

Comprehensive Report

Examining the Lending Practices of
Authorized Depositories for the
City of Philadelphia

Calendar Year 2007

Office of the City Treasurer
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Submitted By:

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Executive Summary



Executive Summary

Econsult Corporation and MFR Consultants, Inc. (“the Econsult team”) are pleased to present this analysis of the home lending performance, small business lending performance, and bank branching patterns of the eleven authorized depositories of the City of Philadelphia in 2007. Such a report is per the City’s Resolution No. 051161, which is a request by City Council for the Office of the City Treasurer to commission an annual report of lending activity and disparities by City depositories.

The City is committed to ensuring that the institutions selected as authorized depositories of City funds provide financial products and services in a fair and unbiased manner to the citizens of Philadelphia, and this report is an important resource in that effort. Specifically, this report provides rankings of the authorized depositories in key fair lending categories, as well as a composite ranking of the depositories across all categories, based on our statistical analysis of their home lending performance in these various categories. Together the rankings will provide the City with guidance on the performance of these banks.

This is the third consecutive year the Econsult team has produced this analysis, during which time there have certainly been noteworthy shifts in the overall economy as well as in the financial and home lending sectors, although the most significant of these trends take place in 2008, for which comprehensive data will not be available until Fall 2009. Despite the fact that the narrow and targeted scope of work precludes a more thorough connection of depository performance with broader macro – economic forces, we attempt to make some of that connection in our data and policy recommendations.

ES.1 Background

The aforementioned ordinance is best understood within the overall federal, state, and local legislative context in which banks operate and that provides policymakers with tools and information to provide oversight and accountability in the area of fair lending.

Federal – Most notably, the Home Mortgage Disclosure Act (HMDA) requires lending institutions to report loan data. This provides the necessary transparency to assist public officials in distributing public – sector investments so as to attract private investment to areas of greatest need, and to identify potential discriminatory lending patterns. Fair lending is also covered in national civil rights legislation, with the Fair Housing Act, part of Title VIII of the Civil Rights Act of 1968. Finally, in 1977, Congress enacted the Community Reinvestment Act (CRA) to require that a bank distribute its financial activity and investment across its entire market area, including low – and moderate – income neighborhoods.

State – Legislation is in place to protect the interests of lenders, such as the Pennsylvania Loan Interest and Protection Law (1974), the Secondary Mortgage Loan Act (1980) and the Mortgage Bankers and Brokers and Consumer Equity Protection Act (1989). More recently, the Pennsylvania Department of Banking has examined trends in foreclosures and documented lending practices that are harmful to consumers.

Local – Resolution No. 051161 is a request by City Council for the Office of the City Treasurer to commission an annual report of lending disparities by City depositories. Over the years, the City has employed a number of tactics to combat predatory lending, including Consumer Education and Outreach, Legal Assistance, creation of Alternative Loan Products, and research. The City’s eleven authorized depositories range greatly in size, in terms of total assets under management and geographic scope. The following table provides some pertinent information on the City’s authorized depositories (see Figure ES.1):

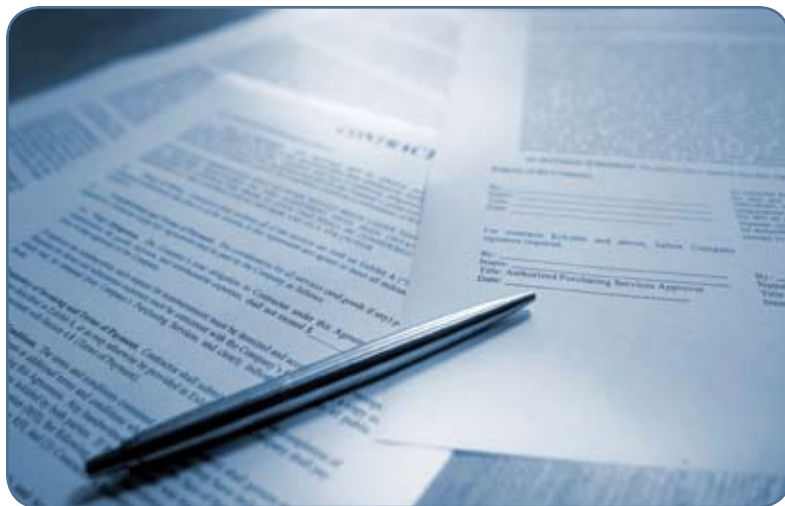


Figure ES.1: City of Philadelphia's Authorized Depositories at a Glance (2007)

	Total Assets	Total Employees	Philadelphia Offices	Most Recent CRA Rating (Year)
Advance Bank	\$67M	33	1	Outstanding (2003)
Bank of America	\$1716B	203,000	16	Outstanding (2001)
Bank of New York Mellon	\$198B	43,200	2	N/A
Citibank	\$2187B	300,000	2	Outstanding (2003)
Citizens Bank	\$160B	24,000	61	Outstanding (2003)
Commerce Bank	\$14B	10,600	17	Outstanding (2007)
PNC Bank	\$139B	15,900	41	Outstanding (2007)
Republic First Bank	\$1B	110	6	Satisfactory (2005)
Sovereign Bank	\$85M	10,400	17	Outstanding (2007)
United Bank	\$74M	30	4	Outstanding (2007)
Wachovia Bank	\$783B	83,800	47	Outstanding (2006)

ES.2 Philadelphia Home Lending and Discrimination

We examined lending transactions and residential data to determine if discriminatory practices might exist, and if the subset of Philadelphia depositories differs from the entire sample of lenders. In other words, does the data indicate practices of racial or ethnic discrimination by all lenders and/or City depositories? We thus consider 1) denial rates by loan type, and 2) less – favorable lending terms (e.g. subprime versus prime loans). Our regression analysis controlled for factors that were likely to influence lending decisions, but was unfortunately constrained by the lack of potentially explanatory data such as borrowers' credit score, wealth, and existing debt load.

Still, the existing information indicates the following statistically significant results:

- Controlling for other demographic characteristics, among the universe of all lenders African – Americans and Hispanics were more likely to be denied a home purchase, home refinance, and home improvement loan, as well as to be offered a subprime loan.
- African – Americans were less likely to be denied a home purchase and home refinance loan, as well as to be offered a subprime loan, by City depositories than by the universe of all lenders.
- In 2006, City depositories were indistinguishable from the universe of all lenders in terms of denial rates for refinancing applications by African – Americans and Asians; in 2007, City depositories were more likely than the universe of all lenders to deny refinancing to African – Americans and Asians.
- Red – lining does not appear to be taking place either among the universe of all lenders or among City depositories.

ES.3 Prime and Subprime Home Lending in Philadelphia

All Loans – Overall Observations (see Figure ES.2)

- From 2005 to 2007, loan applications were steadily down and denial rates were steadily up, resulting in 23 percent fewer loans originated.
- From 2006 to 2007, the number of prime loans fell by 5 percent but the number of subprime loans fell by 33 percent.

Figure ES.2: All Loan Applications and Originations in Philadelphia

Year	Applications	Denials	Denial Rate	Loans	Prime Loans	Subprime Loans	Total LoanAmount
2005	100,261	29,773	29.7%	42,235	29,516	12,719	\$11.35B
2006	91,624	27,774	30.3%	39,224	25,131	14,093	\$11.25B
2007	77,080	24,955	32.4%	32,329	23,791	8,538	\$10.27B
Difference 2005-2007	-23%	-16%	+9%	-23%	-19%	-33%	-9%
Difference 2006-2007	-16%	-10%	+7%	-18%	-5%	-39%	-8%

All Loans – by Borrower Race

- From 2006 to 2007, the ratio of African – American denial rates to white denial rates fell slightly, from 1.80 to 1.73, while the ratio of Hispanic denial rates to white denial rates rose slightly, from 1.51 to 1.55.
- In 2007, Asians represented 3.5 percent of households but received 11.0 percent of prime loans.

All Loans – by Borrower Income

- From 2006 to 2007, all four borrower income groupings (low, moderate, middle, and upper) received a greater proportion of prime loans compared to subprime loans.
- In 2007, low and moderate income borrowers represented 57 percent of households and received 57 percent of loans.



All Loans – by Tract Minority Level

- From 2005 to 2007, the disparity in denials to applicants in census tracts with more than 50 percent minority residents (minority tracts) versus non – minority tracts shrunk, from 1.77 times more likely in 2005 to 1.61 times more likely in 2006 and 1.50 times more likely in 2007.
- In 2007, non – minority tracts received a higher share of prime loans and a lower share of subprime loans, compared to their proportion of households; while minority tracts received a lower share of prime loans and a higher share of subprime loans, compared to their proportion of households.

All Loans – by Tract Income Level

- In 2007, denial rates increased significantly in middle – income census tracts (+14 percent), moderate – income tracts (+7 percent), and upper – income tracts (+7 percent), but only slightly in low – income tracts (+1 percent).
- In 2007, middle – income and upper – income tracts represented 33 percent of households but received 43 percent of prime loans.

All Loans – by Borrower Gender

- By borrower gender, joint applicants were denied loans at the lowest rate in 2007 (28 percent) but experienced the greatest increase in denial rates from 2006 (+21 percent).
- In 2007, joint applicants more likely than male applicants and female applicants to receive prime loans than subprime loans (80 percent versus 74 percent and 70 percent, respectively).

Home Purchase Loans – Overall Observations (see Figure ES.3)

- From 2005 to 2007, home purchase loan applications were steadily down and denial rates were largely up, resulting in 15 percent fewer home purchase loans originated.
- From 2006 to 2007, the number of prime home purchase loans fell by 4 percent but the number of subprime home purchase loans fell by 43 percent.

Figure ES.3: Home Purchase Loan Applications and Originations in Philadelphia

	Application	Denied	Denial Rate	Loans	PrimeLoans	Subprime Loans
2005	27,789	4,485	16.1%	17,374	13,625	3,749
2006	27,748	4,866	17.5%	17,113	12,651	4,462
2007	23,567	4,116	17.5%	14,726	12,177	2,549
Difference 2005-2007	-15.2%	-8.2%	+8.2%	-15.2%	-10.6%	-32.0%
Difference 2006-2007	-15.1%	-15.4%	-0.4%	-13.9%	-3.7%	-42.9%

Home Purchase Loans – Additional Observations

- From 2006 to 2007, denial rates for home purchase applications increased for African – American and Hispanic applicants (+8.2 percent and +7.0 percent, respectively) but decreased for white and Asian applicants (– 6.5 percent and – 2.3 percent, respectively).
- All racial groups received higher proportions of prime home purchase loans versus subprime home purchase loans from 2006 to 2007, after all receiving lower proportions of prime home purchase loans versus subprime home purchase loans from 2005 to 2006.
- From 2006 to 2007, low income and moderate income borrowers received more prime home purchase loans (+8.7 percent and +0.1 percent, respectively) while middle income and upper income borrowers received fewer prime loans (– 7.4 percent and – 9.2 percent, respectively).
- All borrower income groups received fewer subprime home purchase loans, with decreases greater at higher income levels (– 56 percent for upper income borrowers versus – 20 percent for low income borrowers).
- From 2006 to 2007, the proportion of prime to subprime home purchase loans increased for minority tracts and for low – income tracts (both +10 percent).
- In 2007, male and female borrowers received nearly the same number of prime home purchase loans (1061 versus 1075) despite the fact that females head twice the number of households as males (45 percent versus 22 percent).

Home Refinance Loans – Overall Observations (see Figure ES.4)

- From 2005 to 2007, home refinance loan applications were steadily down and denial rates were largely up, resulting in 31 percent fewer home refinance loans originated.
- From 2006 to 2007, the number of prime home refinance loans fell by 5 percent but the number of subprime home refinance loans fell by 41 percent.

Figure ES.4: Home Refinance Loan Applications and Originations in Philadelphia

	Application	Denials	Denial Rate	Loans	Prime Loans	Subprime Loans
2005	64,319	21,977	34.2%	21,876	13,602	8,274
2006	55,816	18,974	34.0%	19,320	10,486	8,834
2007	46,237	17,240	37.3%	15,183	9,927	5,256
Difference 2005-2007	-28.1%	-21.6%	9.1%	-30.6%	-27.0%	-36.5%
Difference 2006-2007	-17.2%	-9.1%	9.7%	-21.4%	-5.3%	-40.5%

Home Refinance Loans – Additional Observations

- From 2006 to 2007, white and African – American borrowers received fewer prime home refinance loans (+12.1 percent and +4.0 percent, respectively), while Asian and Hispanic borrowers received more prime home refinance loans (– 5.1 percent and – 1.1 percent, respectively).
- From 2006 to 2007, all racial groups received fewer subprime home refinance loans; Asians experienced the greatest drop at 51 percent, while African – Americans and Hispanics received more prime than subprime home refinance loans in 2007 after the reverse in 2006.
- From 2006 to 2007, all four borrower income groupings (low, moderate, middle, and upper) experienced higher denial rates on home refinance applications, with the increase being the greatest for upper income applicants (+10 percent).
- In 2007, low and moderate income home refinance applicants were denied 1.26 times for every denial of middle and upper income home refinance applicants, down from a ratio of 1.53 in 2005.
- From 2006 to 2007, minority tracts received 2 percent more prime home refinance loans and 37 percent fewer subprime home refinance loans; while in 2007, low income tracts received more prime than subprime refinance loans for the first time in three years.
- From 2006 to 2007, there were 35 percent fewer joint applications for home refinance loans.

Home Improvement Loans – Overall Observations *(see Figure ES.5)*

- From 2006 to 2007, home improvement loan applications were down and denial rates were up, resulting in 18 percent fewer home improvement loans originated.
- From 2006 to 2007, the number of prime home improvement loans fell by 19 percent but the number of subprime home improvement loans fell by 9 percent.

Figure ES.5: Home Improvement Loan Applications and Originations in Philadelphia

Year	Applications	Denials	Denial Rate	Loans	Prime Loans	Subprime Loans
2005	8,136	3,308	40.7%	2,978	2,284	694
2006	17,473	7,958	45.5%	6,927	5,684	1,243
2007	15,864	7,735	48.8%	5,712	4,584	1,128
Difference 2005-2007	-9.2%	-2.8%	+7.1%	-17.5%	-19.4%	-9.3%

Home Improvement Loans – Additional Observations

- In 2007, Asian borrowers had the highest proportion of prime to subprime home improvement loans among racial groups, at 91 percent to 9 percent.
- From 2006 to 2007, there were fewer white and African – American home improvement loan applications (– 13.8 percent and – 3.3 percent, respectively) but more Asian and Hispanic home improvement loan applications (+3.1 percent and +1.9 percent, respectively).
- In 2007, the proportion of prime to subprime home improvement loans increased with borrower income, from 69 percent for low income borrowers to 91 percent for upper income borrowers.
- In 2007, low income home improvement loan applicants were denied 60 percent of the time.
- In 2007, minority tracts received 42 percent of home improvement loans (while representing 49 percent of all households), and low and moderate income tracts received 61 percent of home improvement loans (while representing 67 percent of all households).
- In 2007, joint applicants were denied home improvement loans 38 percent of the time, versus denial rates of 53 percent for female applicants and 51 percent for male applicants.

ES.4 Philadelphia Compared to Other Areas

Philadelphia vs. Suburbs *(see Figure ES.6)*

Lending to Philadelphia residents was compared to lending to residents of the City's four suburban counties:

- In 2007, African Americans represent 8.3 percent of households in the suburbs while receiving 5.4 percent of prime loans (up from 4.9 percent in 2006) and 18.5 percent of subprime loans (down from 19.5 percent in 2006).
- In 2007, low to moderate income people represent 29.0 percent of households in the suburbs while receiving 23.0 percent of prime loans and 33.5 percent of subprime loans (up by 1.5 percent for both prime and subprime loans from 2006).
- In 2007, minority tracts represent 2.6 percent of suburban tracts while receiving 1.5 percent of prime loans and 6.7 percent of subprime loans.
- In 2007, low and moderate income tracts represent 5.6 percent of suburban tracts while receiving 4.8 percent of prime loans and 13.1 percent of subprime loans.
- In 2007, female borrowers received 45.4 percent of subprime loans in the City and 28.7 percent of subprime loans in the suburbs (male borrowers received more similar proportions of City and suburban subprime loans, with 36.5 percent and 33.3 percent respectively).
- Philadelphia vs. Comparison Cities *(see Figure ES.7)*
- Lending to Philadelphia residents was also compared to lending to residents of Baltimore, Detroit, and Pittsburgh, three cities similar to Philadelphia in demographics, poverty, and geography:

Figure ES.6: 2007 Home Lending Activity – Philadelphia Suburbs

Borrower Race	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All Households	Denial Rate
White	45,380	90.0%	78.9%	85.7%	18.4%
African-American	3,515	5.4%	18.5%	8.3%	35.9%
Asian	2,198	4.5%	2.5%	2.7%	16.4%
Hispanic	1,230	2.2%	3.4%	2.2%	26.7%
Borrower Income	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All Households	Denial Rate
Low (<50% MSA)	3,343	5.1%	8.6%	15.5%	34.8%
Moderate (50-79.99% MSA)	11,457	17.9%	24.9%	13.5%	25.0%
Middle (80-119.99% MSA)	16,678	26.8%	30.7%	17.5%	21.1%
Upper (120% or More MSA)	29,688	50.2%	35.8%	53.5%	16.6%
LMI (<79.99% MSA Income)	14,800	23.0%	33.5%	29.0%	27.6%
MUI (>80% MSA Income)	46,366	77.0%	66.5%	71.0%	18.3%
Tract Minority Level	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All Households	Denial Rate
0-49% minority	61,617	98.5%	93.3%	97.4%	20.2%
50-100% minority	1,305	1.5%	6.7%	2.6%	39.5%
Tract Income Level	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All Households	Denial Rate
Low (<50% MSA)	270	0.3%	1.7%	0.8%	46.0%
Moderate (50-79.99% MSA)	3,384	4.6%	11.4%	4.8%	31.0%
Middle (80-119.99% MSA)	23,640	36.0%	49.2%	35.5%	24.1%
Upper (120% or More MSA)	35,627	59.1%	37.7%	58.9%	16.5%
LMI (<79.99% MSA Income)	3,654	4.8%	13.1%	5.6%	32.6%
MUI (>80% MSA Income)	59,267	95.2%	86.9%	94.4%	19.8%
Borrower Gender	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All Households	Denial Rate
Male	15,674	26.0%	33.3%	17.3%	23.4%
Female	13,399	22.2%	28.7%	27.8%	21.8%
Joint (Male/Female)	29,271	51.8%	38.0%	55.0%	17.5%

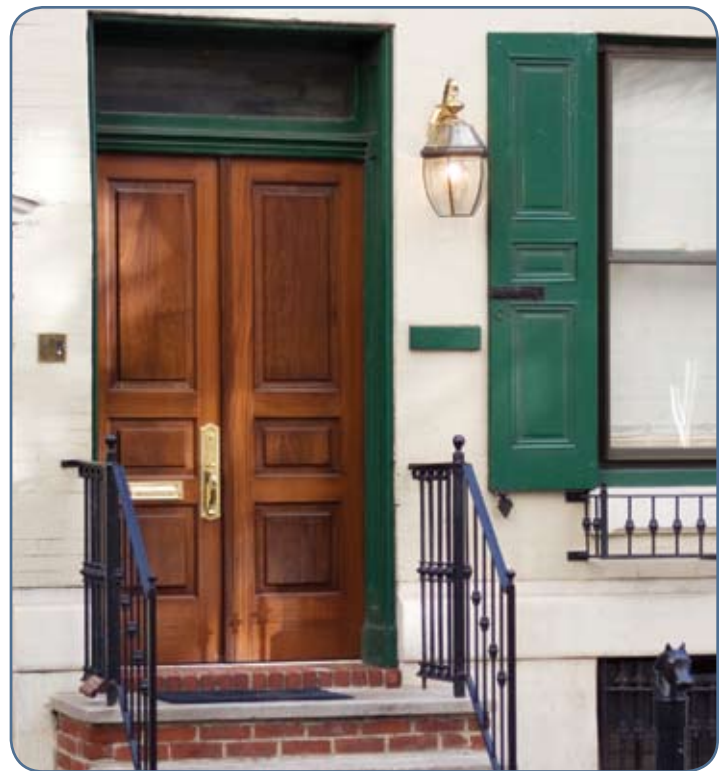
- In 2007, as in 2006, all cities but Detroit showed a disparity in prime lending to African – Americans compared to their share of households, although Philadelphia’s ratio improved from 0.52 in 2005 to 0.63 in 2006 and then 0.70 in 2007.
- In 2007, Philadelphia had the highest ratio of prime loans to low to moderate income borrowers, compared to household share of low to moderate income households, at 0.91, while Pittsburgh had the lowest, at 0.55.
- In 2007, lenders in Philadelphia and Pittsburgh denied applicants in minority tracts about 1.5 times more often than applicants in non – minority tracts; in Baltimore, the ratio was 1.4, and in Detroit, the ratio was approximately 1.
- In 2007, borrowers in low to moderate income tracts in Philadelphia were more than twice as likely to receive a subprime loan as borrowers in middle to upper income tracts; this was the highest ratio among the four cities.
- In 2007, female borrowers received a share of subprime loans roughly equal to their share of households in Baltimore, Detroit, and Philadelphia, but only 80 percent as much as their share of households in Pittsburgh.

Figure ES.7: 2007 Home Lending Activity – Philadelphia vs. Comparison Cities

Year	Philadelphia	Baltimore	Detroit	Pittsburgh
Total # of Loans	32,329	15,671	9,492	4,671
% Loans that are Subprime	26.4%	31.2%	58.7%	24.3%
% Households that are Minority	52.2%	63.8%	86.7%	29.6%
% Prime Loans Given to Minorities	39.0%	53.2%	79.4%	9.6%
% Subprime Loans Given to Minorities	64.9%	81.5%	87.0%	19.6%
% of Households that are LMI	57.4%	62.6%	61.7%	51.6%
% Prime Loans Given to LMIs	51.9%	54.0%	47.8%	38.2%
% Subprime Loans Given to LMIs	69.8%	67.4%	54.8%	55.9%
% of Households in Minority Tracts	49.0%	60.2%	96.3%	10.8%
% Prime Loans to Minority Tracts	35.6%	53.2%	95.0%	7.8%
% Subprime Loans to Minority Tracts	61.3%	75.7%	95.8%	15.7%
% of Households in LMI Tracts	67.0%	73.4%	60.9%	37.7%
% Prime Loans to LMI Tracts	57.5%	65.6%	48.3%	26.2%
% Subprime Loans to LMI Tracts	77.6%	78.1%	56.6%	37.8%

ES.5 Home Lending to Non – Owner-Occupied Borrowers

- In 2007, 19 percent of all loans were made to non – occupant investors. Of loans to non – owner – occupied borrowers, 32 percent were subprime, versus 26 percent for owner – occupied borrowers.
- In 2007, African – American non – occupant investors received more prime than subprime loans for the first time in three years, although their proportion of prime to subprime loans remained the lowest among racial groups.
- In 2007, the proportion of prime to subprime loans to non – occupant investors was higher for higher borrower income groups.
- In 2007, minority tracts received 51 percent of prime non – owner – occupied borrower loans and 72 percent of subprime non – owner – occupied borrower loans.
- In 2007, low and moderate income tracts received 74 percent of prime non – owner – occupied borrower loans and 91 percent of subprime non – owner – occupied borrower loans.
- In 2007, male non – occupant investors received 51 percent of prime loans (while representing 22 percent of heads of household), and female non – occupant investors received 23 percent of prime loans (while representing 45 percent of heads of household).



ES.6 City Depositories and Home Lending

City depositories in aggregate received less than 15,000 loan applications and originated over 6,000 prime loans and over 1,000 subprime loans totaling \$1.76 billion in 2007. Thus, these 11 depositories together represented less than a fifth of applications and loan amounts within the City, about a quarter of prime loans and less than an eighth of subprime loans (see Figure ES.8).

Figure ES.8: Loan Applications and Originations for City Depositories

	Applications	Prime Loans	Subprime Loans	Total Loan Amount
2005 - Depositories	10,713	4,575	2,038	N/A
2006 - Depositories	12,995	5,235	2,311	N/A
2007 - Depositories	14,940	6,152	1,032	\$1.76B
2007 – All Banks	77,081	23,792	8,538	\$10.27B
Proportion of Depositories to All Banks	19.4%	25.9%	12.1%	17.1%

Thirteen factors, measuring various facets of lending by race and income, were combined to create a composite score for prime home purchase lending performance for each depository. For each factor, a depository received a score according to how different it was from the average lender in Philadelphia: the more positive, the more above average. Only lenders in Philadelphia that originated 25 loans or more in 2006 were included in the calculations.

Sovereign Bank, a new City depository in 2007, ranked first, followed closely by Bank of America, which ranked first in 2006. Notably, Bank of America significantly increased its applications from 2006, and both Bank of America and CitiGroup increased their issuance of prime loans, reflecting expansion efforts. All but one of the depositories measured had positive composite scores, suggesting that most performed better than the average home mortgage lender in the City in 2007; and the top five ranking depositories had higher composite scores in 2007 than any of the four ranked depositories in 2006, suggesting that as a group they improved from 2006 (see Figure ES.9).



Figure ES.9: 2007 Ranking of City Depositories – Home Purchase Lending

2007 Ranking	City Depository	2007 Composite Score	2006 Ranking	2006 Composite Score
1	Sovereign Bancorp, Inc.	29.27	N/A	N/A
2	Bank of America	25.57	1	9.70
3	Wachovia Corporation	16.56	4	0.77
4	Citizens Financial Group	11.77	3	1.58
5	Commerce Bancorp, Inc.	10.51	2	7.00
6	CitiGroup, Inc.	2.13	N/A	N/A

In aggregate, City depositories made a larger percentage of loans than all lenders to African – American borrowers, Hispanic borrowers, and low to moderate income borrowers, as well as to minority tracts and low to moderate income tracts. This was true of home purchase loans, home refinance loans, and home improvement loans (see Figure ES.10).

Figure ES.10: Selected 2007 Home Lending Results for City Depositories

	Percent of Loans to African Americans	Percent of Loans to Hispanics	Percent of Loans in Minority Tracts	Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	African American to White Denial Ratio	Hispanic to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio
Home Purchase								
All Depositories	26.5%	12.3%	40.7%	66.2%	66.2%	1.79	0.87	1.25
All Lenders	18.2%	8.4%	33.6%	50.6%	57.5%	1.75	0.51	1.41
Home Refinance								
All Depositories	25.0%	9.1%	40.1%	55.5%	60.3%	1.80	0.61	1.35
All Lenders	21.1%	5.9%	36.2%	52.0%	55.8%	1.55	0.33	1.45
Home Improvement								
All Depositories	32.5%	12.1%	54.4%	63.7%	72.8%	2.88	1.14	2.93
All Lenders	26.9%	6.9%	46.2%	61.0%	67.4%	2.88	0.81	2.74

ES.7 Small Business Lending in Philadelphia

- In 2007, over 37,000 loans of an aggregate \$925.7 million were made to small businesses in Philadelphia, including almost 13,000 loans to small businesses with annual revenues of less than \$1 million (hereafter known as “smallest businesses”).
- In 2007, low to moderate income tracts housed 62 percent of small businesses in Philadelphia (and 61 percent of smallest businesses) and received 54 percent of small business loans (and 35 percent of loans to smallest businesses).
- In 2007, there were twice as many small business loans (and loans to smallest businesses) to non – minority tracts as to minority tracts.
- In 2007, over 50 percent of small business loans (and loans to smallest businesses) in Philadelphia were in low and moderate income tracts, while less than 10 percent of small business loans (and loans to smallest businesses) in the four surrounding Pennsylvania suburban counties were in low and moderate income tracts.
- In 2007, minority tracts represented 43 percent of smallest businesses and received 33 percent of small business loans to smallest businesses in Philadelphia; minority tracts represented 3 percent of smallest businesses and received 1.5 percent of small business loans to smallest businesses in the suburban counties.



