

Upper Peninsula of MI and US Banking Conditions -- Fourth Quarter 2015

Banks = 20, BHCs = 19 -- Data from quarterly call reports

Summary: Year-End 2015 Compared to Year-End 2014

-- Problem loans were flat

-- Profits were flat compared

-- Medium increase in loan growth

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	19.08%	1 bps	8 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	12.16%	-11 bps	-114 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	5.86%	-4 bps	-73 bps
Earnings			
Return on Average Assets	0.76%	1 bps	3 bps
Net Interest Margin	4.00%	5 bps	0 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	18.59%	21 bps	-120 bps
Net Loan Growth (over last four quarters)	2.46%	158 bps	154 bps

Nation

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	15.92%	-16 bps	-23 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	7.14%	-2 bps	-68 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	1.21%	-11 bps	-43 bps
Earnings			
Return on Average Assets	0.93%	0 bps	3 bps
Net Interest Margin	3.74%	1 bps	-1 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	18.91%	-29 bps	-36 bps
Net Loan Growth (over last four quarters)	6.45%	-16 bps	0 bps