



# Secured Finance Network

First Quarter 2016  
Asset-Based Lending Index

[www.SFNet.com](http://www.SFNet.com)

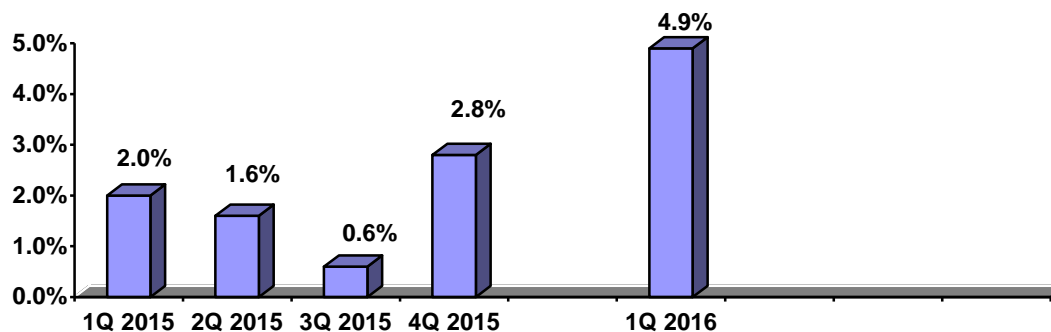
## Introduction

- This Quarterly Asset-Based Lending Index was developed to help Secured Finance Network members and external constituencies monitor industry trends.
- 25 of the largest SFNet members engaged in asset-based lending provided data for this Index.
- The mix of reporting members changes 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

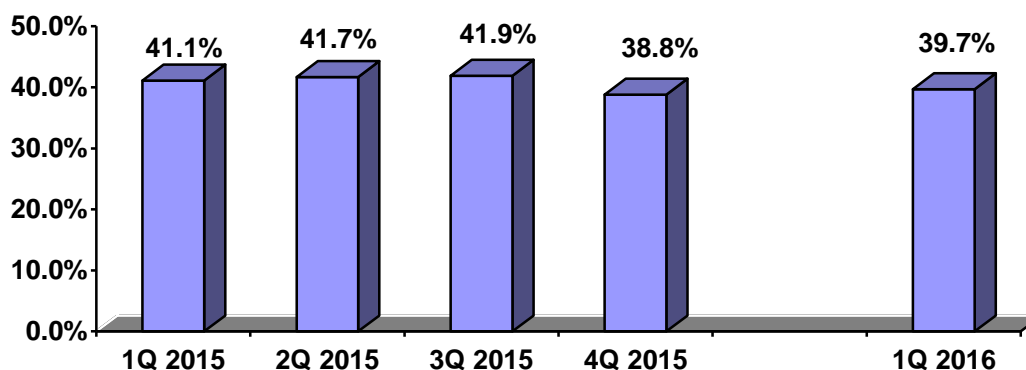
- Total committed credit lines grew 4.9% in 1Q 2016 from the prior quarter.
- Compared to the same quarter in 2015, total commitments increased 10.3%.

(Percentage Change of Total Commitments)



- Lenders' new credit commitments in 1Q 2016 were 37.3% lower than the prior quarter and 6.8% below the same quarter in 2015.
- Credit line utilization as of March 31, 2016, was 39.7%. This was higher than the previous quarter (38.8%) but below the same quarter in 2015 (41.1%).

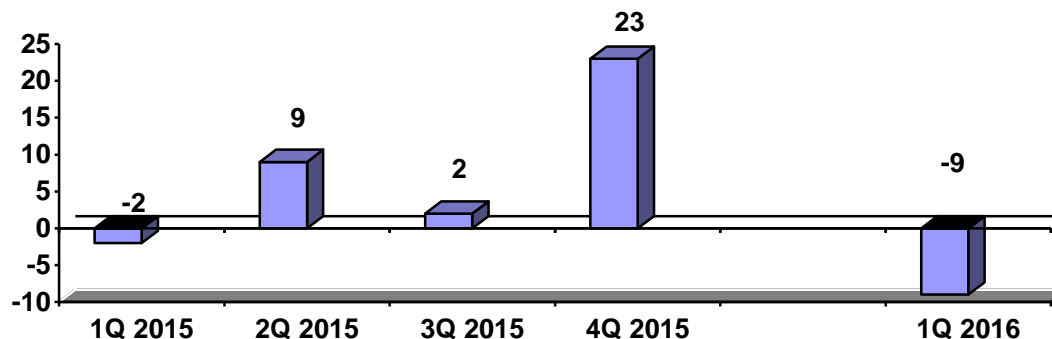
(Loans Outstanding as a Percentage of Total Credit Commitments)



### Portfolio Performance

- Lenders' non-accruing loans in 1Q 2016 as a percentage of total asset-based loans outstanding were lower than the previous quarter.

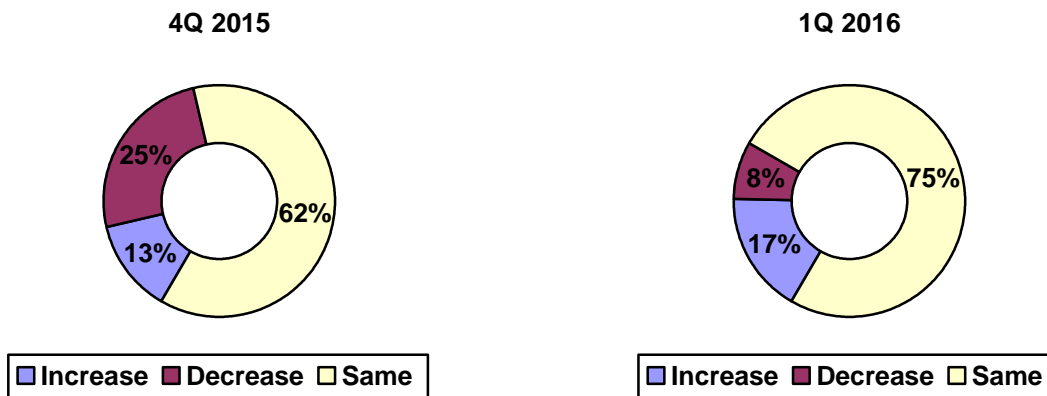
(Basis Point Change of Non-Accruals)



- 13% of lenders reported an increase in non-accruals in 1Q 2016 compared to the prior quarter. In 4Q 2015, 17% had reported an increase.



- With respect to gross write-offs, 17% of lenders reported an increase in 1Q 2016 compared to 13% in 4Q 2015.



- Gross write-offs as a percentage of total asset-based loans outstanding continued to be at an historically low level in 1Q 2016.