

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

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

- Medium increase in bank profits
- Medium increase in loan growth
- Large decline in problem loans

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	19.00%	24 bps	-7 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	9.71%	-289 bps	-257 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	4.32%	-71 bps	-157 bps
Earnings			
Return on Average Assets	0.77%	6 bps	2 bps
Net Interest Margin	3.85%	1 bps	-9 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	17.47%	-63 bps	-90 bps
Net Loan Growth (over last four quarters)	3.82%	74 bps	294 bps

Nation

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	15.92%	7 bps	-16 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.64%	-8 bps	-53 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	1.05%	-3 bps	-26 bps
Earnings			
Return on Average Assets	0.97%	2 bps	3 bps
Net Interest Margin	3.76%	1 bps	2 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	19.33%	-1 bps	12 bps
Net Loan Growth (over last four quarters)	6.48%	-13 bps	-13 bps