



Commercial Finance Association

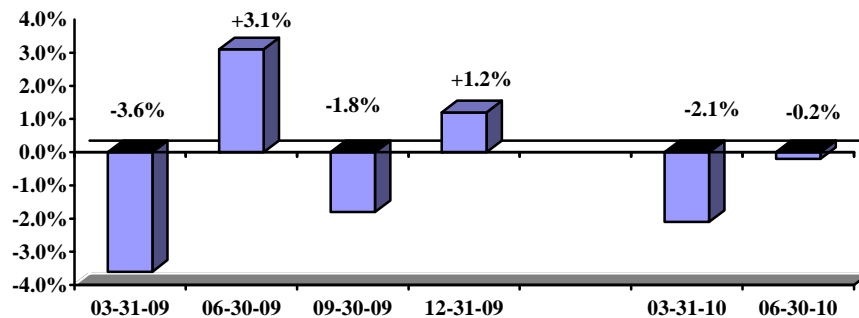
Quarterly Asset-Based Lending Index Second-Quarter 2010

Introduction

- This Quarterly Asset-Based Lending Index was developed to help Commercial Finance Association members and external constituencies monitor industry trends.
- 19 of the largest CFA members engaged in asset-based lending provided data for this Index. The mix of reporting members has changed slightly from time to time. In these instances, data from previous indices was restated.
- This survey was conducted by R.S. Carmichael & Co., White Plains, NY on behalf of the Commercial Finance Association.

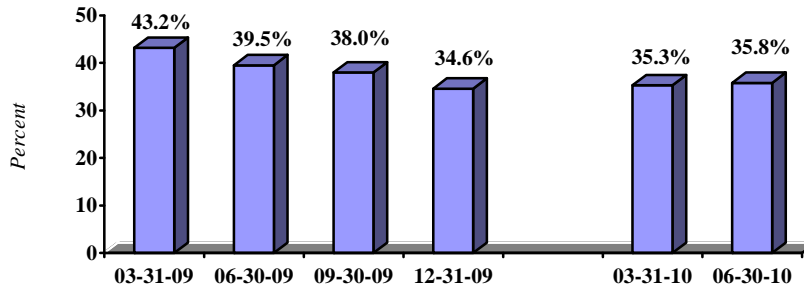
Business Development

- Total committed credit lines in 2Q 2010 were virtually flat compared to the previous quarter.



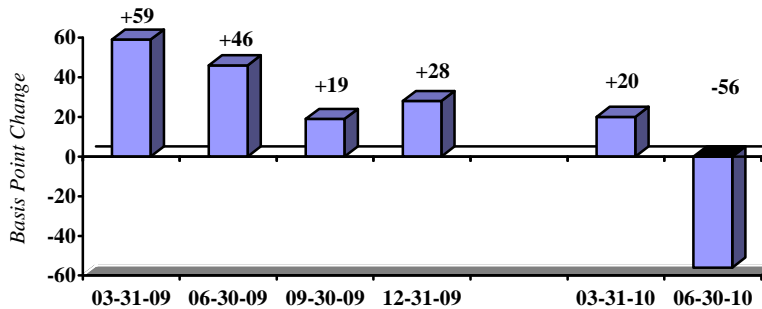
- Lenders' new credit commitments originated in the second-quarter of 2010 increased 47.9% compared to the prior quarter. Moreover, 79% of lenders reported an increase in new credit commitments in the second-quarter.
- Utilization of lenders' credit lines increased slightly in the second-quarter of 2010 to 35.8%.

(Loans Outstanding as a Percentage of Total Credit Commitments)

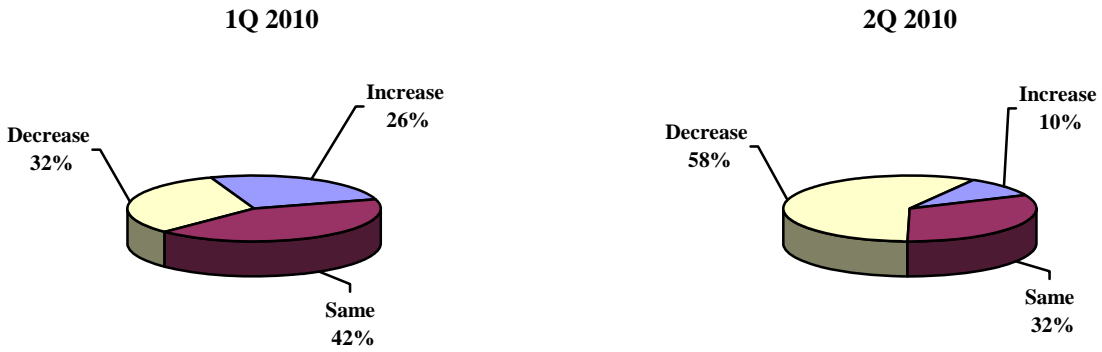


Portfolio Performance

- Lenders' non-accruing loans as a percentage of their total asset-based loans outstanding decreased 56 basis points in the second-quarter of 2010.



- **58% of lenders reported a decrease in non-accruals in 2Q 2010 over the prior quarter.**



- **With respect to gross write-offs, 63% of lenders reported either a decrease or the same level in the second-quarter of 2010 over the prior quarter.**

