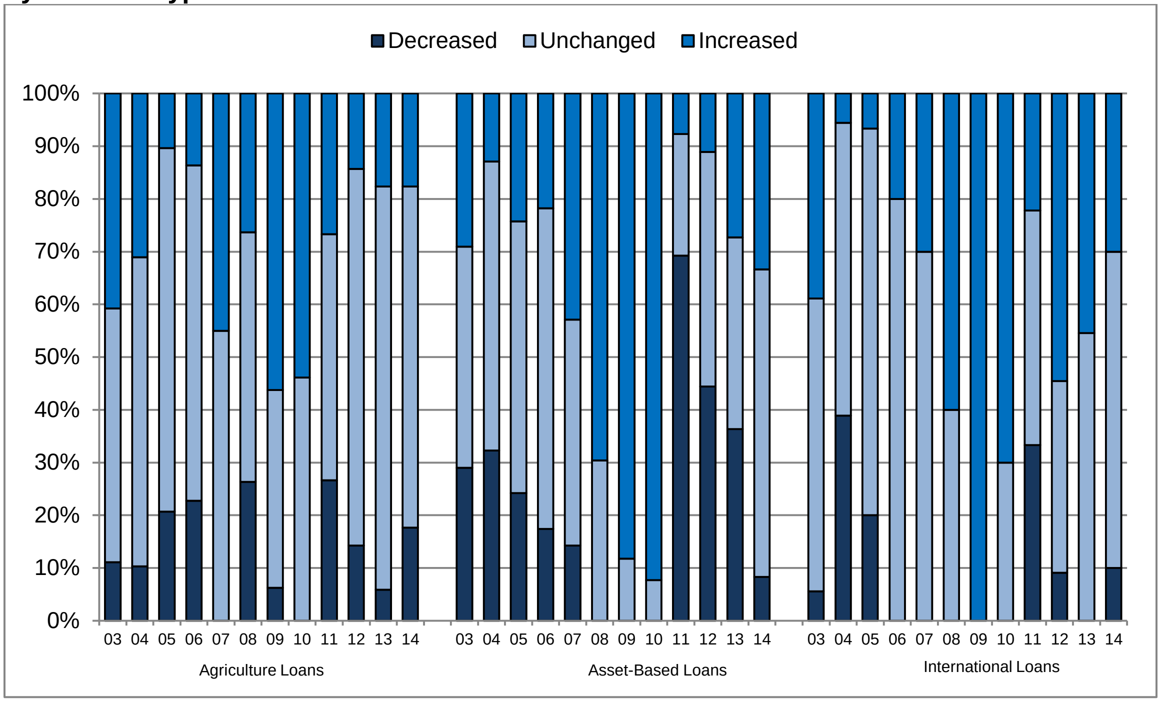


Figure 6 (cont.): Commercial Credit Risk Trends—Current Credit Risk Change, by Product Type