ES.8 Rankings of Depositories – Small Business Lending

In ranking the City depositories on small business lending, we considered five equally weighted factors, which together represent lending practices that affect minority and low and moderate income businesses: 1) market share of loans to small businesses, 2) market share of loans to the smallest of small businesses, 3) lending to small

businesses located in low and moderate income areas, 4) ranking among depositories for small business lending to the smallest businesses, and 5) ranking among depositories for small business lending in low and moderate income areas. Our results indicate that among qualifying City depositories, Citigroup was the best performer and Bank of New York Mellon was the worst performer (see Figure ES.11).

Figure ES.11: 2007 Ranking of City Depositories – Small Business Lending

2007 Ranking	Applications	2006 Ranking
1	Citigroup	N/A
2	PNC Bank	1
3	Bank of America	5
T4	Sovereign Bank	N/A
T4	Wachovia Bank	3
6	Republic First Bank	N/A
7	Citizens Bank	2
8	Commerce Bank	4
9	Bank of New York Mellon	6

ES.9 Bank Branch Analysis

- There were 343 bank branches in Philadelphia by the end of 2007, up from 316 in 2006. City depositories accounted for 62 percent of those locations, with 214 branches (up from 194 in 2006, due in large part to the addition of two new City depositories).
- In 2007, 27 percent of City depository branches and 23 percent of all bank branches were located in minority tracts, while 58 percent of City depository branches and 56 percent of all bank branches were located in low to moderate income tracts.
- Six of the 11 City depositories had a higher percentage of their branches in minority tracts than the citywide average; five of the 11 City depositories had a higher percentage of their branches in low to moderate income tracts than the citywide average.

ES.10 Neighborhood Analysis

We examined home and business lending practices in nine neighborhoods that contain census tracts classified as minority and low to moderate income and that are located in areas where community development corporations and empowerment zones have been established (see Figure ES.12). We also examined lending by each depository (see Figure ES.13) and small business lending (see Figure ES.14) in these neighborhoods.

Figure ES.12: 2007 Home Lending Activity – Selected Philadelphia Neighborhoods

	Location	Major Ethnic Group	2000 Median Family Income as a % of Regional Median Family Income	2007 Total Loans	2007 % Loans That Were Subprime
APM	N Phila	Hisp	36.4%	20	55.0%
HACE	N 5th St	Hisp	24.2%	201	56.2%
AWF	N Phila	Afr-Am	46.4%	176	47.7%
OARC	W Oak Ln	Afr-Am	75.8%	1,177	43.2%
Project Home	Spr Grdn	Afr-Am	33.8%	159	49.1%
PEC	W Phila	Afr-Am	36.3%	70	45.7%
American St. EZ	Kensington	Hisp	36.4%	162	32.7%
North Central EZ	N Phila	Afr-Am	32.9%	53	45.3%
West Phila. EZ	W Phila	Afr-Am	41.0%	82	36.6%
City of Philadelphia			63.4%	32,329	26.4%

Figure ES.13: 2007 Home Lending Activity by City Depositories – Selected Philadelphia Neighborhoods

Neighborhood	Bank of America	Citigroup Inc	Citizens	Commerce	PNC	Sovereign	Wachovia	All Lenders
Single-Family Loans								
All 9 CDC Neighborhoods	64	82	84	24	20	101	179	2,080
Philadelphia	1,155	791	944	364	175	1,314	2,406	32,329
Market Share								
All 9 CDC Neighborhoods	3.1%	3.9%	4.0%	1.2%	1.0%	4.9%	8.6%	100.0%
Philadelphia	3.6%	2.4%	2.9%	1.1%	0.5%	4.1%	7.4%	100.0%
Lender Portfolio Share								
All 9 CDC Neighborhoods	5.5%	10.4%	8.9%	6.6%	11.4%	7.7%	7.4%	6.4%
Philadelphia	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Figure ES.14: 2007 Small Business Lending Activity – Selected Philadelphia Neighborhoods

Neighborhood	Number of Small Business Loans	Loans to Small Businesses with Revenues less than \$1 million	Number of Small Businesses	Number of Small Businesses with Revenues less than \$1 million
Allegheny West Foundation (AWF)	242	81	733	458
American Street Empowerment Zone	380	135	862	557
Association of Puerto Ricans on March (APM)	24	10	93	48
Hispanic Association of Contractors & Enterprises (HACE)	221	88	839	508
North Central Empowerment Zone	180	61	709	470
Ogontz Avenue Revitalization Committee (OARC)	436	165	1,169	721
People's Emergency Center (PEC)	283	105	600	392
Project Home	116	54	625	381
West Philadelphia Enterprise Zone	129	46	422	268
Philadelphia	2,011	745	6,052	3,803

ES.11 Recommendations

Financial shocks in 2008 have reshaped the landscape for banks across the country. Accordingly, it may be prudent for the City to take action on at least three fronts:

- From a public policy standpoint, the City can redouble efforts to balance risk management processes with a renewed commitment to providing fair access to credit. Specifically, the City can encourage its depositories in their outreach efforts as well as liaise between the variety of financial and technical assistance providers that serve local residents and businesses.
- From a data collection standpoint, the City can deepen its understanding of City depository performance by gathering information related to the borrowing outcomes of similarly qualified applicants and to the fair lending training being offered by depositories.



- Finally, from an ongoing analysis standpoint, the City should consider broadening its examination to include major non – City depositories, explore the extent to which broader global trends and resources may warrant policy actions at a local event, and delve further into a number of doable analyses that can yield useful information particularly about small business lending within the City.

In other words, the existing scope as proscribed by Resolution No. 051161 provides insight on a narrow albeit important policy topic. Additional analysis, done in parallel with the required annual report and using similar data sources and statistical techniques, can yield insightful information to assist the Nutter administration in its efforts to grow the regional economy, encourage neighborhood investment and small business formation, and ensure equitable distribution of financial and finance – related resources.



Section 01



Section 01

1.0 Background

This section puts the topic of fair lending into context by explaining the related legislation under which banks operate and to describe the size, structure, and community reinvestment goals of the City's eleven Authorized Depositories.

1.1 Legislative and Institutional Context

At the federal, state, and local level, legislation exists to regulate the banking industry in the area of fair lending, and to provide policymakers with tools and information to provide that oversight and accountability. To be sure, 2008 was an extraordinary year for the banking sector, as real estate plunged and financial markets seized up. To the extent that existing regulatory structures were deemed to fail to identify and deter weaknesses in the industry, policymakers responded with a variety of proposals that are currently being implemented and evaluated. A more extensive investigation into the impact of past, present, and future regulations on the local banking industry and on the City's relationship with its authorized depositories is outside the scope of this 2007 report, but should be considered essential to next year's version and to any related analysis.



1.1.1 Federal

At the federal level, we must begin with the Home Mortgage Disclosure Act (HMDA). According to the Federal Financial Institutions Examination Council (FFIEC), HMDA, enacted by Congress in 1975 and implemented by the Federal Reserve Board's Regulation C, requires lending institutions to report public loan data. HMDA applies to banks, savings associations, credit unions, and other mortgage lending institutions.

HMDA was expressly instituted to provide the necessary information for the following three reasons:

- To help determine if financial institutions are serving the housing needs of their communities;
- To assist public officials in distributing public – sector investments, so as to attract private investment to areas of greatest need; and
- To identify potential discriminatory lending patterns.

As such, data gathered and aggregated through HMDA is critically important to this report. With it, we can thoroughly analyze the performance of the City's depositories from the standpoint of their lending practices and patterns, and evaluate them against one another and against other comparison groups.

Fair lending is also covered in national civil rights legislation. The Fair Housing Act, part of the Title VIII of the Civil Rights Act of 1968, made it unlawful to engage in the following practices based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to make a mortgage loan;
- Refuse to provide information regarding loans;
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees;
- Discriminate in appraising property; or
- Refuse to purchase a loan or set different terms or conditions for purchasing a loan.

In 1977, Congress enacted the Community Reinvestment Act (CRA) to encourage depository institutions to help meet the credit needs of the communities in which they operate. The intention of CRA is to require that a bank distribute its financial activity and investment across its entire market area, including low – and moderate – income neighborhoods, rather than simply targeting wealthier districts.

Each bank, lending or savings institution is overseen by one of four federal oversight bodies – the Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRB), Office of Thrift Supervision (OTS), or the Federal Deposit Insurance Corporation (FDIC). These agencies assign CRA ratings, which affect federal considerations regarding an institution’s application for deposit facilities, including mergers and acquisitions.

1.1.2 State

At the state level, some very important legislation is in place to protect the interests of borrowers. For example, the Pennsylvania Loan Interest and Protection Law (1974) requires that lenders clearly explain the terms and conditions of any variable loans offered, as well as provide fixed – rate alternatives. The Secondary Mortgage Loan Act (1980) and the Mortgage Bankers and Brokers and Consumer Equity Protection Act (1989) regulate the licensing of mortgage brokers and outline rules of conduct, while the Credit Services Act (1992) regulates the credit service industry.

In 2003, at the request of the Pennsylvania House of Representatives and in response to the state’s rising foreclosure rates, the Pennsylvania Department of Banking produced a study of residential lending practices in the state, examining trends in foreclosures and documenting lending practices that are harmful to consumers. *Losing the American Dream: A Report on Residential Mortgage Foreclosures and Abusive Lending Practices* was presented to the General Assembly in March 2005. In 2007, it released its “Pennsylvania Mortgage Lending Reform Recommendations.”

1.1.3 Local

At the local level, Resolution No. 051161 is a request by City Council for the Office of the City Treasurer to commission an annual report of lending disparities by City depositories. The resolution calls for the annual submission of a comprehensive analysis of home lending, small business lending and branching patterns, as well as the measurement of community reinvestment and fair lending performance of banks receiving City deposits.

City depositories together constitute a relatively small fraction of home purchase, refinance and home improvement lending activity in the City, and thus any analysis that solely considers these entities neglects the growing participation of other, non – City depository banks, as well as non – bank mortgage lenders. However, City depositories represent important and well – recognized financial institutions within the City and to the extent that they competitively seek the City’s banking business, the City holds some negotiating leverage over them. Thus, they represent an important subset of lending and financial services activity that the City can and does evaluate over time in terms of equitable lending and branch location practices.

Over the years, Philadelphia has employed a number of tactics to combat predatory lending, including Consumer Education and Outreach, Legal Assistance, Creation of Alternative Loan Products, and Research. In 2004, Mayor Street and Pennsylvania Secretary of Banking William Schenck joined officials from Citizens Bank and Freddie Mac in unveiling a comprehensive consumer awareness campaign to alert borrowers in North Philadelphia and other target neighborhoods about the dangers of predatory lending. The program offers financial literacy, credit counseling and consumer education workshops, and encourages borrowers to call the City’s “Don’t Borrow Trouble” anti – predatory lending hotline.



1.2 Depository Descriptions

This section provides a brief overview of each authorized depository's size, organizational structure, geographic footprint, and related features, where this descriptive information is available to report. The primary source materials used to complete the descriptions were Community Reinvestment Act (CRA) reporting available from the Federal Deposit Insurance Corporation (FDIC) and the interagency information available from the Federal Financial Institutions Examination Council (FFIEC). Alternative sources were used to supplement the descriptive information, including the Authorized Depository Compliance Annual Request for Information Calendar Year 2008 and annual company reports.

1.2.1 Advance Bank

Total Assets: \$66,998,000 (as of 12/31/06)
Employees: 33
Offices in Philadelphia: 1
Community Reinvestment Act Rating:
Outstanding (as of 2003)
Structure: N/A

Advance Bank is a minority controlled and operated federally – chartered mutual savings bank headquartered in Baltimore, Md. Advance Bank merged with Berean Bank in Philadelphia in 2003 and now provides banking services to the residents of Baltimore and Philadelphia. All bank branches in Philadelphia and Baltimore are located in low – to – moderate – income areas. The bank originates a limited number of consumer loans.

In Philadelphia, Advance Bank operates two full – service branch offices, which have a walk – up Automated Teller Machine (ATM). Its focus has been to provide services, both depository and loan, to underserved communities, as well as the general population. Advance Bank participates in the Emerging Contractor's Program and is a member of various community development organizations in the City of Philadelphia, such as Greater Philadelphia Urban Affairs Coalition's Community Development Committee and the African American Chamber of Commerce. Advance Bank does not conduct business in Northern Ireland, is in federal compliance with laws regarding predatory lending, and is not known to have benefited from slavery or slaveholder insurance policies.



Advance Bank specified community reinvestment goals in 2007, but did not meet them. The bank aimed to issue 7 small business loans, 15 home mortgages, and 2 community development investments. However, Advance was unable to meet these goals. It actually issued 6, 8, and 1 respectively. The bank indicated that the goals were unmet because its management adopted a more conservative lending approach in response to the uncertain economic environment and the deteriorating housing market.

1.2.2 Bank of America

Total Assets: \$1,715,746,000,000 (as of 12/31/07)
Employees: 203,425
Offices in Philadelphia: 16
Community Reinvestment Act Rating:
Outstanding (as of 2001)
Structure: subsidiary of Bank of American Corporation

Bank of America, N.A. is a publicly traded company headquartered in Charlotte, NC. Bank of America is a subsidiary of Bank of America Corporation, with previous ownership held by Nations Bank Corporation. The bank is a full – service, interstate bank that operates throughout the United States and 44 foreign countries. Bank of America acquired a retail banking center footprint in Philadelphia in 2004 through the acquisition of Fleet Bank. Bank of America also certifies that it does not engage in discriminatory practices, is in federal compliance with laws regarding

predatory lending, and is not known to have benefited from slavery or slaveholder insurance policies.

Bank of America's annual community investment goals for 2007 were to issue 1,890 small business loans, 686 home mortgages, 90 home improvement loans, and 10 community development investments. Although the bank exceeded its goal for home mortgages and home improvement loans, it was unable to meet the goals for small business loans and community development investments. The bank actually issued 1,034 home mortgages and 128 home improvement loans, while only issuing 1,540 small business loans and 5 community development investments.

Bank of America explained that it was unable to meet these goals due to the economic downturn. However, they indicated that while they only issued 5 of the 10 loans they predicted for community development investments, the total invested was \$48.9 million which was a significant increase over 2006 results totaling 8 loans/investments worth \$7 million.



1.2.3 Bank of New York Mellon

Total Assets: \$197,656, 000,000 (as of 12/21/07)
Employees: 43,200
Offices in Philadelphia: 2
Community Reinvestment Act Rating: Not Available
Structure: Subsidiary of Bank of New York Mellon Corporation

Prior to 2006, Mellon Bank, N.A. was a wholly owned subsidiary of Mellon Financial Corporation (MFC), headquartered in Pittsburgh, PA. In 2006, MFC announced its planned merger with Bank of New York, and in July of 2007 the completed merger created the bank now known as Bank of New York Mellon Financial Corporation (NYMFC). NYMFC headquarters now reside in New York, NY and currently focuses on asset management and securities services helping clients to succeed in a constantly changing global environment.

The Bank of New York Mellon certifies that it makes all lawful efforts to implement the fair employment practices embodied in the MacBride Principles, rejects any policy or activity that promotes predatory lending practices, and does not participate in subprime lending. Mellon Bank states that there is no indication that any Mellon Bank predecessors had any involvement in the slave trade, direct ownership of slaves, or ever offered loans secured through slaves.

The Bank of New York Mellon did not submit a response to the Annual Request for Community Reinvestment Goals to the City of Philadelphia for 2007.

1.2.4 Citibank, N.A.

Total Assets: \$2,187,000,000,000 (as of 12/31/07)
Employees: 300,000
Offices in Philadelphia: 2
Community Reinvestment Act Rating: Outstanding (as of 2003)
Structure: Subsidiary of CitiGroup, Inc.

Citibank, N.A. is currently the largest bank in the United States with headquarters residing in Las Vegas, Nevada. It is an arm of the larger parent company, Citigroup, which is the largest financial service organization in the world located in more than 100 countries. In 2007, Citibank opened its first branch in Philadelphia as well as several ATMs. Citibank provides several financial products to its customers including banking, insurance, credit cards, and investment assistance.

Citibank certifies that it makes all lawful efforts to implement the fair employment practices embodied in the MacBride Principles, rejects any policy or activity that promotes predatory lending practices, and does not participate in subprime lending. Mellon Bank states that there is no indication that any Mellon Bank predecessors had any involvement in the slave trade, direct ownership of slaves, or ever offered loans secured through slaves.

Citibank set a goal of \$143,000 for community development investments, and issued \$28.7 million in loans/investments. While it did not establish specific goals for small business loans, home mortgages, and home improvement loans, it issued 3,451, 1,870, and 266 loans in those categories, respectively.



1.2.5 Citizens Bank

Total Assets: \$159,940,000,000 (as of 12/31/07)
Employees: 24,000
Offices in Philadelphia: 61
Community Reinvestment Act Rating: Outstanding
(as of 2003)
Structure: subsidiary of Royal Bank of Scotland Group, PLC

Citizens Bank of Pennsylvania (CBPA) is a full – service financial institution serving Pennsylvania and New Jersey. The bank's primary market focus is providing credit, deposit account, and services to individuals and small businesses. CBPA is a subsidiary of the Citizens Financial Group, Inc (CFG), a holding company based in Providence, R.I., and is one of the nation's 20 largest commerce companies. CFG owns five other independently state – chartered operating banks under the Citizens name and approximately 702 ATMs throughout the Philadelphia area, including walk – up branches and supermarket branches.

Citizens Bank of Pennsylvania certifies that it conducts no business with Northern Ireland, is in federal compliance with laws regarding predatory lending, and is not known to have benefited from slavery or slaveholder insurance policies.

Citizens Bank was able to meet two of the four goals it set for 2007. The bank exceeded its goals for small business loans, and community development investments. Its goal for small business loans was 250, and it issued 296; and its goal for community development investments was 10, and it issued 13. In regards to home mortgages and home improvement loans, the bank only provided 317 of the 375, and 917 of the 1,000 loans it had planned to provide in those categories. Citizen's Bank explained that the rising rate environment as well as yield curve pressures adversely impacted the banking industry, and contributed to its inability to meet goals.

1.2.6 Commerce Bank

Total Assets: \$14,287,164,000 (as of 12/31/07)
Employees: 10,627
Offices in Philadelphia: 17
Community Reinvestment Act Rating:
Outstanding (as of 2007)
Structure: subsidiary of Commerce Bancorp, Inc.

Headquartered in Cherry Hill, N.J., Commerce Bank, N.A. is the largest area interstate bank serving Metropolitan Philadelphia, New Jersey, New York, Connecticut, Delaware, Washington, D.C., Virginia, Maryland, and Southeast Florida. Commerce Bank is wholly owned by Commerce Bankcorp, Inc. It provides a full range of retail and commercial services within a market area covering the five – county Philadelphia area. The bank's primary business includes community bank deposits and credit services.

Commerce Bank states that it intends to continue to expand its working relationships with the non – profit community corporations in support of its commitment to community reinvestment. Commerce Bank, N.A. does not report any offices, branches, depositories, or subsidiaries in Northern Ireland, is in federal compliance with laws regarding predatory lending, and is not known to have benefited from slavery or slaveholder insurance policies.

With the exception of the community development investments, Commerce Bank was unable to meet the goals it set for 2007. While the bank had only planned to provide 75 community development investments, it actually provided 99. However, the bank fell short for small business loans, home mortgages, and home improvement loans. It only provided 207 of the 250 small business loans, 154 of the 200 home improvement loans, and 295 of the 375 home mortgages that it planned to provide.

The bank explained that its shortfall was caused by a combination of a dramatic slowdown in the housing market, the secondary market credit crisis caused by subprime lending losses, a continued run – up in key consumer costs such as energy and food, as well as the overall tightening of the credit market standards which resulted in a decline in consumer and small business confidence and loan demand.

1.2.7 PNC Bank

Total Assets: \$138, 920,000, 000 (as of 12/31/07)
Employees: 15,890
Offices in Philadelphia: 41
Community Reinvestment Act Rating: Outstanding
(as of 2007)
Structure: subsidiary of PNC Financial Services Group

PNC Bank is the flagship subsidiary of the PNC Financial Services Group, Inc (PNC Financial). Headquartered in Pittsburgh, Pa., PNC is an interstate bank operating in Delaware, the District of Columbia, Florida, Virginia, Kentucky, New Jersey, Ohio, Maryland, and Pennsylvania. PNC has over 800 branches and 3,600 ATM machines nationwide.

PNC Bank certifies that it adheres to the MacBride Principles and is committed to providing full and equal access to its credit products for all potential borrowers. PNC Bank also certifies that it has uncovered no instances of the sale of insurance policies relating to slaves; ownership of slaves by any of the predecessor institutions; sale or purchase of slaves to satisfy debt collection; or the acceptance of slaves as collateral.

With the exception of the home improvement loans, PNC Bank was able to meet and substantially exceed the goals set for 2007. The bank's goal for small business loans, home mortgages, and community investments were 500, 85, and \$1.9 million respectively. It actually issued 1,099 small business loans, 136 home mortgages, and \$14.9 million in community development investments. However it had set a goal to provide 500 home improvement loans, but only issued 341.



1.2.8 Republic First Bank

Total Assets: \$1,016,308,000 (as of 12/31/07)
Employees: 110
Offices in Philadelphia: 6
Community Reinvestment Act Rating:
Satisfactory (as of 2005)
Structure: subsidiary of Republic First Bankcorp, Inc.

Locally owned and operated, Republic First Bank has its corporate headquarters in Philadelphia. Republic First Bank is a full – service, state – chartered bank dedicated to serving the needs of individuals, businesses and families throughout the greater Philadelphia area.

Republic First Bank certifies that it is in compliance with the MacBride Principles, makes its CRA Public File available to city residents who are concerned about predatory lending practices, and found no evidence of profits from slavery and/or slavery insurance policies during the slavery era.

Republic First Bank reported that it does not set separate reinvestment goals for the City of Philadelphia. Rather, they are included in the bank’s goals for the overall assessment area. In 2007, Republic First Bank granted 98 small business loans, 391 home mortgages, and 18 community development investments.

1.2.9 Sovereign Bank

Total Assets: \$84,746,000 (as of 12/31/07)
Employees: 10,427
Offices in Philadelphia: 17
Community Reinvestment Act Rating:
Outstanding (as of 2007)
Structure: N/A

Sovereign Bank is a subsidiary of Sovereign Bancorp, Inc whose headquarters is located in Wyomissing, PA. Sovereign has become one of the largest banks in the northeastern United States with more than 750 branches in 8 states. Sovereign offers several services to their clients including retail banking, business and corporate banking, cash management, capital markets, wealth management, and insurance.

Sovereign Bank certifies that it makes all lawful efforts to implement the fair employment practices embodied in the MacBride Principles, rejects any policy or activity that promotes predatory lending practices, and does not participate in subprime lending. Sovereign Bank states that there is no indication that any Sovereign Bank predecessors had any involvement in the slave trade, direct ownership of slaves, or ever offered loans secured through slaves.¹

Sovereign Bank did not submit a response to the City of Philadelphia’s Annual Request for Community Reinvestment Goals for 2007.



However, they published a Community Reinvestment Plan which provides their company – wide contributions and future commitment goals. Sovereign indicated that it surpassed its goal of \$2.9 billion by providing \$3.2 billion for lending and investment. In addition, Sovereign has committed to a five – year goal (2006 – 2010) which is to provide \$16.3 billion in resources to benefit low and moderate income communities within their principal banking markets.

1.2.10 United Bank of Philadelphia

Total Assets: \$73,925,000 (as of 12/31/07)
Employees: 30
Offices in Philadelphia: 4
Community Reinvestment Act Rating:
Outstanding (as of 2007)
Structure: subsidiary of United Bancshares, Inc.

United Bank of Philadelphia (United Bank), headquartered in Philadelphia, is a state – chartered full – service commercial bank. United Bank is wholly owned by United Bancshares, Inc., a bank holding company headquartered in Philadelphia whose principals and owners are African American. Through its branch offices located in

Philadelphia, the bank offers a variety of consumer and commercial banking services, with an emphasis on community development and services to underserved neighborhoods and small businesses. Two of the bank's branches are located in moderate – income census tracts in the North Philadelphia and West Philadelphia Empowerment Zones; the others are in a middle – income tract in the northwest Philadelphia areas.

The U.S. Treasury Department has certified United Bank as a Community Development Financial Institution. This certification requires that the bank have a primary mission of promoting community development. United Bank's

stated mission is to bring financial services and economic support to portions of its community that have been historically underserved, primarily the West Philadelphia and North Philadelphia Empowerment Zones.

United Bank certifies that it does not have any funds invested in companies doing business in or with Northern Ireland, provides all loan customers with the consumer disclosures required by Federal Regulation (i.e. good faith estimate, truth in lending, fair lending notice) and did not profit from slavery and/or slavery insurance policies during the slavery era.

With the exception of the home improvement loans, United Bank of Philadelphia was unable to meet the goals set for 2007. The bank issued 100% of the planned 12 home improvement loans, and only 41 of the 45, and 1 of the 5 small business loans, and home mortgages it planned to provide respectively. An explanation issued by the bank indicated that loans fell slightly below the targeted goal due to the late implementation of the micro – loan marketing program, and uncertain market conditions.

1.2.11 Wachovia Bank

Total Assets: \$782,896,000,000 (as of 12/31/07)

Employees: 83,834

Offices in Philadelphia: 47

Community Reinvestment Act Rating:

Outstanding (as of 2006)

Structure: subsidiary of Wachovia Corp



Wachovia Bank, N.A., is an interstate bank headquartered in Charlotte, N.C. The bank is the primary subsidiary of Wachovia Corporation (WC) also in Charlotte, N.C. WC has one other commercial banking subsidiary, Wachovia Bank of Delaware, National Association in Wilmington, DE. Wachovia was formed by the 2001 merger of First Union Corporation and the former Wachovia Corporation. In connection with the merger, First Union changed its name to Wachovia Corporation and is the forth – largest financial institution in the United States. Wachovia is a large full service bank offering consumer and business products through its domestic and foreign branches.

Wachovia certifies that it is in compliance with the MacBride Principles, it has comprehensive compliance and fair lending programs that include extensive controls for monitoring predatory lending issues, and that two predecessor institutions owned slaves. Pursuant to Bill 050615, Wachovia does not intend to make reparations.

In 2007 the bank exceeded its goal to provide 477 small business loans by issuing 692. While it did not set goals for home improvement loans and community development investments, it issued 592 and 11 loans respectively. The bank did not meet its goals to provide 2,323 home mortgages; it only issued 2,299.

