The improvement in credit trends resulted in reductions of our loan loss reserves by $745 million during the year; however, these reserves are still among the strongest coverage levels in the industry, at 3.88 percent of loans and 179 percent of nonperforming loans.

Noninterest income benefited from solid mortgage banking revenue of $647 million in 2010, an increase of 17 percent over 2009. Our investment advisory revenue increased 11 percent over the prior year and deposit fees declined only 9 percent despite the impact of the overdraft regulation.

Our capital position remains robust. Our Tier 1 capital ratio was 13.9 percent at year-end compared with 13.3 percent at the end of 2009. Our tangible common equity (TCE) ratio including unrealized gains on securities, which increased to 7.3 percent, continues to compare favorably with our peers and is even more favorable when viewed in light of our capital raise at the beginning of 2011. Given our capital position and our strong reserve position, Fifth Third has one of the strongest balance sheets among commercial banks.

Strategic initiatives and Lines of Business

Fifth Third has a simple overall value proposition – we have the resources and technology to offer products competitive with the largest banks in the country for traditional banking business, but our customer service rivals that of most community banks. By focusing on this "sweet spot," we believe we are able to drive differentiation to our customers and value creation for our shareholders. Our strategic plan is designed to further improve that position through a variety of initiatives that have the ultimate goal of developing deeper customer relationships and growing our customer base through the strength of the Fifth Third brand.

Our Commercial Banking line of business is focused on maintaining a close relationship with our customers, developing new value-added products based on customer needs, and continuing to enhance sales processes. We strive to develop innovative solutions for our customers, such as our Remote Currency Manager product, which has enhanced our suite of treasury management product offerings. We've also hired exceptional talent across our footprint, and we expect this to contribute to our revenue growth going forward. Recently, we've begun to see some positive signs within C&I lending, particularly within the manufacturing and health care industries, and we have seen significant growth in core deposits, posting a 32 percent increase over last year.

Our Branch Banking line of business has continued to post strong results. We have been successful in introducing new product bundles in the last few years, such as our Secure Checking Package that combines identity theft protection with a traditional checking account. Our Relationship Savings product has attracted over $9 billion in balances since inception and has more than tripled in balances this year alone. We were one of the first of our peers to eliminate free checking products, and we continue to focus on providing value-added products to our customers. Customer service remains a top priority and during 2010 we expanded our traditional branch hours on weeknights and weekends at many locations in order to be even more accessible to our customers. Additionally, we have hired over 100 small business banking officers focused on customers in the $1 million to $3 million revenue range, as we see additional opportunities in this underpenetrated market space and are committed to fostering economic growth through investing in this area.

Our Consumer Lending line of business had another outstanding year. Our mortgage originations exceeded $18 billion and we generated over $600 million of mortgage banking revenue. Our recent J.D. Power Mortgage Origination Customer Satisfaction scores improved significantly compared with 2009 results. Our J.D. Power Mortgage Servicer Satisfaction score increased – ranking Fifth Third in the top five - while the industry average declined compared with 2009. Our auto lending operations continued to perform well as we maintained strong credit quality and pricing discipline, while generating more than $5 billion in originations. We remain committed to offering responsible credit solutions to our customers and helping them through our mortgage modification programs, while also keeping long-term value creation for shareholders a priority.

Our Investment Advisors business benefited from the overall lift in the equity and bond