

BRIEFING ON THE STATE OF YACHT LENDING
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Recreational Boat Loan Overview

- Action Lenders
- New Participants
- High Risk Lenders

Floorplan (Wholesale) Market Update

- GE Capital Sale-Wells Fargo
- Market Overview
- Wholesale Competition

Retail Loan Business (NMLA reported) 2014 vs. 2013

- 92% reported increases in loan outstandings
- Credit Parameters reported to be LESS stringent
- Some lenders waving proof of income, approving higher LTV's
- Credit quality level remains high

Year	Delinquency	Charge-off
2003	0.85%	0.35%
2004	0.69	0.20
2005	0.83	0.52
2006	0.63	0.27
2007	0.85	0.77
2008	1.18	0.93
2009	2.26	1.43
2010	1.69	0.89
2011	1.48	1.14
2012	0.82	0.77
2013	0.80	0.57
2014	<i>Statistics Released in July 2015</i>	

Financial Regulation

- Policies still not clearly written or passed on to banks/institutions
- Dealer Reserve & broker fees could heavily affect the originator role
- Closely monitor residential mortgage and auto industries
- GE decision primarily based on regulatory pressure-who will follow?
- BSA/SARS carry more regulatory pressure than loan quality

New Boat Sales Projections (NMLA/NMMA)

- 6% increase in new unit sales, 8% in dollars
- Used 10% increase, but limited due to lack of inventory

National Marine Lender Events (www.marinebankers.org)

2015 Annual Conference, Naples Beach Resort, Naples, FL
September 27-29, 2015

Marine Lending and Finance Workshop, Fort Lauderdale, FL
Date TBD, Early March, 2016

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National Marine Lenders Association, Annual Report