NATIONAL COMMUNITY REINVESTMENT COALITION NCRC

The 2005 Fair Lending Disparities: Stubborn and Persistent II

May 2006
National Community Reinvestment Coalition
727 15th St. NW, Suite 900
Washington, DC 20005
(202) 628-8866
http://www.ncrc.org

The National Community Reinvestment Coalition

The National Community Reinvestment Coalition (NCRC) is the nation's trade association for economic justice whose members consist of local community based organizations. Since its inception in 1990, NCRC has spearheaded the economic justice movement. NCRC's mission is to build wealth in traditionally underserved communities and bring low- and moderate-income populations across the country into the financial mainstream. NCRC members have constituents in every state in America, in both rural and urban areas.

The Board of Directors would like to express their appreciation to the NCRC professional staff who contributed to this publication and serve as a resource to all of us in the public and private sector who are committed to responsible lending. For more information, please contact:

John Taylor, President and CEO
David Berenbaum, Executive Vice President
Joshua Silver, Vice President, Policy and Research
Noelle Melton, Research & Policy Analyst
Tim Westrich, Research Analyst

We would also like to thank our contractor, the KRA Corporation, for their timely and tireless work on this project.

Abstract

NCRC's survey of 17 large lending institutions includes a substantial share of the total lending market for 2005, perhaps up to one third of the loans reported by institutions in HMDA (Home Mortgage Disclosure Act) data. The previous HMDA data for 2004 revealed that lending institutions issued 1.4 million conventional high-cost loans and 8.4 million market-rate loans. Our sample using the 2005 data includes 1.4 million high-cost loans and 3.5 million market-rate conventional loans. High-cost lending was a much higher portion of overall lending in 2005, climbing from 12.2 percent of total loans in 2004 to 28.2 percent of total loans in 2005. As described below, it is difficult to disentangle data reporting issues from economic events to account for the surge in high-cost lending reported in 2005.

Minorities, women, and low- and moderate-income borrowers across the United States of America receive a disproportionate amount of high cost loans. Across the country, African-Americans received 16.8 percent of the conventional high-cost loans but only 5.5 percent of the conventional market-rate loans during 2005. In contrast, whites received a greater percentage of market-rate than high-cost loans. Whites received 67.4 percent and 51.8 percent of the market-rate and high-cost loans, respectively. Disparities are also present by gender. Females received 37.3 percent of the high-cost conventional loans but just 28 percent of the market-rate conventional loans in NCRC's sample of 2005 loans. Males, in contrast, received a higher percentage of market-rate loans (66.8 percent) than high-cost loans (60.2 percent).

Low-income and even middle-income borrowers received substantial amounts of high-cost loans. Of all the conventional loans made to low- and moderate-income and middle-income borrowers, between 39 to 45 percent were high cost. In contrast, of all the conventional loans made to upper-income borrowers, 24.4 percent were high-cost. The disparities by income level were among the greatest disparities only to be surpassed by the African-American/white disparity. Of all the conventional loans made to African-Americans, 54.5 percent were high-cost. In contrast, of all the conventional loans issued to whites, 23.3 percent were high-cost. Hispanics and Native Americans also received a disproportionate amount of high-cost loans. About 40.7 percent and 35 percent of the conventional loans made to Hispanics and Native Americans, respectively, were high-cost loans. Disparities in very high-cost HOEPA lending were particularly worrisome for African-Americans and women.

Similar disparities were found when analyzing refinance, home purchase, and home improvement lending separately. Large disparities were also found in manufactured housing and subordinate lien loans. For example, of all the manufactured housing loans made to African-Americans, an incredible 75.8 percent were high cost. Lastly, just like last year, the report finds that higher levels of high-cost lending occurred when borrowers requested preapprovals for home purchase loans than when they did not request preapprovals. Finally, intensified enforcement is needed but has been missing. We do not know what happened last year after the Federal Reserve identified the need to further investigate 200 large lenders. The disparities remain serious as revealed by the new data.

Table of Contents

Acknowledgements	p. 2
Abstract	p. 3
Executive Summary	pp. 5 – 9
List of Lenders	p. 10
Findings	pp. 11 – 17
Specifications for Data Analysis	pp. 18 – 20
Recommendations	pp. 21 – 25
Affiliates of Lenders	pp. 26 – 33
Appendix – Tables 1 through 13	p. 34

The 2005 Fair Lending Disparities: Stubborn and Persistent II

Executive Summary

This is the second year NCRC has conducted a study shortly after the release of the most recent home loan data. Because fair lending disparities have not narrowed from last year, we are using the same title for this year's report: *The 2005 Fair Lending Disparities: Stubborn and Persistent II.*

Minorities, women, and low- and moderate-income borrowers across the United States of America receive a disproportionate amount of high cost loans. This is the second year in which the Home Mortgage Disclosure Act data (HMDA) contains information on pricing for high cost loans. In previous years, the general public had to rely on a list of subprime lending specialists from the Department of Housing and Urban Development (HUD) in order to determine patterns of high cost lending.[1] This year, the data has more precision. Yet, the fact remains that fair lending disparities by race, gender, and income remain stubborn and persistent. This was true in the 2004 HMDA data and is also true in the new 2005 HMDA, which first became available in April of this year.

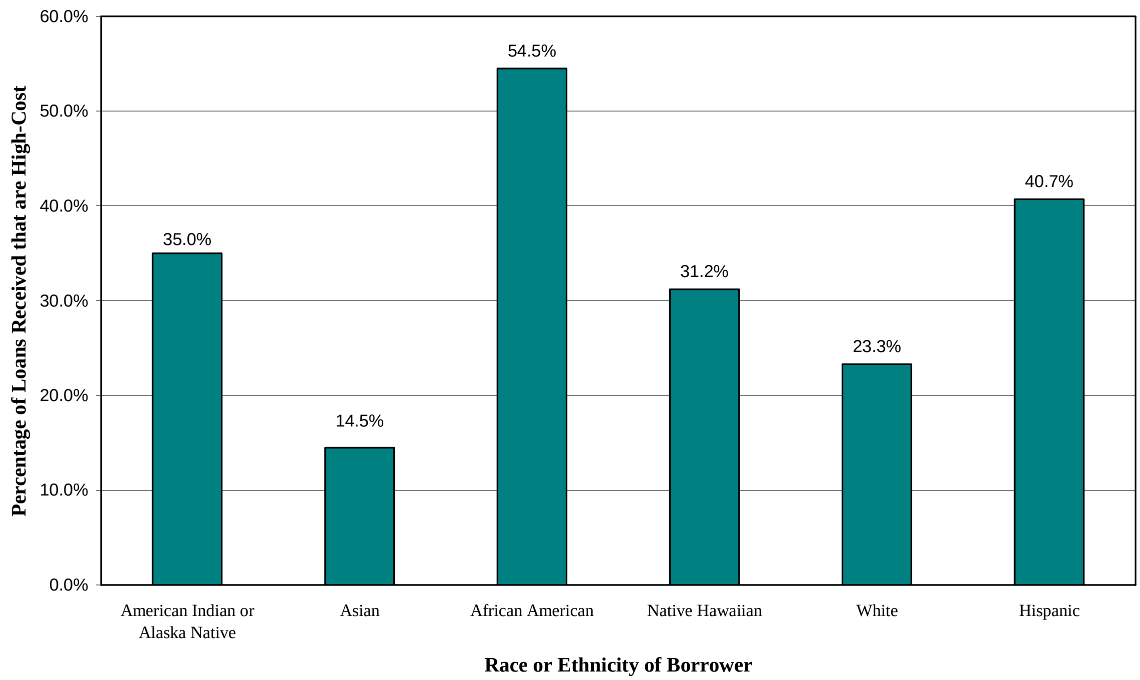
Prime loans are loans made at prevailing interest rates to borrowers with good credit histories. Subprime loans, in contrast, are loans with rates higher than prevailing rates made to borrowers with credit blemishes. The higher rates compensate lenders for the added risks of lending to borrowers with credit blemishes. While responsible subprime lending serves credit needs, public policy concerns arise when certain groups in the population receive a disproportionate amount of subprime loans. When subprime lending crowds out prime lending in traditionally underserved communities, price discrimination and other predatory and deceptive practices become more likely as residents face fewer product choices.

For the year 2005, it is unclear if there is an exact correspondence between loans with price information and subprime loans. The federal financial regulatory agencies caution that changes in short- and long-term rates have likely increased the number and percentages of loans with pricing information.[2] It is possible, therefore, that some loans with price information are prime loans, though they probably have interest rates that place them among the more expensive of prime loans and close to subprime loans in price. This report indeed finds that the number and percentage of loans with pricing information has increased significantly. To avoid equating all loans with price information as subprime loans, this report adopts the names "high-cost" loans as loans with price information and "market-rate" loans as loans without price information. However, the same concerns about a disproportionate amount of high-cost loans received

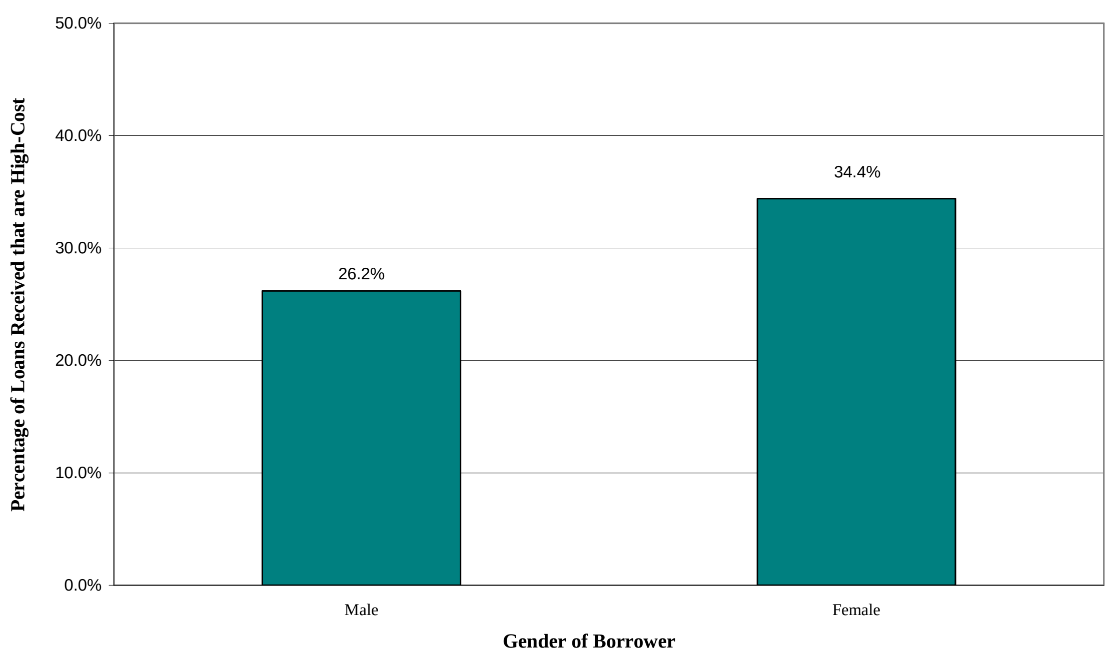
[1] HUD refines its lists on an annual basis. HUD's web page (http://www.huduser.org/datasets/manu.html) has more information about the lists and has copies of the lists.