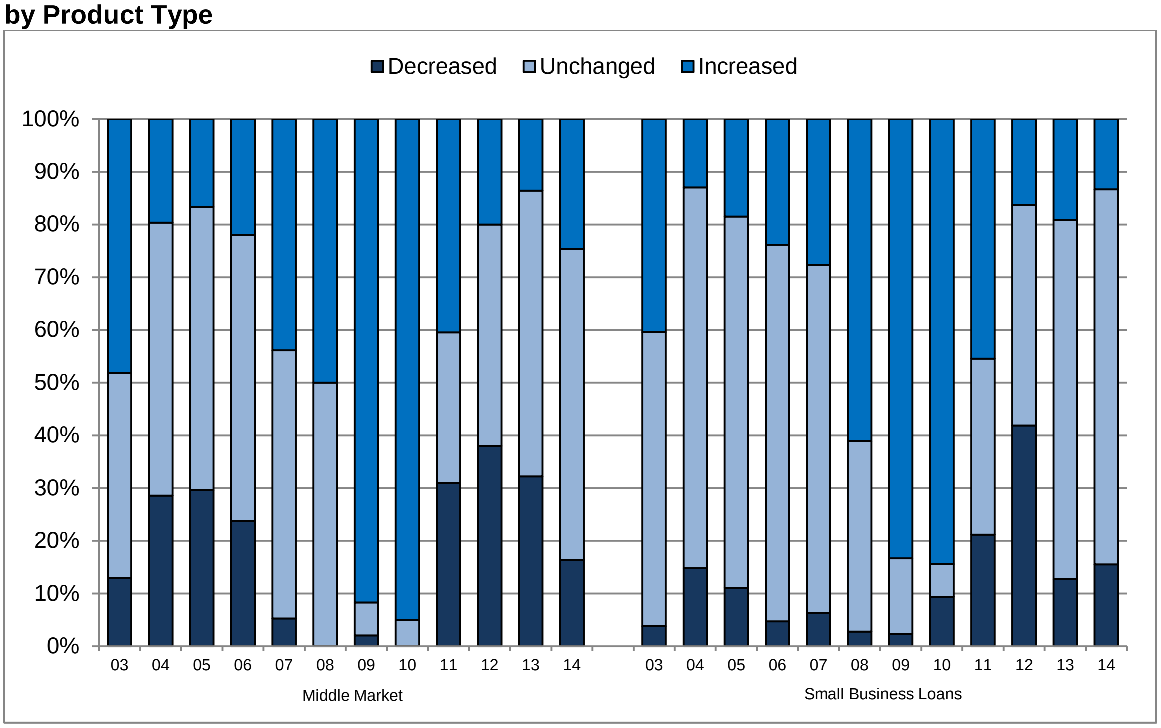


Figure 7: Overall Credit Underwriting Trends—Retail

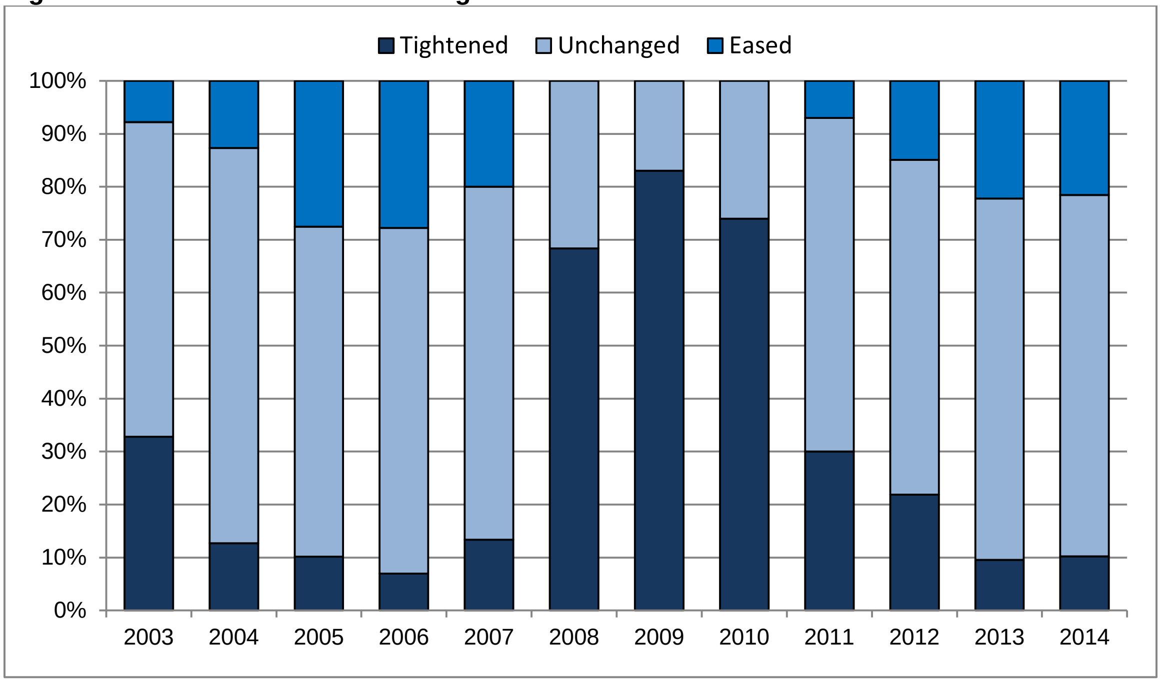


Figure 8: Retail Underwriting Trends, by Product Type

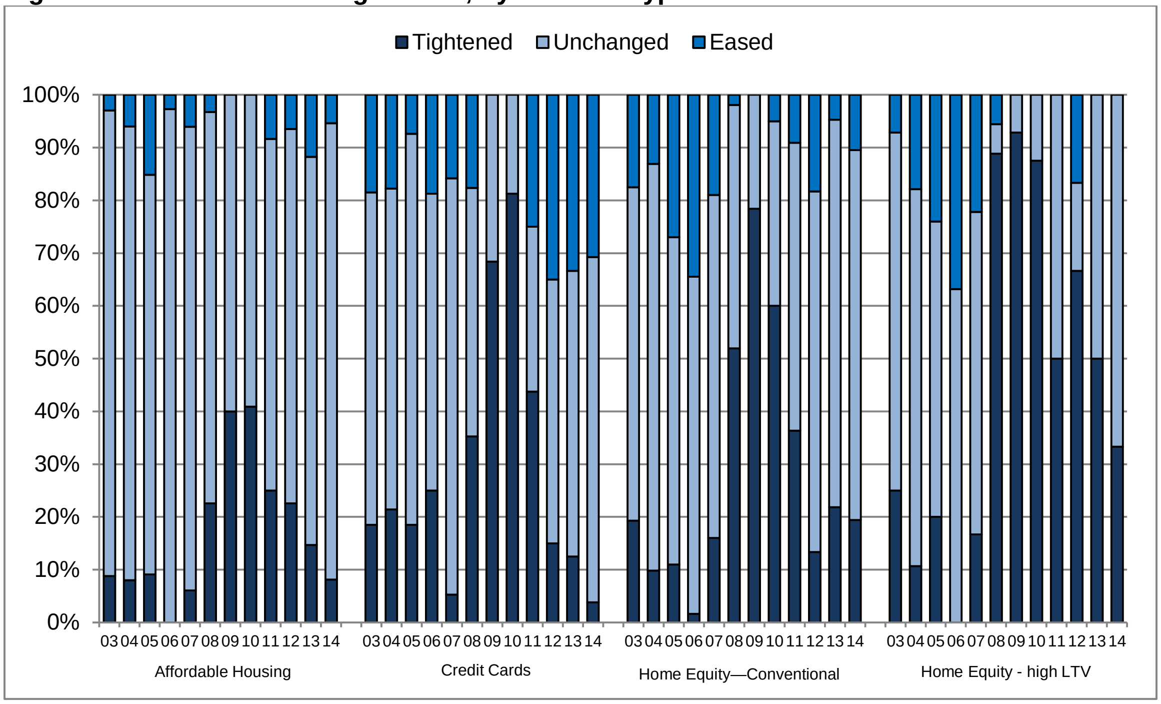


Figure 8 (cont.): Retail Underwriting Trends, by Product Type

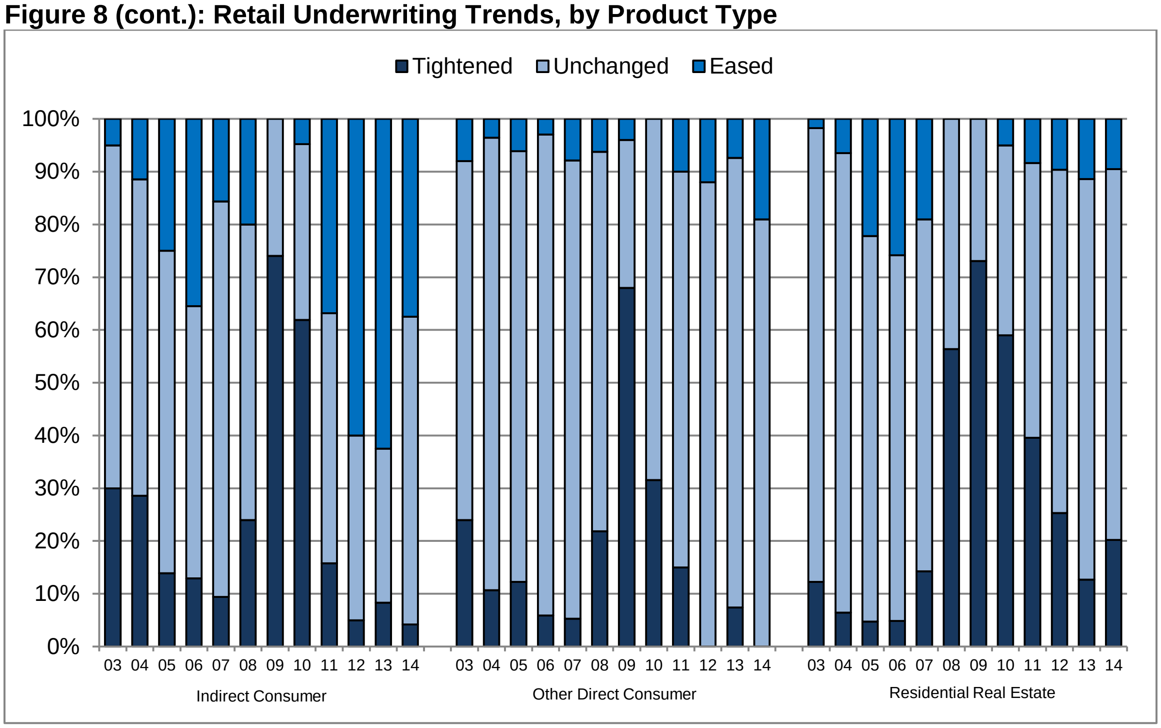


Figure 9: Reasons for Changing Retail Underwriting Standards

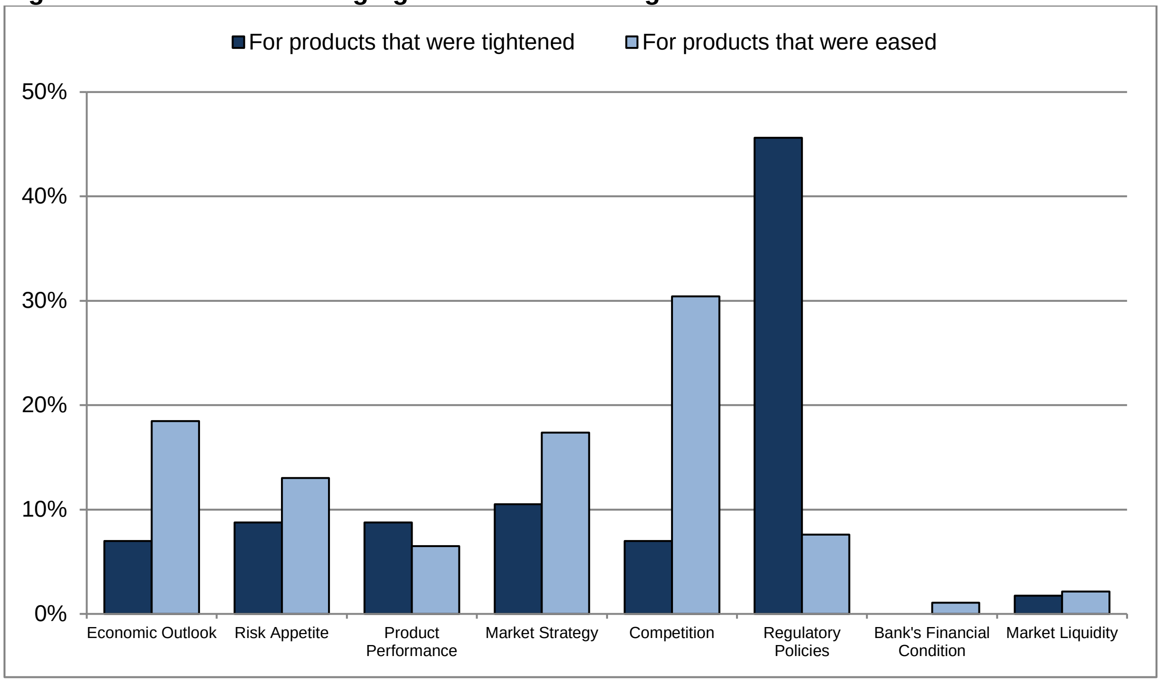


Figure 10: Overall Methods Used to Change Retail Underwriting Standards