Section 02



Section 02

2.0 Statistical Analysis of Residential Mortgage Lending Practices in Philadelphia

2.1 Purpose

This section analyzes fair lending practices among City depositories and the entire universe of lenders within Philadelphia. We examine a combination of statistical data of banking information and residential information from the census to assess (1) if discriminatory practices exist, and if the subset of City depositories differs from the entire sample of lenders, and (2) if so, to recommend public policies to eliminate the discrimination, as required by federal, state, and local legislation.



We first examine the universe of all lenders, and then turn to analyzing the data for the depositories. Note that the specific City legislation requires an analysis of City depositories to assess whether they comply with practices of fair lending, yet these institutions originate only a small portion (approximately 20 percent) of residential loans.

The central focus of this analysis addresses the following question: does the data indicate practices of racial or ethnic discrimination by regulated mortgage lenders (and the subset of lenders who were also City depositories) within the City of Philadelphia for home purchase, refinancing, or home improvement loans? The analysis of discrimination in the access to credit considers (1) denial rates, by type of loan application (home purchase, home improvement, and refinancing), and (2) less – favorable lending terms (e.g. subprime verses prime loans).

The City's fair lending legislation requires an assessment of discriminatory lending practices by banks. Our analysis indicates statistically significant disparities across the racial and ethnic characteristics of borrowers, yet notable differences exist between City depositories and the overall sample of lenders, which indicate more favorable conditions among the City depositories regarding home purchase loans.

While our regression analysis controlled for factors that were likely to influence lending decisions, it was unfortunately constrained by the lack of potentially explanatory data. For instance, the analysis did not contain data on the borrower's (1) credit rating score and (2) wealth and existing debt load. If these data were included in the analysis, the existing gap among different racial and ethnic groups might shrink or disappear completely. Still, the existing information indicates a statistically significant negative effect associated with race and ethnicity, which warrants concern and additional examination.

2.2 Data Sources

This study uses 2007 (calendar year) mortgage application data collected under the Home Mortgage Disclosure Act for the City of Philadelphia. A total of 115,134 loan applications for owner occupied homes were used in this analysis. Of these, 22,376 were loan applications to one of the City depositories.

In addition to loan – specific data, this analysis also utilizes data at the census tract level on median home values and vacancy rates obtained from the Census 2000 Summary File 3 (www.census.gov).

2.3 Model Specification and Methodology

We model the lender's decisions on whether to offer or deny a loan by type of loan (home purchase, home improvement, and refinancing). Additionally, within the sample of loans granted we analyzed whether there were discriminatory practices within the terms of the loan offered through an analysis of prime or subprime loans. As both the dependent variables were binary (loan denied=0,1 sub – prime=0,1) we employed a multinomial logistic regression model to bound the interval between 0 and 1.

The independent variables include both neighborhood and individual – level characteristics, as well as characteristics of the loan requested and dummy variables for the particular lender.

2.3.1 The Dependent Variables

The dependent variables for this analysis include loan denial rates and subprime vs. prime loan approvals.

The first dependent variable in this study was a dichotomous variable, defined as whether or not an applicant was denied approval of a (1) home purchase loan, (2) home improvement loan, or (3) a refinancing loan. If the applicant was approved for a loan the dependent variable assumes a value of zero (0) and if the application was denied a loan the dependent variable assumes a value of one (1).

The second dependent variable examines the terms of the loan, solely for home purchase loans. The variable was assigned a value of 1 if the offer was a subprime loan and a value of 0 if it was not subprime.

2.3.2 The Independent Variables

We included independent variables in the model to control for factors that were likely to influence the lending decision. Individual – level characteristics include gender, log of annual income, and race (African American, Asian, Hispanic, or Missing) with non – Hispanic Whites as the reference category. Neighborhood characteristics include: tract – level information on the median level of income (as a percentage of median income in the entire city), and the vacancy rate of unoccupied home; one specification of the model also includes a variable for percent of minority within the census tract. Loan characteristics include: amount of loan (logged), and whether it was a conventional or FHA loan. An additional variable measures the loan – to – value ratio as a measure of the amount of loan requested divided by the median home value in the census tract. The following is a bulleted list of all variables:

Individual Characteristics

- Gender
- Race or Ethnicity
- Applicant income (logged)

Neighborhood Characteristics

- Median income of the census tract (as % median income of City)
- Vacancy rates by census tract
- Percentage minority

Loan Characteristics

- Type of loan (Conventional or FHA)
- Amount of loan (logged)
- Dummy variables by lender
- Loan – to – Value Ratio (loan amount relative to median home value in the census tract)



We also include an interaction term to examine lending practices of African American males and females separately. Several potential control variables were missing from this model due to the limitations of the HMDA data. These include an applicant's credit history, and wealth and existing assets.

Credit histories are crucial factors that banks use to assess risk. Additionally, there is a strong possibility that credit scores may be correlated with race and ethnicity. Without this information, we cannot fully assess whether the banks made discriminatory decisions. We can, however, compare the practices of the City depositories with the universe of all lenders. Additionally we can compare the 2007 data with the previous year to analyze if any changes have taken place.

Additionally, while the dataset does not contain information on the interest rate associated with loans granted, we estimate the potential for discriminatory practices in interest rates by using a proxy for whether loans were granted as prime or subprime rate.

2.4 Findings: All Lender Sample

2.4.1 All Lenders: Home Purchase Loans

The estimated coefficients and standard errors from the full sample are shown in Appendix 1 Table 1. The most striking findings relate to race and ethnicity. African Americans have a 14 percent greater probability of being denied a home purchase loan than Whites, and Hispanics have an 8 percent greater probability of being denied. African American males have an additional 2 percent likelihood (for a total of 16 percent) over non – Hispanic Whites. Individuals who did not report their race were 4 percent more likely to be denied a home purchase loan.

Additionally, individuals applying for greater loan amounts had a lower likelihood of being denied a loan.

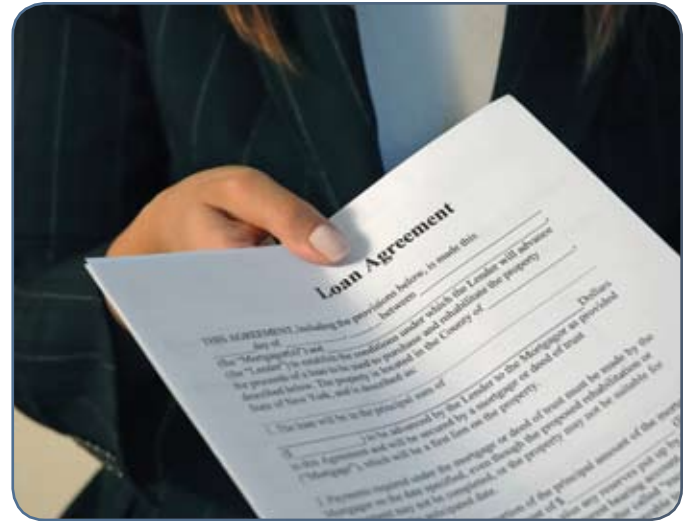
(See Appendix 1, Table 1)

2.4.2 All Lenders: Red – Lining

Red – lining relates to discriminatory practices based on geographic rather than individual characteristics, whereby lenders exhibit a pattern of avoiding loans in specific geographic areas. Our analysis of red – lining behavior incorporates a variable that captures the minority population share at the census tract level.

While the variable on percent of minority population was significant, the impact was so marginal (approximately .1 percent) that these data do not support the hypothesis of red – lining behavior.

(See Appendix 1, Table 2)



2.4.3 All Lenders: Prime and Subprime Loans

The next section of the analysis examines whether, when granted a loan, discriminatory practices exist regarding the terms of the loan. The model performs a binary logistic regression model analyzing the likelihood of being granted a prime or a subprime loan. This model tests whether, with everything else being equal, racial or ethnic groups were offered a disproportionately high number of subprime home purchase mortgages.

The table reveals that, when offered a loan, African Americans have an 11 percent higher probability of being offered a subprime loan and Hispanics have an 11 percent higher probability compared to non – Hispanic Whites.

(See Appendix 1, Table 3)

2.4.4 All Lenders: Refinancing

As the conditions and circumstances for home purchase, home improvement, and refinancing vary greatly, these loan types were analyzed separately. The following model considers loans for refinancing. The results show that African Americans were denied loans for refinancing 15 percent more frequently than Whites, while Hispanics were denied loans 11 percent more frequently.

(See Appendix 1, Table 4)

2.4.5 All Lenders: Home Improvement Loans

We have also examined the patterns of loan approvals and denials for home improvement loans. In the case of home improvement loans African Americans were routinely denied loans 17 percent more frequently and Hispanics were denied loans 17 percent more frequently than non – Hispanic Whites.

(See Appendix 1, Table 5)

2.5 Findings: Depository Sample

2.5.1 Depository Sample: Home Purchase Loans

The next section of the report analyzes Philadelphia depositories separately. This model shows that African Americans within the sample were 6 percent less likely to be denied a home purchase loan at a Philadelphia depository than they were in the universe of all lenders in the sample.

In addition, Sovereign bank was 10 percent less likely to deny a home purchase loan than the other lenders in the sample.

(See Appendix 1, Table 6)

2.5.2 Depository Sample: Red – Lining

We used the same sample to test whether or not these lenders engaged in systematic red – lining. The variables for race were replaced with a variable that captures the minority population share at the census tract level. The estimated coefficient for this variable was significant but the coefficient was exceptionally small (0.1 percent).

(See Appendix 1, Table 7)

2.5.3 Depository Sample: Prime and Subprime Loans

The next section of the analysis examines whether, when granted a loan, discriminatory practices exist regarding

the terms of the loan. The model performs a binary logistic regression model analyzing the likelihood of being granted a prime or a subprime loan. This model tests whether, with everything else being equal, racial or ethnic groups were offered a disproportionately high number of subprime home purchase mortgages. The model for prime and subprime loans reveals that African Americans were 3 percent less likely to be offered a subprime loan from a depository than they were from the universe of all lenders.

(See Appendix 1, Table 8)

2.5.4 Depository Sample: Refinancing Loans

The analysis on refinancing loans also suggests discriminatory practices were less common among the Philadelphia depositories than they were in the universe of all lenders. In the analysis of all lenders we found that African Americans were denied loans for refinancing 15 percent more frequently than Whites, while Hispanics were denied loans 11 percent more frequently. Among the Philadelphia depositories African Americans were 5 percent less likely to be denied a loan than they were among all lenders.

(See Appendix 1, Table 9)

2.5.5 Depository Sample: Home Improvement Loans

The analysis on home improvement loans suggests discriminatory practices among the Philadelphia depositories were no different than the universe of all lenders. The data indicate no differences between the depositories and the entire universe of lenders in terms of home improvement loans and the results for the entire universe of lenders indicated that African Americans were routinely denied loans 17 percent more frequently and Hispanics were denied loans 17 percent more frequently than non – Hispanic Whites.

(See Appendix 1, Table 10)

2.6 Comparison with Previous Year Analysis (2006)

The results from an identical analysis based on data for the universe of all lenders from 2006 reveal largely similar trends.

The results for the Philadelphia depositories were not directly comparable from year to year because the list of depositories changed and the specification of the model was changed. In order to examine the changes from 2006 to 2007 the list of depositories for 2007 and the current model specification was used against the 2006 data.

The current model revealed that African Americans were 5.5 percent less likely to be denied a home purchase loan from a Philadelphia depository during 2006 compared to 6 percent during 2007. Once again, we do not have access to credit scores or other assets that banks use to assess risk. Yet these trends do indicate differences between the Philadelphia depositories and the entire universe of lenders in Philadelphia based on race and ethnicity.

The comparison of the red – lining model between 2006 and 2007 does not show any significant difference. The coefficient on the percentage of the minority population was significant but it was exceptionally small (.01 percent).

The model for subprime loans shows a higher percentage African Americans were offered subprime loans during 2007. During 2006 African Americans were 9 percent less likely to be offered a subprime loan from a Philadelphia depository than from the universe of all lenders. During 2007 African Americans were only 3 percent less likely to be offered a subprime loan from a depository.

A comparison of the denial rates among Philadelphia depositories in refinancing indicates some deterioration between 2006 and 2007. The analysis of refinancing suggests the depositories were indistinguishable from the universe of all lenders during 2006. During 2007 African Americans and Asians were more likely to be denied refinancing from a depository than they were from the universe of all lenders. With respect to home improvement loans Asians were less likely to be denied a loan from a depository during 2006 and this result was not present in the 2007 data where the results were not statistically different from the universe of all lenders.

In conclusion, the data suggest that discriminatory practices existed in the sample of all lenders in all three types of loans: home purchase, refinancing and home improvement. Within the sample of Philadelphia depositories, it appears African Americans experience less discrimination for home purchase loans.



Section 03



Section 03

3.0 Prime and Subprime Home Lending in Philadelphia

Lending patterns for each loan type were analyzed by borrower race, borrower income, tract minority level, tract income level, and borrower gender. For both borrower income and tract income analyses, borrowers and tracts were divided into groups based on their reported income and the median family income for the Metropolitan Statistical Area.¹ Percentages and ratios were rounded to the nearest whole number. See referenced tables for specific numbers.

3.1 All Loans

3.1.1 All Loans – Overall Observations

Out of a total of approximately 77,000 loan applications, there were over 32,000 loans made in 2007. Of these loans, almost 24,000 were prime loans and over 8,500 were subprime loans. There were almost 25,000 denials made, setting an overall denial rate of 32.4 percent.



- The overall number of loans (32,328) has dropped steadily since 2005. There was a decrease in total loans of 17.6 percent from 2006 and 23.5 percent from 2005.
- The number of prime loans (23,790) decreased by 5.3 percent since 2006 and 19.4 percent since 2005.
- After an increase in the number of subprime loans from 2005 to 2006, the number of subprime loans (8538) decreased by 39.4 percent from 2006 to 2007.
- Prime loans made up 73.6 percent of loans made, with subprime loans comprising the remaining 26.4 percent. In 2006, the split was 64.1 percent prime and 35.9 percent subprime. In 2005, 69.9 percent of loans were prime and 30.1 percent were subprime.
- The overall denial rate has increased in each of the three study years, with 32.4 percent denied in 2007, 30.3 percent in 2006 and 30 percent in 2005.

(See Appendix 2: Tables 1 – 5)

Figure 3.1: All Loan Applications and Originations in Philadelphia

Year	Applications	Denials	Denial Rate	Loans	Prime Loans	Subprime Loans	Total Loan Amount
2005	100,261	29,773	29.7%	42,235	29,516	12,719	\$11.35B
2006	91,624	27,774	30.3%	39,224	25,131	14,093	\$11.25B
2007	77,080	24,955	32.4%	32,329	23,791	8,538	\$10.27B
Difference 2005-2007	-23%	-16%	+9%	-23%	-19%	-33%	-9%
Difference 2006-2007	-16%	-10%	+7%	-18%	-5%	-39%	-8%

¹Philadelphia County's 2007 median family income was \$71,600, as calculated by the Department of Housing and Urban Development. Below are the income subsets:

- Low – to – moderate – income (LMI): less than 80 percent of the median family income (less than \$57,280).
- Middle – to – upper – income (MUI): 80 percent or more of the median family income (\$57,280 and higher).

3.1.2 All Loans – by Borrower Race

- The overall number of prime loans given to white borrowers decreased in 2007 by 14.5 percent from 2006 after a decrease of 20.6 percent from 2005 to 2006. The total number of subprime loans to whites decreased by 46.3% in 2007 after a decrease of 8.1 percent from 2005 to 2006.
- While the total number of loan applications for whites decreased by 18.9 percent, total denials decreased by only 11.1 percent.
- The overall number of loans issued to African – American borrowers dropped 19.8 percent between 2006 and 2007. Prime loans decreased by 1.1 percent and subprime loans decreased by 36.6 percent.
- Forty – two percent of loans to African – Americans were subprime loans, a decrease from fifty – three percent in 2006, but still the highest percentage of any racial category.
- African – American borrowers were denied 1.73 times as often as white borrowers, a small improvement over 1.8 times in 2006.
- After a drop of 33.5 percent from 2005 to 2006, loans to Asian borrowers dropped only 15.8 percent in 2007.
- Despite representing the smallest percentage of total Philadelphia households, Asian borrowers generated far higher numbers of prime loan proportion versus household proportion than the other racial groups studied (3.14, or 3.5 percent of households but 11.0 percent of prime loans). This was consistent with findings for 2006 (3.12) and 2005 (3.99).
- Total applications by Asians dropped by 15.8 percent from 2006 to 2007, but total denials dropped by 19.6 percent.
- While the number of prime loans to Hispanic borrowers remains exactly flat at 1695, the number of subprime loans dropped by 33.7 percent.
- The denial rate for African – American borrowers edged up slightly to 41.5 percent. This group has the highest denial rate, followed by Hispanic borrowers at 37.2 percent. The average denial rate was 32.4 percent.
- Despite a slightly increased denial rate for African – American borrowers, the denial rate compared to whites dropped slightly, from 1.80 to 1.73.
- After a decline of 1.75 to 1.51 in the denial rate as compared to white borrowers from 2005 to 2006, Hispanic borrowers saw a slight increase to 1.55 in 2007.
- The percentage of subprime loans decreased across all racial groups, with Asian borrowers seeing the greatest decrease (47.2 percent).



(See Appendix 2: Table 1, and Appendix 3: Maps 3 and 6)

Figure 3.2: Share of All Loans in Philadelphia by Borrower Race (2007)

Borrower Race	Percent of Prime Loans	Percent of Subprime Loans	Percent of All Loans	Percent of All Households
White	61.0%	35.1%	54.5%	47.8%
African-American	28.1%	61.3%	36.4%	40.2%
Asian	11.0%	3.5%	9.1%	3.5%
Hispanic	9.1%	12.8%	10.1%	6.5%

3.1.3 All Loans – by Borrower Income

- As in 2006, the number of prime loans decreased in every category. The upper income group saw the largest decrease, at 9.5 percent.
- All income categories saw a decrease in the number of subprime loans granted, with middle income group seeing the greatest decline, at 45.3 percent.
- Borrowers in the LMI income group received 69.8 percent of subprime loans. Moderate borrowers received the largest share of the subprime loans given (37.1 percent, when compared among the four sub – divided income groups).
- Fifty – seven percent of households fall in the LMI group, which received 56.6 percent of all loans. The UMI group heads 43 percent of households and received 43.4 percent of all loans.
- The prime/subprime split of loans to the low income group was 63.0 percent/37.0 percent. This was the income group with the lowest proportion of prime loans to all loans. The proportion of prime loans increases as income rises, with borrowers in the upper income group receiving a prime/subprime split of 86.4 percent/13.6 percent.
- All income groups received a greater proportion of prime loans compared to subprime loans than in 2006.
- The number of applications decreased across all income categories, with the moderate income group decreasing the most, at 16.6 percent.
- The number of denials decreased across all income categories, with the low income group seeing the greatest decrease (12.2 percent).
- Since 2005, the number of denials decreased by 21.5 percent for the low income group. The rate of decrease in denials reduced as one moved up the income categories, with the upper income group seeing a decrease of only 9.6 percent since 2005.
- Low income borrowers have the highest denial rate at 41.4 percent, which was 1.76 times greater than upper income borrowers. The LMI group has 1.47 times the denial rate as the UMI group.

(See Appendix 2: Table 2)

Figure 3.3: Share of All Loans in Philadelphia by Borrower Income (2007)

Borrower Income	Percent of Prime Loans	Percent of Subprime Loans	Applications	Denials	Denial Rate
Low (<50% MSA)	20.0%	32.6%	21,221	8,793	41.4%
Moderate (50-80% MSA)	32.0%	37.1%	24,521	7,844	32.0%
Middle (80-120% MSA)	24.9%	20.1%	16,461	4,606	28.0%
Upper (>120% MSA)	23.2%	10.2%	12,672	2,984	23.5%
LMI (<80% MSA Income)	51.9%	69.8%	45,742	16,637	36.4%
UMI (>80% MSA Income)	48.1%	30.2%	29,133	7,590	26.1%

3.1.4 All Loans – by Tract Minority Level

- The number of loans made to homes in census tracts with less than 50 percent minority residents (non – minority tracts) dropped by 17.5 percent, which was commensurate with the 17.6 percent decrease in loans made overall.
- The number of prime loans made in non – minority tracts dropped by 7.6 percent from 2006 and 26.6 percent from 2005.
- The number of subprime loans made in non – minority tracts dropped by 45.0 percent from 2006 and 46.4 percent from 2005.
- Applications decreased by 16.3 percent in non – minority tracts and by 15.5 percent in minority tracts.
- In 2007, denial rates increased by 11.6 percent in non – minority tracts and decreased by 3.8 percent in minority tracts.
- Applicants in minority tracts were denied 1.50 times as often as applicants in non – minority areas. This was a decrease compared to 1.61 in 2006 and 1.77 in 2005.

(See Appendix 2: Table 3, and Appendix 3: Maps 1 and 4)

Figure 3.4: Share of All Loans in Philadelphia by Tract Minority Level (2007)

Minority Level	Loan Applications	Denial Rate	Pct. of Prime Loans	Pct. of Subprime Loans	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
0-49% minority	37,618	25.8%	64.4%	38.7%	1.26	0.76
50-100% minority	39,444	38.6%	35.6%	61.3%	0.73	1.25

3.1.5 All Loans – by Tract Income Level

- As in 2006 and 2005, more loans were made in LMI tracts (62.8 percent) than in UMI tracts (37.2 percent). The LMI/UMI split was 63.2 percent/36.8 percent in 2006 and 58.3 percent/41.7 percent in 2005.
- LMI tracts received 57.5 percent of prime loans.
- Moderate – income tracts received the most loans of the four sub – divided groups (14,647, or 45.3 percent). Consequently, they also received the most prime loans (10,190, or 42.9 percent) and the most subprime loans (4,457, or 52.5 percent).
- Borrowers in the middle tract income group received the greatest decrease of prime loans (8.3 percent). Not surprisingly, MUI tracts had a greater decrease in prime loans (7.7 percent decrease) versus LMI tracts (3.4 percent decrease).
- While only 33 percent of owner – occupied housing units in Philadelphia were MUI tracts, these applicants received 42.5 percent of all prime loans.
- The denial rate increased the most in middle – income tracts (13.9 percent), followed by moderate – income tracts (6.9 percent), upper – income tracts (6.7 percent), and low – income tracts (0.6 percent).
- Low – income tracts were denied 2.43 times as often as upper – income tracts.

(See Appendix 2: Table 4, and Appendix 3: Maps 2 and 5)

Figure 3.5: Share of All Loans in Philadelphia by Tract Income Level (2007)

Tract Income	Loan Application	Denial Rate	Income to Upper Income Denial Ratio	Percent of All Loans	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
LMI (<79.99% MSA Income)	53,292	35.9%	1.48	62.8%	0.86	1.16
MUI (>80% MSA Income)	23,791	24.4%	1.00	37.2%	1.29	0.68

3.1.6 by Borrower Gender

- The male/female/joint split of total loans was 36.6/40.0/23.3 percent in 2007, 37.1/40.0/23.0 percent in 2006, and 36.3/37.3/26.3 percent in 2005.
- After an increase of 14.5 percent from 2005 to 2006, the percent of subprime loans to women decreased in 2007 by 39.7 percent.
- The number of subprime loans to men decreased by 43.2 percent in 2007.
- Women head 45 percent of Philadelphia households yet receive only 40 percent of loans. Conversely, men make up 22 percent of Philadelphia households and receive 36.6 percent of loans. Joint households make up 32.7 percent of households and receive 23.3 percent of the loans. It is possible that many households identify themselves to the census as joint male/female despite the fact that the male household head was responsible for the home lending.
- Joint applications received the highest proportion of prime loans, with 80 of their total loans categorized as prime. Seventy – four percent of loans made to men were prime as were 70.4 percent of loans made to women. This may be due, in part, to a greater proportion of dual – income households and the disparity of incomes between men and women.
- Total loan applications by men decreased by 16.4 percent, while denials increased by 11.7 percent.
- Women were denied loans at 13.2 percent, while their application rate fell by 17.5 percent. These were the highest denial rates and the greatest decrease in application rates of the three groups in the gender category.

- All gender groups saw increases in the denial rate from 2005. While joint households were denied loans at the lowest rate (28.4 percent), they saw the greatest increase in the rate of denials (21.0 percent).

(See Appendix 2: Table 5)

Figure 3.6: Share of All Loans in Philadelphia by Borrower Gender (2007)

Borrower Gender	Percent of Prime Loans	Percent of Subprime Loans	Percent of All Households	Denial Rate
Male	36.8%	36.5%	22.4%	31.8%
Female	38.1%	45.4%	44.9%	33.7%
Joint (Male/Female)	25.2%	18.1%	32.7%	28.4%

3.2 Home Purchase Loans

3.2.1 Home Purchase Loans – Overall Observations

In 2006, there were 23,567 applications for home purchase loans, a decrease of 15.1 percent from the 27,751 applications made in 2006. This was after a decrease of less than 1 percent from 2005 to 2006. Of the 2007 applications, 14,726 loans were made, a decrease of 13.9 percent from 2006. The denial rate was 17.5 percent, the same as in 2006. Of the 14,726 loans that were made, 82.7 percent were prime loans and 17.3 percent were subprime loans.

Figure 3.7: Home Purchase Loan Applications and Originations in Philadelphia

	Applications	Denied	Denial Rate	Loans	Prime Loans	Subprime Loans
2005	27,789	4,485	16.1%	17,374	13,625	3,749
2006	27,748	4,866	17.5%	17,113	12,651	4,462
2007	23,567	4,116	17.5%	14,726	12,177	2,549
Difference 2005-2007	-15.2%	-8.2%	+8.2%	-15.2%	-10.6%	-32.0%
Difference 2006-2007	-15.1%	-15.4%	-0.4%	-13.9%	-3.7%	-42.9%

3.2.2 Home Purchase Loans – by Borrower Race

- The number of prime loans decreased across all racial categories, particularly white and Asian borrowers, which both saw a drop of 15.3 percent.
- The number of subprime loans decreased by more than 40 percent across all racial categories, with white borrowers seeing the greatest decrease at 54.4 percent.
- White borrowers received 54.2 percent of all loans, and comprise 47.8 percent of all Philadelphia households.
- Asians borrowers, who comprise 3.5 percent of all Philadelphia households, received 13.7 percent of all loans.
- In 2007, all racial groups saw an increase in the proportion of loans that were prime; this reverses the trend from 2006.
- The number of applications dropped in all categories, but white borrowers saw the greatest decrease at 21.7 percent. Since 2005, however, Asians have seen the greatest decrease in applications at 47.9 percent.
- The denial rate increased for both Hispanic borrowers (by 8.2 percent) and African – American borrowers (by 7.0 percent), but decreased for Asian borrowers (by 6.5 percent) and white borrowers (by 2.3 percent).
- In 2005, the denial rate of African – American borrowers was 2.1 times greater than whites; in 2007, the denial rate was 2.3 times greater than whites.