[2] Frequently Asked Questions About the New HMDA Data, http://www.federalreserve.gov/boarddocs/press/bcreg/2006/20060403/attachment.pdf

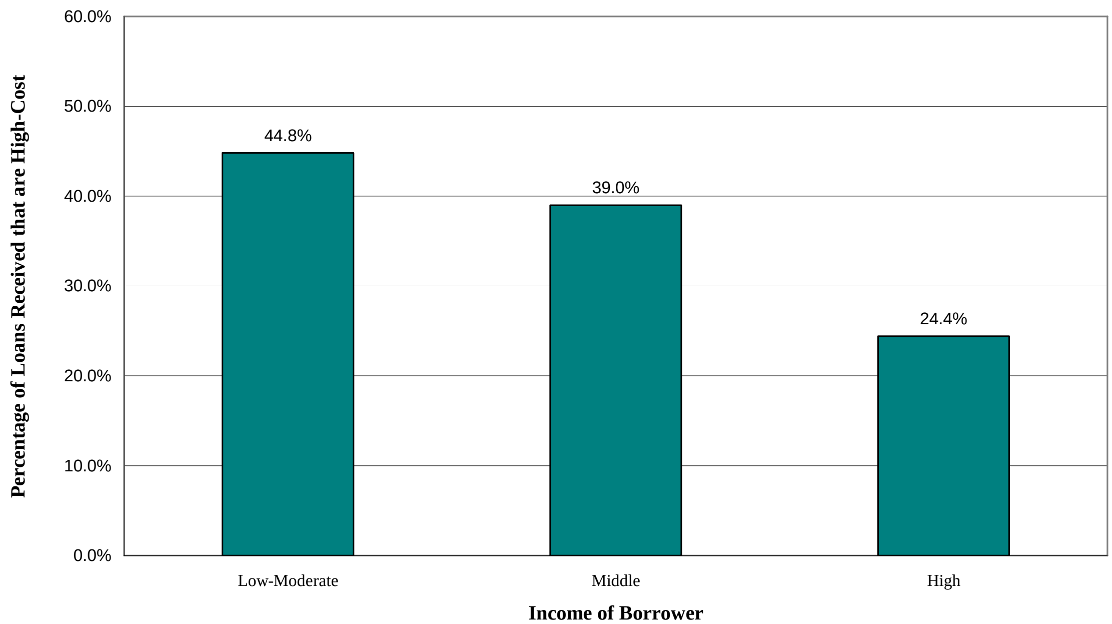
Minorities Receive Disproportionate Amount of High-Cost Loans



Women Receive Disproportionate Amount of High-Cost Loans



High-Cost Lending Prevalent Among Low-Moderate & Middle-Income Borrowers



by certain borrower groups still apply. If certain groups in the population received a disproportionate amount of high-cost loans, then either price discrimination and/or market failure may be preventing these borrower groups from having a greater variety of product choice and range of prices.

NCRC's survey of 17 large lending institutions for 2005 includes a substantial share of the total lending market, perhaps up to one third of the loans reported by institutions in HMDA data. The previous HMDA data for 2004 revealed that lending institutions issued 1.4 million conventional high-cost loans and 8.4 million market-rate loans. Our sample using the 2005 data includes 1.4 million high-cost loans and 3.5 million market-rate conventional loans. High-cost lending was a much higher portion of overall lending in 2005, climbing from 12.2 percent of total loans in NCRC's sample with the 2004 data to 28.2 percent of total loans in the 2005 sample.

Minorities, women, and low- and moderate-income borrowers across the United States of America receive a disproportionate amount of high cost loans. Across the country, African-Americans received 16.8 percent of the conventional high-cost loans but only 5.5 percent of the conventional market-rate loans during 2005. In contrast, whites received a greater percentage of market-rate than high-cost loans. Whites received 67.4 percent and 51.8 percent of the market-rate and high-cost loans, respectively. Disparities are also present by gender. Females received 37.3 percent of the high-cost conventional loans but just 28 percent of the market-rate conventional loans in NCRC's sample of 2005 loans. Males, in contrast, received a higher percentage of market-rate loans (66.8 percent) than high-cost loans (60.2 percent).

Of all the conventional loans made to low- and moderate-income and middle-income borrowers, between 39 to 45 percent were high cost. It is significant that high-cost lending was high even for middle-income borrowers, at 39 percent of all the loans they received. In contrast, of all the conventional loans made to upper-income borrowers, 24.4 percent were high-cost. The disparities by income level were among the greatest disparities only to be surpassed by the African-American/white disparity. Of all the conventional loans made to African-Americans, 54.5 percent were high-cost. In contrast, of all the conventional loans issued to whites, 23.3 percent were high-cost. Hispanics and Native Americans also received a disproportionate amount of high-cost loans. About 40.7 percent and 35 percent of the conventional loans made to Hispanics and Native Americans, respectively, were high-cost loans.

Similar disparities were found when analyzing refinance, home purchase, and home improvement lending separately. Large disparities were also found in manufactured housing and subordinate lien loans. For example, of all the manufactured housing loans made to African-Americans, an incredible 75.8 percent were high-cost. Manufactured housing lending is disproportionately high-cost lending; even 47.2 percent of manufactured housing loans received by whites in NCRC's 2005 sample were high-cost.

Disparities in lending were particularly worrisome for African-Americans and women for very high-cost loans covered by the Home Ownership and Equity Protection Act (HOEPA). African-Americans were the only racial group to receive a substantially higher percentage of very high-cost loans than market-rate loans. Likewise, women, in contrast to men, obtained a higher percentage of very high-cost loans than market-rate loans.

Just like last year, this report found a higher level of high-cost lending when borrowers requested preapprovals for home purchase loans than when preapprovals were not requested. Not only were levels of high-cost lending higher when preaprovals were requested, but racial and income disparities were just as significant when preapprovals were requested. This is contrary to expectations since the common belief is that preapprovals are used by savvy borrowers to help them bid in the housing market. The persistence of this finding calls for further federal agency investigations into the use of preapprovals. Are preapprovals used by savvy borrowers or are they more of a quick sell tactic by brokers and loan officers to hook borrowers into high cost loans?

Much has already been written about how the new HMDA data, by itself, cannot prove the existence of discrimination. Observers, including the federal banking agencies, note that HMDA data omits key underwriting variables including borrower creditworthiness, loan-to-value ratios, and debt-to-income ratios. NCRC and our 600 member organizations had advocated for the inclusion of these data elements so that HMDA data would be most useful for identifying the complete causes of pricing disparities. But the absence of the key underwriting variables does not reduce the data to little value. The regulatory agencies themselves note that the new price data is a "useful screen, previously unavailable, to identify lenders, products, applicants, and geographic markets where price differences among racial or other groups are sufficiently large to warrant further investigation."[3]

NCRC will be one of the stakeholders using the new HMDA data to conduct further investigations and pursue enforcement options when warranted. In the meantime, the presence of disparities means that all stakeholders (responsible lenders, community organizations, and public officials) have our work cut out for us in increasing access to affordable loans for traditionally underserved populations.

No stakeholder can be complacent. The fact that the new 2005 data shows similar disparities to earlier years suggests that after controlling for creditworthiness and other key underwriting variables, discrimination is a likely contributor to the disparities. In a previous report, *The Broken Credit System*, NCRC obtained creditworthiness data on a one time basis and combined it with 2001 HMDA data.[4] We found that after controlling for creditworthiness, housing characteristics, and economic conditions the number of subprime loans increased markedly in minority and elderly neighborhoods in ten large metropolitan areas. Our study revealing pricing disparities even controlling for creditworthiness was consistent with an analysis conducted by a Federal Reserve economist.[5]

Since disparities with the new 2005 data remain stubborn and persistent, we believe that a good chance exists that troubling indications of discrimination will still be revealed in further studies that combine the 2005 HMDA data with other datasets containing key underwriting variables. Furthermore, NCRC and other researchers will further probe whether the overall increase in high-cost lending is an artifact of the convergence of long- and short-term interest rates or whether economic factors or underwriting practices also account for the substantial surge in high-cost lending. The surge in high-cost lending has certainly caught the attention of stakeholders, and must remain the subject of careful analysis. In addition, high-cost lending was at high levels for middle-income borrowers and women as well during 2005, meaning that fair access and pricing is an issue for a broad segment of the population.

---

[3] See Answers to Frequently Asked Questions about HMDA Data, p. 5.
[4] Study is available on the NCRC web page of http://www.ncrc.org or via contacting us on 202-628-8866.
[5] Paul S. Calem, Kevin Gillen, and Susan Wachter, *The Neighborhood Distribution of Subprime Mortgage Lending*, October 30, 2002. See also Paul S. Calem, Jonathan E. Hershaff, and Susan M. Wachter, *Neighborhood Patterns of Subprime Lending: Evidence from Disparate Cities*, in Fannie Mae Foundation's Housing Policy Debate, Volume 15, Issue 3, 2004 pp. 603-622.

List of Lenders

The lenders surveyed for this report are among the largest institutions in the country, and a number of them have significant supbrime operations. In alphabetical order, the lenders are:

Ameriquest
Bank of America
BB&T
Citigroup
Countrywide
HSBC
JP Morgan Chase
Key Bank
National City
New Century
Option One
Suntrust
TD Banknorth
US Bank
Wachovia
Washington Mutual
Wells Fargo

Findings

Conventional Single Family Loans – Table 1

- When considering loans by race, the NCRC sample included 3.6 million market-rate conventional loans without price information and 1.4 million high-cost loans with price spread information. High-cost loans were 28.2 percent of the total conventional loans in the 2005 sample (see Table 1 in the appendix).

- African-Americans received 16.8 percent of the conventional high-cost loans but only 5.5 percent of the conventional market-rate loans during 2005. In contrast, whites received a greater percentage of prime than high-cost loans. Whites received 51.8 percent and 67.4 percent of the high-cost and market-rate loans, respectively.

- Of all the conventional loans made to African-Americans, 54.5 percent or 235,985 were high-cost. In contrast, of all the conventional loans issued to whites, only 23.3 percent were high-cost. Hispanics and Native Americans also experienced more disparities than whites. Of all the conventional loans issued to Hispanics and Native Americans, 40.7 percent and 35.0 percent, respectively, were high-cost. Asians received fewer high-cost loans (only 14.5 percent) as a portion of total conventional loans than whites.