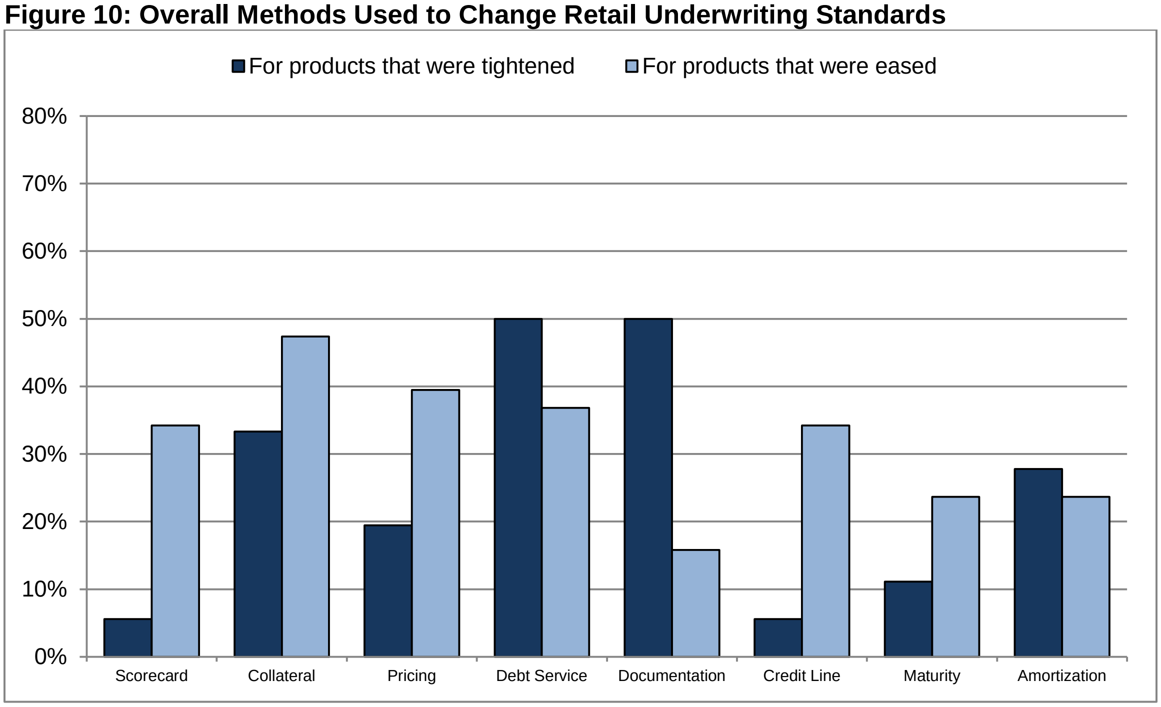


Figure 11: Retail Credit Risk—Direction of Change and Outlook on Change

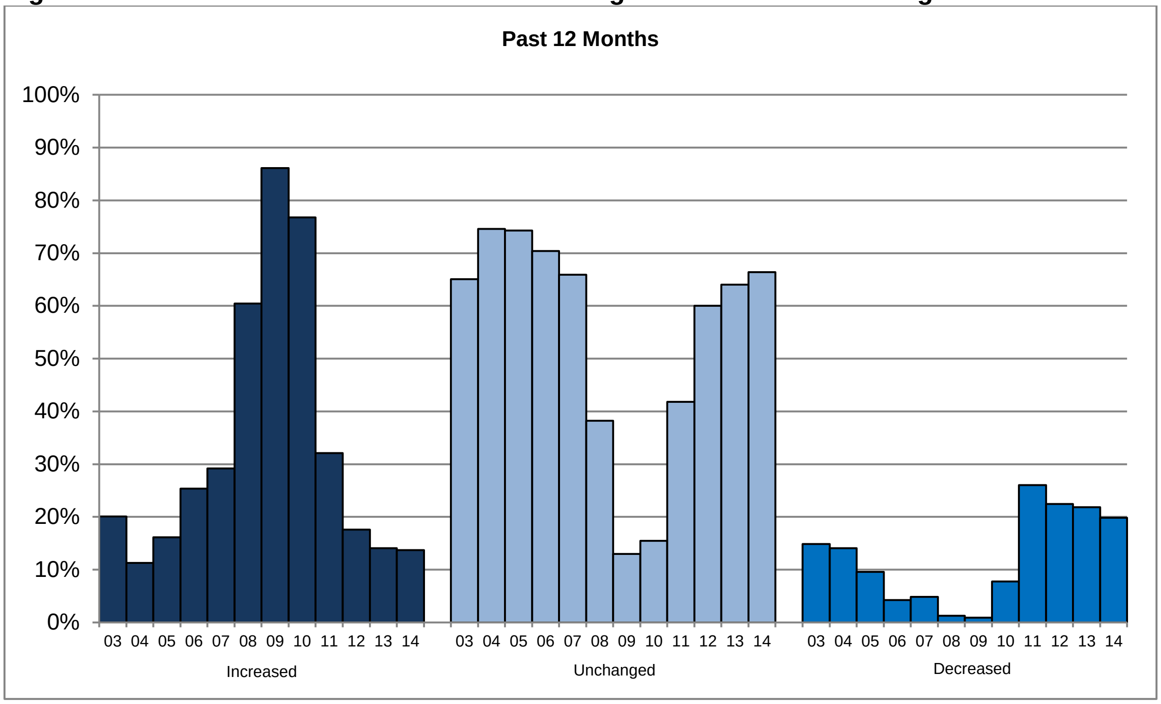


Figure 11 (cont.): Retail Credit Risk—Direction of Change and Outlook on Change

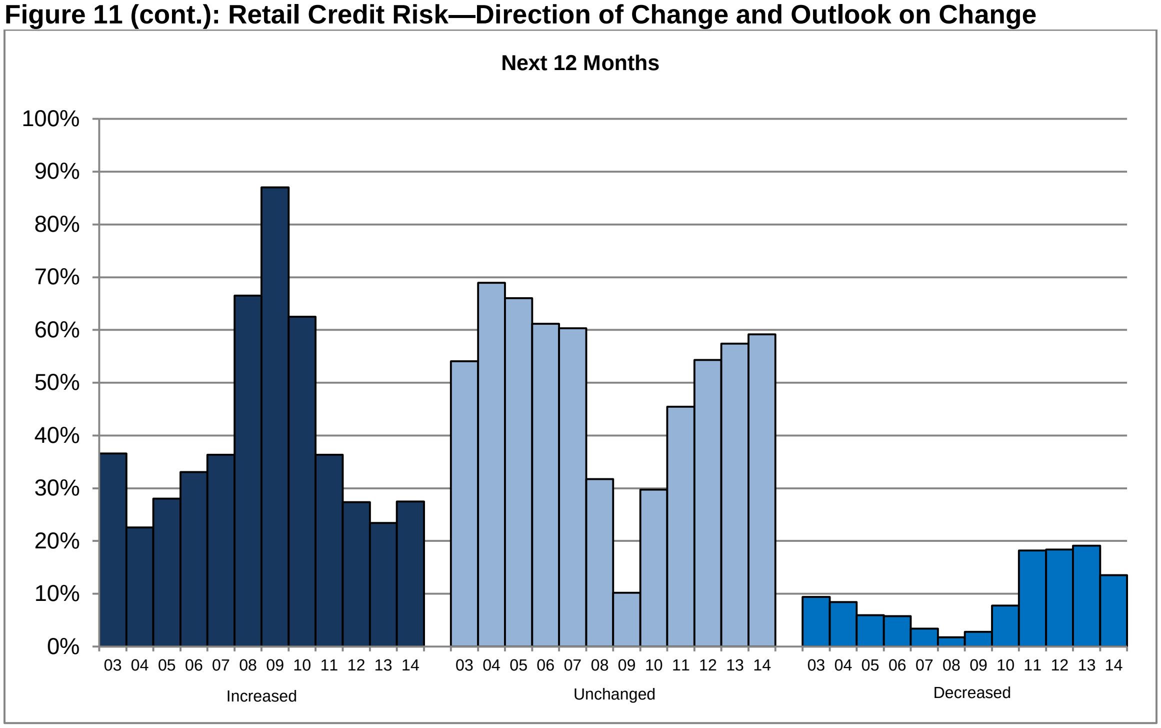


Figure 12: Retail Credit Risk Trends—Current Credit Risk Change, by Product Type

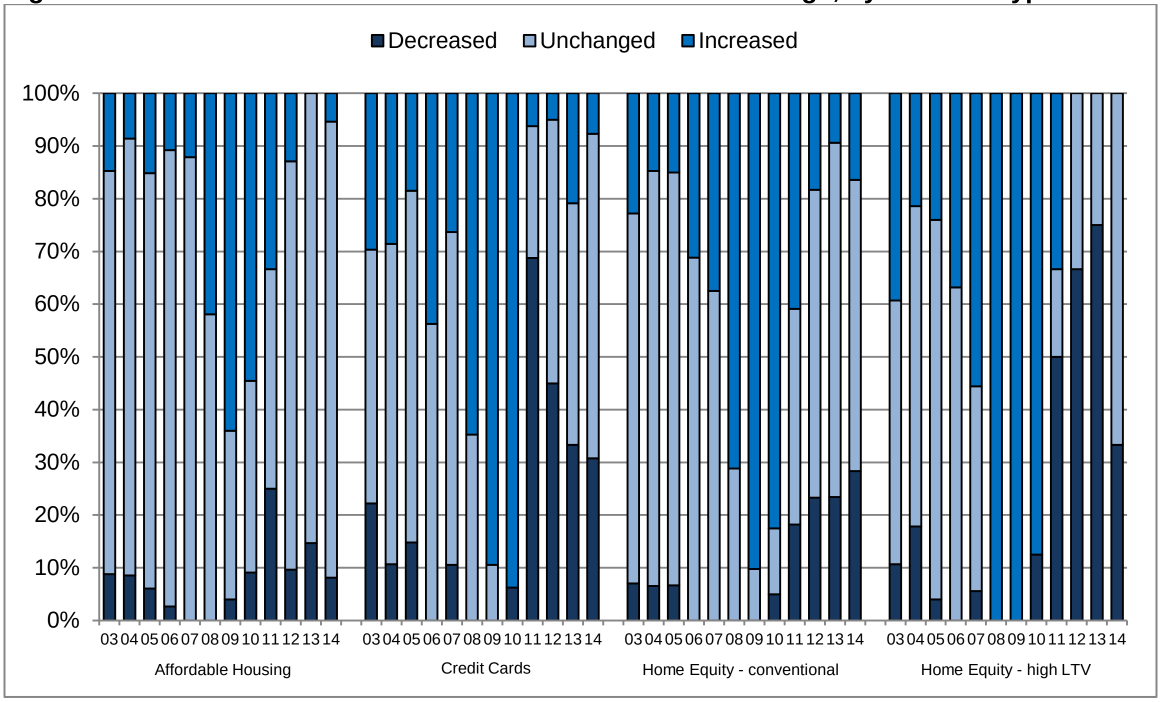
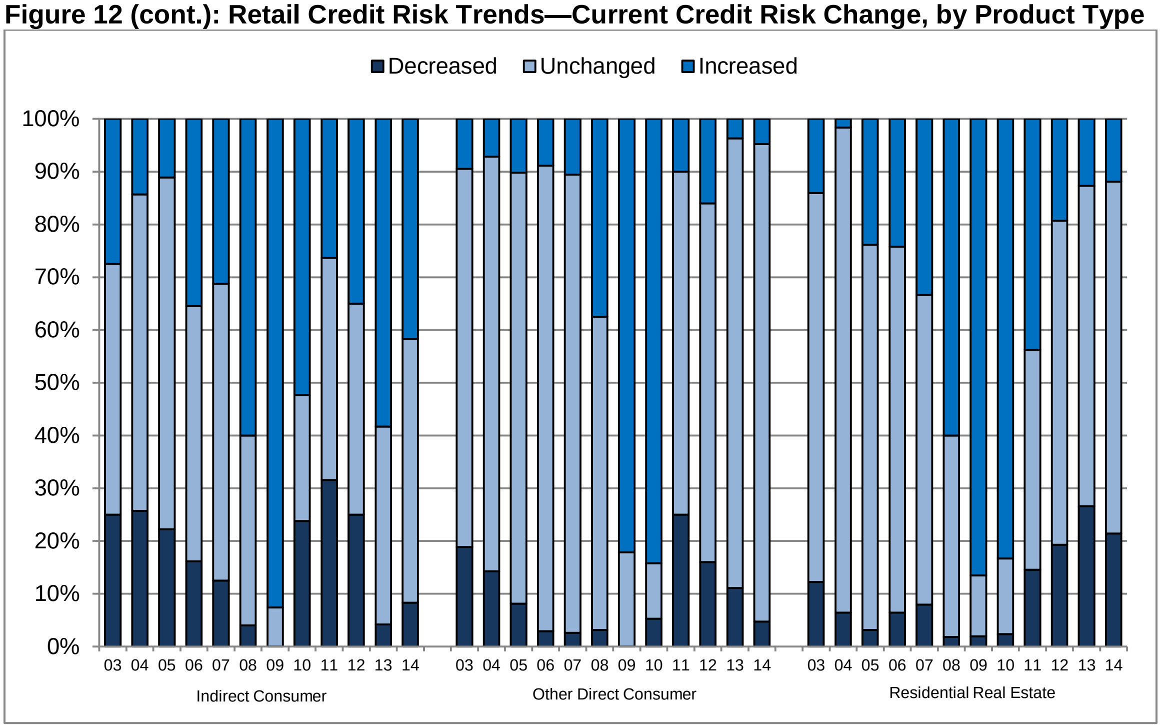


Figure 12 (cont.): Retail Credit Risk Trends—Current Credit Risk Change, by Product Type



