

KC REGIONAL BANKING SURVEY

APRIL 20, 2020

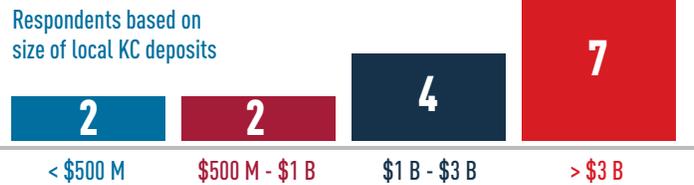
The purpose of the survey is to collect real-time, aggregate information about the critical role of our KC region's banks and the impact of the federal Paycheck Protection Program (PPP). The survey was sent to 25 banks serving the KC region and 15 banks provided responses during the collection period between April 14 -16.

15

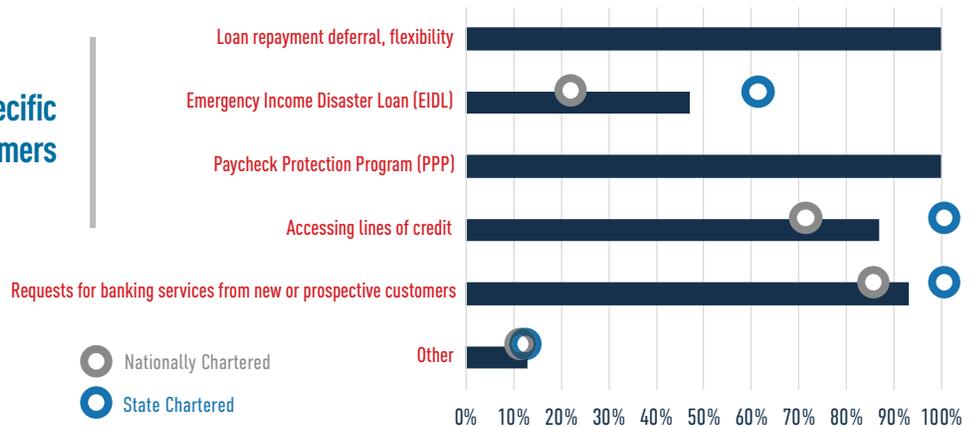
BANK RESPONSES
53% State Chartered
46% Nationally Chartered

BANKING CLIENT NEEDS

Every bank who responded to the survey reported the Paycheck Protection Program as the MOST REQUESTED type of assistance from their KC area customers.



Percentage of banks receiving specific types of requests from KC area customers



*Other requests from KC area customers include: • Temporary increases to existing lines of credit • Main Street Loan Program as it becomes available

PAYCHECK PROTECTION PROGRAM

All banks affirmed they are participating in the federal Paycheck Protection Program (PPP). Insight gathered from their responses about the PPP in the KC region is shown here:

11,820+
PPP APPLICATIONS RECEIVED

*11 banks reported PPP figures and one responded by saying "for the first few days we were receiving an average of three applications per minute, while currently we're receiving about one application every 15 minutes"

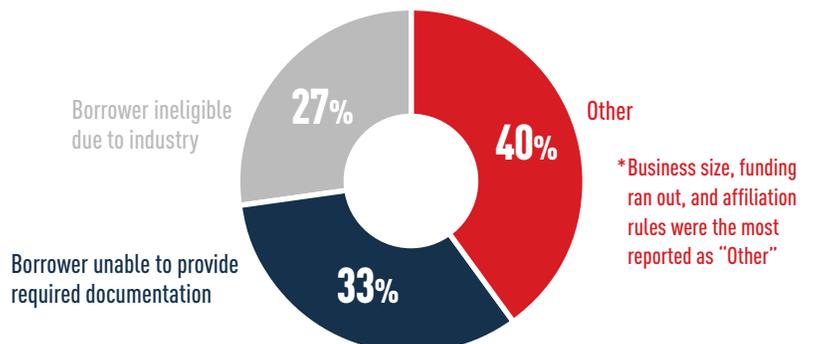
5,765+
PPP APPLICATIONS APPROVED

*Nearly half of all businesses who applied for PPP locally have been approved.

\$2.7+ B
APPROVED PPP DOLLARS

*11 banks reported PPP figures

Most common reason for NOT being able to approve PPP applications



*Business size, funding ran out, and affiliation rules were the most reported as "Other"

PAYCHECK PROTECTION PROGRAM

What is working well for the PPP and what needs improvement?

WORKING WELL

Involvement of community banks

Quick approval / response time - that's what is needed

Ease of application process and requirements

Simplicity of program

Implemented quickly

NEEDS IMPROVEMENT

Rules changing over time, inconsistent and unclear

SBA system crashing

Loan forgiveness too complicated and unclear

The 10-day funding turnaround is too quick given current system and high demand

Demand for funds is higher than supply

MOST NEEDED BANKING RESOURCES MOVING FORWARD

When asked: "If Congress were to approve another round of COVID-19 economic aid, what types of resources are most needed?" nearly every bank responded with feedback. The most requested resource was making additional money or programs available to businesses, 42% of the banks had this feedback. Here is a condensed summary of the resources banks most need if Congress approves more COVID-19 economic aid:

- Additional PPP dollars to make sure all companies that qualify have the opportunity to take advantage of the program.
- PPP loans that will be forgiven.
- Greater clarity in the rules and guidelines on the front end without changing the rules along the way.
- Sufficient SBA representation to administer programs with enhanced electronic tools.
- Longer term solutions that do not offer forgiveness, rather programs that allow businesses to make long term plans rather than stop gap measures. The PPP has helped to serve the short-term needs.
- Needed resources are harder to define given the unknown timeline for lifting the "Stay at Home Orders".

For more information, please contact:

KCPartners@thinkKC.com