



# State Profile

Michigan

## Fourth Quarter 2011

### ECONOMIC INDICATORS

#### Employment Growth Rates (change from year ago, unless noted)

	Q4-11	Q3-11	Q4-10	2011	2010
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.5%	1.8%	1.3%	1.9%	-0.2%
Manufacturing (13%)	5.4%	6.0%	5.4%	6.4%	2.4%
Other (non-manufacturing) Goods-Producing (3%)	-0.6%	3.3%	1.8%	2.6%	-4.3%
Private Service-Producing (68%)	1.7%	1.8%	1.5%	2.1%	-0.0%
Government (16%)	-2.0%	-2.2%	-2.5%	-2.7%	-1.7%
Unemployment Rate (% of labor force)	9.6%	10.4%	11.6%	10.3%	12.6%

#### Other Indicators (change from year ago, unless noted)

	Q4-11	Q3-11	Q4-10	2011	2010
Single-Family Home Permits	-2.1%	2.8%	22.1%	-1.4%	22.8%
Multifamily Building Permits	-22.3%	61.3%	129.7%	-14.9%	84.3%
Home Price Index	-2.6%	-3.5%	-1.4%	-3.6%	-6.2%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	4.85	5.23	5.92	5.71	6.75

### BANKING TRENDS

#### General Information

	Q4-11	Q3-11	Q4-10	2011	2010
Institutions (#)	132	133	136	132	136
Total Assets (in millions)	65,937	68,352	68,129	65,937	68,129
New Institutions (# < 3 years)	2	2	2	2	2
Subchapter S Institutions	17	17	17	17	17

#### Asset Quality

	Q4-11	Q3-11	Q4-10	2011	2010
Past-Due and Nonaccrual Loans / Total Loans (median %)	4.07	3.92	4.72	4.07	4.72
Noncurrent Loans / Total Loans (median %)	2.20	2.41	2.83	2.20	2.83
ALLL/Total Loans (median %)	1.78	1.81	1.81	1.78	1.81
ALLL/Noncurrent Loans (median multiple)	0.79	0.67	0.70	0.79	0.70
Net Loan Losses / Total Loans (median %)	0.83	0.49	0.93	0.78	0.74

#### Capital / Earnings

	Q4-11	Q3-11	Q4-10	2011	2010
Tier 1 Leverage (median %)	9.44	9.39	9.17	9.44	9.17
Return on Assets (median %)	0.57	0.68	0.44	0.52	0.37
Pretax Return on Assets (median %)	0.64	0.84	0.53	0.61	0.43
Net Interest Margin (median %)	4.02	4.01	3.92	3.96	3.89
Yield on Earning Assets (median %)	4.92	5.01	5.25	5.05	5.32
Cost of Funding Earning Assets (median %)	0.85	0.94	1.20	0.98	1.35
Provisions to Avg. Assets (median %)	0.38	0.35	0.58	0.45	0.63
Noninterest Income to Avg. Assets (median %)	0.66	0.67	0.73	0.65	0.67
Overhead to Avg. Assets (median %)	3.23	3.26	3.31	3.25	3.27

#### Liquidity/Sensitivity

	Q4-11	Q3-11	Q4-10	2011	2010
Net Loans to Assets (median %)	67.71	67.26	69.13	67.71	69.13
Noncore Funding to Assets (median %)	17.61	17.17	19.27	17.61	19.27
Long-term Assets to Assets (median %, call filers)	18.39	17.27	16.70	18.39	16.70
Brokered Deposits (number of institutions)	67	68	68	67	68
Brokered Deposits to Assets (median % for those above)	3.90	4.48	5.57	3.90	5.57

#### Loan Concentrations (median % of Total Risk-Based Capital)

	Q4-11	Q3-11	Q4-10	2011	2010
Commercial and Industrial	71.57	73.14	74.26	71.57	74.26
Commercial Real Estate	252.03	251.34	271.42	252.03	271.42
Construction & Development	20.75	25.91	27.69	20.75	27.69
Multifamily Residential Real Estate	10.73	11.44	10.33	10.73	10.33
Nonresidential Real Estate	209.76	207.64	218.92	209.76	218.92
Residential Real Estate	207.51	211.05	222.57	207.51	222.57
Consumer	15.88	17.15	18.53	15.88	18.53
Agriculture	3.85	4.39	3.84	3.85	3.84

### BANKING PROFILE

Largest Deposit Markets (from 2011 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Detroit-Warren-Livonia, MI	51	90,073	< \$100 million	37 (28%)
Grand Rapids-Wyoming, MI	28	12,907	\$100 million to \$250 million	46 (34.8%)
Ann Arbor, MI	19	6,230	\$250 million to \$1 billion	40 (30.3%)
Lansing-East Lansing, MI	23	5,030	\$1 billion to \$10 billion	8 (6.1%)
South Bend-Mishawaka, IN-MI	19	4,924	> \$10 billion	1 (0.8%)