

Upper Peninsula of MI and US Banking Conditions -- Second Quarter 2016

Banks = 20, BHCs = 18 -- Data from quarterly call reports

- Bank profits were flat
- Medium increase in loan growth
- Small increase in problem loans

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	18.75%	25 bps	-14 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	12.60%	93 bps	-217 bps
Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.00%	0 bps	0 bps
Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	5.04%	-72 bps	-198 bps
Earnings			
Return on Average Assets	0.71%	-1 bps	-2 bps
Net Interest Margin	3.83%	0 bps	-9 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	18.10%	0 bps	-94 bps
Net Loan Growth (over last four quarters)	3.07%	139 bps	215 bps

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	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	15.85%	-7 bps	-28 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.73%	-78 bps	-66 bps
Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.00%	0 bps	0 bps
Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	1.09%	-12 bps	-31 bps
Earnings			
Return on Average Assets	0.95%	3 bps	3 bps
Net Interest Margin	3.74%	1 bps	3 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	19.35%	50 bps	2 bps
Net Loan Growth (over last four quarters)	6.62%	-37 bps	0 bps