(See Appendix 2: Table 6, and Appendix 3, Maps 7 – 10)

Figure 3.8: Share of Home Purchase Loans in Philadelphia by Borrower Race (2007)

Borrower Race	Loan Applications	Denial Rate	Race to White Denial	Percent of Prime Loans	Percent of Sub-Prime Loans
White	8,104	11.5%	1	59.3%	31.3%
African-American	6,246	26.0%	2.26	25.5%	63.2%
Asian	2,003	11.4%	1.00	15.2%	5.5%
Hispanic	2,281	20.7%	1.80	10.4%	20.0%

3.2.3 Home Purchase Loans – by Borrower Income

- The low and moderate income groups both received an increase in the number of prime loans, at 8.7 percent and 0.1 percent, respectively. The middle and upper income groups saw fewer prime loans with decreases of 7.4 and 9.2 percent respectively.
- All groups received fewer subprime loans, with the upper income group receiving the largest drop of 55.7 percent. The size of the decrease became less substantial as income dropped, with borrowers in the low income group receiving a 19.5 percent reduction in subprime loans.
- The LMI group receives most of the loans, at 54.1 percent.
- The number of prime loans was split roughly evenly between the LMI (50.6 percent) and MUI (49.4 percent) groups. LMI group, however, receives 71.2 percent of subprime loans, compared to 28.8 percent by the MUI group.
- The percentage of MUI borrowers with prime loans increased by 10.7 percent; this was the largest increase seen by the four sub – divided income groups.
- The percentage of MUI borrowers with subprime loans decreased by 9.1 percent.
- The denial rate decreased as income rose, with borrowers in the low income group 1.75 times more likely to be denied as a borrower in the upper income group.

(See Appendix 2: Table 7)

Figure 3.9: Share of Home Purchase Loans in Philadelphia by Borrower Income (2007)

Borrower Income	Percent of Prime Loans	Percent of Sub-Prime Loans	Percent of all Households
LMI (<79.99% MSA Income)	50.6%	71.2%	57.4%
MUI (>80% MSA Income)	49.4%	28.8%	42.6%

3.2.4 Home Purchase Loans – by Tract Minority Level

- The number of loans for minority census tracts dropped by 15.4 percent.
- Prime loans for non minority census tracts dropped by 4.7 percent from 2006 and by 12.9 percent from 2005.
- Borrowers in minority census tracts received 37.9 percent of all loans, 33.6 percent of all prime loans, and 58.6 percent of all subprime loans.
- Of all loans made to borrowers in minority census tracts, 73.2 percent were prime and 26.8 percent were subprime.
- The proportion of prime loans made to borrowers in minority census tracts increased by 10.1 percent.
- The number of applications decreased for both categories, with minority tract borrowers applying 16.1 percent less and non – minority borrowers applying 14.3 percent less.
- The denial rate for borrowers in minority census tracts was 23.4 percent; this represents little change since 2006, when the denial rate was 23.3 percent.
- Borrowers in minority census tracts were denied 1.8 times as often as those in non – minority tracts.

(See Appendix 2: Table 8)

Figure 3.10: Share of Home Purchase Loans in Philadelphia by Tract Minority Level (2007)

Minority Level	Percent of Prime Loans	Percent of Sub-Prime Loans	Percent of All OOHU
0-49% minority	66.4%	41.4%	51.0%
50-100% minority	33.6%	58.6%	49.0%

3.2.5 Home Purchase Loans – by Tract Income Level

- The number of applications decreased across all categories, with borrowers in moderate tracts seeing the greatest reduction at 18.9 percent.
- The number of loans decreased across all categories, most significantly for borrowers in moderate income tracts, who saw a decrease of 18.2 percent.
- The number of prime loans increased by 9.5 percent in low income tracts; borrowers in all other categories saw a decline in the number of prime loans.
- The number of subprime loans decreased in all income tract groups, with borrowers in middle income tracts receiving the greatest decline at 53.9 percent.
- Borrowers in MUI tracts saw 53.3 fewer subprime loans in 2006.
- The proportion of prime/subprime loans shifted towards an increase in the number of prime loans across all categories. Borrowers in low income tracts saw an increase of 9.7 percent, the greatest increase seen, giving that group a prime/subprime split of 72.2 percent prime/27.8 percent subprime.
- Of all the loans made in an MUI tract, 91.7 percent were prime, which was an increase of 7.4 percent over 2006.
- The denial rate decreased as tract income increased; borrowers in low income tracts were denied 23.5 percent of the time while borrowers in upper income tracts were denied 8.4 percent of the time. The denial rate changed little from 2006 to 2007, with low income tracts seeing the greatest difference with a decrease of 1.1 percent.
- Borrowers in LMI tracts were denied 20.5 percent of the time, or 1.8 times per every 1 MUI denial. This changed little from 2005 when borrowers in LMI tracts were denied 1.7 times for every 1 MUI denial.



(See Appendix 2: Table 9)

Figure 3.11: Share of Home Purchase Loans in Philadelphia by Tract Income Level (2007)

Tract Income	Loan Applications	Denial Rate	Income to Upper Income Denial Ratio	Percent of All Loans	Percent of All Household	Prime Share to Household Share Ratio	Share to Household Share Ratio
LMI (<79.99% MSA Income)	15,454	20.5%	1.77	61.6%	67.0%	0.84	2.75
MUI (>80% MSA Income)	8,084	11.6%	1.00	38.4%	33.0%	1.00	1.00

3.2.6 Home Purchase Loans – by Borrower Gender

- The number of applications dropped across all categories, with the drop in male applications the greatest at 18.2 percent.
- All three categories showed a decrease in the number of loans, prime loans and subprime loans.
- Male borrowers showed the greatest decreases in the number of loans and subprime loans at 17.8

percent and 46.4 percent, respectively.

- At 7.0 percent, joint borrowers saw the greatest decrease in prime loans.
- Male and female borrowers received nearly the same number of prime loans (1061 for males and 1075 for females), despite the fact that females head 44.9 percent of households and males head only 22.4 percent of households.
- Of all the prime loans that were made, 39.3 percent went to male borrowers and 37.8 percent went to female borrowers.
- For all the loans made to joint households, 91.3 percent were prime loans. This was an increase of 4.6 percent from 2006.
- Applications by males were the most likely to be denied, at a rate of 18.9 percent, although female borrowers followed closely behind with a denial rate of 17.8. These rates changed little from 2006.
- Applications filed by joint male/female households were denied only 11.5 percent of the time.



(See Appendix 2: Table 10)

Figure 3.12: Share of Home Purchase Loans in Philadelphia by Borrower Gender (2007)

Borrower Gender	Percent of Prime Loans	Percent of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	80.6%	19.4%	1.00	1.00
Female	79.7%	20.3%	0.99	1.04
Joint (Male/Female)	91.4%	8.6%	1.13	0.44

3.3 Home Refinance Loans

3.3.1 Home Refinance Loans – Overall Observations

In 2007, there were 46,237 loan applications, a decline of 17.2 percent from 2006. Out of that pool, 17,240 applications were rejected, yielding a denial rate of 37.3 percent. Of the 15,183 loans that lenders made, 9,927 were prime loans (or 65.4 percent) and 5,256 were subprime (or 34.6 percent). The number of prime loans decreased by 5.3 percent and the number of subprime loans declined by 40.5 percent.

Figure 3.13: Home Refinance Loan Applications and Originations in Philadelphia

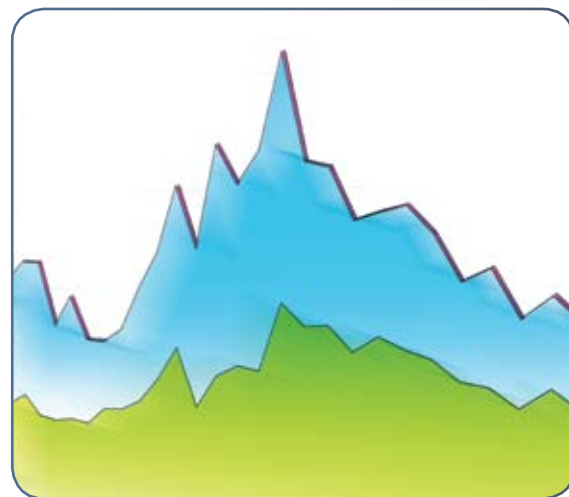
	Applications	Denied	Denial Rate	Loans	Prime Loans	Subprime Loans
2005	64,319	21,977	34.2%	21,876	13,602	8,274
2006	55,816	18,974	34.0%	19,320	10,486	8,834
2007	46,237	17,240	37.3%	15,183	9,927	5,256
Difference 2005-2007	-28.1%	-21.6%	9.1%	-30.6%	-27.0%	-36.5%
Difference 2006-2007	-17.2%	-9.1%	9.7%	-21.4%	-5.3%	-40.5%

3.3.2 Home Refinance Loans – by Borrower Race

- Prime loans decreased for white and African – American borrowers by 12.1 percent and 4.0 percent, respectively, but increased for Asian and Hispanic borrowers by 5.2 percent and 1.1 percent, respectively.
- Subprime loans decreased for all groups from 2006 to 2007, with Asians experiencing the greatest drop at 50.5 percent. The number of subprime loans going to white borrowers, however, dropped 52.5 percent

from 2005 – 2007, the greatest drop of any group.

- African – American borrowers, who saw the greatest increase in subprime loans from 2005 – 2006 (28 percent), received 20.5 percent fewer loans in 2007 than in 2005.
- White borrowers received 63.9 percent of all prime loans (down from 66.2 percent in 2006), but head only 47.8 percent of all households.
- African – American borrowers received 59.8 percent of all subprime loans (up from 56.1 percent in 2006) and head 40.2 percent of all households.
- In 2006, African – American and Hispanic borrowers were the only two groups that received more subprime loans than prime loans. In 2007, all groups received more prime loans than subprime loans.
- African – American borrowers received only a fraction more prime loans (2078 loans, or 50.4 percent) than subprime loans (2049 loans, or 49.6 percent).
- The number of applications declined across all categories, most significantly for white borrowers, who submitted 17.9 fewer applications than in 2006 and 25.6 percent fewer than in 2005.
- The denial rate for African – American borrowers was 44.6 percent, the highest of all groups.
- African – American and Hispanic borrowers were denied 1.5 and 1.4 times, respectively, as often as white applicants in 2007. This was a steady improvement from 2005, when they were denied 1.9 and 1.6 times, respectively, as likely to be denied as white applicants.



(See Appendix 2: Table 11)

Figure 3.14: Share of Home Refinance Loans in Philadelphia by Borrower Race (2007)

Borrower Race	Percent of Prime Loans	Percent of Subprime Loans	Percent of All Households	Denial Rate
White	63.9%	37.6%	47.8%	30.1%
African-American	29.9%	59.8%	40.2%	44.6%
Asian	6.2%	2.6%	3.5%	30.6%
Hispanic	7.6%	8.8%	6.5%	42.9%

3.3.3 Home Refinance Loans – by Borrower Income

- The number of prime loans decreased for all categories, except for borrowers in the low income group, who saw an increase of 7.3 percent.
- All income groups saw a decrease in the number of subprime loans, with those in the middle income group experiencing the greatest decline of 44.0 percent.
- While MUI applicants compose 42.6 percent of all households, they received 50.5 percent of all prime loans in 2005. This decreased to 48.0 percent of all prime loans in 2007.
- All income groups received more prime loans than subprime loans. The proportion of prime loans over subprime loans for each group increased with income, with those in the upper income group receiving 79.1 percent of their loans as prime and 20.9 percent as subprime.
- All groups submitted fewer applications than in 2005 and 2006, with upper income applicants seeing the greatest decline of 27.5 percent since 2005.
- In 2007, LMI applications dropped by 17.9 percent and MUI applications fell by 12.8 percent.
- The denial rate increased for all groups, with those in the upper income group feeling the greatest increase of 9.7 percent. As in 2005 and 2006, the low income group had the highest denial rate, which was 44.9 percent in 2007.

- Applicants in the LMI group were denied 1.26 times for every MUI denial; this was a decrease from 1.53 denials for every MUI denial in 2005.

(See Appendix 2: Table 12)

Figure 3.15: Share of Home Refinance Loans in Philadelphia by Borrower Income (2007)

Borrower Income	Loan Applications	Denial Rate	Income to Upper Income Denial Rate	Percent of All Loans	Percent of all Households
LMI (<79.99% MSA Income)	27,750	40.5%	1.26	57.8%	57.4%
MUI (>80% MSA Income)	16,969	32.1%	1	42.2%	42.6%

3.3.4 Home Refinance Loans – by Tract Minority Level

- In non – minority census tracts, the number of prime loans decreased by 8.9 percent from 2006 and by 28.0 percent from 2005.
- Prime loans to borrowers in minority census tracts increased by 1.6 percent while the subprime loans decreased by 36.6 percent.
- While non – minority census tracts hold 51.0 percent of households, they receive 63.8 percent of all prime loans. This was a decrease from 66.3 percent of all prime loans in 2006 and 71.1 percent in 2005.
- The majority of loans to both groups were prime. This was the first year of the study in which borrowers from minority census tracts received more prime loans (3,589 loans, or 52.6 percent) than subprime loans (3,232 loans or 47.4 percent).
- As in 2006, both groups saw applications and denials decrease. From 2005, applications fell by 20.3 percent in non – minority census tracts and by 5.7 percent in minority census tracts. Denials decreased by 15.8 percent in non – minority census tracts and by 12.3 percent in minority census tracts.

(See Appendix 2: Table 13)

Figure 3.16: Share of Home Refinance Loans in Philadelphia by Tract Minority Level (2007)

Minority Level	Percent of Prime Loans	Percent of Sub-Prime Loans	Percent of All OOHU	Denial Rate
0-49% minority	63.8%	38.5%	51.0%	32.4%
50-100% minority	36.2%	61.5%	49.0%	41.7%

3.3.5 Home Refinance Loans – by Tract Income Level

- All categories except for the low income group experienced a decrease in the number of prime loans. Low income group borrowers received 4.6 percent more prime loans in 2007.
- All categories experienced a decrease in subprime loans, with borrowers in the middle income group seeing the greatest decline, 44.7 percent.
- Borrowers in the moderate income group received the largest share of prime loans and subprime loans, at 43.8 percent and 52.8 percent, respectively.
- The number of prime loans made to the MUI group has dropped by 35.4 percent since 2005, while the overall number of prime loans fell by only 27.0 percent.
- All categories received more prime loans than subprime loans. The proportion of prime to subprime loans fell with income, with borrowers in the low income group receiving 1,202 prime loans (50.4 percent) to their 1,182 subprime loans (49.6 percent). The 2007 study year was the first time that borrowers low income borrowers received more prime loans than subprime.
- The number of applications fell across all categories from 2006 to 2007, most significantly among applicants in the moderate income group (19.0 percent). From 2005 to 2007, however, borrowers in the middle and upper income groups fell the most at 34.0 and 34.3 percent, respectively.

- As in the previous two years, borrowers in the low income group had the highest denial rate, which was 44.4 percent in 2007.

(See Appendix 2: Table 14)

Figure 3.17: Share of Home Refinance Loans in Philadelphia by Tract Income Level (2007)

Tract Income	Pct. Of Prime Loans	Pct. Of Subprime Loans	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio	Denial Rate	Income to Upper- Income Denial
LMI (<79.99% MSA Income)	55.9%	75.3%	67.0%	0.83	1.12	40.1%	1.30
MUI (>80% MSA Income)	44.1%	24.7%	33.0%	1.34	0.75	30.9%	1.00

3.3.6 Home Refinance Loans – by Borrower Gender

- The number of prime and subprime loans decreased for all categories.
- Female borrowers received 23.2 percent fewer loans, but, as in the two previous years, still received the largest number of loans, which was 5,548 in 2007.
- As in 2006, female borrowers received the most subprime loans, 5,548, or 45.0 percent of all subprime loans.
- All three categories received more prime loans than subprime loans. Joint borrowers received the highest proportion of prime loans, 71.3 percent.
- The number of applications decreased among all categories. Joint borrowers saw the largest decrease in applications (34.8 percent).
- Female applicants had the highest denial rate of 38.5 percent, but this was relative to an overall denial rate of 37.3 percent.
- The denial rate for joint applicants (34.2 percent) experienced the highest increase (3.3 percent).

(See Appendix 2: Table 15)

Figure 3.18: Share of Home Refinance Loans in Philadelphia by Borrower Gender (2007)

Borrower Gender	Loan Applications	Denial Rate	Gender to Male Denial Ratio	Percent of Prime Loans	Percent of Subprime Loans
Male	1,4312	5,294	1.00	66.7%	33.3%
Female	1,5797	6,084	1.04	62.2%	37.8%
Joint (Male/Female)	8,902	3,049	0.93	71.3%	28.7%

3.4 Home Improvement Loans

3.4.1 Home Improvement Loans – Overall Observations

In 2007, there were 15,864 applications for home improvement loans, a 9.2 percent decline from the year before. Of these applications, 7,735, or 48.8 percent, were denied, an increase of 3.2 percent. City lenders made 4,584 loans, of which 80.3 percent were prime and 19.7 percent were subprime.

Figure 3.19: Home Improvement Loan Applications and Originations in Philadelphia

	Applications	Denied	Denial Rate	Loans	Prime Loans	Subprime Loans
2005	8,136	3,308	40.7%	2,978	2,284	694
2006	17,473	7,958	45.5%	6,927	5,684	1,243
2007	15,864	7,735	48.8%	5,712	4,584	1,128
Difference 2005-2007 ²	-9.2%	-2.8%	7.1%	-17.5%	-19.4%	-9.3%

3.4.2 Home Improvement Loans – by Borrower Race

- Sixty – three percent of prime loans were issued to white applicants, down slightly from 66.3 percent in 2006.
- African – Americans received 61.0 percent of all subprime loans, a negligible increase from 60.7 percent in 2006.
- White applications received a higher share of loans than their share of households (57.4 percent and 47.8 percent, respectively), but that was more proportionate than in 2006 (60.8 percent and 47.8 percent, respectively).
- As in the previous two years, all groups received more prime loans than subprime loans. Asian borrowers had the highest proportion of prime loans; 90.6 percent of their loans were prime and 9.4 percent were subprime.
- White and African – American applications fell by 13.8 percent and 3.3 percent, respectively, and Asian and Hispanic applications rose by 3.1 percent and 1.9 percent respectively, from 2006 to 2007.
- Hispanic borrowers had the highest denial rate of 63.0 percent, followed closely by African – American borrowers at 60.1 percent.

(See Appendix 2: Table 16)

Figure 3.20: Share of Home Improvement Loans in Philadelphia by Borrower Race (2007)

Borrower Race	Loan Applications	Denial Rate	Pct. Of Prime Loans	Pct. Of Subprime Loans	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	5,030	1,820	62.8%	36.3%	1.31	0.76
African-American	5,844	3,514	30.5%	61.0%	0.76	1.52
Asian	709	349	6.7%	2.7%	1.92	0.78
Hispanic	1,517	956	6.4%	13.4%	0.99	2.06

3.4.3 Home Improvement Loans – by Borrower Income

- Of the four sub – categories, moderate income borrowers received the most loans and the most prime loans 30.8 percent and 39.9 percent, respectively.
- Low income borrowers received the most subprime loans (35.3 percent), but were followed closely by Moderate income borrowers (34.7 percent).
- LMI borrowers comprise 57.4 percent of households, but receive 70.0 percent of all subprime loans.
- All categories received more prime loans than subprime loans. As in other loan categories, the proportion of prime loans increased with income. Sixty – nine percent of loans to low income borrowers were prime loans, while 91 percent of loans to upper income borrowers were prime loans.
- LMI borrowers received 2 subprime loans for every 1 issued to an MUI borrower.
- The number of applications fell in every income category from 2006 to 2007, with the upper income group seeing the largest decline of 12.5 percent.
- The denial rate increased from 2006 to 2007 for all categories with applicants in the moderate income group experiencing the largest increase of 3.5 percent.
- As in the two previous years, low income borrowers had the highest denial rate, which was 60.2 percent in 2007.

(See Appendix 2: Table 17)

²Because of a major change in methodology (2005 figures include only first liens, while 2006 and 2007 include first and second liens), the more apt historical comparison is between 2006 and 2007. Hence, in this section many year – over – year comparisons, particularly those involving raw numeric results (as opposed to percent proportions) were made between 2006 and 2007.

Figure 3.21: Share of Home Improvement Loans in Philadelphia by Borrower Income (2007)

Borrower Income	Percent of All Loans	Percent of all Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio	Denial Rate
LMI (<79.99% MSA Income)	53.5%	57.4%	0.86	1.22	56.0%
MUI (>80% MSA Income)	46.5%	42.6%	1.19	0.70	35.5%

3.4.4 Home Improvement Loans – by Tract Minority Level

- Lenders issued 62.9 percent of prime loans to borrowers in non – minority tracts, a decrease from 71.8 percent in 2005.
- Of all subprime loans issued, 63.8 percent went to minority census tracts. This was an increase over both 2006 (61.6 percent) and 2005 (56.1 percent).
- Philadelphia households split evenly into minority (49.0 percent) and non – minority (51.0 percent) census tracts, yet 57.6 percent of loans issue to non – minority tracts.
- As in the previous two years, both groups receive more prime loans than subprime loans. Non – minority tracts receive a higher proportion of prime loans to subprime loans, at 87.6 percent prime to 12.4 percent subprime. This compares to a split of 70.3 percent prime to 29.7 percent subprime for minority tracts.
- Non – minority tract applications fell by 23 percent from 2005.
- Applicants in minority census tracts were more likely to be denied. For every denial to a non – minority tract, minority tract applicants receive 1.47 denials. This was down from 1.59 in 2006 and 1.77 in 2005.



(See Appendix 2: Table 18)

Figure 3.22: Share of Home Improvement Loans in Philadelphia by Tract Minority Level (2007)

Minority Level	Loan Applications	Denial Rate	Pct. of Prime Loans	Pct. of Subprime Loans	Percent of All OOHU
0-49% minority	7,253	38.9%	62.9%	36.2%	51.0%
50-100% minority	8,609	57.0%	37.1%	63.8%	49.0%

3.4.5 Home Improvement Loans – by Tract Income Level

- Moderate income tracts received the most prime (1,943, or 42.4 percent) and subprime loans (549, or 48.7 percent).
- The number of prime loans to middle income tracts dropped by 25.2 percent from 2006.
- The LMI tract group comprises 67.0 percent of all Philadelphia households and received 60.6 percent of all loans. They also received 77.0 percent of all subprime loans.
- As in the two previous years, all categories received more prime loans than subprime. The proportion of prime loans increases with tract income; of all 2,247 loans made to upper income tracts, 94.1 percent were prime loans.
- Applications fell across all categories, with applications from middle income tracts declining the most at 17.6 percent.
- As in the previous two years, the denial rate fell as tract income rises. For every denial made to an applicant in an upper income tract, 2.84 denials were made to applicants in low income tracts.

(See Appendix 2: Table 19)

Figure 3.23: Share of Home Improvement Loans in Philadelphia by Tract Income Level (2007)

Tract Income	Pct. Of Prime Loans	Pct. Of Subprime Loans	Income Share to Upper Income- Share Ratio: Prime	Income Share to Upper Income- Share Ratio: Subprime	Denial Rate
LMI (<79.99% MSA Income)	56.6%	77.0%	0.85	2.18	54.8%
MUI (>80% MSA Income)	43.4%	23.0%	1.00	1.00	33.6%

3.4.6 Home Improvement Loans – by Borrower Gender

- The number of prime and subprime loans fell across all categories. Female borrowers received the greatest drop in total loans and prime loans, at 19.8 percent and 22.8 percent, respectively. Male borrowers saw the greatest drop in subprime loans, at 16.2 percent.
- Female borrowers receive the most prime and subprime loans, at 36.4 percent and 45.7 percent, respectively.
- As in both of the previous years, all groups received more prime loans than subprime loans. Joint borrowers were most likely to receive a prime loan, at 84.6 percent.
- Applications were down in all categories. Male borrowers saw the biggest drop of 11.3 percent.
- The denial rate dropped for all groups except for Joint borrowers, which increased slightly to 37.8 percent from 33.2 percent in 2006. This follows a much higher increase of 16.2 percent from 2005 to 2006.
- Female borrowers had the highest denial rate of 53.4 percent, but were followed closely by male borrowers at 50.6 percent.



(See Appendix 2: Table 20)

Figure 3.24: Share of Home Improvement Loans in Philadelphia by Borrower Gender (2007)

Borrower Gender	Percent of Prime Loans	Percent of Subprime Loans	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio	Denial Rate	Gender to Male Denial Rate
Male	29.6%	29.4%	1.00	1.00	50.6%	1.00
Female	36.4%	45.7%	0.95	1.20	53.4%	1.06
Joint (Male/Female)	34.0%	24.9%	1.05	0.78	37.8%	0.75

Section 04



Section 04

4.0 Philadelphia Compared to Other Areas

Lending to the City of Philadelphia's residents was compared to lending to residents of the City's four suburban counties – Bucks, Chester, Delaware, and Montgomery – as well as to lending in Baltimore, Detroit, and Pittsburgh, three cities identified as a useful comparison group to the City. Specifically, aggregate single – family home purchase, home improvement, and home refinance lending was analyzed (see Appendix 2, Tables 21 – 40).

4.1 Home Lending in Philadelphia vs. Suburbs

4.1.1 Home Lending in Philadelphia vs. Suburbs – by Borrower Race

(See Appendix 2: Table 1 and 21)

- African – Americans represented 8.3 percent of suburban households, while African – American borrowers received 5.4 percent of suburban prime loans (up from 4.9 percent in 2006) and 18.5 percent of suburban subprime loans (down from 19.5 percent in 2006).
- Of all loans to Asians in the suburbs, 6.5 percent were subprime (versus 9.7 percent in the City), down from 1.8 percent in 2006 (15.5 percent in the City).
- In the suburbs, Asians represented 2.7 percent of suburban households, while Asian borrowers received 4.5 percent of suburban prime loans and 2.5 percent of suburban subprime loans.
- Sixteen percent of loans to Hispanic borrowers were subprime in the suburbs, compared to 32.9 percent in the City; both proportions were down from 2006.
- Hispanics represented 2.2 percent of households in the suburbs, while Hispanic borrowers received 2.2 percent of suburban prime loans and 3.4 percent of suburban subprime loans.
- Of all loans to whites in the suburbs, 9.8 percent were subprime (versus 16.1 percent in the City), down from 13.6 percent in 2006 (23.5 percent in the City).

Figure 4.1: Share of All Loans by Borrower Race, Philadelphia vs. Suburbs

	2007	2007	2007	2007	2006	2006	2006	2006	2000	2000
Total	City Prime	Suburban Prime	City Sub-Prime	Suburban Subprime	City Prime	Suburban Prime	City Sub-Prime	Suburban Subprime	City Percent of Households	Suburban Percent of Households
White	61%	90%	35%	79%	64%	90%	39%	77%	48%	86%
African-American	28%	5%	61%	19%	25%	5%	57%	20%	40%	8%
Asian	11%	5%	4%	3%	11%	4%	4%	3%	3%	3%
Hispanic	9%	2%	13%	3%	8%	2%	12%	4%	7%	2%

- Loan applications continued to be denied at a higher rate in the City than in the suburbs, as was the case in both 2006 and 2005: 21 percent of loans were denied in the suburbs, compared to 32 percent of loans in the City.
- Denial rates were higher in the City versus the suburbs for each racial category, a consistent finding since 2005. As in 2006, the category with the greatest disparity was the Hispanic group, with a denial rate of 32.4 percent in the City and 26.7 percent in the suburbs.
- The largest changes in denial rates from 2006 to 2007 were for Hispanic borrowers, +4.0 in the City and +4.6 percent in the suburbs.
- In the suburbs, the ratio of African – American to White denials decreased, while the ratio of Asian to White and Hispanic to White denials increased.
- As in 2006, African – Americans were nearly twice more likely to receive a denial than white borrowers, although this rate has decreased consistently from 2.20 in 2005 and 2.04 in 2006 to 1.95 in 2007.
- As in 2005 and 2006, only Asian borrowers were less likely than whites to be denied loans. Also, in all three study years the Asian denial rate was the lowest of any racial category.