Part III: Data Tables

Some percentages in tables and figures do not add to 100 because of rounding.

A. Commercial Lending Portfolios

Agricultural Lending

Sixteen of the 86 surveyed banks met the threshold for reporting on agricultural lending.

Table 15: Changes in Underwriting Standards in Agricultural Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	0%	67%	33%
2004	0%	93%	7%
2005	0%	93%	7%
2006	5%	95%	0%
2007	10%	80%	10%
2008	0%	95%	5%
2009	0%	75%	25%
2010	0%	54%	46%
2011	0%	80%	20%
2012	0%	79%	21%
2013	0%	94%	6%
2014	6%	82%	12%

Table 16: Changes in the Level of Credit Risk in Agricultural Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	11%	48%	41%	0%
2004	0%	10%	59%	31%	0%
2005	4%	17%	69%	10%	0%
2006	0%	23%	63%	14%	0%
2007	0%	0%	55%	45%	0%
2008	0%	26%	47%	26%	0%
2009	0%	6%	38%	56%	0%
2010	0%	0%	46%	31%	23%
2011	0%	27%	46%	27%	0%
2012	7%	7%	72%	14%	0%
2013	0%	6%	76%	18%	0%
2014	0%	18%	65%	18%	0%
Expected in next 12 months	0%	12%	53%	35%	0%

Asset-Based Lending

Twenty-two surveyed banks met the threshold for reporting on asset-based lending.

