

**Community Depository Institutions Advisory Council**  
**Discussion Questions**  
**March 9, 2018 Meeting**  
**Federal Reserve Bank of New York**

1. **Current Banking Conditions:**

What is the Council's view of the current condition of, and the outlook for, loan markets and financial markets generally? Please describe any significant changes in the creditworthiness of applicants for loans, loan demand, and lending standards in general.

- a. **Small Business Lending:** Has credit availability for, and demand for credit from, small businesses changed significantly? Have lending standards for these borrowers changed?
- b. **Commercial Real Estate Lending:** Have there been any changes in the Council's view of challenges in the commercial real estate market since the beginning of the year? How are commercial real estate loans performing compared to the Council's expectations?
- c. **Construction Lending:** What is the Council's view of the availability of credit for construction and development projects? Have Council members seen any changes in the demand for construction loans since the beginning of the year?
- d. **Home Mortgage Lending:** What changes has the Council seen in the mortgage market since the beginning of the year? Is a trend developing among community banks to increase, decrease, or cease home mortgage originations, and if so, what are the likely causes for and effects of this trend?
- e. **Consumer Lending:** What changes have the Council seen in consumer lending?
- f. **Agricultural Lending:** Have there been any changes in agricultural lending?
- g. **Deposits:** Have Council members seen any changes in local deposit markets?

2. **Economic Discussion:**

- a. **Overall Economic Conditions:** How do Council members assess overall economic conditions in their regions?
- b. **Particular Indicators:**
  - i. **Inflation:** Are the prices of products and services rising more or less quickly (or declining more) than in the recent past? Are the prices for the products and services Council members purchase rising more or less quickly?
  - ii. **Housing:** How have house prices changed in recent months? Have there been any changes in housing activity overall in Council members' regions?

- iii. **Labor Markets:** How have the labor markets in which Council members operate changed in recent months? In particular, assess the degree of job loss (how much and in which industries). What changes to wages have Council members observed in the past year?
  - iv. **Consumer Confidence:** Is the Council seeing signs of improved consumer confidence? What is the outlook for consumer credit losses?
3. **Fintech:** In the Council's view, what are the opportunities and challenges for community depository institutions presented by the growing presence of fintech companies in the marketplace? How do these opportunities and challenges differ from those applicable to larger financial institutions? To what extent do such opportunities or challenges vary across specific segments (e.g., consumer lending, business lending, payments, and wealth management/advisory services)? Are there any special considerations or challenges that impact a community depository institution's willingness or ability to partner with or enter into other kinds of third-party relationships with fintech firms? To the extent that any of these challenges relate to regulatory or supervisory matters, are there particular actions that the Council recommends regulators and supervisors should take in response?
4. **Examination Practices:** Have Council members experienced problems with recent examinations? In particular, have examination practices constrained access to credit by creditworthy borrowers? What steps can be taken to address the Council's concerns?
5. **Regulatory Matters and the Future of Banking:** How are recent changes in the regulatory landscape affecting community depository institutions' ability to continue to provide services to their customers? What has been the effect on the industry generally?
6. **Additional Matters:** Have any other matters affecting community depository institutions emerged from meetings of the Reserve Banks' advisory councils that Council members want to present at this time?