- Disparities were present by gender. Females received 37.3 percent of the high-cost conventional loans but just 28.0 percent of the market-rate conventional loans in NCRC's sample of 2005 loans. Males, in contrast, received a higher percentage of market-rate loans (66.8 percent) than high-cost loans (60.2 percent).

- Of all the conventional loans issued to females, 34.4 percent were high-cost. In contrast, just 26.2 percent of the loans for males were high-cost during 2005.

- When considering borrower income, NCRC used a national median income figure derived from a 2004 Census Bureau survey of about $44,000.[6] We then applied CRA definitions of low- and moderate-income (up to 80 percent of median income), middle-income (81 to 120 percent of median income) and upper or high income of 121 percent or greater of median income. Of all the conventional loans made to low- and moderate-income and middle-income borrowers, between 39.0 to 44.8 percent were high-cost. Even middle-income borrowers received a significant portion of high-cost loans; 39 percent of all loans to middle-income borrowers were high-cost. In contrast, of all the conventional loans made to upper-income borrowers, just 24.4 percent were high-cost. The disparities by

[6]: Historical Income Tables – Households, U.S. Census Bureau, Current Population Survey, 2004. Available online at http://www.census.gov/hhes/www/income/histinc/h06ar.html , last accessed 16 May 2006. NCRC increased the 2004 median income figure by $1,000 to update it for 2005.

income level were among the greatest disparities only to be surpassed by the African-American/white disparity.

- The mean and median price spreads for high-cost loans do not differ that much by race, income, or gender. In 2004, HMDA data for the first time reported how many percentage points an Annual Percentage Rate (APR) of a first lien loan is above the rate of Treasury securities of comparable terms if the spread between the loan and Treasury securities is 3 percentage points or more. In 2005, the median spread for high-cost loans varied by about 40 basis points from 4.4 for Asians on the low end to 4.72 for African Americans and 4.8 for low- and moderate-income borrowers on the high end. The more significant story is the disparity in the portion of high-cost and market-rate loans received by different categories of borrowers than disparities in price spreads in the high-cost loans. When the Federal Reserve Board (FRB) was considering pricing information in HMDA data, NCRC had urged the FRB to include price information for all loans in order to provide the fullest possible picture of price distributions for various categories of borrowers. This initial sample of HMDA data provides information to support NCRC's recommendation concerning pricing information.

Government-Insured Single Family Loans – Table 2

- The NCRC sample contained few high-cost government-insured loans. The lending institutions sampled issued just 790 high-cost government-insured loans while they made 173,288 market-rate government-insured loans when considering loan totals by race.

- Since the great majority of government-insured lending is market-rate lending, Congress and the Department of Housing and Urban Development (HUD) should carefully consider any movement towards risk-based pricing, as is currently being proposed. Preserving affordable alternatives to high-cost lending in the market-place is important in order to maintain competitive pressure on lowering loan prices. Government-insured lending still appears to be relatively affordable and is used to a greater extent by traditionally underserved populations than conventional lending. For example, low- and moderate-income borrowers received 23.5 percent of the market-rate government-insured loans while these borrowers received just 8.2 percent of the market-rate conventional loans during 2005.

Conventional and Government-Insured Single Family Loans – Table 3

- The trends when combining conventional and government-insured loans are very similar to the trends when considering conventional loans by themselves due to the much greater number of conventional loans and conventional high-cost loans than government-insured loans.

Conventional Refinance Single Family Loans – Table 4

- Consistent with previous research, NCRC's sample shows that refinance loans constitute the majority of high-cost loans. High-cost conventional refinance loans were 795,172 or 56.7 percent of the 1,402,805 total high-cost conventional loans in NCRC's 2005 sample.

- African-Americans received 16.2 percent of high-cost refinance loans but only 6.5 percent of market-rate refinance loans. Whites, in contrast, received a higher percentage of market-rate than high-cost refinance loans (67.2 percent versus 54.0 percent).

- Of the total conventional refinance loans received by African-Americans, 52.2 percent were high-cost. In contrast, just 26.0 percent of all refinance loans were high-cost for whites. Hispanics also had a higher portion of high-cost loans than whites at 37.3 percent of all conventional refinance loans received by that ethnic group.

- Females received 38.1 percent of high-cost refinance loans, but just 28.5 percent of market-rate refinance loans. In contrast, males received a higher portion of market-rate than high-cost refinance loans (65.9 percent versus 59.0 percent).

- Of all the refinance loans made to low- and moderate-income and middle-income borrowers, 46.8 and 41.0 percent, respectively, were high-cost. In contrast, just 26.8 percent of conventional refinance loans issued to upper-income borrowers were high-cost during 2005.

Conventional Home Purchase Loans – Table 5

- Lenders in NCRC's 2005 sample made 534,803 conventional high-cost home purchase loans and 1,583,226 conventional market-rate loans.

- African-Americans received 17.4 percent of high-cost home purchase loans but just 4.2 percent of market-rate home purchase loans. Whites, in contrast, received a higher portion of market-rate than high-cost loans (68.1 percent versus 48.3 percent). Hispanics received 22.9 percent of high-cost home purchase loans and 9.4 percent of market-rate home purchase loans.

- Of all the home purchase loans issued to African-Americans, 58.3 percent were high-cost. Only 19.3 percent of conventional home purchase loans for whites were high-cost, but 45.2 percent of home purchase loans for Hispanics were high-cost. Only 14.4 percent of the home purchase loans for Asians were high-cost.

- Females received 35.8 percent of the high-cost home purchase loans but just 27.2 percent of the market-rate home purchase loans. Males enjoyed a higher percentage of market-rate than high-cost loans (68.0 percent versus 62.3 percent).

- Disparities by income levels are significant. Low- and moderate-income borrowers, for example, received 12.9 percent of high-cost home purchase loans but just 6.6 percent of the market-rate loans. Middle-income borrowers received 22.7 percent of high-cost loans but just 14.0 percent of market-rate loans. Upper or high-income borrowers received a much greater portion of market-rate than high-cost loans (79.3 percent as opposed to 64.4 percent).

- Of all the home purchase loans made to low- and moderate-income borrowers, 39.9 percent were high-cost. The comparable figures for middle- and upper-income borrowers were 35.5 percent and just 21.7 percent, respectively.

Conventional Home Improvement Loans – Table 6

- While high-cost home improvement lending is a relatively small portion of overall conventional high-cost lending, a high percentage of home improvement lending is high-cost. Almost 32.3 percent of home improvement lending in our sample was high-cost, compared with 28.2 percent of total conventional lending.

- African-Americans experienced significant disparities in home improvement lending. They received 18.9 percent of high-cost home improvement loans but just 7.9 percent of market-rate home improvement loans. Of all the home improvement loans made to African-Americans, a high 53.5 percent were high-cost. This compares with between 28 and 45 percent of all home improvement loans being high-cost for the other racial groups of borrowers.

- Females received 39.4 percent of high-cost home improvement loans, and a lower percentage (30.8 percent) of market-rate home improvement loans. In contrast, males received a higher percentage of market-rate than high-cost loans. Of all the home improvement loans issued to women, 38.0 percent were high-cost. Just 29.9 percent of all the home improvement loans made to men were high-cost.

- Of all the home improvement loans made to low- and moderate-income borrowers, 51.8 percent were high-cost. For middle- and upper-income borrowers, the figures were 41.1 percent and just 25.5 percent, respectively.

Manufactured Housing – Table 7

- Starting in 2004, HMDA data had another new element in that it has a separate data code indicating if the loan was made to a borrower residing in a manufactured home as opposed to a traditional single family home. Researchers have documented that lending patterns for manufactured homes are different than for traditional single family homes. The 2005 data in this sample confirms that a much higher portion of loans for manufactured homes are high cost loans. Almost 49.3 percent or 27,244 of the loans for manufactured homes were high-cost, in contrast to 28.2 percent of all conventional loans.

- Once again, African-Americans received a disproportionate amount of manufactured housing high-cost loans. Of the manufactured housing loans made to African-Americans, an incredible 75.8 percent were high-cost. This is in sharp contrast to the 36 to 58 percent figure for the other racial groups.

- Not even low- and moderate-income borrowers receive as a high a portion of manufactured housing high-cost loans as African-Americans. Of all the manufactured housing loans made to low- and moderate-income borrowers, 55.0 percent were high-cost. Just 43.5 percent of the manufactured housing loans made to upper-income borrowers were high-cost.

Subordinate Liens – Table 8

- The Federal Reserve Board required lenders to report price information if the spread between the APR on a subordinate lien loan and Treasury securities of comparable terms was 5 percentage points or more. The median spread is between 6 and 7 for most groups of borrowers. On the high end, it is 10.63 for low- and moderate-income borrowers, 6.72 for African-Americans, and 6.61 for Native Americans.

- Overall, median spreads do not reveal much difference in prices of high-cost subordinate lien loans received by various groups of borrowers, except for low- and moderate-income borrowers. The more significant story is the distribution of high-cost subordinate lien loans among different groups of borrowers.

- Subordinate or junior lien loans are typically higher cost than first lien or first mortgage loans. The NCRC 2005 sample bears this out. Of all the subordinate lien loans issued, 45.41 percent or 386,755 were high-cost in contrast to just 28.2 percent of all first lien loans.

- Almost 67 percent of the subordinate lien loans made to African-Americans and 67.3 percent made to Hispanics were high-cost in contrast to 38.7 percent for whites.

- Of all the subordinate lien loans made to females, 51.9 percent were high-cost while the figure for males was 44.4 percent during 2005.

- Fifty seven percent, 54.7 percent, and 42.1 percent of subordinate lien loans for low- and moderate-income, middle-income, and upper-income borrowers, respectively, were high-cost.

Home Purchase Lending, Preapprovals Requested & Not Requested – Tables 9 & 10

- Another rich element of the 2005 data is information on whether preapprovals were requested for home purchase loans. Increasingly, consumers seek preapprovals in order to increase their chances of winning bidding wars for homes in the strong housing markets of the last several years. Preapprovals are indications from lenders that consumers are likely to be approved for loans, based on summary information such as income levels and home values. Preapprovals are not loan approvals; lenders advise consumers that their actual loan applications may still be denied if further underwriting determines inaccuracies in the initial information or other factors that may disqualify consumers. Nevertheless, consumers typically view preapprovals as a method to speed up the process and assist them in buying homes.

- A striking finding in this study is that pricing disparities are greater on loans in which preapprovals were sought than for home purchase loans in which no preapprovals were requested. In addition, preapprovals are not as widespread as we initially thought. Overall, the sample suggests the great majority of home mortgage loans did not involve preapprovals. More than 946,000 of the loan originations in our sample did not involve preapproval requests whereas just 95,503 did have preapprovals issued. For another 689,930 of the loans in the sample, the lenders indicated that they did not have preapproval programs.

