

Q1
2017

Asset-Based Lending Index



**Secured Finance
Network**

An association of professionals
putting capital to work

Introduction

The Secured Finance Network's Quarterly Asset-Based Lending Index is designed to allow SFNet members to monitor industry trends and benchmark performance.

Twenty-four of the largest SFNet members engaged in asset-based lending participated in this quarter's survey. Members who participated in the survey received a more detailed report mapping additional facets of the industry.

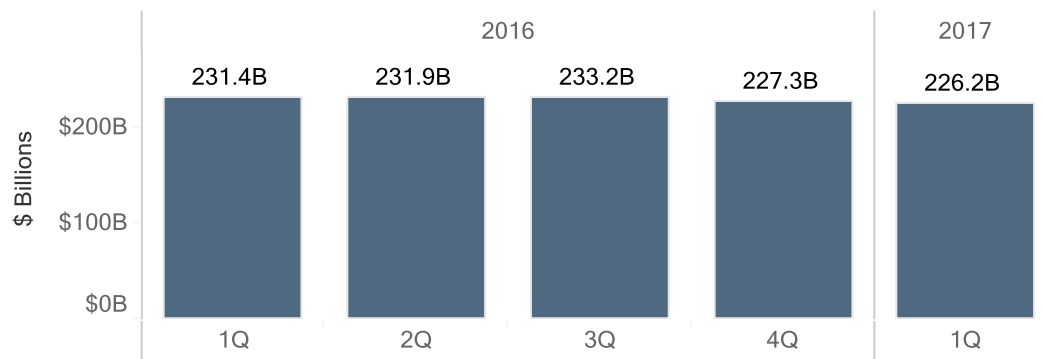
The makeup of the lenders providing data for this report changes from quarter to quarter. Participating members also have the ability to revise their previously report data. As such, the data presented in this report reflects only organizations who responded during the current data collection cycle and previous quarter values reported in this report may not be consistent with the previous quarters' reports.

If you have any questions about the data contained in this report, or if you have suggestions on how we can improve the report in future years, please contact the Westat analysis team at CFADataInitiative@westat.com or 1-855-887-3820.

Business Development

Total Committed Credit Lines

1Q 2016 - 1Q 2017

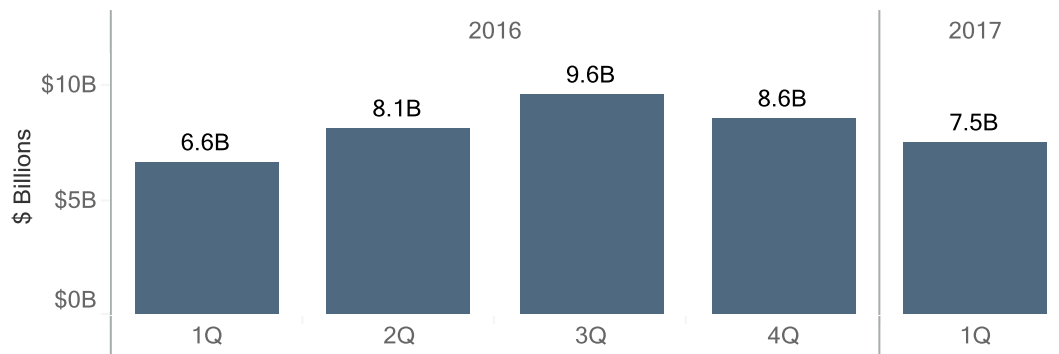


Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

- Total committed credit lines decreased less than 1% compared to the previous quarter.
- Compared to the same quarter last year, total commitments decreased 2%.