Table 17: Changes in Underwriting Standards in Asset-Based Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	0%	58%	42%
2004	16%	71%	13%
2005	30%	67%	3%
2006	30%	57%	13%
2007	25%	68%	7%
2008	8%	70%	22%
2009	6%	23%	71%
2010	8%	31%	61%
2011	23%	54%	23%
2012	33%	61%	6%
2013	41%	59%	0%
2014	29%	67%	4%

Table 18: Changes in the Level of Credit Risk in Asset-Based Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	3%	26%	42%	29%	0%
2004	3%	29%	55%	13%	0%
2005	0%	24%	52%	24%	0%
2006	0%	17%	61%	22%	0%
2007	0%	14%	43%	43%	0%
2008	0%	0%	30%	70%	0%
2009	0%	0%	12%	70%	18%
2010	0%	0%	8%	77%	15%
2011	0%	69%	23%	8%	0%
2012	11%	33%	45%	11%	0%
2013	0%	36%	37%	27%	0%
2014	0%	8%	58%	33%	0%
Expected in next 12 months	0%	0%	58%	42%	0%

Commercial Leasing

Sixteen surveyed banks met the threshold for reporting on commercial leasing.[3]

Table 19: Changes in Underwriting Standards in Commercial Leasing Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2006	12%	76%	12%
2007	26%	69%	5%
2008	7%	50%	43%
2009	0%	40%	60%
2010	0%	27%	73%
2011	10%	60%	30%
2012	8%	77%	15%
2013	7%	93%	0%
2014	13%	81%	6%

Table 20: Changes in the Level of Credit Risk in Commercial Leasing Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2006	6%	35%	53%	6%	0%
2007	0%	16%	63%	21%	0%
2008	0%	0%	71%	29%	0%
2009	0%	0%	13%	80%	7%
2010	0%	0%	0%	55%	45%
2011	0%	80%	10%	10%	0%
2012	0%	62%	23%	15%	0%
2013	6%	47%	27%	20%	0%
2014	0%	31%	50%	19%	0%
Expected in next 12 months	0%	0%	69%	31%	0%

[3] Commercial leasing data started being collected in 2006.

Commercial Real Estate Lending—Commercial Construction

Thirty-five surveyed banks met the threshold for reporting on commercial construction lending.

Table 21: Changes in Underwriting Standards in Commercial Construction Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	2%	61%	37%
2004	10%	75%	15%
2005	29%	63%	8%
2006	32%	56%	12%
2007	28%	59%	13%
2008	8%	43%	49%
2009	0%	20%	80%
2010	3%	25%	72%
2011	3%	61%	36%
2012	5%	75%	20%
2013	18%	71%	11%
2014	33%	65%	2%

Table 22: Changes in the Level of Credit Risk in Commercial Construction Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	7%	46%	42%	5%
2004	0%	7%	59%	34%	0%
2005	2%	5%	65%	28%	0%
2006	0%	5%	65%	30%	0%
2007	0%	2%	48%	49%	1%
2008	0%	0%	22%	69%	8%
2009	0%	0%	5%	54%	41%
2010	0%	5%	3%	50%	42%
2011	6%	40%	18%	33%	3%
2012	8%	38%	43%	8%	3%
2013	10%	24%	55%	11%	0%
2014	0%	16%	61%	21%	2%
Expected in next 12 months	2%	12%	42%	44%	0%

CRE Lending—Residential Construction

Fourteen surveyed banks met the threshold for reporting on residential construction lending.

Table 23: Changes in Underwriting Standards in Residential Construction Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	0%	76%	24%
2004	5%	86%	9%
2005	21%	72%	7%
2006	25%	64%	11%
2007	17%	50%	33%
2008	2%	36%	62%
2009	0%	8%	92%
2010	0%	36%	64%
2011	0%	63%	37%
2012	0%	79%	21%
2013	0%	92%	8%
2014	13%	87%	0%

Table 24: Changes in the Level of Credit Risk in Residential Construction Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	2%	62%	34%	2%
2004	0%	4%	76%	18%	2%
2005	2%	6%	65%	27%	0%
2006	0%	2%	52%	46%	0%
2007	0%	4%	27%	63%	6%
2008	0%	0%	7%	48%	45%
2009	0%	0%	0%	34%	66%
2010	5%	9%	4%	41%	41%
2011	5%	47%	11%	32%	5%
2012	10%	32%	37%	21%	0%
2013	0%	46%	54%	0%	0%
2014	0%	0%	87%	13%	0%
Expected in next 12 months	0%	0%	75%	25%	0%

CRE Lending—Other

Seventy-five surveyed banks met the threshold for reporting on other commercial real estate lending.

Table 25: Changes in Underwriting Standards in Other Commercial Real Estate Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	5%	71%	24%
2004	8%	83%	9%
2005	24%	65%	11%
2006	32%	60%	8%
2007	20%	73%	7%
2008	2%	73%	25%
2009	2%	22%	76%
2010	2%	38%	60%
2011	9%	58%	33%
2012	12%	76%	12%
2013	24%	68%	8%
2014	37%	59%	4%

Table 26: Changes in the Level of Credit Risk in Other Commercial Real Estate Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	5%	48%	43%	4%
2004	0%	12%	66%	20%	2%
2005	2%	9%	65%	24%	0%
2006	1%	10%	55%	34%	0%
2007	0%	2%	59%	38%	1%
2008	0%	2%	38%	58%	2%
2009	0%	2%	5%	67%	26%
2010	0%	2%	9%	55%	34%
2011	2%	33%	33%	23%	9%
2012	8%	36%	38%	15%	3%
2013	6%	27%	51%	15%	1%
2014	1%	26%	46%	27%	0%
Expected in next 12 months	0%	15%	40%	44%	1%

International Lending

Ten surveyed banks met the threshold for reporting on international lending.

Table 27: Changes in Underwriting Standards in International Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	6%	55%	39%
2004	11%	61%	28%
2005	27%	73%	0%
2006	30%	70%	0%
2007	30%	70%	0%
2008	10%	60%	30%
2009	0%	13%	87%
2010	30%	40%	30%
2011	56%	33%	11%
2012	36%	36%	27%
2013	45%	55%	0%
2014	40%	60%	0%

Table 28: Changes in the Level of Credit Risk in International Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	6%	55%	33%	6%
2004	6%	33%	55%	6%	0%
2005	0%	20%	73%	7%	0%
2006	0%	0%	80%	20%	0%
2007	0%	0%	70%	30%	0%
2008	0%	0%	40%	40%	20%
2009	0%	0%	0%	63%	37%
2010	0%	0%	30%	50%	20%
2011	0%	33%	45%	22%	0%
2012	0%	9%	36%	55%	0%
2013	0%	0%	55%	45%	0%
2014	0%	10%	60%	30%	0%
Expected in next 12 months	0%	10%	30%	60%	0%

Large Corporate Lending

Thirty-seven surveyed banks met the threshold for reporting on large corporate loans.

