

### Assets and liabilities measured at fair value on a nonrecurring basis

The following tables present the assets and liabilities held as of June 30, 2022 and 2021, for which nonrecurring fair value adjustments were recorded during the six months ended June 30, 2022 and 2021, by major product category and fair value hierarchy.

June 30, 2022 (in millions)	Fair value hierarchy			Total fair value
	Level 1	Level 2	Level 3	
Loans	\$ —	\$ 1,516	\$ 665 <sup>(b)</sup>	\$ 2,181
Other assets <sup>(a)</sup>	—	22	1,083	1,105
<b>Total assets measured at fair value on a nonrecurring basis</b>	<b>\$ —</b>	<b>\$ 1,538</b>	<b>\$ 1,748</b>	<b>\$ 3,286</b>
Accounts payable and other liabilities	—	—	293	293
<b>Total liabilities measured at fair value on a nonrecurring basis</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 293</b>	<b>\$ 293</b>

June 30, 2021 (in millions)	Fair value hierarchy			Total fair value
	Level 1	Level 2	Level 3	
Loans	\$ —	\$ 2,048	\$ 329	\$ 2,377
Other assets	—	11	831	842
<b>Total assets measured at fair value on a nonrecurring basis</b>	<b>\$ —</b>	<b>\$ 2,059</b>	<b>\$ 1,160</b>	<b>\$ 3,219</b>
Accounts payable and other liabilities	—	—	5	5
<b>Total liabilities measured at fair value on a nonrecurring basis</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 5</b>	<b>\$ 5</b>

(a) Primarily includes equity securities without readily determinable fair values that were adjusted based on observable price changes in orderly transactions from an identical or similar investment of the same issuer (measurement alternative). Of the \$1.1 billion in level 3 assets measured at fair value on a nonrecurring basis as of June 30, 2022, \$985 million related to equity securities adjusted based on the measurement alternative. These equity securities are classified as level 3 due to the infrequency of the observable prices and/or the restrictions on the shares.

(b) Of the \$665 million in level 3 assets measured at fair value on a nonrecurring basis as of June 30, 2022, \$55 million related to residential real estate loans carried at the net realizable value of the underlying collateral (e.g., collateral-dependent loans). These amounts are classified as level 3 as they are valued using information from broker's price opinions, appraisals and automated valuation models and discounted based upon the Firm's experience with actual liquidation values. These discounts ranged from 12% to 56% with a weighted average of 23%.

### Nonrecurring fair value changes

The following table presents the total change in value of assets and liabilities for which fair value adjustments have been recognized for the three and six months ended June 30, 2022 and 2021, related to assets and liabilities held at those dates.

(in millions)	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Loans	\$ (80)	\$ (11)	\$ (91)	\$ (32)
Other assets <sup>(a)</sup>	(389)	92	(45)	93
Accounts payable and other liabilities	(269)	7	(288)	6
<b>Total nonrecurring fair value gains/(losses)</b>	<b>\$ (738)</b>	<b>\$ 88</b>	<b>\$ (424)</b>	<b>\$ 67</b>

(a) Included \$(387) million and \$102 million for the three months ended June 30, 2022 and 2021, respectively, and \$(29) million and \$107 million for the six months ended June 30, 2022 and 2021, respectively, of net gains/(losses) as a result of the measurement alternative.

Refer to Note 11 for further information about the measurement of collateral-dependent loans.