- When preapprovals were requested, 33.9 percent of the home mortgage loans issued to African-Americans was high-cost during 2005 whereas just 10.9 percent of the loans for whites were high-cost. In contrast, when preapprovals were not requested, 26.8 percent of the home mortgage loans for African-Americans were high-cost and 7.9 percent of the loans for whites were high-cost.

- Twenty-four percent of the loans involving preapprovals for Hispanics were high-cost whereas 14.6 percent of the loans not involving preapprovals were high-cost for Hispanics. For Native Americans the disparities were also present: 13.5 percent and 12.3 percent of the loans with and without preapproval requests, respectively, were high-cost.

- The pattern is similar for gender; both men and women are more likely to receive high-cost loans when they request preapprovals. When preapprovals were requested, 16.7 percent and 13.3 percent of the home purchase loans received by women and men, respectively, were high-cost loans. When preapprovals were not requested, 11.2 percent of the loans issued to women were high-cost and 8.7 percent of the loans issued to men were high-cost.

- Lastly, the pattern holds firm when considering income level of borrowers. When preapprovals were requested, 22.6 percent, 21.6 percent, and 10.6 percent of the home purchase loans made to low- and moderate-income borrowers, middle-income borrowers, and upper-income borrowers, respectively, were high-cost. When preapprovals were not requested, 19.4 percent, 14.4 percent, and 6.7 percent of the loans received by low- and moderate-income borrowers, middle-income borrowers, and upper-income borrowers, respectively, were high-cost.

- We had hoped that disparities would diminish among loans involving preapprovals. NCRC's initial hypothesis was that borrowers more familiar with the home buying and lending process would be using preapprovals, and obtaining favorable rates. On the contrary, some large lenders could be using the preapproval process to quickly lock in home buyers to high cost loans. Lenders could be enticing borrowers with quick preapprovals; borrowers not familiar with loan prices may be grabbing preapprovals rapidly without shopping around for lower rates.

HOEPA Loans – Tables 11, 12, 13

- Starting with the 2004 HMDA data, a new and important data element is an indication of whether a high-cost loan is covered by the Home Ownership and Equity Protection Act (HOEPA). HOEPA is the federal anti-predatory law and applies additional consumer protections to very high cost loans that exceed specified APR and fee thresholds. The current APR threshold is an APR that is 8 percentage points higher than Treasury securities of comparable maturities for a first lien loan and 10 percentage points higher than Treasury securities of comparable maturities for a second lien loan. The fee threshold is 8 percent of the total loan amount.

- The NCRC 2005 sample includes 6,098 HOEPA high-cost loans and 19 market-rate HOEPA loans. A loan can have a market-rate APR but still be a HOEPA loan because fees are high. According to the HMDA data in Table 11, the vast majority of HOEPA loans are covered by HOEPA because of high APRs, not high fees. The mean and median price spreads of high-cost HOEPA loans range from 11 to 14. By race, Native Americans and Native Hawaiians had the highest median price spreads of almost 14.

- African-Americans had 14.3 percent of the HOEPA high-cost loans but only 6.8 percent of non-HOEPA market rate loans during 2005. African-Americans were the only racial group to receive a higher percentage of HOEPA high-cost loans than market-rate loans.

- Females also received a higher percentage of high-cost HOEPA loans (36.7 percent) than non-HOEPA market rate loans (28.5 percent). In contrast, males received a higher percentage of non-HOEPA market-rate loans (65.4 percent) than HOEPA high-cost loans (53.7 percent).

- Low- and moderate-income and middle-income borrowers obtained a higher portion of HOEPA than market-rate loans. For example, low- and moderate-income borrowers received 19.1 percent of the high-cost HOEPA loans but just 9.2 percent of the non-HOEPA market-rate loans during 2005.

Specifications for Data Analysis

Table 1- Conventional, Single Family

Loan Type – Conventional
Property Type – Single Family
Purpose of Loan – Home purchase, home improvement, refinancing
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only.

Table 2 – Government Insured, Single Family

Loan Type – FHA, VA, FSA (All government insured loans)
Property Type – Single Family
Purpose of Loan – Home purchase, home improvement, refinancing
Owner-Occupancy – owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 3 – Conventional and Government Insured, Single Family

Loan Type – Conventional and government-insured
Property Type – Single Family
Purpose of Loan – Home purchase, home improvement, refinancing
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 4 – Conventional Refinance Single Family Loans

Loan Type – Conventional
Property Type – Single Family
Purpose of Loan – Refinance
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 5 – Conventional Home Purchase Single Family Loans

Loan Type – Conventional
Property Type – Single Family
Purpose of Loan – Home purchase
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 6 – Conventional Home Improvement Single Family Loans

Loan Type – Conventional
Property Type – Single Family
Purpose of Loan – Home Improvement
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 7 – Manufactured housing

Loan Type – Conventional
Property Type – Manufactured housing
Purpose of Loan – Home purchase, home improvement, refinancing
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by first lien only

Table 8 – Subordinate (Second Liens)

Loan Type – Conventional
Property Type – Single Family
Purpose of Loan – Home purchase, refinance, home improvement
Owner-Occupancy – Owner, non-owner, and NA
Action Taken – Loan originated only
Lien Status – Secured by second lien only

Table 9 – Home Purchase Only – Preapproval Requested

Loan Type - Conventional
Property Type - One to four-family (other than manufactured housing)
Loan Purpose - Home purchase only
Action Taken - Loan originated
Lien Status - Secured by a first lien
Owner-Occupancy - Owner-occupied as principal dwelling only
Preapproval (home purchase loans only) - Preapproval was requested

Table 10 – Home Purchase Only – Preapproval Not Requested

Loan Type - Conventional
Property Type - One to four-family (other than manufactured housing)
Loan Purpose - Home purchase only
Action Taken - Loan originated

Lien Status - Secured by a first lien
Owner-Occupancy - Owner-occupied as principal dwelling only
Preapproval (home purchase loans only) - Preapproval was not requested

Tables 11, 12, 13 – HOEPA Loans

Loan Type - Any Type
Property Type - One to four-family or Manufactured housing
Loan Purpose - Home improvement or Refinancing
Action Taken - Loan originated
Owner-Occupancy - Any type
Lien Status - Secured by a first lien or Secured by a subordinate lien

Treatment of Race, Ethnicity, and Gender

All race/ethnic categories, except Black and Hispanic, are "non-Hispanic." Blacks are categorized as Hispanic and non-Hispanic Blacks.

Hispanics in our tables can be of any race except African-Americans. We excluded African-Americans because we wanted mutual exclusive borrower groups for African-Americans and Hispanics.

We coded a loan as made to a particular race (for example, African-Americans) if the primary race (African-American) listed for the borrower was the particular race. HMDA data has five data fields for race of applicant to account for borrowers of multiple races.

Race of borrower was categorized based on the race of the applicant, not the co-applicant. Regarding gender, we used the same procedure regarding co-applicants.

Finally, loan totals by race, income, and gender will differ in some instances because a different number of loans will have missing information for race, income, and gender.

Recommendations: Legislative & Regulatory

Fair Lending Enforcement Must be Increased

Last year, the Federal Reserve Board stated that it referred about 200 lending institutions to their primary federal regulatory agency for further investigations based upon the Federal Reserve's identification of significant pricing disparities in HMDA data.[7] An industry publication subsequently quoted a Federal Reserve official as stating that these lenders accounted for almost 50 percent of the HMDA-reportable loans issued in 2004.[8] After the initial excitement, the public has not heard about the outcomes of the Federal Reserve referrals. Not a single case of discrimination or civil rights violations have arisen from the Federal Reserve's referrals. Given the large share of lending represented by the financial institutions under investigation, the general public should receive an update of the status of these fair lending investigations. Since the pricing disparities remain stubborn and persistent in 2005, fair lending investigations and enforcement must be intensified, yet the general public has received little word regarding the actions of the federal regulatory agencies.

NCRC's report identifies at least two areas that should receive special attention for fair lending investigations. The federal agencies should investigate why pricing disparities are greater when homebuyers request preapprovals than when they do not request preapprovals. Secondly, disparities in very high-cost lending covered by HOEPA must be investigated further. Any discrimination in the application of very high-cost lending can represent serious equity drains and financial devastation suffered by minorities, women, and other protected classes.

Enhance the Quality of HMDA Data

NCRC believes that Congress and the Federal Reserve Board (which implements the HMDA regulations) must enhance HMDA data so that regular and comprehensive studies can scrutinize fairness in lending. Specifically, are minorities, the elderly, women, and low- and moderate-income borrowers and communities able to receive loans that are fairly priced? More information in HMDA data is critical to fully explore the intersection of price, race, gender, and income.

The first area in which HMDA data must be enhanced is pricing information for all loans, not just high-cost loans. The interest rate movements in 2005 demonstrate the confusion associated with classifying the loans that currently have price information reported. Economists as well as the general public do not know whether to call the loans with price reporting, "subprime," "high-cost," or some other name. If price was reported for all loans, the classification problems would be lessened. All stakeholders could review the

[7] Robert B. Avery, Glenn B. Canner, and Robert E. Cook, *New Information Reported under HMDA and Its Application in Fair Lending Enforcement*, Federal Reserve Bulletin, Summer 2005, http://www.federalreserve.gov/pubs/bulletin/2005/05summerbulletin.htm

[8] Inside Regulatory Strategies, November 14, 2005, p.2.

number and percentages of loans in all the price spread categories. The most significant areas of pricing disparities could be identified with more precision.

Some researchers have already asserted that pricing disparities are worse with the 2005 data than the 2004 data. Assuming this is the case, are pricing disparities worse in the near prime or more expensive prime loans or in the subprime loans? If pricing disparities are more pronounced with the 2005 data, it could be the case that significant pricing disparities in the near prime or more expensive segment of prime loans could be driving the increase in overall disparities. The general public can only guess without having pricing information for all loans. The precision of public scrutiny and fair lending investigations would be enhanced with pricing information on all loans.

HMDA data must contain credit score information similar to the data used in NCRC's *Broken Credit System* report released in the winter of 2003. For each HMDA reportable loan, a financial institution must indicate whether it used a credit score system and if the system was their own or one of the widely used systems such as FICO (a new data field in HMDA could contain 3 to 5 categories with the names of widely-used systems). The HMDA data also would contain one more field indicating which quintile of risk the credit score system placed the borrower.

Another option is to attach credit score information in the form of quintiles to each census tract in the nation. That way, enhanced analyses can be done on a census tract level to see if pricing disparities still remain after controlling for creditworthiness. This was the approach adopted in NCRC's *Broken Credit System* and in studies conducted by Federal Reserve economists. Finally, HMDA data must contain information on other key underwriting variables including the loan-to-value and debt-to-income ratios.

Using this data, regulators, researchers, the media, and the public could determine if any of the credit score systems were placing minorities and other protected classes in the higher risk categories a disproportionate amount of time. The data would facilitate more econometric analysis to assess whether the prices of loans are based on risk, race, gender, or age.

