



State Profile

Michigan

Second Quarter 2017

ECONOMIC INDICATORS

Employment Growth Rates (change from year ago, unless noted)	Q2-17	Q1-17	Q2-16	2016	2015
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.7%	1.8%	1.9%	1.9%	1.5%
Manufacturing (14%)	0.9%	1.0%	2.6%	2.1%	2.8%
Other (non-manufacturing) Goods-Producing (4%)	4.9%	4.7%	4.1%	4.4%	3.9%
Private Service-Providing (68%)	1.6%	1.9%	2.0%	1.9%	1.4%
Government (14%)	2.3%	1.8%	0.4%	1.1%	-0.3%
Unemployment Rate (% of labor force)	4.2%	5.2%	4.8%	5.0%	5.4%
Other Indicators (change from year ago, unless noted)	Q2-17	Q1-17	Q2-16	2016	2015
Single-Family Home Permits	8.1%	13.3%	11.4%	15.4%	6.0%
Multifamily Building Permits	-24.8%	33.7%	47.8%	31.2%	125.2%
Home Price Index	7.6%	6.9%	5.7%	5.8%	5.8%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	3.25	3.34	3.16	3.03	3.26

BANKING TRENDS

General Information	Q2-17	Q1-17	Q2-16	2016	2015
Institutions (#)	100	102	108	104	110
Total Assets (in millions)	76,037	73,535	68,251	71,332	66,348
New Institutions (# < 3 years)	0	0	0	0	0
Subchapter S Institutions	10	11	13	12	14
Asset Quality	Q2-17	Q1-17	Q2-16	2016	2015
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.25	1.41	1.48	1.32	1.87
Noncurrent Loans / Total Loans (median %)	0.67	0.69	0.81	0.71	0.97
ALLL/Total Loans (median %)	1.17	1.18	1.22	1.17	1.24
ALLL/Noncurrent Loans (median multiple)	1.83	1.69	1.41	1.53	1.26
Net Loan Losses / Total Loans (median %)	0.00	0.00	0.02	0.08	0.06
Capital / Earnings	Q2-17	Q1-17	Q2-16	2016	2015
Tier 1 Leverage (median %)	9.94	9.83	10.02	9.99	10.08
Return on Assets (median %)	0.94	0.76	0.82	0.89	0.86
Pretax Return on Assets (median %)	1.26	1.00	1.12	1.12	1.05
Net Interest Margin (median %)	3.78	3.69	3.70	3.69	3.68
Yield on Earning Assets (median %)	4.14	4.01	4.02	4.03	4.05
Cost of Funding Earning Assets (median %)	0.35	0.33	0.32	0.32	0.34
Provisions to Avg. Assets (median %)	0.03	0.02	0.04	0.06	0.04
Noninterest Income to Avg. Assets (median %)	0.71	0.68	0.70	0.74	0.71
Overhead to Avg. Assets (median %)	3.07	3.04	3.14	3.09	3.15
Liquidity/Sensitivity	Q2-17	Q1-17	Q2-16	2016	2015
Net Loans to Assets (median %)	68.14	65.80	67.19	66.55	65.69
Noncore Funding to Assets (median %)	7.56	6.26	6.57	7.27	7.18
Long-term Assets to Assets (median %, call filers)	22.37	22.91	22.13	24.85	23.85
Brokered Deposits (number of institutions)	48	48	54	51	53
Brokered Deposits to Assets (median % for those above)	4.78	4.51	4.42	4.55	4.65
Loan Concentrations (median % of Qualifying Total Capital)	Q2-17	Q1-17	Q2-16	2016	2015
Commercial and Industrial	73.36	70.67	68.63	68.54	63.49
Commercial Real Estate	240.55	240.58	235.04	241.56	228.15
Construction & Development	22.34	22.26	20.13	21.27	17.00
Multifamily Residential Real Estate	8.35	8.37	8.62	8.55	8.70
Nonresidential Real Estate	201.10	200.35	184.19	201.35	183.51
Residential Real Estate	178.11	182.06	179.05	180.61	175.95
Consumer	15.61	15.86	15.45	15.00	15.54
Agriculture	2.58	2.42	1.80	2.33	1.78

BANKING PROFILE

Largest Deposit Markets (from 2016 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Detroit-Warren-Dearborn, MI	49	121,738	< \$100 million	20 (20%)
Grand Rapids-Wyoming, MI	31	20,540	\$100 million to \$250 million	28 (28%)
Ann Arbor, MI	22	8,211	\$250 million to \$1 billion	40 (40%)
Lansing-East Lansing, MI	22	6,069	\$1 billion to \$10 billion	10 (10%)
South Bend-Mishawaka, IN-MI	17	4,381	> \$10 billion	2 (2%)