Figure 4.2: 2007 Denial Rate by Borrower Race, Philadelphia vs. Suburbs

Total	City Denial Rate	Suburban Denial Rate	City Race to White Denial	Suburban Race to White Denial
White	24.0%	25.2%	1.00	1.00
African-American	41.5%	40.3%	1.73	1.60
Asian	20.7%	22.1%	0.86	0.88
Hispanic	37.2%	36.6%	1.55	1.45
Total	32.4%	30.4%	1.35	1.21

4.1.2 Home Lending in Philadelphia vs. Suburbs – by Borrower Income

- In all three years studied, the upper – income group received the largest number of all loans (48.5 percent) as well as the largest number of prime loans (50.2 percent) in the suburbs. In fact, the higher the income group, the higher the proportion of all loans and prime loans. This was unlike the City pattern, where the moderate – income group consistently receives both the most prime and subprime loans.
- Low and moderate income (LMI) households represent 29.0 percent of households in the suburbs, while LMI borrowers received 23.0 percent of prime loans and 33.5 percent of subprime loans. This was an increase of 1.5 percent for both loan categories.
- LMI households represented 57.4 percent of households in the City, while LMI borrowers received 51.9 percent of all prime loans and 69.8 percent of all subprime loans in the City. This was an increase of 2.4 percent and 3.2 percent for prime and subprime loans, respectively.
- As in 2005 and 2006, a greater proportion of subprime loans was issued to LMI borrowers than to middle and upper income (MUI) borrowers in both the City and the suburbs.
- Subprime loans were 32.5 percent of the loans issued to LMI borrowers in the City, compared to 15.9 percent of LMI borrowers in the suburbs. As with MUI borrowers (and for all four sub – divided income categories), the proportion of subprime loans decreased compared to both 2005 and 2006. This was true in both the City and suburbs.
- In the suburbs, the denial rate declined as income level rose.
- The LMI group was denied a loan 36.4 percent of the time in the City (an increase of 1.6 percent since 2006) and 27.6 percent of the time in the suburbs (an increase of 0.3 percent).
- In the suburbs, the LMI denial rate was 27.6 percent, while the MUI denial rate was 18.3 percent.



(See Appendix 2: Table 2 and 22)

Figure 4.3: 2007 Share of All Loans by Borrower Income, Philadelphia vs. Suburbs

Total	City Subprime Loans	Suburban Subprime Loans	City Percent of Households	Suburban Percent of Households
LMI	69.8%	21.7%	29.0%	57.4%
UMI	30.2%	78.3%	71.0%	42.6%

4.1.3 Home Lending in Philadelphia vs. Suburbs – by Tract Minority Level

- Forty – nine percent of all census tracts in the City had more than 50 percent minority populations, compared to 2.6 percent of suburban tracts.
- City minority tracts received 61.3 percent of all subprime loans, while suburban minority tracts received 6.7 percent of all subprime loans.
- In the suburbs, 37.4 percent of loans in minority tracts were subprime. This was a decrease of 10.6 percent from 2006.
- Suburban minority tracts received 45.5 percent fewer subprime loans than in 2006 (versus 35.2 percent fewer for City minority tracts).
- Both City and suburban borrowers in minority census tracts received prime loans about 62 percent of the time, an increase of about 10 percent for both groups from 2006.
- Suburban borrowers in minority tracts were 3.36 times more likely to get subprime loans than borrowers in non – minority tracts, compared to 2.15 times in the City. This was an increase from 3.06 in the suburbs and 1.89 in the City in 2005.
- The denial rates in suburban and City minority census tracts were 39.5 percent and 38.6 percent, respectively.

(See Appendix 2: Table 3 and 23)

Figure 4.4: 2007 Share of Prime Loans by Tract Minority Level, Philadelphia vs. Suburbs

Total	City Percent Prime	Suburban Percent Prime	City Percent of Households	Suburban Percent of Households
0-49% minority	64.4%	49.1%	51.0%	97.4%
50-100% minority	35.6%	50.9%	49.0%	2.6%

4.1.4 Home Lending in Philadelphia vs. Suburbs – by Tract Income Level

- Sixty percent of Owner - Occupied housing units were in LMI tracts in the City, compared to just 5.6 percent in the suburbs.
- In the suburbs, the percentage of prime, subprime, and all loans increased with the census tract's income level.
- LMI tracts in the City received 57.5 percent of all prime loans and 77.6 percent of all subprime loans; these were slight increases from 2006 of 1.1 percent and 2.4 percent, respectively. Suburban LMI tracts received 4.8 percent of all prime loans and 13.1 percent of all subprime loans; these were very small decreases from 2006 of 0.1 percent and 0.7 percent, respectively.
- Of all loans to LMI tracts in the City, 32.6 percent were subprime, compared to 15.9 percent of loans for MUI tracts. Of all loans to suburban LMI tracts, 26.4 percent were subprime, compared to 10.8 percent of loans for MUI tracts.
- City applicants in LMI tracts were denied 35.9 percent of the time, compared to a rate of 32.6 percent in the suburbs.
- In the City, LMI residents were 1.47 times more likely to be denied than MUI residents; in the suburbs they were 1.64 times more likely to be denied than MUI residents.

(See Appendix 2: Table 4 and 24)

Figure 4.5: 2007 Share of All Loans by Tract Income Level, Philadelphia vs. Suburbs

Total	City Prime Loans	Suburban Prime Loans	City Subprime Loans	Suburban Subprime Loans
LMI (<80% MSA Income)	57.5%	74.3%	77.6%	90.9%
UMI (>80% MSA Income)	42.5%	25.7%	22.4%	9.1%

4.1.5 Home Lending in Philadelphia vs. Suburbs – by Borrower Gender

- In all years studied, joint (male/female) applicants were the most likely to be approved in both the City and the suburbs.
- As in 2005 and 2006, joint applicants were the most likely to receive prime loans in the suburbs.
- Of all loans to joint applicants in the City, 79.7 were prime, an increase of 5.1 percent. Of all loans to joint applicants in the suburbs, 91.3 percent were prime, an increase of 3.3 percent.
- Females received 45.4 percent of subprime loans in the City (an increase of 2.3 percent from 2005) and 28.7 percent subprime loans in the suburbs (an increase of 0.4 percent from 2005).
- Male applicants received 36.5 percent of the subprime loans in the City and 33.3 percent of subprime loans in the suburbs.
- Males received subprime loans at 1.63 times the rate of their share of households in the City and 1.93 times more in the suburbs. This was a decrease from 1.72 in the City and 2.08 in the suburbs in 2006.
- Male borrowers were denied at a rate of 31.8 percent in the City and 23.4 percent in the suburbs.
- Female borrowers were denied at a rate of 33.7 percent in the City and 21.8 percent in the suburbs.
- Joint applications were denied 17.5 percent of the time in the suburbs (an increase of 1.2 percent from 2006) and 28.4 percent of the time in the City (an increase of 2.9 percent from 2006).



(See Appendix 2: Table 5 and 25)

Figure 4.6: 2007 Share of Prime Loans by Borrower Gender, Philadelphia vs. Suburbs

Total	City Prime Loans	Suburban Prime Loans	City Percent of Households	Suburban Percent of Households
Male	36.8%	50.7%	22.4%	17.3%
Female	38.1%	23.3%	44.9%	27.8%
Joint	25.2%	26.0%	32.7%	55.0%

4.2 Home Lending in Philadelphia vs. Comparison Cities

Philadelphia, Baltimore, Detroit, and Pittsburgh have many similarities. All of these cities have declining populations, according to US Census estimates. With the exception of Pittsburgh, the majority of households in these cities were headed by minorities, and the cities all have aging housing stock and infrastructure. Female householders occupy between 43 and 49 percent of the households in all four cities.

Between 2005 and 2007, lending decreased in all four cities, particularly in Detroit (which saw an almost 60 percent decline during that time period) and particularly for subprime loans (which saw declines from 33 percent to 65 percent, depending on the city). In 2007, 26.4 percent of loans in Philadelphia were subprime, compared to 31.2 percent in Baltimore, 58.7 in Detroit, and 24.3 percent in Pittsburgh.



Figure 4.7: All Loans, Philadelphia vs. Comparison Cities

2007	Prime Loans	SubPrime Loans	Total Loans
Philadelphia	23,791	8,538	32,329
Baltimore	10,776	4,895	15,671
Detroit	3,916	5,576	9,492
Pittsburgh	3,537	1,134	4,671
2005	Prime Loans	SubPrime Loans	Total Loans
Philadelphia	29,511	12,717	42,228
Baltimore	13,115	8,166	21,281
Detroit	7,402	15,861	23,263
Pittsburgh	3,844	1,729	5,573
2005-2007 Difference	Prime Loans	SubPrime Loans	Total Loans
Philadelphia	-19%	-33%	-23%
Baltimore	-18%	-40%	-26%
Detroit	-47%	-65%	-59%
Pittsburgh	-8%	-34%	-16%

4.2.1 Home Lending in Philadelphia vs. Comparison Cities – by Borrower Race

(See Appendix 2: Tables 1, 41, 46, and 51)

- As in 2006, Philadelphia, Baltimore, and Pittsburgh all showed a disparity in prime lending to African – Americans compared to their share of households. Philadelphia continued to improve its disparity by increasing the ratio of African – American prime lending compared to households from 0.52 in 2005 to 0.63 in 2006 and then 0.70 in 2007.
- As in 2006, Detroit was the only city without disparity in prime lending rates to African – Americans.
- African – Americans were issued subprime loans 42.2 percent of the time in Philadelphia (down from 53.1 percent in 2006), compared to 40.9 percent in Baltimore, 61.4 percent in Detroit, and 46.5 percent in Pittsburgh.
- African – Americans received 2.62 times as many subprime loans as whites in Philadelphia, compared to 2.78 times as many in Baltimore, 1.29 times as many in Detroit, and 2.25 times as many in Pittsburgh.
- In 2006, the denial ratio between African – American and white borrowers was highest in Philadelphia, but in 2007, that position was overtaken by Pittsburgh, with a score of 1.78. With a score of 1.73, Philadelphia had the second – highest score, but was followed closely by Baltimore, which rose from 1.51 in 2006 to 1.71 in 2007. This ratio has fallen in Philadelphia from 2.07 in 2005 to 1.80 in 2006 and then to 1.73 in 2007.
- In Detroit, African – Americans were only slightly more likely to be denied than white borrowers. The denial ratios increased in all four cities, except Philadelphia, where it fell from 1.80 to 1.73.

Figure 4.8: 2007 African-American Proportion of Prime Loans and Households, Philadelphia vs. Comparison Cities

City	African American Percent of All Loans	African American Percent of All Households
Philadelphia	28.1%	40.2%
Baltimore	51.1%	58.9%
Detroit	78.1%	80.1%
Pittsburgh	6.6%	24.1%

Figure 4.9: 2007 African American to White Denial Ratio, Philadelphia vs. Comparison Cities

City	African American to White Denial Ratio
Philadelphia	1.73
Baltimore	1.71
Detroit	1.13
Pittsburgh	1.78

- Hispanic borrowers in Philadelphia received a percentage of prime loans that exceeded the percentage share of Hispanic households (1.40). This was true in all cities, with Baltimore lenders offering the highest ratio, at 1.60.
- In Detroit, 57.8 percent of Hispanic borrowers received subprime loans, compared to 32.9 percent in Philadelphia, 31.2 percent in Baltimore, and 19.2 percent in Pittsburgh.
- In 2007, Pittsburgh was the only city to issue subprime loans to whites more frequently than to Hispanic borrowers.

Figure 4.10: White and Hispanic Market Share of Subprime Loans, Philadelphia vs. Comparison Cities

City	Percent of Whites Receiving Subprime Loans	Percent of Hispanics Receiving Subprime Loans
Philadelphia	16.1%	32.9%
Baltimore	14.7%	26.9%
Detroit	47.5%	57.8%
Pittsburgh	20.7%	19.2%

- The greatest disparity between Hispanic and white denial rates was in Philadelphia, where Hispanics were 1.6 times more likely to be denied than whites. This was a slight increase from the disparity denial ratio of 1.5 in 2006.
- Hispanic borrowers in Baltimore were denied 1.5 times more often than whites, compared to a 1.1 ratio in Pittsburgh. Hispanics in Detroit were offered loans at virtually the same rate as white borrowers.
- In all four cities, Asian borrowers received prime loans at a proportion that was greater than their share of households, with Detroit offering the second – highest ratio of 1.5 (after Philadelphia’s 3.1), followed by Baltimore at 1.3 and Pittsburgh at 1.1.
- In all four cities, Asians were less likely than whites to receive subprime loans.
- Asians were denied about the same rate as whites in Detroit. There were denied at a greater rate in Baltimore (1.23), but at a lower rate in Philadelphia (0.86) and Pittsburgh (0.39).

4.2.2 Home Lending in Philadelphia vs. Comparison Cities – by Borrower Income

- As in 2006, LMI borrowers received a smaller proportion of prime loans than their share of households in all four cities.
- Philadelphia’s ratio of prime loans to LMI borrowers, compared to household share, was the highest of all cities at 0.91, while Pittsburgh had the lowest ratio of 0.55.
- In all cities except Detroit, borrowers in all income categories were more likely to receive prime loans than subprime loans. In Detroit, only borrowers in the upper income group were more likely to receive prime loans than subprime loans.
- Philadelphia had the greatest disparity in subprime lending, with LMI borrowers receiving 1.8 subprime loans for every 1 subprime loan issued to an MUI borrower. Philadelphia was followed by Pittsburgh, where LMI borrowers were 1.7 times as likely to receive subprime loans as MUI borrowers.

- As in the two previous studies, LMI and MUI borrowers in Detroit received subprime loans at about the same frequency.
- As in 2006, only Baltimore's denial rate for LMI applicants (34.4 percent) was lower than Philadelphia's (36.4 percent).
- At 53.2 percent, Detroit's denial rate for LMI applicants was the highest, although it was similar to its 49.6 percent denial rate for MUI applicants. Detroit's denial rate for LMI applicants rose from 44.1 percent in 2006.
- The denial rate for LMI applicants rose the most in Baltimore, by 10.6 percent.

(See Appendix 2: Tables 2, 42, 47, and 52)

4.2.3 Home Lending in Philadelphia vs. Comparison Cities – by Tract Minority Level

- In Philadelphia, Baltimore, and Pittsburgh, borrowers in minority tracts received prime loans at a smaller proportion than their share of households. As in 2005 and 2006, borrowers in minority tracts in Detroit received prime loans at almost the same proportion as their share of households.
- Pittsburgh had the greatest disparity of prime loans to household proportion for minority tracts, with 7.8 percent of prime loans compared to 10.8 percent of households (giving a ratio of 0.72). Philadelphia followed closely with 35.6 percent of prime loans compared to 49.0 percent of households (a ratio of 0.73).
- Except in Detroit, both minority tracts and non – minority tracts were more likely to receive prime loans than subprime loans.
- As in 2006, minority tract borrowers in Philadelphia and Baltimore received nearly twice the percentage of subprime loans as borrowers in non – minority tracts.
- Lenders issued subprime loans to Detroit borrowers in minority tracts 58.9 percent of the time and in non – minority tracts 54.8 percent of the time. This was a decrease of 12.3 percent and 12.6 percent, respectively, from 2006.
- Lenders denied applicants in minority areas of Philadelphia and Pittsburgh about 1.5 times more often than applicants in non – minority areas. This ratio decreased from 1.6 in both cities in 2006.
- Minority tract applicants in Detroit were denied at approximately the same rate as non – minority tract applicants.
- The denial rate for minority tract applicants in Baltimore held steady at 1.4 times the rate of non – minority tract applicants.

(See Appendix 2: Tables 3, 43, 48, and 53)

4.2.4 Home Lending in Philadelphia vs. Comparison Cities – by Tract Income Level

- In all groups except Pittsburgh, borrowers in moderate income tracts received the greatest percentage of prime loans. Borrowers in middle income tracts received the highest percentage in Pittsburgh.
- As in 2006, borrowers in LMI tracts in all four cities received a smaller percentage of prime loans than the share of housing units in those areas.
- In Philadelphia, borrowers in LMI tracts were more than twice as likely to receive a subprime loan as borrowers in MUI tracts. This was the city with the greatest disparity between these two groups. The city with the least disparity was Detroit, where, for every subprime loan to a borrower in an MUI tract, borrowers in LMI tracts received 1.15 subprime loans.
- As in 2006, the city with the highest denial rate for borrowers in LMI tracts was Detroit, where 52.5 percent received denials. Pittsburgh followed with 47.7 percent, then Philadelphia with 35.9 percent and Baltimore with 34.1 percent.
- The denial rates for all tract income groups (including the four sub – divided categories) increased in every city except in Baltimore, where borrowers in upper income tracts saw a small 0.4 percent decline.
- The difference in denial rates between applicants in LMI and MUI tracts was greatest in Pittsburgh,

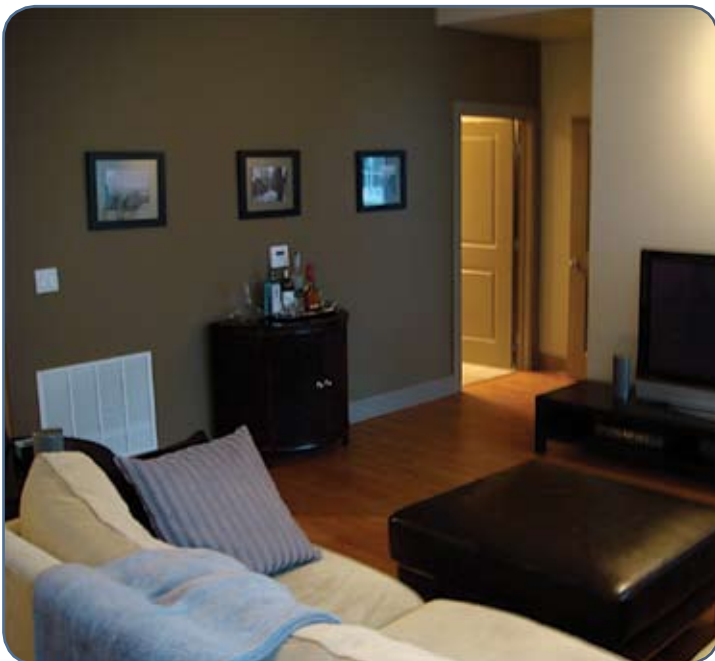
where the ratio was 1.50 (LMI denial rate/MUI denial rate). The city with the lowest disparity was Detroit, with a ratio of 1.05.

(See Appendix 2: Tables 4, 44, 49, and 54)

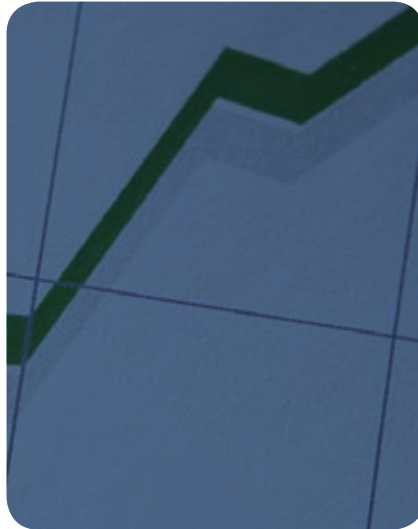
4.2.5 Home Lending in Philadelphia vs. Comparison Cities – by Borrower Gender

- In all cities, female borrowers received a share of prime loans that was lower than their share of households. Female borrowers in Baltimore had the highest rate of prime loans to households at 0.94.
- In Baltimore, female borrowers received a share of subprime loans that was close to their share of households, with a ratio of 1.02. This was the highest rate, followed by Philadelphia with 1.01, Detroit with 0.95, and Pittsburgh with 0.80.
- In all cities, joint borrowers were most likely to receive prime loans.
- As in 2006, in every city except Detroit, female borrowers received a greater share of subprime loans than male or joint borrowers. In Detroit, females (58.8 percent) received a lower percentage of subprime loans than males (61.7 percent), but higher than joint borrowers (46.3 percent).
- The number of applications dropped in all categories and in all cities, except in Detroit, where joint applications increased by 7.6 percent.
- Denial rates increased for all groups in all cities.
- In all cities except Detroit, female applicants had the highest denial rates. In Detroit, joint applicants edged out both male and female applicants, with a denial rate of 52.4 percent, compared to 51.2 percent for males and 51.1 percent for females.
- The ratio of female denial rates compared to male denial rates was very small in all cities, with Pittsburgh showing the greatest disparity, of 1.1 female denials for every male denial.

(See Appendix 2: Tables 5, 45, 50, and 55)



Section 05



Section 05

5.0 Home Lending to Non – Owner – Occupied Borrowers

- In 2007, 18.6 percent of all loans were made to non – occupant investors, a decrease from 19.2 percent in 2006. The number of non – owner – occupied loans fell by 20.8 percent (after falling only 8.7 percent in 2006), while the number of owner – occupied loans fell by 17.6 percent (after falling 7.1 percent in 2006). Thirty – two percent of non – owner – occupied loans were subprime, a greater share than the 26.4 percent of subprime loans for owner – occupied borrowers.

5.1 Home Lending to Non – Owner – Occupied Borrowers – by Borrower Race

- As in 2006, Asians received nearly triple the share of non – occupant loans than their percentage of City households.
- The number of non – occupant loans given to Asian borrowers fell by 28.8 percent from 2006 and 62.5 percent from 2005.



- As in all three years studied, most non – occupied loans went to white borrowers, by a margin that increased from 59.2 percent in 2005 to 61.9 percent in 2006 and then to 62.8 percent in 2007.
- The number of non – occupant loans fell for each race category in 2007.
- African – Americans investors were the only group to see an increase in the number of prime loans, an increase of 16.7 percent.
- In 2006, only white and Asian non – occupant borrowers received more prime loans than subprime loans; in 2007, all racial categories received more prime loans than subprime.
- The percentage of borrowers in all racial categories receiving prime loans increased in 2007; in 2006, the percentage fell for all groups.
- In all three years studied, non – occupant investors were less likely than owner – occupied borrowers to receive a prime loan.
- As in 2005 and 2006, African – American non – occupant borrowers were the least likely group to receive a prime loan. In 2007, the proportion of prime loans given to this group surpassed 50 percent for the first time, but only by a slim margin (50.5 percent prime to 49.5 percent subprime).
- Only 59.5 percent of Hispanic investors received prime loans, compared to 67.1 percent of Hispanic owner – occupied borrowers.
- The non – owner – occupant denial rate increased by 4.4 percent to 30.4 percent.
- As in 2006, denial rates increased for every racial category.
- The greatest increase in denial rates (6.3 percent) was for African – American investors.
- As in the previous years studied, African – American investors had the highest denial rate: four out of ten applications were denied.
- All groups saw increases in their denial rates over the three years studied. Hispanic investors were the group with the greatest increase in its denial rate (10.3 percent) over this period.
- Despite the increase in African – American denial rates, the ratio of African – American – to – white denial rates dropped consistently from 1.9 in 2005 to 1.7 in 2006 and 1.6 in 2007.

(See Appendix 2: Table 56)

5.2 Home Lending to Non – Owner – Occupied Borrowers – by Borrower Income

- The majority of prime non – owner – occupied loans went to investors in the upper income group. In fact, as incomes increase, so do the percentages of prime and subprime loans.
- The middle – to – upper income group (MUI) received 83.8 percent of prime loans made, compared to 16.2 percent for the low – to – moderate income group (LMI).
- The disparity between the share of prime loans and the share of households was lower for MUI owner – occupied borrowers (1.13) than for non – occupant investors (1.97).
- The share of prime and subprime loans for LMI or MUI borrowers has not changed significantly from 2005.
- All groups received more prime loans than subprime loans.
- The proportion of non – occupant prime loans going to LMI tracts increased by 12.4 percent, returning roughly to the same prime/subprime split seen in 2005.
- More than 4 out of 10 applications for LMI investors were denied. This was an increase of 6.3 percent from 2006.
- Denial rates rose for both LMI and MUI investors to 42.5 percent and 28.5 percent, respectively.

(See Appendix 2: Table 57)

5.3 Home Lending to Non – Owner - Occupied Borrowers-by Tract Minority Level

- In terms of number of loans, more investment went to minority tracts (4,255 loans) than non – minority tracts (3,152 loans).
- The percent of prime loans going to minority tracts increased in both 2006 and 2007.
- Minority census tracts received 51 percent of prime loans and 71.5 percent of subprime loans..
- Investors in both groups received more prime loans than subprime loans. The proportion of prime loans to borrowers in minority tracts increased by 16.4 percent.
- Denial rates rose in 2006 and 2007 for both groups.
- In 2007, the denial rate was 12.0 percent higher for investors in minority tracts than for those in non – minority tracts.
- For every denial in a non – minority tract, there were 1.5 denials in a minority tract. This was unchanged from 2006 after a decrease from 1.7 in 2005.



(See Appendix 2: Table 58)

5.4 Home Lending to Non – Owner – Occupied Borrowers – by Tract Income Level

- In all three years studied, moderate income tracts received the most loans (44.6 percent in 2007)
- Moderate income tract borrowers received 9.9 percent fewer prime loans than in 2006; low and upper income tract borrowers received 9.7 percent and 9.3 percent more prime loans than in 2006.
- More than three – quarters of owner – occupied subprime loans went to borrowers in LMI tracts. Over 9 out of 10 non – owner – occupant subprime loans went to LMI tracts.
- As in 2006, while 67.0 percent of owner – occupied housing units were in LMI tracts, nearly 91 percent of subprime loans went to investors in those areas.
- All groups received fewer subprime loans, with borrowers in middle income tracts seeing the greatest drop of 48.2 percent.
- All groups received more prime loans than subprime loans. This was true in 2005, but in 2006, 43.3 percent of loans were subprime in low – income tracts.
- The percentage of prime loans to each group increases with tract income level.
- Investors in LMI tracts received prime loans 63.7 percent of the time, compared to 85.9 percent of the time for MUI tract investors.

- Borrowers in LMI areas were more than 2.58 times as likely to receive a subprime loan as borrowers in MUI tracts.
- The number of applications decreased across all groups, with the number of moderate income tract borrowers decreasing the most at 18.2 percent.
- Denial rates increased for all tract income groups.
- In 2007, the ratio of LMI – area – to – MUI – area denials decreased from 1.6 in 2006 to its 2005 level of 1.4.
- The denial rate was 32.1 percent for LMI non – occupant borrowers and 22.4 percent for MUI non – occupant borrowers.