Federal Reserve Board Must Step Up Anti-Discrimination and Fair Lending Oversight

The Government Accountability Office concluded that the Federal Reserve Board has the authority to conduct fair lending reviews of affiliates of bank holding companies. The Federal Reserve Board at first insisted that it lacked this authority, but has recently made some moves to examine affiliates.[9] The Federal Reserve should clarify how and to what extent it is examining affiliates because comprehensive anti-discrimination exams of all parts of bank holding companies are critical. Most of the major banks have acquired large subprime lenders that are then considered affiliates. A pressing question is the extent to which the subprime affiliates refer creditworthy customers to the prime parts of the bank so that the customers receive loans at prevailing rates instead of higher subprime

[9] Government Accountability Office, *Large Bank Mergers: Fair Lending Review Could be Enhanced with Better Coordination*, November 1999, GAO/GGD-00-16.

rates. Or does the subprime affiliate steer creditworthy borrowers to high-cost loans? These questions remain largely unanswered. Consequently, we do not know the extent of steering by subprime affiliates and/or their parent banks.

Comprehensive Anti-Predatory Lending Legislation

Since our analysis revealed a disproportionate amount of high-cost lending targeted to vulnerable borrowers and communities, Congress must respond by enacting comprehensive anti-predatory lending legislation along the lines of bills introduced by Representatives Watt, Miller, and Frank and Senator Sarbanes. Comprehensive and strong anti-predatory lending legislation would eliminate the profitability of exploitative practices by making them illegal. It could also reduce the amount of price discrimination since fee packing and other abusive practices would be prohibited. A comprehensive anti-predatory law would also strengthen the Community Reinvestment Act (CRA) if regulatory agencies severely penalize lenders through failing CRA ratings when the lenders violate anti-predatory law.

Stop Regulators from Weakening CRA

CRA imposes an affirmative and continuing obligation on banks to serve the credit needs of all communities, including low- and moderate-income neighborhoods. Federal examiners issue a publicly available rating to large banks based on how many loans, investments, and services they make to low- and moderate-income neighborhoods. The three part CRA exam (lending, investment, and service tests) for large banks has been instrumental in increasing access to loans, investments, and services for residents in low- and moderate-income communities.

However, the Office of Thrift Supervision (OTS) eliminated the investment and service tests for savings and loans with assets between $250 million and $1 billion. Eliminating these tests means that thrifts will no longer have the incentive to make investments in affordable housing, such as Low-Income Housing Tax Credits, and will no longer be scrutinized by examiners on how many branches and affordable banking services they are making available in low- and moderate-income neighborhoods. CRA also took a further blow from the OTS when that agency ruled to allow thrifts with over $1 billion in assets to choose whether they even want to undergo the investment and service tests, thus giving them the power to pick and choose which community needs they will meet. Yet another final ruling from the FDIC, Federal Reserve Board, and the Office of the Comptroller of the Currency diluted CRA exams for banks with assets between $250 million and $1 billion.

Given the persistence of disparities by income and race as illustrated in this study, it is counterproductive to lessen CRA oversight. If CRA oversight continues to diminish, the level of abusive lending to vulnerable populations is likely to increase even further as traditional lenders reduce the number of branches, bank products, and affordable housing investments in low- and moderate-income communities. Instead, regulators must strengthen CRA exams and hold lenders accountable to communities.

Strengthen CRA by Applying It to Minority Neighborhoods and All Geographical Areas Lenders Serve

In order to increase prime lending for minority borrowers and reduce lending disparities, CRA exams must evaluate the banks' records of lending to minority borrowers and neighborhoods as well as scrutinizing banks' performance in reaching low- and moderate-income borrowers and neighborhoods. If CRA exams covered minority neighborhoods, pricing disparities in these neighborhoods would be reduced. The Federal Reserve Board, in its review of 2004 HMDA data, found that bank lending exhibited fewer disparities in geographical areas covered by their CRA exams than in areas not covered by their exams.[10] CRA's mandate of affirmatively meeting credit needs is currently incomplete as it is now applied only to low- and moderate-income neighborhoods, not minority communities.

CRA must also be strengthened so that depository institutions undergo CRA examinations in all geographical areas in which they make a significant number of loans. Currently, CRA exams assess lending primarily in geographical areas in which banks have their branches. But the overlap between branching and lending is eroding with each passing year as lending via brokers and correspondents continues to increase. NCRC strongly endorses the CRA Modernization Act, HR 865, introduced in the 107th Congress. HR 865 mandates that banks undergo CRA exams in geographical areas in which their market share of loans exceeds one half of one percent in addition to areas in which their branches are located. NCRC will be working with members of Congress to update and reintroduce CRA Modernization legislation.

Short of statutory changes to CRA, NCRC believes that the regulatory agencies have the authority to extend CRA examinations and scrutiny to geographical areas beyond narrow "assessment" areas in which branches are located. Currently, the federal banking agencies will consider lending activity beyond assessment areas if the activity will enhance CRA performance. Likewise, the CRA rating must be downgraded if the lending performance in reaching low- and moderate-income borrowers is worse outside than inside the assessment areas.

CRA Exams Must Scrutinize Subprime Lending More Rigorously

Currently, CRA exams are not adequately assessing the CRA performance of subprime lenders. For example, the CRA exam of the subprime lender, Superior Bank, FSB, called its lending innovative and flexible before that thrift's spectacular collapse.[11] Previous NCRC comment letters to the regulators have documented cursory fair lending reviews

[10] Avery and Canner, op. cit.
[11] Office of Thrift Supervision Central Region's CRA Evaluation of Superior Bank, FSB, Docket #: 08566, September 1999. Available via http://www.ots.treas.gov, go to the CRA search engine and select "inactive" for the status of the institution being searched.

for the great majority of banks and thrifts involved in subprime lending.[12] If CRA exams continue to mechanistically consider subprime lending, subprime lenders will earn good ratings since they usually offer a larger portion of their loans to low- and moderate-income borrowers and communities than prime lenders.

At this point, the federal regulatory agencies have amended the CRA regulation to penalize banks if their lending violates federal anti-predatory law. NCRC has not seen rigorous action to implement this aspect of the CRA regulation. Fair lending reviews that accompany CRA exams do not usually scrutinize subprime lending for compliance with anti-predatory law, for possible pricing discrimination, or whether abusive loans are exceeding borrower ability to repay. NCRC recommends that all CRA exams of subprime lenders must be accompanied by a comprehensive fair lending and anti-predatory lending audit. In addition, CRA exams must ensure that prime lenders are not financing predatory lending through their secondary market activity or servicing abusive loans.

GSEs Must Abide by Anti-Predatory Safeguards

The Government-Sponsored Enterprises (GSEs), including Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, purchase more than half of the home loans made on an annual basis in this country. It is vitally important, therefore, that the GSEs have adopted adequate protections against purchasing predatory loans. Fannie Mae and Freddie Mac have voluntarily adopted significant protections such as purchasing no loans with fees exceeding five percent of the loan amount, no loans involving price discrimination or steering, no loans with prepayment penalties beyond three years, and no loans with mandatory arbitration. The Department of Housing and Urban Development (HUD) has ruled that Fannie Mae and Freddie Mac will not receive credit towards their Affordable Housing Goals for any loans that contain certain abusive features.

HUD's ruling is an important first step, but it needs to be enhanced. HUD's ruling, for example, does not include disqualification from goals consideration of loans with mandatory arbitration. The Federal Housing Finance Board, as the regulator for the Federal Home Loan Banks, has not formally applied protections against abusive loans to the Home Loan Banks. Congress has an opportunity to further bolster the anti-predatory protections applied to GSE loan purchasing activity as Congress considers GSE regulatory reform.

---

[12] NCRC comment letter to federal banking agencies on joint CRA proposal, April 2, 2004. Available via: http://www.ncrc.org.

Lender Affiliates Used in Report

This list includes many, but not all the affiliates of lenders analyzed in this report.

- **Ameriquest:**

  Argent Mortgage
  AMC Mortgage Services, Inc.
  Ameriquest Mortgage Company
  Town & Country Credit Corp.

- **Bank of America:**

  Bank of America
  MBNA America
  Nexstar Financial

- **BB&T:**

  BB&T NC
  BB&T SC
  BB&T VA
  Laureate Capital Public
  Lendmark Financial Public
  Lendmark Mortgage Public
  Liberty Mortgage Public

- **Chase:**

  JP Morgan Chase Bank, NA
  Chase USA, NA

- **Citigroup:**

  Citibank, FSB
  Citibank, N.A.
  Citicorp Trust Bank, fsb
  Citibank (West), FSB
  California Commerce Bank
  Citibank Texas, N.A.
  CitiFinancial Inc (a Hawaii corporation)
  CitiFinancial, Inc. (an Ohio corporation)
  CitiFinancial Services, Inc. (a Pennsylvania corporation)
  CitiFinancial Services, Inc. (a Minnesota corporation)
  CitiFinancial, Inc. (a West Virginia corporation)
  CitiFinancial, Inc. (a Tennessee corporation)
  CitiFinancial Services, Inc. (an Ohio corporation)
  CitiFinancial Services, Inc. (a Delaware corporation)
  CitiFinancial Services, Inc. (a Missouri corporation)

CitiFinancial of Virginia, Inc. (a Virginia corporation)
CitiFinancial Services, Inc. (a Georgia corporation)
CitiFinancial, Inc. (a South Carolina corporation)
CitiFinancial, Inc. (a Maryland corporation)
CitiFinancial Services, Inc. (an Oklahoma corporation)
CitiFinancial Services, Inc. (a Kentucky corporation)
CitiFinancial, Inc. (an Iowa corporation)
CitiFinancial Services, Inc. (a California corporation)
CitiFinancial Company (a Delaware corporation)
CitiFinancial Corporation (a Colorado corporation)
CitiFinancial, Inc. (a Texas corporation)
CitiFinancial Services, Inc. (a Massachusetts corporation)
CitiFinancial Mortgage Corp.
Associates Housing Finance
CitiFinancial Corporation, LLC (an Iowa corporation)
CitiFinancial Services of Puerto Rico
Associates International Holding Corp.
CitiMortgage, Inc.
CMFC, Inc. / PRCM

- **Countrywide:**

Countrywide Bank
Countrywide Real Estate Finance
Countrywide LLC

- **HSBC:**

HSBC Bank
HFC
HMS (HSBC Mortgage Services)
HSBC Mortgage
Decision One
Beneficial

- **KeyBank:** *No affiliates*

- **National City:**

1st Choice Mortgage, LLC
1st Premier Mortgage, LLC
1st Residential Mortgage, LLC
Acculend Mortgage, LP
Action Home Mortgage, LLC
Affirmative Mortgage, LLC
All American First Mortgage, L
American Best Mortgage, LLC
Americorp First Mortgage, LLC
Amerimax Mortgage, LLC
Ameritrust Home Mortgage, LP