Table 29: Changes in Underwriting Standards in Large Corporate Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	3%	49%	48%
2004	17%	66%	17%
2005	32%	68%	0%
2006	49%	51%	0%
2007	40%	60%	0%
2008	6%	62%	32%
2009	0%	40%	60%
2010	3%	38%	59%
2011	38%	55%	7%
2012	32%	58%	10%
2013	38%	57%	5%
2014	41%	59%	0%

Table 30: Changes in the Level of Credit Risk in Large Corporate Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	5%	27%	33%	30%	5%
2004	17%	36%	36%	11%	0%
2005	5%	27%	49%	19%	0%
2006	0%	19%	46%	32%	3%
2007	0%	8%	57%	35%	0%
2008	0%	0%	47%	47%	6%
2009	0%	0%	12%	77%	11%
2010	0%	3%	0%	76%	21%
2011	0%	41%	31%	28%	0%
2012	10%	55%	13%	19%	3%
2013	0%	32%	46%	22%	0%
2014	0%	7%	59%	34%	0%
Expected in next 12 months	0%	0%	41%	59%	0%

Leveraged Lending

Sixteen surveyed banks met the threshold for reporting on leveraged loans.

Table 31: Changes in Underwriting Standards in Leveraged Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	0%	48%	52%
2004	15%	85%	0%
2005	32%	68%	0%
2006	61%	31%	8%
2007	67%	33%	0%
2008	20%	20%	60%
2009	0%	31%	69%
2010	0%	25%	75%
2011	37%	44%	19%
2012	38%	62%	0%
2013	53%	47%	0%
2014	48%	40%	12%

Table 32: Changes in the Level of Credit Risk in Leveraged Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	10%	33%	28%	29%	0%
2004	15%	40%	40%	5%	0%
2005	5%	27%	58%	5%	5%
2006	0%	8%	15%	69%	8%
2007	0%	13%	34%	53%	0%
2008	0%	0%	27%	53%	20%
2009	0%	0%	6%	63%	31%
2010	0%	6%	6%	63%	25%
2011	0%	38%	25%	31%	6%
2012	8%	46%	38%	8%	0%
2013	0%	13%	47%	40%	0%
2014	0%	4%	28%	64%	4%
Expected in next 12 months	0%	4%	24%	68%	4%

Middle Market Lending

Fifty-eight surveyed banks met the threshold for reporting on middle market lending.

Table 33: Changes in Underwriting Standards in Middle Market Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	6%	63%	31%
2004	14%	81%	5%
2005	28%	67%	5%
2006	31%	66%	3%
2007	33%	60%	7%
2008	6%	69%	25%
2009	0%	33%	67%
2010	0%	50%	50%
2011	19%	64%	17%
2012	22%	70%	8%
2013	22%	70%	8%
2014	28%	67%	5%

Table 34: Changes in the Level of Credit Risk in Middle Market Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	13%	39%	44%	4%
2004	0%	28%	52%	18%	2%
2005	4%	26%	54%	16%	0%
2006	0%	24%	54%	20%	2%
2007	0%	5%	51%	44%	0%
2008	0%	0%	50%	48%	2%
2009	0%	2%	6%	88%	4%
2010	0%	0%	5%	73%	22%
2011	0%	31%	29%	38%	2%
2012	4%	34%	42%	16%	4%
2013	0%	32%	54%	12%	2%
2014	0%	16%	59%	25%	0%
Expected in next 12 months	0%	10%	46%	44%	0%

Small Business Lending

Forty-five surveyed banks met the threshold for reporting on small business lending.

Table 35: Changes in Underwriting Standards in Small Business Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	4%	65%	31%
2004	11%	74%	15%
2005	13%	81%	6%
2006	19%	76%	5%
2007	11%	76%	13%
2008	11%	72%	17%
2009	0%	36%	64%
2010	0%	34%	66%
2011	12%	55%	33%
2012	9%	82%	9%
2013	21%	79%	0%
2014	18%	80%	2%

Table 36: Changes in the Level of Credit Risk in Small Business Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	4%	56%	38%	2%
2004	0%	15%	72%	13%	0%
2005	0%	11%	70%	19%	0%
2006	0%	5%	71%	22%	2%
2007	2%	4%	66%	26%	2%
2008	0%	3%	36%	58%	3%
2009	0%	2%	14%	72%	12%
2010	0%	9%	6%	66%	19%
2011	0%	21%	33%	46%	0%
2012	2%	40%	42%	16%	0%
2013	0%	13%	68%	19%	0%
2014	0%	16%	71%	13%	0%
Expected in next 12 months	0%	9%	56%	35%	0%

B. Retail Lending Portfolios

Affordable Housing Lending

Thirty-two surveyed banks met the threshold for reporting on affordable housing lending.

Table 37: Changes in Underwriting Standards in Affordable Housing Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	3%	88%	9%
2004	6%	86%	8%
2005	15%	76%	9%
2006	3%	97%	0%
2007	6%	88%	6%
2008	3%	74%	23%
2009	0%	60%	40%
2010	0%	59%	41%
2011	8%	67%	25%
2012	6%	71%	23%
2013	12%	73%	15%
2014	5%	87%	8%

Table 38: Changes in the Level of Credit Risk in Affordable Housing Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	9%	76%	15%	0%
2004	0%	9%	82%	9%	0%
2005	0%	6%	79%	15%	0%
2006	0%	3%	86%	11%	0%
2007	0%	0%	88%	12%	0%
2008	0%	0%	58%	35%	6%
2009	0%	4%	32%	52%	12%
2010	0%	9%	36%	46%	9%
2011	0%	25%	42%	33%	0%
2012	0%	10%	77%	13%	0%
2013	3%	12%	85%	0%	0%
2014	3%	5%	87%	5%	0%
Expected in next 12 months	0%	8%	87%	5%	0%

Conventional Home Equity Lending

Sixty-three surveyed banks met the threshold for reporting on conventional home equity lending.

Table 39: Changes in Underwriting Standards in Conventional Home Equity Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	18%	63%	19%
2004	13%	77%	10%
2005	27%	62%	11%
2006	34%	64%	2%
2007	19%	65%	16%
2008	2%	46%	52%
2009	0%	22%	78%
2010	5%	35%	60%
2011	9%	55%	36%
2012	18%	68%	14%
2013	5%	73%	22%
2014	10%	70%	20%

Table 40: Changes in the Level of Credit Risk in Conventional Home Equity Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	4%	4%	69%	23%	0%
2004	0%	6%	79%	13%	2%
2005	0%	7%	78%	15%	0%
2006	0%	0%	69%	29%	2%
2007	0%	0%	63%	34%	3%
2008	0%	0%	29%	52%	19%
2009	0%	0%	10%	63%	27%
2010	0%	5%	12%	73%	10%
2011	0%	18%	41%	41%	0%
2012	0%	23%	58%	18%	0%
2013	0%	24%	67%	9%	0%
2014	0%	28%	56%	16%	0%
Expected in next 12 months	0%	21%	58%	21%	0%

Credit Card Lending

Twenty-one surveyed banks met the threshold for reporting on credit card lending.

