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## Quarterly Asset-Based Lending Index Fourth-Quarter 2013

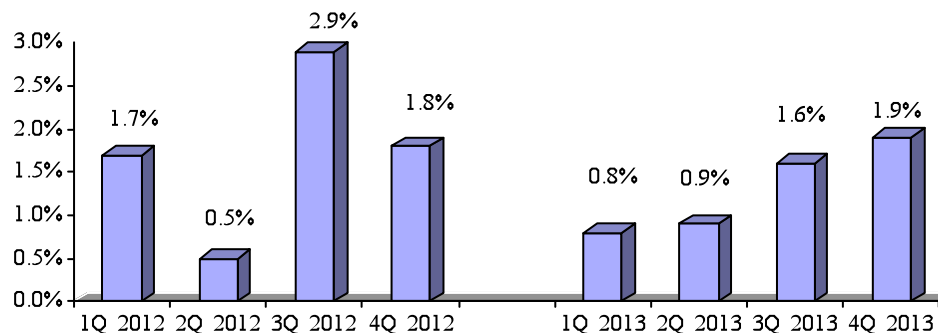
### Introduction

- This Quarterly Asset-Based Lending Index was developed to help Secured Finance Network members and external constituencies monitor industry trends.
- 21 of the largest SFNet members engaged in asset-based lending provided data for this Index.
- The mix of reporting members changes slightly from time to time. Also, they occasionally revise previously reported data. In these instances, data from prior indices is restated.
- This survey was conducted by R.S. Carmichael & Co. on behalf of the SFNet.

### Business Development

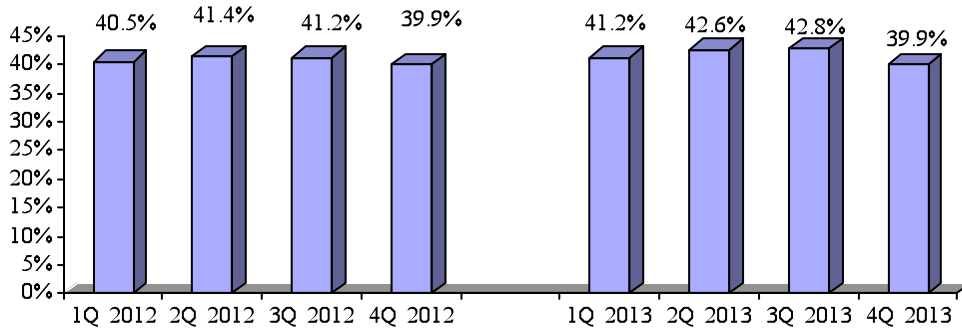
- Total committed credit lines in 4Q 2013 were up 1.9% from the previous quarter, and 67% of lenders reported an increase. Compared to the fourth-quarter in 2012, total commitments grew 5.2%.

(Percentage Change of Total Commitments)



- In 4Q 2013, lenders' new credit commitments increased by more than 50% over the prior quarter. They were at the highest quarterly level for the past two years.
- Utilization of lenders' credit lines was 39.9% in the fourth-quarter of 2013. This was lower than utilization in the previous quarter (42.8%) and was the exactly the same as utilization in 4Q 2012.

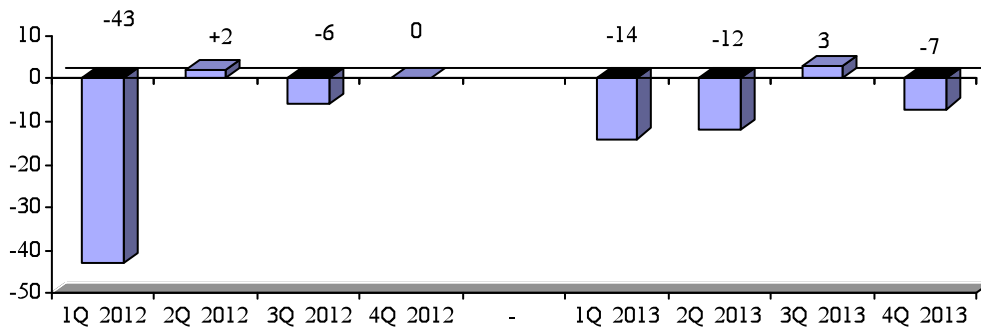
(Loans Outstanding as a Percentage of Total Credit Commitments)



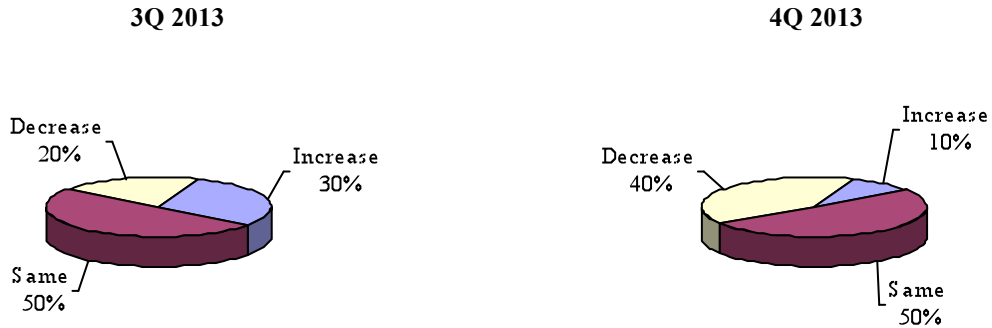
### Portfolio Performance

- Lenders' non-accruing loans as a percentage of their total asset-based loans outstanding were 7 basis points lower in 4Q 2013.

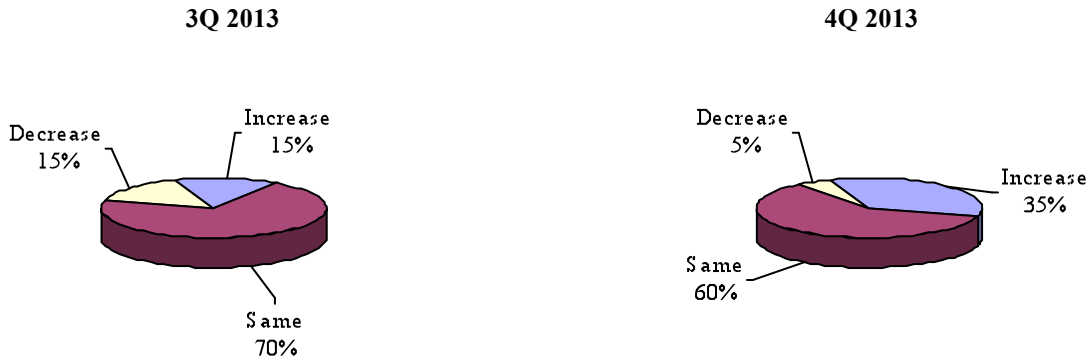
(Basis Point Change of Non-Accruals)



- **10% of lenders reported an increase in non-accruals in 4Q 2013 versus 30% in 3Q 2013.**



- **With respect to gross write-offs, 35% of lenders reported an increase in 4Q 2013 compared to 15% in 3Q 2013.**



- **Gross write-offs as a percentage of total asset-based loans outstanding went up slightly in 4Q 2013**