Cape Henry Mortgage, LLC
Capstone Mortgage Funding, LLC
Classic First Mortgage, LLC
Colonial Home Finance, LLC
County CORP Mortgage, LLC
Covenant Mortgage, LLC
Delmarva Mortgage, LLC
Dominion Trust Mortgage, LLC
Enter Mortgage, LLC
Executive Home Mortgage
FCB Mortgage, LLC
First Capital Home Mortgage, L
First Flight Mortgage, LLC
First Independent Mortgage, LL
First Patriot Mortgage, LLC
First Washington Mortgage, LLC
Gateway First Mortgage, LLC
Global Home Mortgage
Heartland Security Mortgage, L
Heritage Home Mortgage, LLC
Home Financing, LLC
Home Mortgage Centre, LLC
Homeland First Mortgage
Homesource Mortgage Services,
Homesync Financial Services, L
Hometown Mortgage, LLC
Intercoastal Mortgage, LLC
Liberty West Mortgage, LLC
Lincoln First Mortgage, LLC
Lower Bucks Mortgage, LLC
Mid Atlantic Mortgage, LLC
Millstone Mortgage, LLC
MNC Mortgage, LP
Mortgage Construction Finance,
Mortgage One, LP
National American Mortgage, LL
NCS First Mortgage, LP
Oak Street Capital, LP
Peninsula Mortgage, LLC
Platinum First Mortgage, LP
Premier Lending Services, LP
Regent Financial Services, LLC
Regional First Mortgage, LLC
Reliable Mortgage Investors, L
REO Mortgage Services, LLC
Summit First Financial, LLC
Supreme Capital Mortgage, LLC
The First Mortgage Group, LLC
Tidewater First Mortgage, LLC
Tower Mortgage, LLC
Town and Country Lending, LLC

Town Square Mortgage, LLC
Valley Mortgage Services, LLC
Virginia First Mortgage, LLC
Virginia Home Mortgage, LL

- **New Century:**

  New Century Mortgage
  Home 123

- **Option One:**

  Option One Mortgage Corp.
  H&R Block Mortgage Corp.

- **Suntrust:**

  Suntrust Bank
  Suntrust Mortgage

- **TD BankNorth:** *No affiliates*

- **U.S. Bank:**

  U.S. Bank, NA
  U.S. Bank, North Dakota

- **Wachovia:**

  Wachovia Bank
  Wachovia Mortgage Corporation
  Wachovia Bank of Delaware
  SouthTrust d/b/a EquiBanc
  American Mortgage Network

- **Washington Mutual:**

  Washington Mutual Bank
  Washington Mutual Bank, FSB
  Long Beach Mortgage Company

- **Wells Fargo:**

  Wells Fargo Bank, N.A.
  Wells Fargo Funding
  Wells Fargo Financial California, Inc.
  Wells Fargo Financial Texas, Inc.
  Wells Fargo Financial System Fl, Inc.
  Wells Fargo Financial Illinois, Inc.
  Wells Fargo Financial Pennsylvania Inc.

Wells Fargo Financial Arizona, Inc.
Wells Fargo Financial Ohio 1 Inc.
Wells Fargo Financial Washington 1, Inc.
Wells Fargo Financial America, Inc.
Wells Fargo Financial Minnesota, Inc.
Wells Fargo Financial Nevada 2, Inc.
Wells Fargo Financial Alabama, Inc.
Wells Fargo Financial Credit Services NY, Inc.
Wells Fargo Financial, Wisconsin, Inc.
Wells Fargo Financial Missouri, Inc.
Wells Fargo Financial Oregon, Inc.
Wells Fargo Financial Maryland, Inc.
Wells Fargo Financial Colorado, Inc.
Wells Fargo Financial Georgia, Inc.
Wells Fargo Financial Indiana, Inc.
Wells Fargo Financial Tennessee 1, LLC
Wells Fargo Financial North Carolina 1, Inc.
Wells Fargo Financial New Mexico Inc.
Wells Fargo Financial System Virginia, Inc.
Wells Fargo Financial Louisiana, Inc.
Wells Fargo Financial New Jersey Inc.
Wells Fargo Financial Iowa 3, Inc.
Prosperity Mortgage Company
Wells Fargo Financial Utah, Inc.
Wells Fargo Financial South Carolina, Inc.
Wells Fargo Financial Massachusetts, Inc.
Wells Fargo Financial Nebraska, Inc.
Wells Fargo Financial Alaska, Inc.
Wells Fargo Financial Mississippi 2, Inc.
Wells Fargo Financial Kentucky, Inc.
Wells Fargo Financial Idaho, Inc.
Wells Fargo Financial Oklahoma, Inc.
Wells Fargo Financial West Virginia, Inc.
Wells Fargo Financial Kansas, Inc.
Wells Fargo Home Mortg. Hawaii
Wells Fargo Financial Montana, Inc.
Wells Fargo Financial Hawaii, Inc.
Homeservices Lending, LLC
Wells Fargo Financial Tennessee, Inc.
Wells Fargo Financial South Dakota, Inc.
Wells Fargo Financial North Dakota, Inc.
Wells Fargo Financial Wyoming, Inc.
Wells Fargo Financial Maine, Inc.
Wells Fargo Financial Delaware, Inc.
Wells Fargo Financial Rhode Island, Inc.
Academy Financial Services LLC
Wells Fargo Financial New Hampshire 1 Inc.
UBS Mortgage LLC
Legacy Mortgage
Linear Financial, LP
Mercantile Mortgage, LLC

Real Living Mortgage, LLC
Edward Jones Mortgage, LLC
BW Mortgage, LLC
Morrison Financial Services
Westfield Home Mortgage, LLC
Ashton Woods Mortgage, LLC
Advance Mortgage
Private Mortgage Advisors, LLC
Meridian Mome Mortgage, LP
PCM Mortgage, LLC
River City Group, LLC
Hewitt Mortgage Services, LLC
John Laing Mortgage, LP
Colorado Mortgage Alliance LLC
First Foundation Mortgage, LLC
Residential Comt'y Mortgage Co
MSC Mortgage, LLC
Security First Finl Group, LLC
Santa Fe Mortgage, LLC
American Priority Mortgage, LLC
Home Loan Express, LLC
Priority Mortgage, LLC
Related Financial, LLC
Choice Home Financing, LLC
DH Financial, LLC
Windward Home Mortgage, LLC
Mortgage One
Secursource Mortgage, LLC
Benefit Mortgage, LLC
Resortquest Mortgage, LLC
Mortgages On-Site, LLC
Properties Mortgage, LLC
Playground Financial Services
Southern Ohio Mortgage, LLC
Trinity Mortgage Affiliates
Pinnacle Mortgage of Nevada
Personal Mortgage Group, LLC
Trademark Mortgage, LLC
Great East Mortgage, LLC
First Mortgage Consultants LLC
WF/TW Mortgage Venture, LLC
Southeast Home Mortgage, LLC
Max Mortgage, LLC
Central Federal Mortgage Co
Hallmark Mortgage Group, LLC
Greenridge Mortgage Services
Horizon Mortgage, LLC
Fulton Homes Mortgage, LLC
Roddel Mortgage Company, LP
American Southern Mortgage Srv
New England Home Loans, LLC

Professl Finl Servs of Arizona
Builders Mortgage Company, LLC
Smart Mortgage, LLC
Traditions Mortgage, LLC
Stock Financial Services, LLC
Real Estate Financial
Avenue Financial Services, LLC
Capital Pacific Home Loans, LP
Colorado Professionals Mortgage
Mortgages Unlimited, LLC
Express Fin'l & Mortgage Servc
Certified Home Loans, LLC
MJC Mortgage Company, LLC
Realty Home Mortgage, LLC
NDC Financial Services, LLC
Discovery Home Loans, LLC
Touchstone Home Mortgage, LLC
Mortgage 100, LLC
Summit National Mortgage, LLC
Ennis Home Mortgage, LP 12/05
Hendricks Mortgage, LLC
Family Home Mortgage, LLC
Vista Mortgage, LLC
JTS Financial, LLC
1st Capital Mortgage, LLC
IMS Mortgage Company
Foundation Mortgage Services
Northwest Home Finance, LLC
PNC Mortgage, LLC
Smith Family Mortgage, LLC
First Rate Home Mortgage, LLC
Bellwether Mortgage, LLC
Empire Homes Financial Servs
First Associates Mortgage, LLC
Ohio Executive Mortgage Co
Realtec Financial Services LLC
Keller Mortgage, LLC
Gold Coast Mortgage
Steinbeck Advantage Mortgage
1st Fin'l Services of Colorado
Guanantee Pacific Mortgage LLC
Next Home Mortgage
Gold Coast Home Mortgage
Real Estate Lenders
MC of America, LLC
Sunsouth Mortgage, LLC
Paramount Mortgage of Polk County, LLC
Washington Mortgage, LLC
Premier Home Mortgage
Financial Resources Mortgage
Builders Capital Mortgage, LLC

Belgravia Mortgage Group, LLC
Silver State Home Mortgage LL
Servicing Mortgage Company LL
Central Bucks Mortgage, LLC
Hearthside Funding, LP
Waterways Home Mortgage, LLC
Alpha Home Loans, LLC
Riverside Home Loans, LLC
Mutual Service Mortgage, LLC
Precedent Mortgage, LLC
Leader Mortgage, LLC
Homeland Mortgage, LLC
Tricom Mortgage, LLC
Genesis Mortgage, LLC
Stoneridge Mortgage, LLC
Parkway Mortgage Financial Ctr
Triple Diamond Mortgage & Finl
EDI Mortgage, LLC
APM Mortgage, LLC
Pageantry Mortgage, LLC
Sundance Mortgage, LLC
United Michigan Mortgage, LLC
Amber Mortgage, LLC
Capstone Home Mortgage, LLC
Russ Lyon Mortgage, LLC
Hometown Mortgage, LLC
Mortgage Dymanics, LLC
BHS Home Loans, LLC
Choice Mortgage Servicing, LLC
National Condo Lending, LLC
South County Mortgage
Advantage Mortgage Partners, LLC
Provident Mortgage Company LLC
Advantage Home Mortgage, LLC
Homebuilders Choice Mortgage
New West Mortgage Services, LLC
Alliance Home Mortgage, LLC
Peak Home Mortgage, LLC
Hubble Home Loans, LLC
Marben Mortgage, LLC
RWF Mortgage, LLC
United Mortgage Group
KD Mortgage, LLC
Master Home Mortgage, LLC
Pacific Coast Home Mortgage, LLC
Forecast Home Mortgage, LLC
Michigan Home Mortgage, LLC