Table 41: Changes in Underwriting Standards in Credit Card Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	19%	62%	19%
2004	18%	61%	21%
2005	7%	74%	19%
2006	19%	56%	25%
2007	16%	79%	5%
2008	18%	47%	35%
2009	0%	32%	68%
2010	0%	19%	81%
2011	25%	31%	44%
2012	35%	50%	15%
2013	33%	54%	13%
2014	31%	65%	4%

Table 42: Changes in the Level of Credit Risk in Credit Card Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	22%	48%	30%	0%
2004	0%	11%	61%	25%	3%
2005	0%	15%	67%	18%	0%
2006	0%	0%	56%	44%	0%
2007	0%	11%	63%	26%	0%
2008	0%	0%	35%	65%	0%
2009	0%	0%	10%	53%	37%
2010	0%	6%	0%	63%	31%
2011	0%	69%	25%	0%	6%
2012	15%	30%	50%	5%	0%
2013	0%	33%	46%	17%	4%
2014	0%	31%	62%	8%	0%
Expected in next 12 months	0%	4%	38%	58%	0%

Direct Consumer Lending

Twenty-five surveyed banks met the threshold for reporting on other direct consumer lending.

Table 43: Changes in Underwriting Standards in Other Direct Consumer Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	8%	68%	24%
2004	3%	86%	11%
2005	6%	82%	12%
2006	3%	91%	6%
2007	8%	87%	5%
2008	6%	72%	22%
2009	4%	28%	68%
2010	0%	68%	32%
2011	10%	75%	15%
2012	12%	88%	0%
2013	8%	85%	7%
2014	19%	81%	0%

Table 44: Changes in the Level of Credit Risk in Other Direct Consumer Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	2%	17%	72%	7%	2%
2004	2%	13%	78%	7%	0%
2005	0%	8%	82%	10%	0%
2006	0%	3%	88%	9%	0%
2007	0%	3%	87%	10%	0%
2008	0%	3%	59%	38%	0%
2009	0%	0%	18%	68%	14%
2010	0%	5%	11%	74%	10%
2011	0%	25%	65%	10%	0%
2012	4%	12%	68%	16%	0%
2013	0%	11%	85%	4%	0%
2014	0%	5%	90%	5%	0%
Expected in next 12 months	0%	5%	86%	9%	0%

HLTV Home Equity Lending

Two surveyed banks met the threshold for reporting on HLTV home equity lending.

Table 45: Changes in Underwriting Standards in HLTV Home Equity Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	7%	68%	25%
2004	18%	71%	11%
2005	24%	56%	20%
2006	37%	63%	0%
2007	22%	61%	17%
2008	6%	6%	88%
2009	0%	7%	93%
2010	0%	13%	87%
2011	0%	50%	50%
2012	17%	17%	66%
2013	0%	50%	50%
2014	0%	67%	33%

Table 46: Changes in the Level of Credit Risk in HLTV Home Equity Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	11%	50%	36%	3%
2004	0%	18%	61%	18%	3%
2005	0%	4%	72%	24%	0%
2006	0%	0%	63%	37%	0%
2007	0%	6%	39%	55%	0%
2008	0%	0%	0%	56%	44%
2009	0%	0%	0%	36%	64%
2010	0%	13%	0%	50%	37%
2011	17%	33%	17%	33%	0%
2012	0%	67%	33%	0%	0%
2013	0%	75%	25%	0%	0%
2014	0%	33%	67%	0%	0%
Expected in next 12 months	0%	67%	33%	0%	0%

Indirect Consumer Lending

Twenty-four surveyed banks met the threshold for reporting on indirect consumer lending.

Table 47: Changes in Underwriting Standards in Indirect Consumer Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	5%	65%	30%
2004	11%	60%	29%
2005	25%	61%	14%
2006	35%	52%	13%
2007	16%	75%	9%
2008	20%	56%	24%
2009	0%	26%	74%
2010	5%	33%	62%
2011	37%	47%	16%
2012	60%	35%	5%
2013	63%	29%	8%
2014	38%	58%	4%

Table 48: Changes in the Level of Credit Risk in Indirect Consumer Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	5%	20%	47%	28%	0%
2004	0%	26%	60%	14%	0%
2005	3%	19%	67%	8%	3%
2006	6%	10%	48%	36%	0%
2007	0%	3%	87%	10%	0%
2008	0%	4%	36%	60%	0%
2009	0%	0%	7%	74%	19%
2010	0%	24%	24%	47%	5%
2011	0%	32%	42%	26%	0%
2012	0%	25%	40%	35%	0%
2013	0%	4%	38%	58%	0%
2014	4%	4%	50%	38%	4%
Expected in next 12 months	4%	0%	25%	71%	0%

Residential Real Estate Lending

Seventy-eight surveyed banks met the threshold for reporting on residential real estate lending.

Table 49: Changes in Underwriting Standards in Residential Real Estate Loan Portfolios (Percentage of Responses)

Year	Eased	Unchanged	Tightened
2003	2%	86%	12%
2004	7%	86%	7%
2005	22%	73%	5%
2006	26%	69%	5%
2007	19%	67%	14%
2008	0%	44%	56%
2009	0%	27%	73%
2010	5%	36%	59%
2011	8%	52%	40%
2012	10%	65%	25%
2013	11%	76%	13%
2014	10%	70%	20%

Table 50: Changes in the Level of Credit Risk in Residential Real Estate Loan Portfolios (Percentage of Responses)

Year	Declined significantly	Declined somewhat	Unchanged	Increased somewhat	Increased significantly
2003	0%	12%	74%	12%	2%
2004	0%	6%	92%	2%	0%
2005	0%	3%	73%	24%	0%
2006	0%	7%	69%	24%	0%
2007	2%	6%	59%	33%	0%
2008	2%	0%	38%	55%	5%
2009	0%	2%	12%	69%	17%
2010	0%	3%	14%	57%	26%
2011	0%	15%	42%	39%	4%
2012	1%	18%	62%	19%	0%
2013	1%	25%	61%	13%	0%
2014	1%	20%	67%	12%	0%
Expected in next 12 months	0%	16%	58%	26%	0%