New Credit Commitments (Gross)

1Q 2016 - 1Q 2017

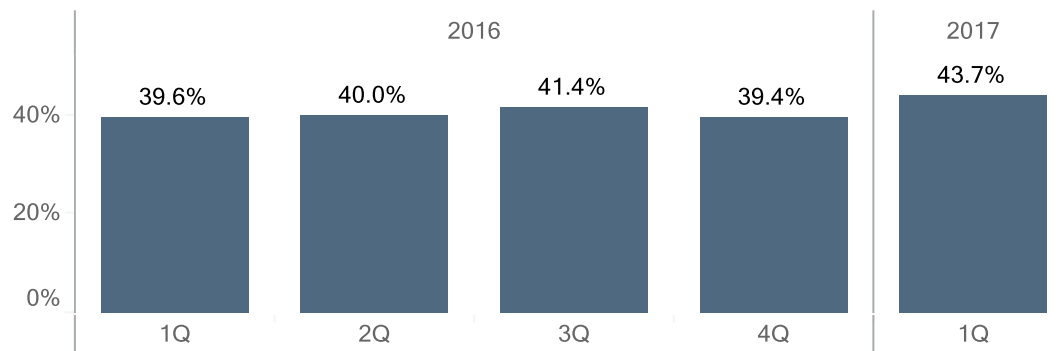


Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

- Compared to the previous quarter, new credit commitments decreased 13%.
- Compared to the same quarter in the previous year, new credit commitments increased by 14%.

Loans Outstanding as Percent of Total Credit Commitments

1Q 2016 - 1Q 2017



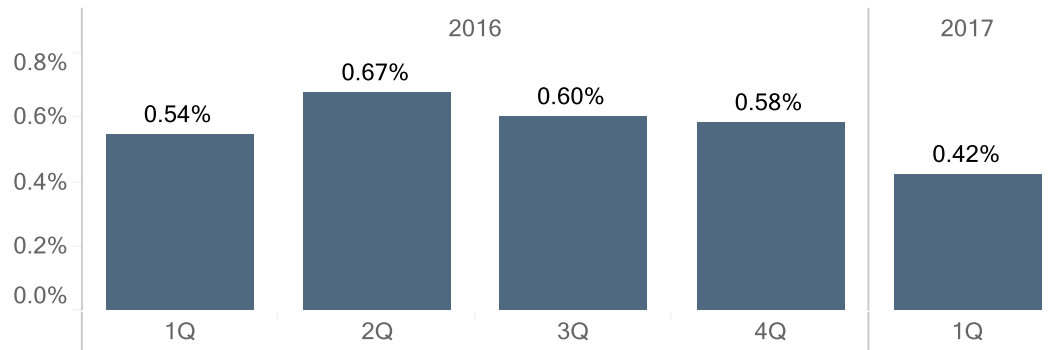
- Credit line utilization grew in 1Q 2017 from 39.4% to 43.7%, an 11% increase.
- Credit line utilization increased when compared to 1Q 2016 by 10%.

Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

Portfolio Performance

Non-Accruing Loans as % of Total Loans Outstanding

1Q 2016 - 1Q 2017

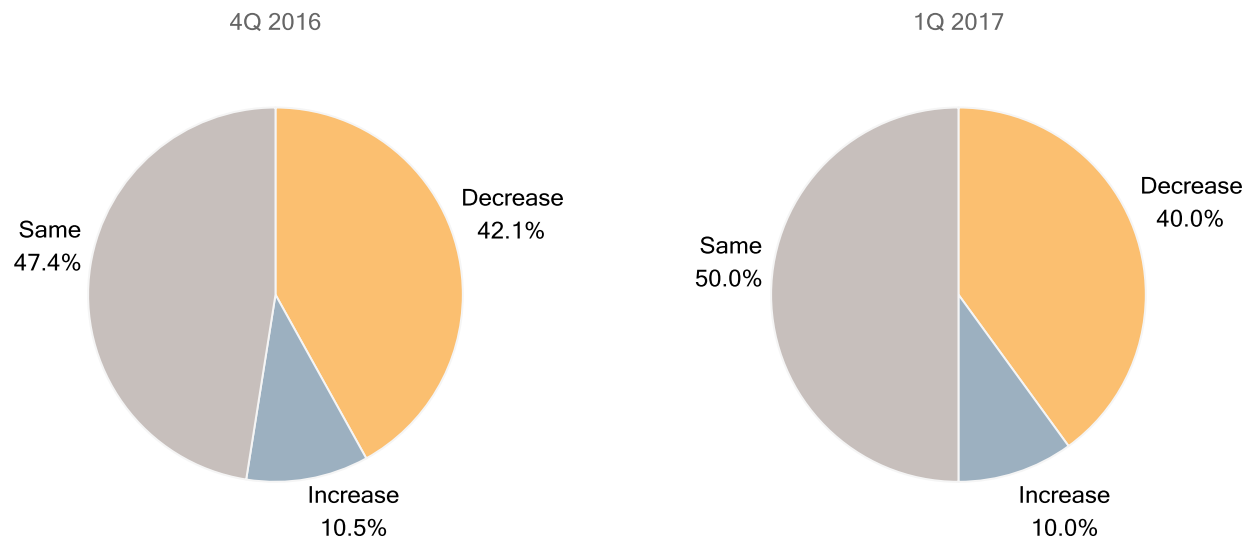


- As a percentage of outstanding loans, non-accruing loans decreased 28% from 4Q 2016 to 1Q 2017.
- Compared to the same quarter last year, the percentage of non-accruing loans decreased by 22%.

Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

Change in Non-Accruing Loans

4Q 2016 and 1Q 2017

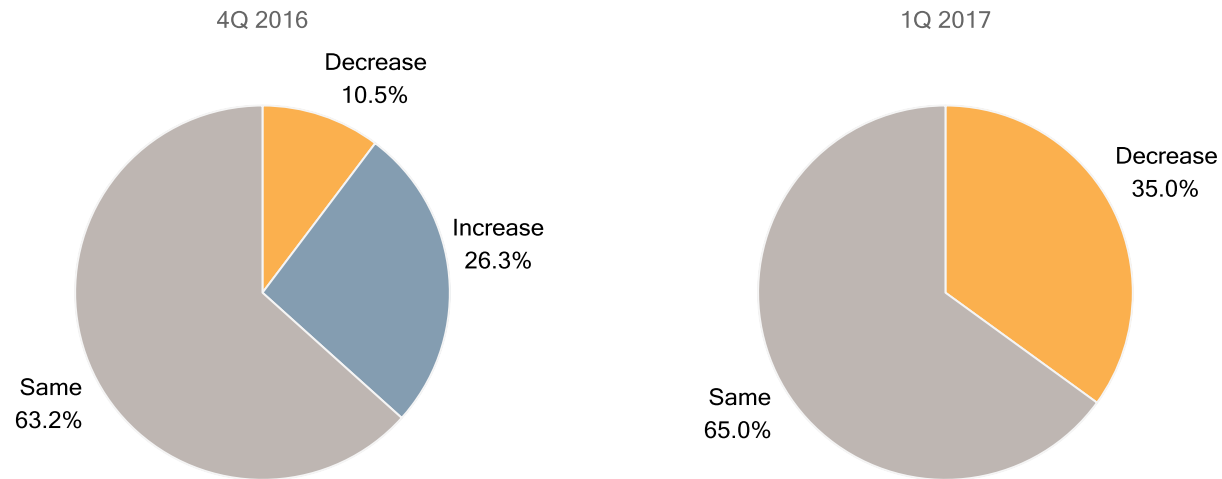


Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

- 10% of lenders reported an increase in non-accruals in 1Q 2017 compared to 10.5% of organizations in 4Q 2016, a 5% decrease.

Change in Gross Write-offs

4Q 2016 and 1Q 2017



Note: Data represents lenders who responded to CFA's 1Q 2017 Asset-Based Lending Survey

- The number of lenders reporting an increase in gross write-offs fell from 26.3% in 4Q 2016 to 0.0% in 1Q 2017.