Appendix – Tables 1 through 13

Table 1 - Conventional Single Family Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	149,452	6,966	33,803	235,985	7,715	726,960	241,924	1,402,805	844,457	523,412	34,932	4	1,402,805	222,885	346,246	818,339	1,387,470
	Row %	10.70%	0.50%	2.40%	16.80%	0.50%	51.80%	17.20%		60.20%	37.30%	2.50%	0.00%		16.10%	25.00%	59.00%	
	Col %	28.30%	35.00%	14.50%	54.50%	31.20%	23.30%	40.70%		26.20%	34.40%	16.20%	0.10%		44.80%	39.00%	24.40%	
	Table %	3.00%	0.10%	0.70%	4.80%	0.20%	14.70%	4.90%		17.00%	10.60%	0.70%	0.00%		4.70%	7.30%	17.30%	
	Mean	4.80	4.68	4.47	4.81	4.54	4.65	4.59		4.65	4.71	4.69	3.97		4.91	4.76	4.60	
	Median	4.7	4.54	4.4	4.72	4.44	4.53	4.52		4.55	4.62	4.51	3.53		4.8	4.66	4.51	
Market Rate	Count	378,686	12,910	199,421	196,846	16,992	2,397,472	352,131	3,554,458	2,374,320	996,060	180,383	3,695	3,554,458	274,537	542,473	2,534,931	3,351,941
	Row %	10.70%	0.40%	5.60%	5.50%	0.50%	67.40%	9.90%		66.80%	28.00%	5.10%	0.10%		8.20%	16.20%	75.60%	
	Col %	71.70%	65.00%	85.50%	45.50%	68.80%	76.70%	59.30%		73.80%	65.60%	83.80%	99.90%		55.20%	61.00%	75.60%	
	Table %	7.60%	0.30%	4.00%	4.00%	0.30%	48.40%	7.10%		47.90%	20.10%	3.60%	0.10%		5.80%	11.40%	53.50%	

Table 2 - Government Insured Single Family Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	59	7	7	173	1	442	101	790	462	301	27		790	226	246	289	761
	Row %	7.50%	0.90%	0.90%	21.90%	0.10%	55.90%	12.80%		58.50%	38.10%	3.40%			29.70%	32.30%	38.00%	
	Col %	0.50%	0.70%	0.40%	0.70%	0.20%	0.40%	0.60%		0.40%	0.60%	0.50%			0.70%	0.50%	0.50%	
	Table %	0.00%	0.00%	0.00%	0.10%	0.00%	0.30%	0.10%		0.30%	0.20%	0.00%			0.20%	0.20%	0.20%	
	Mean	3.49	4.12	3.35	3.38	3.96	3.62	3.78		3.42	3.82	3.58	.		3.53	3.48	3.65	
	Median	3.19	3.5	3.31	3.29	3.96	3.31	3.29		3.28	3.35	3.34	.		3.26	3.27	3.33	
Market Rate	Count	10,855	1,014	1,893	25,687	570	115,917	17,352	173,288	118,489	49,656	5,140	3	173,288	33,682	50,504	59,149	143,335
	Row %	6.30%	0.60%	1.10%	14.80%	0.30%	66.90%	10.00%		68.40%	28.70%	3.00%	0.00%		23.50%	35.20%	41.30%	
	Col %	99.50%	99.30%	99.60%	99.30%	99.80%	99.60%	99.40%		99.60%	99.40%	99.50%	100.00%		99.30%	99.50%	99.50%	
	Table %	6.20%	0.60%	1.10%	14.80%	0.30%	66.60%	10.00%		68.10%	28.50%	3.00%	0.00%		23.40%	35.00%	41.00%	

Table 3 - Conventional & Government Single Family Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	149,511	6,973	33,810	236,158	7,716	727,402	242,025	1,403,595	844,919	523,713	34,959	4	1,403,595	223,111	346,492	818,628	1,388,231
	Row %	10.70%	0.50%	2.40%	16.80%	0.50%	51.80%	17.20%		60.20%	37.30%	2.50%	0.00%		16.10%	25.00%	59.00%	
	Col %	27.70%	33.40%	14.40%	51.50%	30.50%	22.40%	39.60%		25.30%	33.40%	15.90%	0.10%		42.00%	36.90%	24.00%	
	Table %	2.90%	0.10%	0.70%	4.60%	0.20%	14.20%	4.70%		16.50%	10.20%	0.70%	0.00%		4.60%	7.10%	16.80%	
	Mean	4.80	4.68	4.47	4.81	4.54	4.65	4.59		4.65	4.71	4.69	3.97		4.91	4.76	4.60	
	Median	4.7	4.54	4.4	4.71	4.44	4.53	4.52		4.55	4.62	4.51	3.53		4.8	4.66	4.5	
Market Rate	Count	389,541	13,924	201,314	222,533	17,562	2,513,389	369,483	3,727,746	2,492,809	1,045,716	185,523	3,698	3,727,746	308,219	592,977	2,594,080	3,495,276
	Row %	10.40%	0.40%	5.40%	6.00%	0.50%	67.40%	9.90%		66.90%	28.10%	5.00%	0.10%		8.80%	17.00%	74.20%	
	Col %	72.30%	66.60%	85.60%	48.50%	69.50%	77.60%	60.40%		74.70%	66.60%	84.10%	99.90%		58.00%	63.10%	76.00%	
	Table %	7.60%	0.30%	3.90%	4.30%	0.30%	49.00%	7.20%		48.60%	20.40%	3.60%	0.10%		6.30%	12.10%	53.10%	

Table 4 - Conventional Refinance Single Family Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	**American Indian or Alaska Native (non-Hispanic)**	**Asian (non-Hispanic)**	**Black or African American (Hispanic & non-Hispanic)**	**Native Hawaiian or Other Pacific Islander (non-Hispanic)**	**White (non-Hispanic)**	**Hispanic (non-Black)**	**Total**	**Male**	**Female**	**Information not provided by applicant**	**Not applicable**	**Total**	**Low & Moderate**	**Middle**	**High**	**Total**
High-Cost	Count	108,067	4,183	12,438	129,159	4,113	429,310	107,902	795,172	468,952	303,247	22,970	3	795,172	137,194	208,778	445,500	791,472
	Row %	13.60%	0.50%	1.60%	16.20%	0.50%	54.00%	13.60%		59.00%	38.10%	2.90%	0.00%		17.30%	26.40%	56.30%	
	Col %	34.30%	36.50%	14.60%	52.20%	31.30%	26.00%	37.30%		28.10%	36.90%	18.60%	0.30%		46.80%	41.00%	26.80%	
	Table %	4.10%	0.20%	0.50%	4.90%	0.20%	16.40%	4.10%		17.90%	11.60%	0.90%	0.00%		5.60%	8.50%	18.10%	
	Mean	4.87	4.68	4.49	4.80	4.59	4.66	4.64		4.68	4.74	4.73	4.28		4.89	4.76	4.63	
	Median	4.78	4.54	4.4	4.7	4.48	4.55	4.56		4.57	4.65	4.56	3.54		4.79	4.66	4.53	
Market Rate	Count	207,291	7,272	72,992	118,213	9,029	1,222,473	181,762	1,819,032	1,198,215	519,211	100,551	1,055	1,819,032	156,012	299,983	1,214,571	1,670,566
	Row %	11.40%	0.40%	4.00%	6.50%	0.50%	67.20%	10.00%		65.90%	28.50%	5.50%	0.10%		9.30%	18.00%	72.70%	
	Col %	65.70%	63.50%	85.40%	47.80%	68.70%	74.00%	62.70%		71.90%	63.10%	81.40%	99.70%		53.20%	59.00%	73.20%	
	Table %	7.90%	0.30%	2.80%	4.50%	0.30%	46.80%	7.00%		45.80%	19.90%	3.80%	0.00%		6.30%	12.20%	49.30%	

Table 5 - Conventional Home Purchase Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	35,541	1,999	20,167	93,072	3,203	258,516	122,305	534,803	333,183	191,498	10,121	1	534,803	67,540	118,566	337,311	523,417
	Row %	6.60%	0.40%	3.80%	17.40%	0.60%	48.30%	22.90%		62.30%	35.80%	1.90%	0.00%		12.90%	22.70%	64.40%	
	Col %	18.30%	30.00%	14.40%	58.30%	31.40%	19.30%	45.20%		23.60%	30.80%	12.00%	0.00%		39.90%	35.50%	21.70%	
	Table %	1.70%	0.10%	1.00%	4.40%	0.20%	12.20%	5.80%		15.70%	9.00%	0.50%	0.00%		3.30%	5.80%	16.40%	
	Mean	4.63	4.67	4.46	4.82	4.47	4.62	4.53		4.61	4.66	4.61	3.05		4.91	4.76	4.56	
	Median	4.5	4.57	4.41	4.73	4.4	4.52	4.48		4.52	4.58	4.45	3.05		4.81	4.67	4.49	
Market Rate	Count	158,335	4,671	119,881	66,663	6,990	1,078,341	148,345	1,583,226	1,076,898	429,980	73,881	2,467	1,583,226	101,635	215,394	1,216,325	1,533,354
	Row %	10.00%	0.30%	7.60%	4.20%	0.40%	68.10%	9.40%		68.00%	27.20%	4.70%	0.20%		6.60%	14.00%	79.30%	
	Col %	81.70%	70.00%	85.60%	41.70%	68.60%	80.70%	54.80%		76.40%	69.20%	88.00%	100.00%		60.10%	64.50%	78.30%	
	Table %	7.50%	0.20%	5.70%	3.10%	0.30%	50.90%	7.00%		50.80%	20.30%	3.50%	0.10%		4.90%	10.50%	59.10%	

Table 6 - Conventional Home Improvement Loans

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	5,844	784	1,198	13,754	399	39,134	11,717	72,830	42,322	28,667	1,841		72,830	18,151	18,902	35,528	72,581
	Row %	8.00%	1.10%	1.60%	18.90%	0.50%	53.70%	16.10%		58.10%	39.40%	2.50%			25.00%	26.00%	48.90%	
	Col %	30.90%	44.80%	15.50%	53.50%	29.10%	28.80%	34.70%		29.90%	38.00%	23.60%			51.80%	41.10%	25.50%	
	Table %	2.60%	0.30%	0.50%	6.10%	0.20%	17.40%	5.20%		18.80%	12.70%	0.80%			8.20%	8.60%	16.10%	
	Mean	4.74	4.68	4.49	4.86	4.46	4.68	4.73		4.70	4.76	4.63	.		5.02	4.76	4.56	
	Median	4.58	4.43	4.35	4.71	4.3	4.51	4.54		4.53	4.59	4.34	.		4.85	4.59	4.41	
Market Rate	Count	13,060	967	6,548	11,970	973	96,658	22,024	152,200	99,207	46,869	5,951	173	152,200	16,890	27,096	104,035	148,021
	Row %	8.60%	0.60%	4.30%	7.90%	0.60%	63.50%	14.50%		65.20%	30.80%	3.90%	0.10%		11.40%	18.30%	70.30%	
	Col %	69.10%	55.20%	84.50%	46.50%	70.90%	71.20%	65.30%		70.10%	62.00%	76.40%	100.00%		48.20%	58.90%	74.50%	
	Table %	5.80%	0.40%	2.90%	5.30%	0.40%	43.00%	9.80%		44.10%	20.80%	2.60%	0.10%		7.70%	12.30%	47.20%	