(See Appendix 2: Table 59)

5.5 Home Lending to Non – Owner – Occupied Borrowers – by Borrower Gender

- As in the previous two studies, male non occupant investors were responsible for over 50 percent of loans. They received more of their share of prime loans, given their percentage of households (50.7 percent and 22.4 percent, respectively).
- Females comprised 44.9 percent of households, but as non – owner – occupied borrowers, they received 23.3 percent of prime loans and 26.0 percent of subprime loans.
- Male and female investors received prime loans just over 60 percent of the time (61 percent for males and 62 percent for females). This was a return to 2005 levels after a roughly 10 percent drop for both groups in 2006.
- Joint applicants were most likely to receive a prime loan (78.2 percent of the time).
- All categories saw a reduction in applications, with males seeing the greatest reduction, at 21.8 percent.
- The denial rate increased for all groups, with males seeing the greatest increase, at 6.5 percent.
- The denial rates were higher for non – occupant male and female borrowers compared to owner – occupied male and female borrowers.
- Joint applicants who planned to live in the property were more likely to be denied than joint non – occupant applicants.

(See Appendix 2: Table 60)

Section 06



Section 06

6.0 City Depositories and Home Lending

6.1 City Depositories in Aggregate

In 2007, 11 banks were designated as City of Philadelphia depositories: Advance Bank, Bank of America, Citigroup (new in 2007), Citizens Bank, Commerce Bank, Mellon Bank, PNC Bank, Republic First Bank, Sovereign Bank (new in 2007), United Bank of Philadelphia, and Wachovia Bank. Of these 11, only six originated more than 25 loans, a pre – established threshold for inclusion in this analysis; Advance Bank, Mellon Bank, Republic First Bank, and United Bank were excluded from all depository rankings, while PNC was not included in the home purchase loan section because it wrote only 2 such loans in 2007.¹

City depositories in aggregate received less than 15,000 loan applications and originated over 6,000 prime loans and over 1,000 subprime loans totaling \$1.76 billion in 2007. Thus, these 11 depositories together represented less than a fifth of applications and loan amounts within the City, about a quarter of prime loans and less than an eighth of subprime loans (see Figure 6.1).

Figure 6.1: Loan Applications and Originations for City Depositories

	Applications	Prime Loans	Subprime Loans	Total Loan Amount
2005 - Depositories	10,713	4,575	2,038	N/A
2006 - Depositories	12,995	5,235	2,311	N/A
2007 - Depositories	14,940	6,152	1,032	\$1.76B
2007 – All Banks	77,081	23,792	8,538	\$10.27B
Proportion of Depositories to All Banks	19.4%	25.9%	12.1%	17.1%

6.2 Ranking of Depositories – Home Purchase Lending

Thirteen factors were combined to create a composite score for prime home purchase lending performance for each depository: The percentage of loans originated, (2) raw number of loans and denial ratios for African Americans, Hispanics and low and moderate income (LMI) borrowers were each weighted one – tenth of the composite score. Four additional neighborhood – related factors were collectively weighted as one – tenth of the composite score: the percentage of loans originated in LMI census tracts, the percentage of loans originated in minority tracts, and the denial ratios for those two types of tracts. This weighting has the effect of equalizing the playing field between higher – volume and lower – volume depositories (see Figure 6.2).

Figure 6.2: Factors upon Which City Depositories Were Ranked in Small Business Lending

Factor	Weight
% Loans Originated to African American Borrowers	10%
Raw Number of Loans to African American Borrowers	10%
Denial Ratio, African American Applicants vs. White Applicants	10%
% Loans Originated to Hispanic Borrowers	10%
Raw Number of Loans to Hispanic Borrowers	10%
Denial Ratio, Hispanic Applicants vs. White Applicants	10%
% Loans Originated to Low and Moderate Income Borrowers	10%
Raw Number of Loans to Low and Moderate Income Borrowers	10%
Denial Ratio, Low and Moderate Income Applicants vs. Middle and Upper Income Applicants	10%
% Loans Originated in Low to Moderate Income Census Tracts	2.5%
% Loans Originated in Minority Tracts	2.5%
Denial Ratio, Low to Moderate Income Tracts vs. Middle and Upper Income Tracts	2.5%
Denial Ratio, Minority Tracts vs. Non-Minority Tracts	2.5%
Total for 13 Factors	100%

¹ See Appendix 2, Table 67 for a list of depository affiliates included in this analysis.

For each factor, a depository received a score according to how different it was from the average lender in Philadelphia. If the depository was better than average, the score is positive; if it was below average, the score is negative. These 13 scores were added together to form the depository's overall rating score. A rating score that is close to zero means that the lender was an average lender in Philadelphia. A positive rating score means that the depository was above average; and the higher the score, the more above average the depository was.

Again, only lenders in Philadelphia that originated 25 loans or more in 2006 were included in the calculations. As a result, Advance Bank, Mellon Bank, PNC Bank, Republic First Bancorp, and United Bank of Philadelphia were not ranked. Including such small lenders in the ratings would produce unreliable and unusable results.²

Sovereign Bank, a new City depository in 2007, ranked first, followed closely by Bank of America, which ranked first in 2006. Notably, Bank of America significantly increased its applications from 2006, and both Bank of America and CitiGroup increased their issuance of prime loans, reflecting expansion efforts. All but one of the depositories measured had positive composite scores, suggesting that most performed better than the average home mortgage lender in the City in 2007; and the top five ranking depositories had higher composite scores in 2007 than any of the four ranked depositories in 2006, suggesting that as a group they improved from 2006 (see Figure 6.3).³

Figure 6.3: 2007 Ranking of City Depositories – Home Purchase Lending

2007 Ranking	City Depository	2007 Composite Score	2006 Ranking	2006 Composite Score
1	Sovereign Bancorp, Inc.	29.27	N/A	N/A
2	Bank of America	25.57	1	9.70
3	Wachovia Corporation	16.56	4	0.77
4	Citizens Financial Group	11.77	3	1.58
5	Commerce Bancorp, Inc.	10.51	2	7.00
6	CitiGroup, Inc.	2.13	N/A	N/A

6.3 Aggregate Analysis of Depositories

6.3.1 Home Purchase Loans

- The number of applications increased by 34 percent, but the number of denials increased by 55 percent.
- City depositories issued 26 percent of their prime loans to African – Americans, 12 percent to Hispanics, and 7 percent to Asians, as well as 41 percent to minority census tracts.
- The percent change in home purchase loans to African – Americans, Hispanics, Asians, and minority tracts issued by City depositories changed little from 2006. The greatest change was for loans to Asians, which decreased by 3.3 percent. The next largest change was in the loans to African – Americans, which increased 2 percent.
- City depositories issued 66 percent of their loans to LMI borrowers and to borrowers in LMI census tracts. As with the racial categories above, the percentages of prime loans to income groups changed little from 2006 to 2007.
- Female borrowers received 45 percent of prime loans issued by City depositories. This was a 3 percent increase from 2006.
- African – American applicants were denied more than any other racial group, at a rate of 1.8 times for every denial issued to a white applicant by City depositories. This was an increase from a rate of 1.6 denials per white denial.
- Asian applicants were denied the least, at a rate of 0.3 denial per white denial.

(See Appendix 2: Table 63)

²See Appendix 2, Table 66 for more performance information on depositories that were not ranked.

³See Appendix 2, Table 61, for additional ranking detail.

Figure 6.4: Selected 2007 Results for City Depositories – Home Purchase Loans

Depository	Percent of Loans to African Americans	Percent of Loans to Hispanics	Percent of Loans in Minority Tracts	Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	African American to White Denial Ratio	Hispanic to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio
Bank of America	23.3%	16.4%	44.0%	62.9%	69.4%	2.07	1.05	1.29
CitiGroup, Inc.	9.8%	3.3%	23.4%	36.8%	39.0%	0.94	0.22	0.70
Citizens Financial Group	46.9%	10.4%	50.0%	80.8%	73.2%	4.09	0.55	1.75
Commerce Bancorp, Inc.	34.8%	10.6%	48.5%	75.2%	76.5%	1.17	0.42	1.15
Sovereign Bancorp, Inc.	27.4%	16.5%	38.8%	76.9%	70.3%	2.00	2.67	1.34
Wachovia Corporation	22.1%	6.3%	37.1%	55.2%	58.3%	1.17	0.49	1.08
All Depositories	26.5%	12.3%	40.7%	66.2%	66.2%	1.79	0.87	1.25
All Lenders	18.2%	8.4%	33.6%	50.6%	57.5%	1.75	0.51	1.41

6.3.2 Home Refinance Loans

- The number of applications for home refinance loans increased by 2.3 percent, while the denial rate rose by 8.7 percent.
- City depositories issued 25 percent of the prime home refinance loans they made to African – American borrowers, 9 percent to Hispanics, and 5 percent to Asians.
- The number of applications increased by 2.3 percent, while the number of prime loans issued decreased by 3.8 percent.
- City depositories issued 56 percent of their prime loans to LMI borrowers (an increase of 2 percent from 2006) and 60 percent of their prime loans to borrowers in LMI tracts (an increase of 1 percent from 2006).
- African – American applicants were denied a loan 1.8 times as often as white applicants, an increase from 1.6 in 2006. This was the largest denial rate relative to white borrowers. Asians were denied the least, at a rate of 0.2 times per white denial.

(See Appendix 2: Table 64)

Figure 6.5: Selected 2007 Results for City Depositories – Home Refinance Loans

Depository	Percent of Loans to African Americans	Percent of Loans to Hispanics	Percent of Loans in Minority Tracts	Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	African American to White Denial Ratio	Hispanic to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio
Bank of America	19.7%	13.5%	37.1%	56.0%	57.8%	1.88	0.90	1.04
CitiGroup, Inc.	37.2%	1.7%	46.1%	52.7%	57.5%	4.37	0.43	1.99
Citizens Financial Group	26.6%	6.4%	36.4%	66.0%	59.9%	1.12	0.38	0.90
Commerce Bancorp, Inc.	10.8%	2.4%	18.1%	48.1%	51.9%	0.72	0.19	0.89
PNC Financial Services Group	32.8%	14.8%	49.2%	59.3%	62.7%	3.76	0.90	1.82
Sovereign Bancorp, Inc.	19.5%	9.0%	32.5%	59.8%	59.8%	1.94	0.67	1.21
Wachovia Corporation	24.9%	10.5%	42.8%	53.0%	61.8%	1.38	0.75	1.41
All Depositories	25.0%	9.1%	40.1%	55.5%	60.3%	1.80	0.61	1.35
All Lenders	21.1%	5.9%	36.2%	52.0%	55.8%	1.55	0.33	1.45

6.3.3 Home Improvement Loans

- The number of applications to City depositories for home improvement loans fell by 7.5 percent and the number of denials fell by 7.7 percent.
- City depositories issued 32.5 percent of their prime home improvement loans to African – American borrowers, 12.1 percent to Hispanic borrowers and 8.2 percent to Asian borrowers.
- Over half of prime loans made by City depositories went to borrowers in minority census tracts (54.4 percent).
- Over sixty percent of prime home improvement loans were issued to LMI borrowers (63.7 percent, a decrease of 4.4 percent) and borrowers in LMI census tracts (72.8 percent, an increase of 3.7 percent).
- Female borrowers received nearly half (48.5 percent, a decrease of 1.5 percent) of the prime loans made available by City depositories.
- As with home purchase, home refinance, and home improvement loans, City depositories denied African – Americans at the highest rate and Asians at the lowest rate. African – American applicants were denied nearly twice (1.9) for every white denial; Asians were denied 0.32 times for every white denial.
- Applicants in minority census tracts received 1.9 denial notices for every notice sent to a white applicant.

(See Appendix 2: Table 65)

Figure 6.6: Selected 2007 Results for City Depositories – Home Improvement Loans

Depository	Percent of Loans to African Americans	Percent of Loans to Hispanics	Percent of Loans in Minority Tracts	Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	African American to White Denial Ratio	Hispanic to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio
Bank of America	30.9%	30.9%	63.6%	63.0%	72.2%	2.92	1.50	3.35
CitiGroup, Inc.	33.3%	6.7%	30.0%	53.3%	56.7%	7.37	0.84	2.91
Citizens Financial Group	36.9%	8.9%	55.7%	66.4%	73.6%	2.09	0.77	2.35
Commerce Bancorp, Inc.	23.5%	2.0%	39.2%	60.8%	62.7%	1.68	0.23	1.76
PNC Financial Services Group	37.8%	6.8%	59.5%	70.3%	73.0%	4.10	1.02	3.77
Sovereign Bancorp, Inc.	36.7%	11.7%	66.7%	72.4%	72.4%	2.77	0.62	3.44
Wachovia Corporation	24.8%	16.2%	50.9%	57.9%	76.4%	2.13	2.91	3.70
All Depositories	32.5%	12.1%	54.4%	63.7%	72.8%	2.88	1.14	2.93
All Lenders	26.9%	6.9%	46.2%	61.0%	67.4%	2.88	0.81	2.74

6.4 Disaggregated Depository Analysis

6.4.1 Bank of America

6.4.1.1 All Loans

- Issued 1,014 prime loans.
- Applications rose by 65.2 percent and the number of denials increased by 94.7, more than any other bank for both categories.
- Met or exceeded City benchmarks for percent of loans issued to African – American, Hispanic, minority census tract, LMI and MLI census tract borrowers.
- Did not meet overall City averages in percentage of loans to female borrowers.
- For the second year, scored first in the percentage of prime loans issued to Hispanic borrowers (16.7 percent).
- Dropped one rank to the lowest score in the percentage of prime loans issued to African – Americans (23.1 percent).
- Did not meet City denial rate benchmarks for any category except for minority tract denials relative to non – minority tracts.

6.4.1.2 Home Purchase Loans

- Issued 781 prime home purchase loans.
- The number of applications increased by 75.5 percent and the number of denial by 116.6 percent.
- Did not score highest or lowest in any category.
- Met or exceeded City benchmarks in percentage of loans to African – American, Hispanic, minority tract, LMI and LMI tract borrowers. Also beat City averages in the rate of denials to Asians compared to whites and denials to minority tracts to non – minority tracts.

6.4.1.3 Home Refinance Loans

- Issued 178 prime home refinance loans.
- Did not rank highest in any category.
- Ranked lowest in the rate of Hispanic to white denials. Also did not meet City averages for any other denial rate comparison.
- Met or exceeded City averages in percent of loans to Hispanic, Asian, minority, LMI and LMI tract borrowers.

6.4.1.4 Home Improvement Loans

- Issued 55 prime home improvement loans.
- Ranked first in percent of loans to Hispanic borrowers and the comparison between the percentage of loans to African – American relative to white borrowers.
- Did not rank last in any category.
- Met or exceeded City benchmarks in percent loans to African – American, Hispanic, Asian, minority tract, LMI, LMI tract and female borrowers. Bank of American did not meet any of the City averages for the denial rate comparisons.

6.4.2 CitiGroup

6.4.2.1 All Loans

- Issued 394 prime loans.
- Applications rose by 8.7 percent and denials increased by 20.0 percent.
- Ranked lowest in percentage of prime loans to Hispanic, minority tract, LMI, LMI tract and female borrowers.
- Met or exceeded City benchmarks in percentage of loans to African – American borrowers, despite receiving the worst ranking for that category.
- Received lowest ranking in African – American denial rate relative to white denial rate.
- Received lowest rankings for percentage of prime loans issued to African – Americans compared to whites, minority compared to non minority tracts, LMI to moderate and upper income (MUI) tracts, and LMI borrowers to MUI borrowers.



6.4.2.2 Home Purchase Loans

- Issued 184 prime home purchase loans.
- The number of applications rose by 111.2 percent and denials by 218.8 percent (the highest increase in denials of all depositories).
- Ranked highest in percent of loans to Asian borrowers (but did not beat City average). This was in improvement from fifth place in 2006. CitiGroup also scored highest in all denial categories, improving again from fifth to first place in the comparison of the Asian denial rate to the white denial rate.
- Scored lowest in percent of loans to African – American, Hispanic, minority tract, LMI, LMI tract and female borrowers as well as the percent of loans to African – Americans relative to whites, percent of loans to minority relative to non – minority tracts, the percent of loans to LMI tracts to MUI tracts and the percent of loans to LMI borrowers relative to MUI borrowers.
- Met or exceeded City benchmarks in all three denial categories.

6.4.2.3 Home Refinance Loans

- Issued 180 prime home refinance Loans
- Ranked highest in percent of loans to African – American borrowers and the rate of Asian to white denials.
- Received the lowest score in the percentage of loans issued to Hispanic borrowers and two denial rate comparisons: African – Americans to whites and minority to non – minority tracts.
- Met or exceeded City benchmarks for the percent of loans to African – Americans, Asians, minority tracts, LMI borrowers, LMI tracts and female borrowers. Also met the City's average for one of the four denial rate comparisons, Asian relative to white borrowers.



6.4.2.4 Home Improvement Loans

- Issued 30 prime home improvement loans.
- Received the highest score for the comparison of loans to Asian relative to white borrowers.
- Scored lowest in the percent of loans to minority tracts, LMI borrowers, LMI tracts and female borrowers as well as the denial rate comparison of African – American to white borrowers.
- Met or exceeded the City benchmarks for the percent of loans to African – American and Asian borrowers as well as the denial rate comparison for Asian to white borrowers.

6.4.3 Citizens Financial Group

6.4.3.1 All Loans

- Issued 867 prime loans.
- Scored highest in percentage of prime loans to African – American borrowers.
- Met or exceeded City benchmarks in percentage of loans to African – American, Hispanic, Asian, minority tract, LMI, LMI tract, and female borrowers.
- Scored lowest in denial rate of Asian borrowers compared to white borrowers.
- Met or exceeded City benchmarks in denial rates for African – American and minority tract borrowers.

6.4.3.2 Home Purchase Loans

- Issued 288 prime home purchase loans.
- Saw the largest increase in applications (290.0 percent) and a big increase in denials (32.8 percent).
- Scored highest in percent of loans to African – American (an improvement from fifth place in 2006), LMI and female borrowers. Also ranked highest in percent of loans to African – Americans compared to whites (from 5th place in 2006), the percent of loans to Hispanics compared to whites (also from 5th place in 2006), and the percent of loans to LMI borrowers compared to MUI borrowers.
- Ranked lowest in three of the four denial rate categories: African – Americans relative to whites, Hispanics relative to whites and minority tracts relative to non – minority tracts.
- Met or exceeded City benchmarks for percent of loans to African – American, Hispanic, minority tract, LMI, LMI tract and female borrowers.



6.4.3.3 Home Refinance Loans

- Issued 180 prime home refinance loans.
- Ranked first in percent of loans to LMI borrowers and in the comparison of loans to LMI income borrowers to MUI borrowers. Citizen's Financial Group did not score last in any category.
- Met or exceeded City benchmarks in percent of loans to African – American, Hispanic, Asian, minority tract, LMI, LMI tract and female borrowers. Also exceeded City averages for one of the four denial rate comparisons, African – American to white borrowers.

6.4.3.4 Home Improvement Loans

- Issued 282 prime home improvement loans, which was more than any other City depository.
- Ranked highest in the percentage of loans to Asian borrowers.
- Ranked lowest in the denial rate comparison of Asian to white borrowers.
- Met or exceeded City averages for the percentage of loans to African – American, Hispanic, Asian, minority tract, LMI, LMI tract and female borrowers. Citizen's Financial Group also scored higher than City averages for the denial rate comparison between African – Americans and whites, Hispanics and whites, and minority tracts to non – minority tracts.

6.4.4 Commerce Bancorp, Inc.

6.4.4.1 All Loans

- Issued 361 prime loans.
- Denial rate dropped 15.3 percent
- Scored highest in percentage of loans to LMI tracts and (lowest) denial rates for African – Americans (relative to whites), Hispanics (relative to whites), and minority tracts (relative to non minority tracts).
- Also received the highest score for highest percentage of loans to LMI tract loans relative to MUI tracts.
- Met or exceeded City averages for all categories except three: percent of loans to Asians, denial rate to Asians relative to whites, and loans to minority tracts relative to non – minority tracts.

6.4.4.2 Home Purchase Loans

- Issued 227 prime home purchase loans.
- Scored highest in loans to LMI tracts and percent of loans to LMI tracts relative to MUI tracts.
- Did not rank lowest in any category.
- Met or exceeded expectations in percent of loans to African – American, Hispanic, minority tract, LMI, LMI tract and female borrowers. Also beat City averages for three of the four denial categories, African – Americans compared to whites, Hispanics compared to whites, and minority tracts compared to non – minority tracts.

6.4.4.3 Home Refinance Loans

- Issued 83 prime home refinance loans.
- Scored at the top for three of the four denial rate comparisons: African – American to white, Hispanic to white and minority to non – minority tracts. Also scored second in the fourth denial rate comparison, Asian to white borrowers.
- Scored at the bottom for percent of loans to African – American, minority tract, LMI, LMI tract and female borrowers. Also ranked lowest in all four of the market share comparison.
- In addition to the three denial rate comparisons where Commerce Bancorp ranked highest, it met or exceeded City averages for one other category, the percent of loans issued to Asian borrowers.

6.4.4.4 Home Improvement Loans

- Issued 51 prime home improvement loans.
- Scored first in three of the four denial rate comparisons: African – Americans to whites, Hispanics to whites and minority to non – minority tracts. Also scored second in the final denial rate comparison, Asians to whites.
- Scored last in the percent of loans to African – Americans and Hispanics as well as the comparison in the percentage of loans of African – Americans to whites.
- Met or exceeded City averages for the percentage of loans to Asian and female borrowers as well as three of the four denial rate comparisons: African – Americans to whites, Hispanics to whites, and minority to non – minority tracts.



6.4.5 PNC Financial Services Group

6.4.5.1 All Loans

- Issued 137 prime loans.
- Saw the largest decline in number of applications (39.8 percent) and denials (37.9 percent).
- Received the highest score in percent of loans to Asian, minority tract, and female borrowers.
- Scored highest in percent of loans to minority tracts relative to non – minority tracts. Also received lowest score in denials to minority tracts relative to denial in non – minority tracts.
- Performed better than City averages in percent loans to African – American, Hispanic, Asian, minority, LMI, LMI tract and female borrowers.
- Scored 4 or worse for all denial categories: African – American to white borrowers (6), Hispanic to white borrowers (4), Asian to white borrowers (5), and minority to non – minority tracts (7).



6.4.5.2 Home Purchase Loans

- Not ranked due to the low number of prime home purchase loans issued (2 loans, down from 6 loans in 2006).

6.4.5.3 Home Refinance Loans

- Issued 61 prime home refinance loans.
- Ranked highest in percentage of loans issued to Hispanic, Asian, minority tract, LMI tract and female borrowers. Also scored highest in three of the four market share comparisons: African – American to white, minority to non – minority tracts and LMI to MUI tracts.
- Ranked lowest in the denial rate comparison of Asian to white borrowers.
- Met or exceeded City averages for percent of loans issued to African – American, Hispanic, Asian, minority tract, LMI, LMI tract and female borrowers.

6.4.5.4 Home Improvement Loans

- Issued 74 prime home improvement loans.
- Scored highest in the percentage of loans to African – American and female borrowers
- Received the lowest score for the denial rate comparison of minority to non – minority census tracts.
- Met or exceeded City averages for the percentage of loans to African – American, Asian, minority tract, LMI, LMI tract and female borrowers.



6.4.6 Sovereign Bancorp, Inc.

6.4.6.1 All Loans

- Issued 1,173 prime loans.
- Scored highest in percent of loans to LMI borrowers and ratio of loans to LMI borrowers relative to MUI borrowers.
- Met or exceeded City averages for loans to African – American, Hispanic, Asian, minority tract, LMI, LMI tract and female borrowers.
- Scored 5th or lower for all denial categories: African – Americans to whites (5), Hispanics to whites (7), Asians to whites (6), and minority to non – minority tracts (5).

6.4.6.2 Home Purchase Loans

- Issued 913 prime home purchase loans, more than any other City depository.
- Ranked highest in percent of loans to Hispanic borrowers.
- Received the lowest score for denial rate to Hispanic borrowers relative to white borrowers.
- Met or exceeded City benchmarks in the percentage of loans to African – American, Hispanic, minority, LMI, LMI tract and female borrowers. With respect to denial rates, Sovereign Bancorp performed better than City averages in the percent of denials to minority tracts compared to non – minority tracts.

6.4.6.3 Home Refinance Loans

- Issued 200 prime home refinance loans.
- Did not score first or last in any category.
- Met or exceeded City benchmarks for percentage of loans to Hispanic, Asian, LMI, LMI tract and female borrowers as well as one of the denial rate comparisons, minority to non – minority census tracts.

6.4.6.4 Home Improvement Loans

- Issued 60 prime home improvement loans.
- Received the best ranking for the percentage of loans to minority census tracts and LMI census tracts as well as for the comparison in the percentage of loans to minority tracts vs. non – minority tracts.

- Earned the lowest ranking for the percentage of loans to Asian and LMI borrowers.
- Met or exceeded City averages for the percentage of loans to Asian, LMI, and LMI tract borrowers. Also beat the City averages for the denial rate comparisons of African – Americans to whites and Hispanics to whites.

6.4.7 Wachovia Corporation

6.4.7.1 All Loans

- Issued 2,171 prime loans, more than any other City depository.
- Number of applications increased by 11.9 percent and denials by 18.5 percent.
- Ranked lowest in percent of loans to Asian borrowers. Did not rank highest in any category.
- Ranked second lowest (6 of 7) in 6 categories: loans to African – American borrowers, loans to LMI borrowers, loans to LMI tracts as well as loans to African – Americans relative to whites, loans to LMI tracts relative to MUI tracts, and Loans to LMI borrowers.
- Met or exceeded City benchmarks with respect to loans to African – American, Hispanic, minority tract, LMI, LMI tract and female borrowers as well as denial rates for African – Americans relative to whites.



6.4.7.2 Home Purchase Loans

- Issued 687 prime home purchase loans.
- Did not receive the highest score in any category.
- Ranked lowest in percent of loans to Asian borrowers.
- Scored second to last in eight categories: percent of loans to African – Americans, Hispanics, minority tracts, LMI borrowers and LMI tracts as well as percent of loans to minority tracts relative to non – minority tracts, LMI tracts to MUI tracts and LMI borrowers to MUI borrowers.
- Despite low scores relative to other City depositories, Wachovia met or exceeded City averages in percent of loans to African – American, LMI, LMI tract and female borrowers. It also performed better than the City average in all denial rate comparisons.

6.4.7.3 Home Refinance Loans

- Issued 1,250 prime home refinance loans, the most of any City depository.
- Did not rank first in any category, but did rank last in percent of loans issued to Asian borrowers.
- Met or exceeded City benchmarks percent of loans issued to African – American, Hispanic, minority tract, LMI, LMI tract and female borrowers.
- Exceeded City averages for two denial rate comparisons: African – American to white borrowers and minority tract to non – minority tract borrowers

6.4.7.4 Home Improvement Loans

- Issued 234 prime home improvement loans.
- Scored highest in the percentage of loans to LMI tract borrowers as well as the comparison of the percentage of loans to LMI tracts vs. loans to MUI tracts.
- Scored lowest in the denial rate comparison between Hispanic and white borrowers.
- Met or exceeded City averages for loans to Asian, minority tract and LMI tract borrowers as well as the denial rate comparison between African – American and white borrowers.

Figure 6.7: Selected 2007 Results for City Depositories – Home Purchase Loans

Depository	Applications	Prime Loans Originated	Rank Percent of Loans to African Americans	Rank Percent of Hispanics	Rank Percent of Loans in Minority Tracts	Rank Percent of Loans to LMI Borrowers	Rank Percent of Loans in LMI Tracts	Rank African American to White Denial Ratio	Rank Hispanic to White Denial Ratio	Rank Minority to Non-Minority Tract Denial
Bank of America	1,376	781	4	2	3	4	4	2	2	3
CitiGroup, Inc.	395	184	6	6	6	6	6	6	6	6
Citizens Financial Group	468	288	1	4	1	1	2	1	3	1
Commerce Bancorp, Inc.	312	227	2	3	2	3	1	5	5	4
Sovereign Bancorp, Inc.	1,254	913	3	1	4	2	3	3	1	2
Wachovia Corporation	1,085	687	5	5	5	5	5	4	4	5
All Depositories	4,926	3,097								
All Lenders	23,555	12,177								

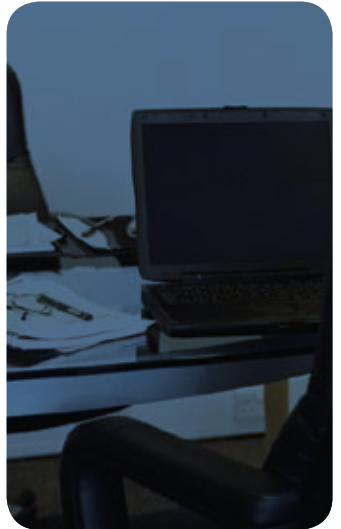
Figure 6.8: Selected 2007 Results for City Depositories – Home Refinance Loans

Depository	Applications	Prime Loans Originated	Rank Percent of Loans to African Americans	Rank Percent of Hispanics	Rank Percent of Loans in Minority Tracts	Rank Percent of Loans to LMI Borrowers	Rank Percent of Loans in LMI Tracts	Rank African American to White Denial Ratio	Rank Hispanic to White Denial Ratio	Rank Minority to Non-Minority Tract Denial
Bank of America	499	178	5	2	4	4	5	4	1	5
CitiGroup, Inc.	1,189	180	1	7	2	6	6	1	5	1
Citizens Financial Group	886	297	3	5	5	1	3	6	6	6
Commerce Bancorp, Inc.	213	83	7	6	7	7	7	7	7	7
PNC Financial Services Group	299	61	2	1	1	3	1	2	2	2
Sovereign Bancorp, Inc.	361	200	6	4	6	2	4	3	4	4
Wachovia Corporation	3,473	1,250	4	3	3	5	2	5	3	3
All Depositories	6,936	2,261								
All Lenders	46,231	9,926								

Figure 6.9: Selected 2007 Results for City Depositories – Home Improvement Loans

Depository	Applications	Prime Loans Originated	Rank Percent of Loans to African Americans	Rank Percent of Hispanics	Rank Percent of Loans in Minority Tracts	Rank Percent of Loans to LMI Borrowers	Rank Percent of Loans in LMI Tracts	Rank African American to White Denial Ratio	Rank Hispanic to White Denial Ratio	Rank Minority to Non-Minority Tract Denial
Bank of America	168	55	5	1	2	4	5	3	2	4
CitiGroup, Inc.	402	30	4	6	7	7	7	1	4	5
Citizens Financial Group	789	282	2	4	4	3	2	6	5	6
Commerce Bancorp, Inc.	241	51	7	7	6	5	6	7	7	7
PNC Financial Services Group	478	74	1	5	3	2	3	2	3	1
Sovereign Bancorp, Inc.	165	60	3	3	1	1	4	4	6	3
Wachovia Corporation	815	234	6	2	5	6	1	5	1	2
All Depositories	3,078	794								
All Lenders	7,276	1,687								

Section 07



Section 07

7.0 Small Business Lending

7.1 Small Business Lending Overall – Philadelphia

According to the Community Reinvestment Act (CRA), over 37,000 loans of an aggregate \$925.7 million were made to small businesses in Philadelphia during 2007. Almost 13,000 of those loans were made to small businesses with annual revenues of less than \$1 million. All of these totals were up from 2006 totals (see Figure 7.1).

Figure 7.1: Small Business Lending Activity in Philadelphia

	Total Dollars Loaned to Small Businesses in Philadelphia	Total Small Business Loans in Philadelphia	Total Loans to Small Businesses in Philadelphia with Annual Revenues of Less Than \$1 Million
2006	\$881,375,000	34,844	11,704
2007	\$925,700,000	37,173	12,915
% Difference	+5.0%	+6.7%	+10.3%

7.2 Small Business Lending by Tract Income Level – Philadelphia

(see Appendix 2, Table 78)

Approximately 54 percent of the loans to small businesses in Philadelphia were made to those located in low – and moderate – income areas. This compares to 62 percent of small businesses in Philadelphia that are located in low – and moderate – income tracts (see Figure 7.2).

Figure 7.2: Distribution of Loans to Small Businesses in Philadelphia by Tract Income Level

Tract Income Level	Number of Loans in Philadelphia	Percentage of Loans in Philadelphia	Number of Small Businesses	Percentage of Small Businesses in Philadelphia
Low-income	6,508	17.5%	19,575	25.3%
Moderate-income	13,699	36.9%	28,278	36.6%
Middle-income	10,656	28.7%	18,276	23.7%
Upper-income	5,321	14.3%	9,421	12.2%
Census tract or income level unknown	989	2.7%	1,690	2.2%
Total	37,173	100.0%	77,240	100.0%

Businesses with less than \$1 million in revenue received nearly 35 percent of the loans in Philadelphia. This compares to 61 percent of small businesses with revenues of less than \$1 million in Philadelphia that are located in low – and moderate – income areas (see Figure 7.3).

Figure 7.3: Distribution of Loans to Small Businesses with Revenues of Less than \$1 Million in Philadelphia by Tract Income Level

Tract Income Level	Number of Loans to Smallest Businesses in Philadelphia	Percentage of Loans to Smallest Businesses in Philadelphia	Number of Smallest Businesses in Philadelphia	Percentage of Smallest Businesses in Philadelphia
Low-income	2,377	18.4%	11,978	24.4%
Moderate-income	4,755	36.8%	18,023	36.7%
Middle-income	3,794	29.4%	12,116	24.7%
Upper-income	1,722	13.3%	6,161	12.6%
Census tract or income level unknown	267	2.1%	765	1.6%
Total	12,915	100.0%	49,043	100.0%

7.3 Small Business Lending by Tract Minority Level – Philadelphia

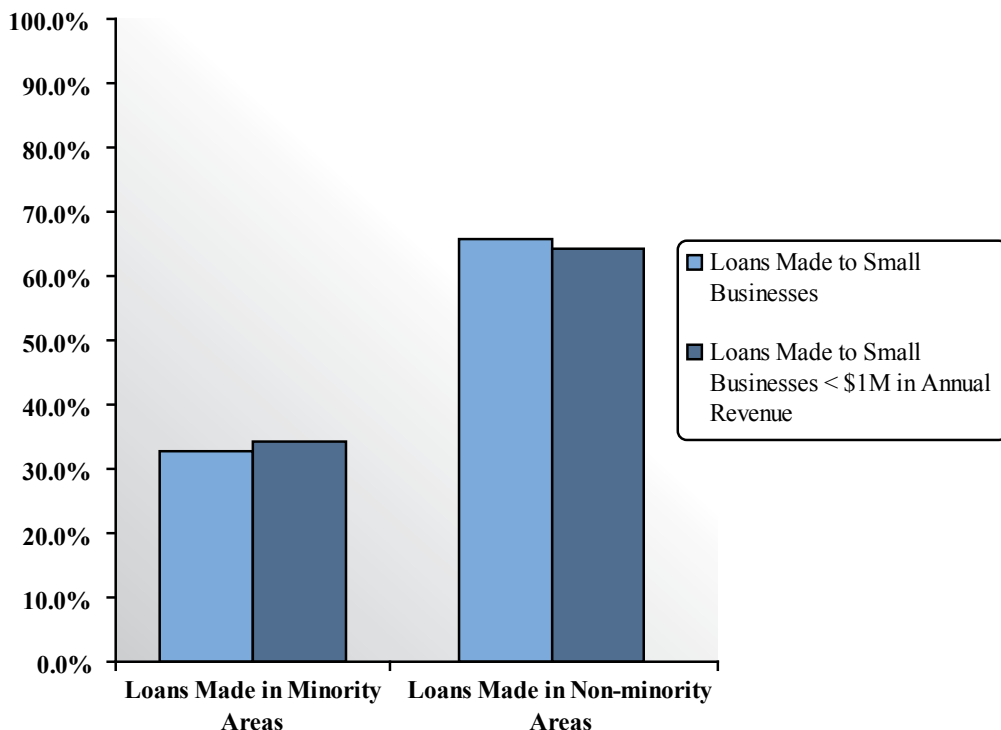
For small businesses, including those with revenues of less than \$1 million, more loans were made in non – minority areas than in minority areas. For both categories of small businesses, the ratio of loans for non – minority areas to minority areas was approximately 2:1 (see Figure 7.4).

(see Appendix 2, Table 79)

7.4 Small Business Lending by Tract Income Level – Philadelphia vs. Suburban Counties

As in 2006, no loans were made to businesses located in low – income areas for Bucks and Chester Counties. Loans to small businesses in moderate – income areas represented 5.2 percent of those made in Bucks County

Figure 7.4: Percentage of Loans to Small Businesses in Philadelphia by Minority Status



and 3.2 percent of those made in Chester County. Loans to businesses in low – and moderate – income areas of Delaware County represented 8.9 percent of the total made in the county. In Montgomery County, the number of loans made to small businesses in low – and moderate – income areas represented 4.0 percent. These results are largely unchanged from the 2006 results (see Figure 7.5).

The percentage of loans to small businesses in low – and moderate – income areas is far greater for Philadelphia than for its surrounding counties. Comparing lending in Philadelphia with lending in the suburban counties by income levels and by minority status for businesses with revenues of less than \$1 million, Philadelphia has a higher performance ratio. Additionally, the rate of lending to small businesses in low – and moderate – income areas is greater for Philadelphia, than for the suburban counties combined (see Figure 7.6).

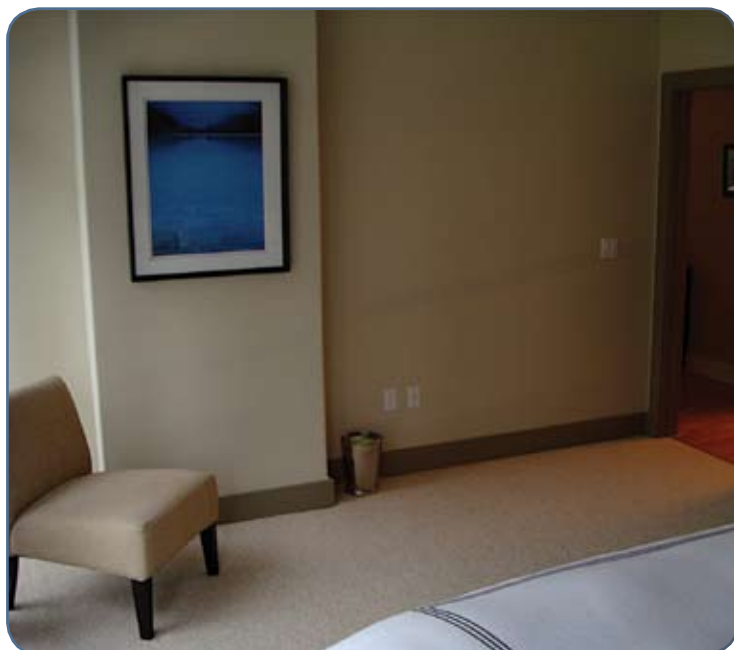


Figure 7.5: Percentage of Loans in Low- and Moderate-Income Areas for Philadelphia and the Suburban Counties

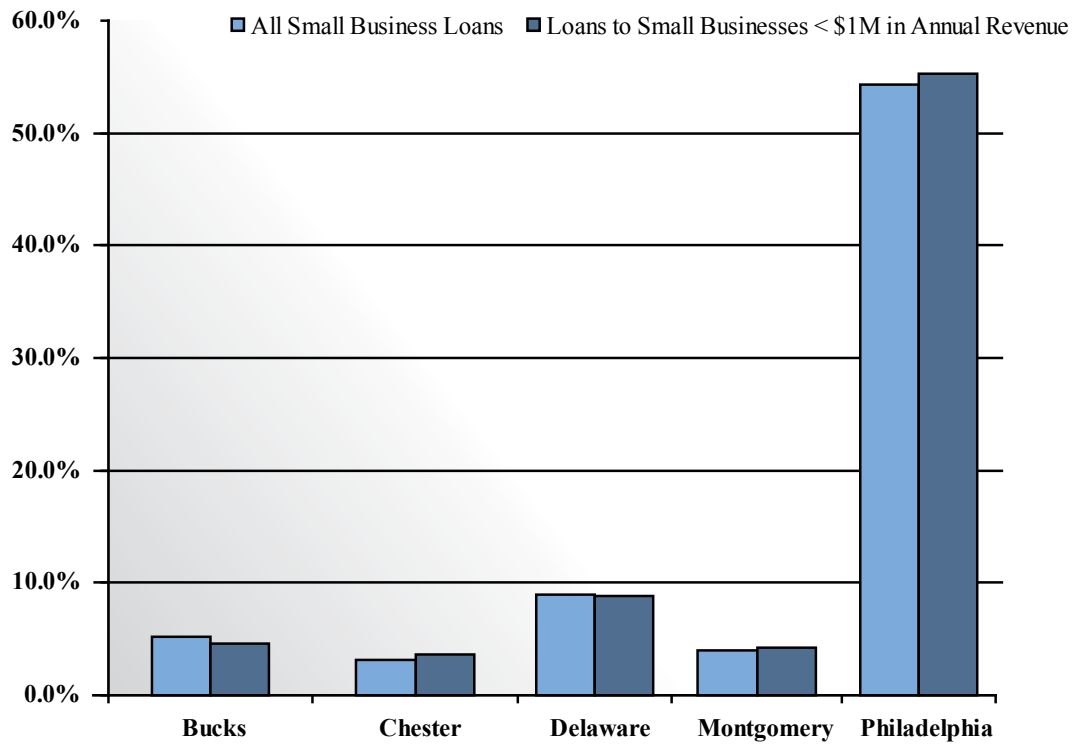
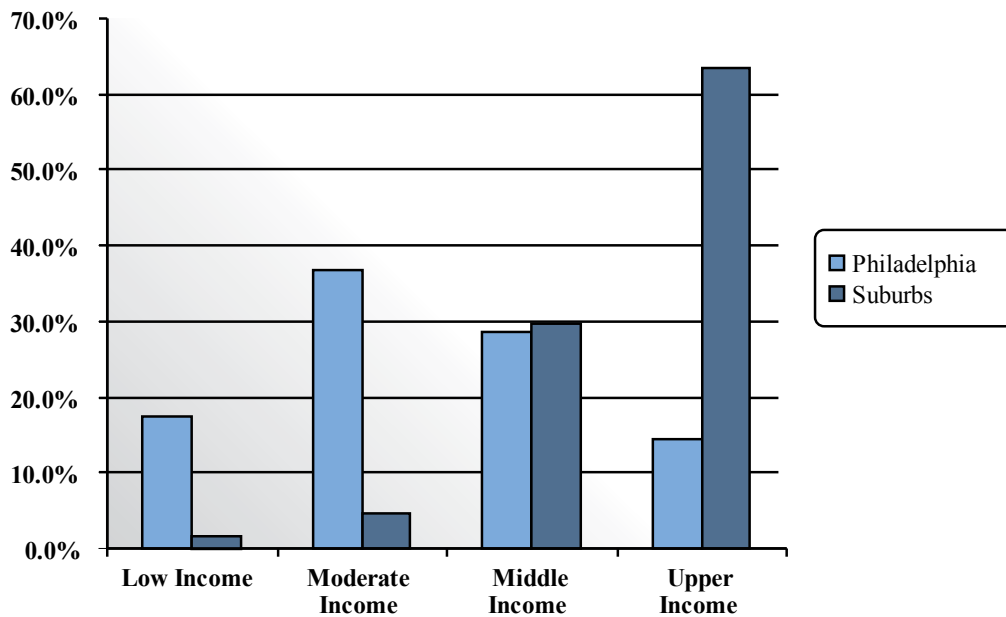


Figure 7.6: Percentage of Loans to Small Businesses by Income Levels for Philadelphia and the Suburbs



7.5 Small Business Lending by Tract Minority Level – Philadelphia vs. Suburban Counties

Of the approximately 49,043 small businesses with annual revenues of less than \$1 million in Philadelphia, 43 percent are located in minority areas. In contrast, a little less than 3 percent of small businesses with revenues of less than \$1 million in the suburban counties are located in minority areas.¹

In 2007, nearly 33 percent of all small business loans in the City were in minority areas, compared to 1.5 percent for the suburban counties. For small businesses with revenues less than \$1 million, the percentages were 34 percent and 1.6 percent, respectively. Given that the City has a higher proportion of small businesses in minority areas than the suburban counties, a higher proportion of small business lending is expected to occur in minority. However, the percent of loans that go to minority areas is much closer to the percent of businesses in minority areas in the City than the suburbs. This suggests that minority area businesses are better served in the City than in the suburbs.

Although the City outperformed the suburbs in lending to small businesses in low – and moderate – income areas, as well as in areas where the majority of the population is minority, the percentage of loans in areas of Philadelphia with large minority populations is still disproportionately smaller than for non – minority areas.

(See Appendix 2, Table 80)



¹ The suburban proportion is based on 2006 data.

Section 08



Section 08

8.0 Rankings of Depositories – Small Business Lending

8.1 Small Business Lending – Methodology

Small business lending in all categories among the City depositories represented over 31 percent of the total small business lending reported in Philadelphia. To rank the City depositories on small business lending, we reviewed the 2007 Institution Disclosure Statements for nine of the eleven depositories. Data was not available for Advance Bank, and Republic First Bank.¹

There were five factors, equally weighted, considered in the ranking of the nine banks. Each bank was given a rating (1 to 9, where 9 is the highest rating) on each of the factors relating to performance in Philadelphia County. Ratings were assigned based on where each institution placed in relation to fellow institutions (see Figure 8.1).



Figure 8.1: Factors upon Which City Depositories Were Ranked in Small Business Lending

Factor	Description
Market share of loans to small businesses in Philadelphia (MS to SB)	This shows the ranking of the individual bank based on its performance in relation to all institutions serving the city in terms of percentage of loans made to small businesses.
Market share of loans to the smallest of small businesses (MS to SSB)	This shows the ranking of the individual bank based on its performance in relation to all institutions serving the city in terms of percentage of loans to small businesses with revenues of less than one million dollars.
Lending to small businesses located in low and moderate income areas (LMI/MS)	This shows the ranking of the individual bank based on its performance in relation to all institutions serving the city in terms of percentage of loans to small businesses in low- and moderate-income areas.
Ranking among depositories for small business lending to the smallest businesses (SSB/other depositories)	This shows the individual bank's performance in relation to the other five depositories for lending to smallest businesses and is indicated by the percentage of its own total lending to small businesses that goes to small businesses with revenues of less than one million dollars.
Ranking among depositories for small business lending in low and moderate income areas (LMI/other depositories)	This shows the individual bank's performance in relation to the other five depositories for lending to small businesses in low and moderate income areas as indicated by the percentage of its own small business lending that goes to low- and moderate- income areas.

These five factors were selected because they show performance in relation to the entire city and among the depositories on key lending practices affecting low – and moderate – income and minority businesses. These factors also take into consideration service to the smallest businesses (those with revenues less than \$1 million).

¹See Appendix 2, Tables 68 to 77 for more detail on small business lending by City depositories.

8.2 Small Business Lending – Results

Ratings were totaled for each bank, resulting in an overall score by institution (see Figure 8.2).

Figure 8.2: Factor-by-Factor Rankings of City Depositories in Small Business Lending (1 to 9, Where 9 is the Highest Rating)

Institution	MS to SB	MS to SSB	LMI/MS	SSB/other depositories	LMI/other depositories	Total Score
Bank of America	8	7	8	3	4	30
Bank of New York / Mellon	1	1	1	1	8	12
Citigroup	9	9	9	4	5	36
Citizens Bank	5	5	5	6	1	22
Commerce Bank	3	3	3	5	2	16
PNC Bank	7	8	7	8	3	33
Republic First Bank	2	2	2	9	9	24
Sovereign Bank	4	4	4	7	7	26
Wachovia Bank	6	6	6	2	6	26

8.3 Small Business Lending – Rankings

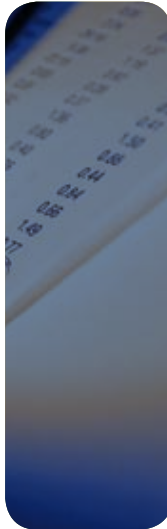
Based on the total scores shown above, the nine depositories were ranked as follows (see Figure 8.3):

Figure 8.3: Ranking of City Depositories in Small Business Lending

2007 Ranking	City Depository	2006 Ranking
1	Citigroup	N/A
2	PNC Bank	1
3	Bank of America	5
T4	Sovereign Bank	N/A
T4	Wachovia Bank	3
6	Republic First Bank	N/A
7	Citizens Bank	2
8	Commerce Bank	4
9	Bank of New York Mellon	6

Citigroup, a new City depository as of 2007, claimed the top spot, while last year's first place depository, PNC Bank, claimed second place. Citizens Bank slipped from 2nd out of six ranked depositories in 2006 to 7th out of nine ranked depositories in 2007.

Section 09



Section 09

9.0 Bank Branch Analysis

9.1 Overall

There were 343 bank branches in Philadelphia by 2007,¹ according to the FDIC's Institution Directory and Summary of Deposits. For the purpose of this analysis, branches were defined as offices with consumer banking services. Over 62 percent of the branches (214) were owned by City depositories. See Appendix 2, Table 81 for more information on City depository branches.

- There were 20 more city depository branches than in 2006, due in large part to the addition of two new City depositories.
- There were 7 more non – depository banks in 2007 than in 2006.
- PNC added one net branch; all other banks maintained the same number of branches as in 2006
- Due to the fact that most depositories have a relatively small number of branches, the percentage of branches in minority or low – to – moderate – income (LMI) areas can quickly change with the opening or closing of just one or two offices.



Figure 9.1: Number of Branches in Philadelphia by Depository

Banks	2007 Branches	Percent of All 2007 City Branches	2006 Branches	Percent of All 2006 City Branches
Advance Bank	1	0.3%	1	0.3%
Bank of America	16	4.7%	16	5.1%
Citigroup	2	0.6%	*	*
Citizens Bank	61	17.8%	61	19.3%
Commerce Bank	17	5.0%	17	5.4%
Bank of New York / Mellon	2	0.6%	2	0.6%
PNC Bank	41	12.0%	40	12.7%
Republic Bank	6	1.7%	6	1.9%
Sovereign Bank	17	5.0%	*	*
United Bank of Philadelphia	4	1.2%	4	1.3%
Wachovia Bank	47	13.7%	47	14.9%
Total Depository Banks	214	62.4%	194	61.4%
Non-Depository Banks	129	37.6%	122	38.6%

* = not a City depository in 2006

9.2 Branch Locations in Minority Areas

- Less than 23 percent of all branches were in areas that were more than 50 percent minority, which was slightly below the 24 percent of all city branches located in minority areas in 2006.
- The number of depository branches in minority areas exceeded the citywide 23 percent benchmark; over 27 percent of the branches were located in minority areas in 2006 and 2007.
- Six out of the eleven depositories surpassed the citywide benchmark. Five out of nine did so in 2006.
- Citibank and Mellon had no branches located in minority areas.
- Republic First Bank improved its percentage of banks in minority areas by 17 percent.

¹FDIC Summary of Deposit data available as of June 2007 was used for this report.

- Bank of America and Commerce remained well below the 2007 benchmark, and their levels remain unchanged from 2006.
- Fifty – two percent of census tracts were more than half minority. Only Advance (1 out of 1) and United (3 out of 4) surpassed the census benchmark.

(See Appendix 3: Maps 11, 13)

9.3 Branch Locations in LMI Areas

- Fifty – six percent of all branches were in Low – to – Moderate – Income (LMI) areas, which have a median income of less than 80 percent of the area median. This was a fraction of a percent lower from 2006.
- Fifty – eight percent of city depositories had branches in LMI areas compared to 56 percent of all bank branches citywide. The percentage of city depositories in this area is up from the prior year's 57 percent.
- Advance, Citibank, Republic, Sovereign, and Wachovia surpassed the citywide benchmark for locating branches in LMI areas. Advance's sole branch, both of Citibank's branches, 83 percent of Republic's branches, 76 percent of Sovereign's, and 62 percent of Wachovia's branches were located in LMI areas.
- All other City depositories were all within 6 percentage points from achieving the 2006 benchmark.
- Sixty – five percent of census tracts in the City are LMI tracts. Advance, Citibank, Republic First, and Sovereign were able to reach this goal, though Wachovia was less than 5 percentage points away from achieving it.

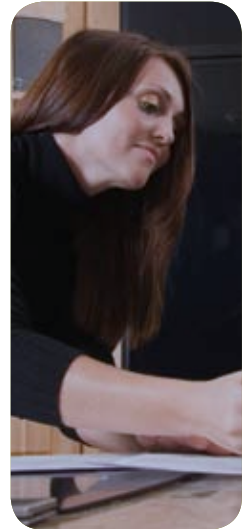


(See Appendix 3: Map 12)

9.4 Conclusion

- The majority of City depositories continued to do a better job locating branches in minority areas than all banks, though few surpassed the census benchmark for minority tracts.
- A majority of City depositories did not meet the citywide bank benchmark for locating branches in LMI areas, although all were within 5 percentage points or better.

Section 10



Section 10

10.0 Neighborhood Analysis

10.1 Neighborhoods Analyzed

The home and business lending practices in nine city neighborhoods were examined. These neighborhoods contain census tracts classified as minority and low – to – moderate – income (LMI)¹. All nine neighborhoods are located in areas where community development corporations and empowerment zones have been established. These areas and the census tracts that comprise them are listed below:

- Association of Puerto Ricans on the March (APM) – 156
- Hispanic Association of Contractors & Enterprises (HACE) – 175, 176.01, 176.02, 195
- Allegheny West Foundation (AWF) – 170, 171, 172, 173
- Ogontz Avenue Revitalization Committee (OARC) – 262, 263.01, 263.02, 264, 265, 266, 267
- Project Home – 151, 152, 168, 169.01
- People’s Emergency Center (PEC) – 90, 91, 108, 109
- American Street Empowerment Zone – 144, 156, 157, 162, 163
- North Central Empowerment Zone – 140, 141, 147, 148, 165
- West Philadelphia Empowerment Zone – 105, 111



10.2 Demographics and Lending Practices by Neighborhood

10.2.1 APM

Asociación Puertorriqueños en Marcha (APM) is located in the northeastern section of Philadelphia. More than three – quarters of this area’s households are Hispanic, giving APM the largest Hispanic population of all neighborhoods examined in this section. The next largest group is African Americans (14 percent of households). The median family income is approximately 36 percent of the regional median family income. There are 289 owner – occupied housing units (OOHUs) in the APM neighborhood, which is less than 0.1 percent of all OOHUs in the city.

In 2007, a total of 30 loans were made in the APM neighborhood, a decline from 30 in 2006. As in the three previous studies, APM received the fewest loans of any neighborhood examined. Nine of those loans were prime loans and eleven were subprime. These loans represent only 0.06 percent of all loans in the city, including 0.04 percent of all prime loans and 0.13 percent of all subprime loans.