Table 7 - Manufactured Housing

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	2,823	228	91	1,685	29	20,743	1,645	27,244	17,059	8,778	1,407		27,244	9,655	8,586	8,990	27,231
	Row %	10.40%	0.80%	0.30%	6.20%	0.10%	76.10%	6.00%		62.60%	32.20%	5.20%			35.50%	31.50%	33.00%	
	Col %	56.70%	57.60%	36.40%	75.80%	42.60%	47.20%	48.40%		46.70%	54.40%	54.90%			55.00%	50.80%	43.50%	
	Table %	5.10%	0.40%	0.20%	3.00%	0.10%	37.50%	3.00%		30.90%	15.90%	2.50%			17.50%	15.60%	16.30%	
	Mean	4.98	4.80	4.32	4.89	5.07	4.71	4.65		4.69	4.79	5.08	.		4.95	4.75	4.52	
	Median	4.78	4.45	4.14	4.64	4.82	4.48	4.44		4.46	4.56	4.89	.		4.71	4.52	4.29	
Market Rate	Count	2,153	168	159	537	39	23,207	1,751	28,014	19,433	7,367	1,158	56	28,014	7,896	8,301	11,654	27,851
	Row %	7.70%	0.60%	0.60%	1.90%	0.10%	82.80%	6.30%		69.40%	26.30%	4.10%	0.20%		28.40%	29.80%	41.80%	
	Col %	43.30%	42.40%	63.60%	24.20%	57.40%	52.80%	51.60%		53.30%	45.60%	45.10%	100.00%		45.00%	49.20%	56.50%	
	Table %	3.90%	0.30%	0.30%	1.00%	0.10%	42.00%	3.20%		35.20%	13.30%	2.10%	0.10%		14.30%	15.10%	21.20%	

Table 8 - Subordinate Liens

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	31,587	1,744	12,838	55,117	2,557	197,212	85,700	386,755	236,997	137,118	12,483	157	386,755	31,840	84,840	265,509	382,189
	Row %	8.20%	0.50%	3.30%	14.30%	0.70%	51.00%	22.20%		61.30%	35.50%	3.20%	0.00%		8.30%	22.20%	69.50%	
	Col %	35.10%	43.00%	38.30%	66.40%	53.20%	38.70%	67.30%		44.40%	51.90%	23.40%	35.70%		57.10%	54.70%	42.10%	
	Table %	3.70%	0.20%	1.50%	6.50%	0.30%	23.20%	10.10%		27.80%	16.10%	1.50%	0.00%		3.80%	10.10%	31.60%	
	Mean	6.87	6.96	6.38	6.92	6.54	6.87	6.43		6.72	6.80	7.10	6.86		7.16	6.93	6.64	
	Median	6.61	6.61	6.21	6.72	6.34	6.57	6.28		6.48	6.55	6.81	6.62		10.63	5.43	5.43	
Market Rate	Count	58,289	2,311	20,690	27,913	2,252	311,956	41,595	465,006	296,608	127,284	40,831	283	465,006	23,943	70,132	364,914	458,989
	Row %	12.50%	0.50%	4.40%	6.00%	0.50%	67.10%	8.90%		63.80%	27.40%	8.80%	0.10%		5.20%	15.30%	79.50%	
	Col %	64.90%	57.00%	61.70%	33.60%	46.80%	61.30%	32.70%		55.60%	48.10%	76.60%	64.30%		42.90%	45.30%	57.90%	
	Table %	6.80%	0.30%	2.40%	3.30%	0.30%	36.60%	4.90%		34.80%	14.90%	4.80%	0.00%		2.80%	8.30%	43.40%	

Table 9 - Home Purchase Only -- Preapproval Requested

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	1,183	55	319	2,424	56	6,653	2,501	13,191	8,224	4,635	332		13,191	2,182	3,723	7,108	13,013
	Row %	9.00%	0.40%	2.40%	18.40%	0.40%	50.40%	19.00%		62.30%	35.10%	2.50%			16.80%	28.60%	54.60%	
	Col %	11.70%	13.50%	5.30%	33.90%	12.70%	10.90%	24.80%		13.30%	16.70%	5.60%			22.60%	21.60%	10.60%	
	Table %	1.20%	0.10%	0.30%	2.50%	0.10%	7.00%	2.60%		8.60%	4.90%	0.30%			2.30%	4.00%	7.50%	
	Mean	4.92	5.31	4.99	5.54	4.95	5.23	5.10		5.20	5.28	5.24	.		5.48	5.33	5.13	
	Median	4.87	5.18	5.01	5.49	5.04	5.19	5.1		5.15	5.25	5.26	.		5.49	5.29	5.11	
Market Rate	Count	8,924	353	5,741	4,732	386	54,577	7,599	82,312	53,580	23,129	5,594	9	82,312	7,455	13,496	60,203	81,154
	Row %	10.80%	0.40%	7.00%	5.70%	0.50%	66.30%	9.20%		65.10%	28.10%	6.80%	0.00%		9.20%	16.60%	74.20%	
	Col %	88.30%	86.50%	94.70%	66.10%	87.30%	89.10%	75.20%		86.70%	83.30%	94.40%	100.00%		77.40%	78.40%	89.40%	
	Table %	9.30%	0.40%	6.00%	5.00%	0.40%	57.10%	8.00%		56.10%	24.20%	5.90%	0.00%		7.90%	14.30%	63.90%	

Table 10 - Home Purchase Only -- Preapproval Not Requested

		Race and Ethnicity								Gender					Median Income			
		Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total	Male	Female	Information not provided by applicant	Not applicable	Total	Low & Moderate	Middle	High	Total
High-Cost	Count	7,907	352	2,109	12,977	341	52,054	12,763	88,503	55,732	30,223	2,548		88,503	15,179	22,463	45,939	83,581
	Row %	8.90%	0.40%	2.40%	14.70%	0.40%	58.80%	14.40%		63.00%	34.10%	2.90%			18.20%	26.90%	55.00%	
	Col %	9.30%	12.30%	3.40%	26.80%	8.90%	7.90%	14.60%		8.70%	11.20%	6.90%			19.40%	14.40%	6.70%	
	Table %	0.80%	0.00%	0.20%	1.40%	0.00%	5.50%	1.30%		5.90%	3.20%	0.30%			1.60%	2.40%	5.00%	
	Mean	4.52	4.57	4.27	4.71	4.40	4.51	4.33		4.50	4.52	4.57	.		4.73	4.64	4.46	
	Median	4.27	4.37	4.06	4.53	4.17	4.27	4.07		4.26	4.29	4.31	.		4.48	4.45	4.26	
Market Rate	Count	77,155	2,503	59,826	35,423	3,477	605,049	74,465	857,898	584,921	238,495	34,356	126	857,898	63,033	133,984	640,337	837,354
	Row %	9.00%	0.30%	7.00%	4.10%	0.40%	70.50%	8.70%		68.20%	27.80%	4.00%	0.00%		7.50%	16.00%	76.50%	
	Col %	90.70%	87.70%	96.60%	73.20%	91.10%	92.10%	85.40%		91.30%	88.80%	93.10%	100.00%		80.60%	85.60%	93.30%	
	Table %	8.20%	0.30%	6.30%	3.70%	0.40%	63.90%	7.90%		61.80%	25.20%	3.60%	0.00%		6.80%	14.50%	69.50%	

Table 11 - HOEPA Loans by Race

			Race and Ethnicity							
			Not applicable or information not provided by applicant	American Indian or Alaska Native (non-Hispanic)	Asian (non-Hispanic)	Black or African American (Hispanic & non-Hispanic)	Native Hawaiian or Other Pacific Islander (non-Hispanic)	White (non-Hispanic)	Hispanic (non-Black)	Total
High-Cost	HOEPA loan	Count	707	62	58	874	27	3,907	463	6,098
		Row %	11.59%	1.02%	0.95%	14.33%	0.44%	64.07%	7.59%	
		Mean	11.14	13.01	12.46	12.37	12.87	12.45	11.63	
		Median	10.89	13.42	12.49	12.36	13.97	12.52	11.34	
	Non-HOEPA loan	Count	130,353	5,867	16,185	160,705	5,307	566,530	133,989	1,018,936
		Row %	12.79%	0.58%	1.59%	15.77%	0.52%	55.60%	13.15%	
		Mean	5.12	5.02	4.82	5.07	4.89	5.04	4.88	
		Median	4.98	4.75	4.64	4.87	4.71	4.8	4.7	
Market-Rate	HOEPA loan	Count	2	0	0	2	0	13	2	19
		Row %	10.53%	0.00%	0.00%	10.53%	0.00%	68.42%	10.53%	
	Non-HOEPA loan	Count	262,349	10,283	87,940	153,950	11,239	1,526,978	227,459	2,280,198
		Row %	11.51%	0.45%	3.86%	6.75%	0.49%	66.97%	9.98%	

Table 12 - HOEPA Loans by Gender

			Gender				
			Male	Female	Information not provided by applicant	Not applicable	Total
High-Cost	HOEPA loan	Count	3,272	2,237	589	0	6,098
		Row %	53.66%	36.68%	9.66%	0.00%	
		Mean	12.4	12.34	10.92	.	
		Median	12.41	12.4	10.68	.	
	Non-HOEPA loan	Count	602,476	383,504	32,797	159	1,018,936
		Row %	59.13%	37.64%	3.22%	0.02%	
		Mean	5.01	5.04	5.29	6.82	
		Median	4.79	4.84	5.05	6.61	
Market-Rate	HOEPA loan	Count	12	5	2	0	19
		Row %	63.16%	26.32%	10.53%	0.00%	
	Non-HOEPA loan	Count	1,490,981	650,131	137,587	1,499	2,280,198
		Row %	65.39%	28.51%	6.03%	0.07%	

Table 13 - HOEPA Loans by Income of Borrower

			Median Income			
			Low & Moderate	Middle	High	Total
High-Cost	HOEPA loan	Count	1,163	1,894	3,035	6,092
		Row %	19.09%	31.09%	49.82%	
		Mean	11.52	12.39	12.42	
		Median	10.53	12.52	12.29	
	Non-HOEPA loan	Count	174,209	265,447	574,862	1,014,518
		Row %	17.17%	26.16%	56.66%	
		Mean	5.12	5.08	4.99	
		Median	4.93	4.86	4.77	
Market-Rate	HOEPA loan	Count	3	3	10	16
		Row %	18.75%	18.75%	62.50%	
	Non-HOEPA loan	Count	191,890	371,566	1,530,896	2,094,352
		Row %	9.16%	17.74%	73.10%	