¹See Appendix 2, Table 82 for more detail.

10.2.2 HACE

The Hispanic Association of Contractors & Enterprises is located within the neighborhood surrounding the North Fifth Street cluster of key Latino neighborhood businesses and cultural institutions. Hispanic households make up 75 percent of all households in this neighborhood and 19 percent of all households are African American. With a median family income of only 24 percent of the regional median family income, HACE is the poorest of the nine neighborhoods evaluated for this study. The neighborhood contains 4,022 OOHUs, approximately 1 percent of all city OOHUs.

A total of 201 loans were made within the HACE community in 2007, an increase from 195 in 2006. These loans represented 0.62 percent of all loans made in the city, a much smaller share than the portion of OOHUs contained in this neighborhood (1.15 percent). Lenders provided HACE borrowers with 88 prime loans and 113 subprime loans (0.37 percent of all city prime and 1.32 percent of all city subprime loans). As in 2006, the neighborhood received a greater share of subprime loans and a smaller share of prime loans in comparison to their share of OOHUs.

10.2.3 AWF

The Allegheny West Foundation is located in North Philadelphia, a predominately African – American neighborhood. Ninety – four percent of all households are African American and 1 percent are Hispanic. AWF has a median family income that is 46 percent of the regional median family income. The neighborhood is comprised of four census tracts and contains 4,584 units, which is more than 1 percent of the city's total OOHUs.

Borrowers from the AWF neighborhood received a total of 176 loans in 2006. This is an 11.1 percent decrease in the number of loans from last year. Fifty – two percent of these loans were prime and forty – eight percent were subprime, an shift of 10 percent from subprime to prime). The number of subprime loans decreased by 26.3 percent from 2006. AWF borrowers received 0.54 percent of all loans originated in Philadelphia, but the neighborhood contains 1.31 percent of city – wide OOHUs. Lenders gave borrowers from this section of the city a larger share of city prime loans (0.39 percent) and subprime loans (0.98 percent).

10.2.4 OARC

The Ogontz Avenue Revitalization Corporation is located in the West Oak Lane section of the city. Ninety – six percent of total households in the neighborhood are African American, while only 0.8 percent of the neighborhood's total households are Hispanic. Though the median family income is only 76 percent of the regional median family income, it is the highest of the nine neighborhoods. OARC is also the largest of the nine neighborhoods discussed in this section and typically receives the most loans (from each depositor and overall). It contains seven census tracts and 3 percent of all city OOHUs are located there.

The OARC community received 1,177 loans in 2007, the largest amount of the nine neighborhoods. The number of originated loans decreased by 21.2 percent from 2006. These loans made up 3.64 percent of all loans issued in the city. As in 2006, the OARC neighborhood had one of the greatest disparities between its share of the city's OOHUs and subprime loans. Unlike in 2006, however, fewer than half of neighborhood borrowers received subprime loans. OACR received the most amount of loans from each depositor.



10.2.5 Project Home

The Project Home neighborhood is located near the Spring Garden section of the city. Ninety – eight percent of its households are African American, making it the largest African – American population of all the neighborhoods detailed in this study. Less than 1 percent of all households are Hispanic. The median family income is 34 percent of the regional median family income and the 3,894 housing units located in this area comprise approximately 1 percent of the city’s total owner – occupied units.

Lenders provided 159 loans to the Project Home neighborhood in 2007, 51 percent of which were prime and 49 percent were subprime loans. These loans accounted for only 0.49 percent of all loans made in Philadelphia. With respect to their share of the city’s OOHUs, the borrowers in the Project Home neighborhood received a lower share of subprime loans and a higher share of prime loans.

10.2.6 Peoples’ Emergency Center

The Peoples’ Emergency Center (PEC) neighborhood is located in the city’s West Philadelphia section. This neighborhood contains four census tracts and 1,445 OOHUs, which is approximately 0.4 percent of all city units. Nearly two – thirds of households in this neighborhood are African American and approximately 3 percent are Hispanic. The median family income for PEC is only 36 percent of the regional median family income.

In 2006, 70 loans were made to borrowers in the PEC neighborhood. This was an drop of 28 percent from 2006, dropping to near its 2005 number. Fifty – four percent of originated loans were prime, a slight drop from 61 percent in 2006. Borrowers in the PEC neighborhood received 0.22 percent of all loans made in the city.

10.2.7 American Street Empowerment Zone

The American Street Empowerment Zone is located in the Olney section of the city. Its population is predominately Hispanic, with two – thirds of total households being from this ethnic group. Seventeen percent of the households are African American. The zone is comprised of five census tracts and contains 2,165 owner – occupied housing units, or 0.6 percent of the total owner – occupied housing units in the city of Philadelphia. The median family income is 37 percent of the regional median family income.



Borrowers in the American Street Empowerment Zone received 162 loans in 2006, a decrease of 25 percent from 2006. These loans comprised approximately 0.62 percent of all loans made in the city. Sixty – seven percent of these loans were prime, an increase from sixty – two percent in 2006.

10.2.8 North Central Empowerment Zone

The North Central Empowerment Zone is located in North Philadelphia and is comprised of five census tracts and 1,339 OOHUs, 0.4 percent city units. North Central is 90 percent African American. Five percent of households are Hispanic. The median family income for North Central is 33 percent of the regional median family income.

Only 53 loans were made in 2006 within the North Central neighborhood. These loans comprised only 0.16 percent of all city lending. With a 31.5 percent decrease in the number of loans, this neighborhood received the second lowest amount of loans, as it had in 2006. Fifty – five percent of originated loans were prime, a decrease from 55 percent the previous year.

10.2.9 West Philadelphia Empowerment Zone

The West Philadelphia Empowerment Zone is located in the West Philadelphia section of the city. Ninety – five percent of households in the area are African American and less than 1 percent are Hispanic. The neighborhood contains two census tracts and 1,399 of the city’s OOHUs (0.4 percent). The median family income for this area is 41 percent of the regional median family income.

In 2007, lenders provided 82 loans to the West Philadelphia Empowerment Zone. Sixty – three percent of those

loans were prime rates, an 11 percent increase from 2006. Only 0.25 percent of all loans made in Philadelphia went to the West Philadelphia Empowerment Zone.

10.3 Depository Lending Practices by Neighborhood

Lending by each depository to these neighborhoods was analyzed.²

10.3.1 Bank of America

Bank of America provided 64 loans to borrowers in seven of the nine neighborhoods. Lending by Bank of America to these neighborhoods represented 5.5 percent of all loans the bank originated in the city. Twenty – six of those loans were in OARC; Bank of America’s market share, however, was only 2.2 percent in this neighborhood. Its market share of all city lending was 3.1 percent compared with 3.6 in the nine neighborhoods.

10.3.2 CitiGroup

CitiGroup made a total of 82 loans to borrowers in eight of the nine CDC neighborhoods. It issued 10.4 percent of its Philadelphia lending to these borrowers, the second – highest portfolio share after PNC. CitiGroup originated 3.9 percent of all lending to the nine neighborhoods, compared with 2.4 percent market share of all lending in the city. As with all other banks, the plurality of CitiGroup’s lending (46 loans) was made in the OARC area, constituting a portfolio share 5.8 percent.

10.3.3 Citizens Bank

Citizens Bank made a total 84 loans, or 9 percent of all of its city lending, in the nine neighborhoods. In fact, it made at least two loans in every neighborhood; Wachovia was the only other bank to lend in every neighborhood. Fifty of these loans were made in the OARC neighborhood. Citizens wrote 4.2 percent of all loans in that neighborhood and those 50 loans represent 5.3 percent of all lending done in by Citizens in the city. Citizens’ share of the CDC neighborhood market was 4 percent.

10.3.4 Commerce Bank

Commerce Bank provided borrowers in the nine neighborhoods with a total of 24 loans. It originated only 1.2 percent of all loans in these neighborhoods, comparable to its 1.1 percent market share of all Philadelphia lending. Commerce made about 6.6 percent of its Philadelphia loans in the nine neighborhoods. Nine of those loans were provided to the OARC neighborhood, which was 0.8 percent of all lending to this neighborhood. This was the largest number of loans provided by Commerce to a single neighborhood. Commerce originated no loans in the APM, HACE, and West Philadelphia EZ.

10.3.5 PNC Bank

Borrowers in the nine neighborhoods received 20 loans from PNC bank. These loans represented 11.4 percent of lending by PNC in the city of Philadelphia, the largest portfolio share of any city depository. Within the CDC neighborhoods, PNC held a market share of 1.0 percent. PNC’s share of loans in these nine neighborhoods was greater than its city – wide share of 0.5 percent. The majority of its loans in the nine neighborhoods went to the OARC area, which received 14 loans.

10.3.6 Sovereign Bank

Sovereign originated 101 loans to seven out of the nine CDC neighborhoods, the second largest total after Wachovia. This constitutes 4.9 percent of all lending to these areas, compared with a 4.1 percent market share



²See Appendix 2, Table 83 for more detail.

of overall lending in the city. Most of the lending issued by Sovereign to the CDC neighborhoods went to borrowers in the OARC section. These fifty – six loans represented a portfolio share of 4.3 percent.

10.3.7 Wachovia Bank

Wachovia bank made 179 loans within the nine neighborhoods, the most loans by a city depository. As mentioned above, Wachovia and Citizens were the only depositories to lend in every CDC neighborhood. Wachovia made 7.4 percent of all its city loans in those nine areas. Its market share in the neighborhoods was 8.6 percent, which is greater than the 7.4 percent market share it had in all of Philadelphia. In all neighborhoods Wachovia loans constituted the largest share of lending market; in the North Central EZ, Wachovia shared that position with Citizens and CitiGroup. The largest number of loans was made in the OARC neighborhood (79 loans), where Wachovia had a market share of 6.7 percent. Wachovia largest market share was 20.0 percent, or 4 loans, which went to borrowers in APM, the neighborhood that received the fewest overall loans (20).



10.4 Small Business Lending in the Neighborhoods

Small business lending was examined in the nine neighborhoods, since information was not available at the census tract level for individual institutions. The table below shows the number of small business loans reported in the 2007 CRA data for each of the targeted neighborhoods. It also displays the number of small businesses with revenues less than \$1 million located in the neighborhoods.³

OARC has the largest number of small businesses with revenues less than one million dollars 721, which is down 5 from 2006. Also, in that area, small business lending was highest, with 436 loans to small businesses, up nearly 14 percent from 2006, and 165 loans to the smallest of small businesses. OARC also had the largest absolute increase in loans from 2006 (+53).

The neighborhood with the next largest number of businesses with revenues of less than one million dollars was American Street, with 557 businesses, up 33 from last year. This area had the third highest number of loans to small businesses (380), with the second highest number of loans to businesses with revenues of less than one million dollars (135). The final column of the table below shows the percentages of small business loans that went to businesses with revenues less than one million dollars. In all cases, the range of this percentage of loans going to businesses with revenues of less than one million dollars was between 33 percent and 47 percent.

There were 2,249 small businesses with revenues over \$1 million, which received a total of 1,266 loans, representing .56 loans per business. In addition, there were a total of 3,803 small businesses with revenues of less than one million dollars in these nine neighborhoods combined, up from 3,702 in 2006. The number of loans to these smallest businesses totaled only 745, representing about 20 percent of the total of businesses with revenues of less than one million dollars, an improvement from about 17 percent in 2006. This indicates that for every 100 businesses, approximately 20 received small business loans.

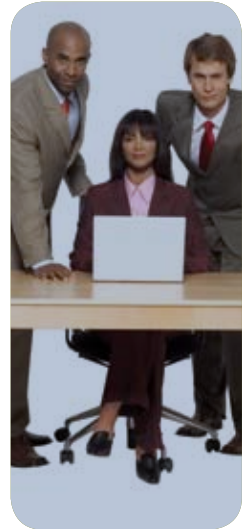


³See Appendix 2, Table 84 for more detail.

Figure 10.1: 2007 Small Business Loan Activity in Selected Philadelphia Neighborhoods

Neighborhood	Number of Small Business Loans	Number of Loans to Small Businesses < \$1 Million in Annual Revenue	Percentage of Loans to Small Businesses with Annual Revenues < \$1 Million	Number of Small Businesses	Number of Small Businesses with Annual Revenues < \$1 Million
Allegheny West Foundation (AWF)	242	81	33.5%	733	458
American Street Empowerment Zone	380	135	35.5%	862	557
Asociación Puertorriqueños en Marcha (APM)	24	10	41.7%	93	48
Hispanic Association of Contractors & Enterprises (HACE)	221	88	39.8%	839	508
North Central Empowerment Zone	180	61	33.9%	709	470
Ogontz Avenue Revitalization Committee (OARC)	436	165	37.8%	1169	721
People's Emergency Center (PEC)	283	105	37.1%	600	392
Project Home	116	54	46.6%	625	381
West Philadelphia Enterprise Zone	129	46	35.7%	422	268

Section 11



Section 11

11.0 Recommendations

2008 was an extraordinary year for the banking sector, as real estate plunged and financial markets seized up. To the extent that existing regulatory structures were deemed to fail to identify and deter weaknesses in the industry, policymakers responded with a variety of proposals that are currently being evaluated.

A more extensive investigation into the impact of past, present, and future regulations on the local banking industry is outside the scope of this 2007 report, which is more narrowly focused on the performance of the City's relationship with its authorized depositories. Accordingly, in this section we consider three categories of recommendations:



1. Public policy actions that the City could consider,
2. Additional data collection efforts that the City could undertake, and
3. Ancillary topics outside of this report's scope of work that the City could study further.

11.1 Public Policy Changes

Fair lending is an integral part of any lending institution's responsibility to society. Lenders have a responsibility to end the actual practice of lending discrimination. The data does not suggest that overt discrimination exists in the lending practices of the depositories included in the study. However, the data does indicate that some statistically significant disparities exist across racial and ethnic characteristics of borrowers, therefore giving the appearance that discrimination may exist.

- The City should encourage its depositories to continue recruiting bi-lingual staff, as well as hire minority sales staff, loan originators and underwriters. This will help to expand its penetration into minority markets and sensitize staffs to the needs and concerns of minority homebuyers.
- Similarly, the City should encourage all lenders active in the City to reassess their targeted marketing and advertising materials to ensure that no unintentionally misleading or misrepresented loan programs exist.

With the nation in recession and credit markets tight, it is ever more important for lenders to balance risk management processes with a renewed commitment to providing fair access to credit.

- The City, in partnership with its depositories and all lenders, as well as community organizations, should work to identify, and market to, households with low and moderate incomes and in low and moderate income neighborhoods that would qualify for loans under traditional underwriting guidelines.
- To the extent that access to capital is a critical challenge for entrepreneurs, the City should work in collaboration with public and private sector entities to provide the necessary resources to enable small businesses to be job creation engines for their communities.

Community development lending is a highly heterogeneous product category that includes many different types of loans, such as multifamily residential and commercial development lending, and lending to community development organizations.

- The City should recommend that City depositories and all lenders evaluate their community development lending mix between tract income level and tract minority level to ensure fair and balanced product blends by percentage.

- The City can serve in a liaising and convening role between City depositories and other big lenders on the one hand, and non – profit administrators of non – traditional small business lending funds.

When a City depository continues to perform worse than its peers, the City should consider the following actions:

- Encourage contribution to a fund that goes to the advocacy of consumer education, consultation, and information on mortgage lending procedures and standards.
- Require depositories to annually submit certification that all senior level managers, sales staff, underwriters, processors, and mortgage originators have been properly trained on fair lending practices. Such certification would be subject to review by the City’s auditors.

11.2 Additional Data Collection

In attempting to analyze trends in lending discrepancies, it became clear that many pieces of relevant data were not currently available. The cost of collecting additional data will have to be balanced against the benefits of having new information. However, it is possible that additional data would broaden the understanding of city lending and offer new ideas for making market – rate mortgages available to a greater number of Philadelphians. To help strengthen its understanding of fair lending practices, the City should seek answers to the following:

- Are clearly qualified individuals of any race equally approved for a loan?
- Are clearly unqualified individuals of any race equally rejected for a loan?
- Are less than ideal borrowers treated similarly?
- Are imperfect minority applicants less likely to be approved than imperfect non – minority applicants?



Additionally the City should seek responses to the following questions:

- How often is staff (appraisers and brokers) trained in the area of fair lending?
- Does the depository have a review policy to ensure detection of discrimination?
- Are all loan products presented to prospective clients?
- Do the employees reflect the communities in which they serve?

11.3 Ancillary Topics

One of the top priorities of the Nutter administration is to increase the number of successful small businesses created in communities throughout Philadelphia. This is based on the principle that every neighborhood should have a strong business presence that responds to the needs of its residents and the development of wealth and employment – generating opportunities for residents.

Critical to the success of this goal is to have adequate funding for those potential businesses within targeted minority tract and income tract communities. This is no less true in the face of a national recession and turbulence in the financial sector; if anything, such a context only reaffirms the need to prioritize efforts to work with local banks to assist entrepreneurs.

Accordingly, the City should encourage the depositories to take the following actions, and should commission periodic reviews of such performance items so as to monitor progress over time, identify areas in need of improvement, and single out programs and operators that have been effective:

- Reevaluate its community development lending programs
- Consider its geographic distribution of offices
- Reassess community credit needs within targeted tracts

- Review marketing and types of credit offered
- Consider loan products that have underwriting guidelines that are more flexible

In parallel, the City needs more information than what it is currently commissioning in the form of this annual report. Notably, to the extent that City depositories represent only a small subset of lending activity, the current scope of work fails to isolate and rank the performance of such non – City depositories as Countrywide Financial, Delta Funding Corporation, and Nationstar Mortgage, as well as any other lenders with significant activity in Philadelphia. Additional analysis may yield, for example, high – performing entities that may therefore merit additional participation in City business, or, alternatively, low – performing entities that may therefore merit additional examination by the City.



The proscribed scope of this annual report also leaves little room to connect broader national trends to their implications on local policy. City decisions on such topics as depositories, foreclosures, and resources for small businesses are greatly influenced by macro – economic forces and by decisions in Washington and Harrisburg; those local decisions, thus, would benefit from additional insight on what is happening nationally and what can be done in response locally.

Finally, there is great potential to expand the existing chapters on small business lending, and in doing so provide the City with useful information on where small business lending is and is not taking place over time, from which to make important public policy decisions. Possible explorations can include but not be limited to:

- Identify “under – invested” and “over – invested” neighborhoods. Using counts of small businesses by Census tract, and accounting for other potential explanatory variables such as demographics, industry composition, and macro – economic lending trends, one can use regression analysis to estimate the anticipated number of small business loans that a Census tract should receive, and compare that estimate with the actual number it received, so as to isolate any areas that have been “under – invested” or “over – invested.” Such an analysis can be done in annual increments going back several years, to understand such trends over time. Results can also be aggregated upwards to the neighborhood level and/or Councilmatic district.
- Evaluate small business lending activity more comprehensively. The existing analysis of small business lending activity by City depositories can be expanded to include all banks. In this way, other major entities in this space can be evaluated, not just those that happen to be City depositories.
- Understand the relationship between private and public investment. One can compare the scale and geographic distribution of small business loans with other, public investments made by the City at the business and neighborhood level; and such an analysis can be done in annual increments going back several years, to understand such trends over time. This can help identify neighborhoods that have been able to attract private capital without public funds, those that receive very little private capital



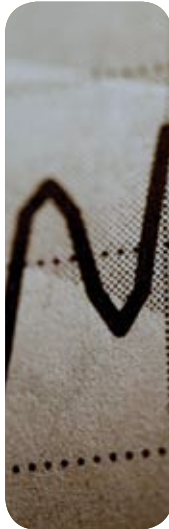
but considerable public funds, those that receive a lot of both kinds, and those that receive a little of both kinds. This can also help identify neighborhoods in which the proportions have changed over time: where public investment in previous years has now created a climate in which private investment is taking place, or where private investment has left and is being replaced by public investment.

- Understand the relationship between residential and commercial lending. Similar to the recommended analysis above, one can compare the scale and geographic distribution of residential loans with commercial loans. This can help identify situations in which rising house prices crowd out commercial activity or else attract commercial activity. This may be of particular interest in areas largely devoted to industrial uses (per PIDC's current industrial land use analysis) or retail uses (per Econsult's own two – year study of commercial corridors with William Penn Foundation and LISC).

In other words, the existing scope as proscribed by Resolution No. 051161 provides insight on a narrow albeit important policy topic. Additional analysis, done in parallel with the required annual report and using similar data sources and statistical techniques, can yield insightful information to assist the Nutter administration in its efforts to grow the regional economy, encourage neighborhood investment and small business formation, and ensure equitable distribution of financial and finance – related resources.



Appendix 01 Tables



Appendix 1

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Table 1 – All Lenders – Home Purchase Loans

Logistic regression		Number of obs = 18275					
		LR chi2(14) = 1038.86					
		Prob > chi2 = 0.0000					
Log likelihood = -8600.4155		Pseudo R2 = 0.0570					
loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]		

Race (Reference=White)							
Black	0.851	0.069	12.410	0.000	0.716	0.985	
Asian	-0.014	0.084	-0.160	0.870	-0.178	0.151	
Hispanic	0.473	0.073	6.530	0.000	0.331	0.615	
Missing Race	0.235	0.068	3.480	0.001	0.103	0.368	
Gender (Reference=Female)							
Male	0.065	0.053	1.220	0.223	-0.039	0.169	
Missing Gender	0.710	0.089	7.950	0.000	0.535	0.885	
Black * Male	0.129	0.082	1.570	0.116	-0.032	0.290	
Vacancy Rate	1.066	0.382	2.790	0.005	0.317	1.815	
Tract Percent of Median Income	-0.525	0.136	-3.850	0.000	-0.791	-0.258	
Log (Loan Amount)	-0.334	0.056	-6.000	0.000	-0.444	-0.225	
Log (Income)	-0.062	0.041	-1.520	0.127	-0.143	0.018	
Conventional Loan	0.551	0.276	2.000	0.046	0.010	1.091	
FHA Loan	-0.073	0.283	-0.260	0.797	-0.627	0.482	
Loan to Value Ratio	0.059	0.015	3.850	0.000	0.029	0.090	
Constant	2.305	0.644	3.580	0.000	1.042	3.567	

. test black black_male							
(1) black = 0							
(2) black_male = 0							
chi2(2) = 297.45							
Prob > chi2 = 0.0000							
Marginal effects after logit							
y = Pr(loan_denied) (predict)							
= .18189441							
variable	dy/dx	Std. Err.	z	P> z	[95% Conf. Interval]		X
-----+	-----	-----	-----	-----	-----	-----	-----
Race (Reference=White)							
Black	0.142	0.013	11.320	0.000	0.118	0.167	0.273
Asian	-0.002	0.012	-0.160	0.869	-0.026	0.022	0.087
Hispanic	0.079	0.013	5.910	0.000	0.053	0.105	0.103
Missing Race	0.037	0.011	3.340	0.001	0.015	0.058	0.197
Gender (Reference=Female)							
Male	0.010	0.008	1.220	0.222	-0.006	0.025	0.514
Missing Gender	0.126	0.018	6.890	0.000	0.090	0.162	0.067
Black * Male	0.020	0.013	1.530	0.127	-0.006	0.045	0.121
Vacancy Rate	0.159	0.057	2.790	0.005	0.047	0.270	0.096
Tract Percent of Median Income	-0.078	0.020	-3.870	0.000	-0.118	-0.038	0.617
Log (Loan Amount)	-0.050	0.008	-6.010	0.000	-0.066	-0.034	11.827
Log (Income)	-0.009	0.006	-1.520	0.127	-0.021	0.003	10.936
Conventional Loan	0.071	0.031	2.330	0.020	0.011	0.131	0.892
FHA Loan	-0.011	0.041	-0.260	0.793	-0.090	0.069	0.102
Loan to Value Ratio	0.009	0.002	3.850	0.000	0.004	0.013	2.415

(*) dy/dx is for discrete change of dummy variable from 0 to 1							

Table 2 – All Lenders – Home Purchase Loans Test for Redlining

Logistic regression
 Number of obs = 18275
 LR chi2(10) = 871.55
 Prob > chi2 = 0.0000
 Log likelihood = -8684.0704 Pseudo R2 = 0.0478

loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]		
-----+-----							
Percent Minority Population		0.010	0.001	13.930	0.000	0.008	0.011
Male		0.083	0.041	2.030	0.042	0.003	0.162
Missing Gender		0.566	0.073	7.770	0.000	0.423	0.708
Vacancy Race		-0.262	0.396	-0.660	0.507	-1.038	0.514
Tract Percent of Median Income		-0.174	0.133	-1.310	0.189	-0.434	0.086
Log (Loan Amount)		-0.358	0.055	-6.520	0.000	-0.465	-0.250
Log (Income)		-0.119	0.040	-2.960	0.003	-0.198	-0.040
Conventional Loan		0.357	0.276	1.300	0.195	-0.183	0.898
FHA Loan		-0.174	0.283	-0.610	0.539	-0.728	0.380
Loan to Value Ratio		0.043	0.015	2.810	0.005	0.013	0.074
Constant		3.206	0.628	5.100	0.000	1.975	4.438

Marginal effects after logit
 $y = \text{Pr}(\text{loan_denied}) (\text{predict})$
 = .18472216

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X		
-----+-----								
Percent Minority Population		0.001	0.000	14.070	0.000	0.001	0.002	49.900
Male		0.012	0.006	2.030	0.042	0.000	0.024	0.514
Missing Gender		0.098	0.014	6.880	0.000	0.070	0.126	0.067
Vacancy Race		-0.040	0.060	-0.660	0.507	-0.156	0.077	0.096
Tract Percent of Median Income		-0.026	0.020	-1.310	0.189	-0.065	0.013	0.617
Log (Loan Amount)		-0.054	0.008	-6.530	0.000	-0.070	-0.038	11.827
Log (Income)		-0.018	0.006	-2.960	0.003	-0.030	-0.006	10.936
Conventional Loan		0.049	0.034	1.430	0.153	-0.018	0.117	0.892
FHA Loan		-0.025	0.039	-0.640	0.520	-0.101	0.051	0.102
Loan to Value Ratio		0.007	0.002	2.810	0.005	0.002	0.011	2.415

(*) dy/dx is for discrete change of dummy variable from 0 to 1

Table 3 – All Lenders – Home Purchase Loans by Prime and Subprime

Logistic regression		Number of obs = 16994					
		LR chi2(13) = 1634.93					
		Prob > chi2 = 0.0000					
Log likelihood = -5810.8247		Pseudo R2 = 0.1233					
subprime	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]		
-----+-----							
Race (Reference = White)							
Black	1.044	0.085	12.320	0.000	0.878	1.211	
Asian	-0.795	0.135	-5.890	0.000	-1.060	-0.531	
Hispanic	0.908	0.086	10.590	0.000	0.740	1.076	
Missing Race	0.520	0.082	6.350	0.000	0.360	0.681	
Gender (Reference=Female)							
Male	0.057	0.066	0.860	0.388	-0.072	0.187	
Missing Gender	-0.216	0.122	-1.760	0.078	-0.455	0.024	
Black * Male	-0.001	0.100	-0.010	0.996	-0.197	0.196	
Vacancy Rate	-2.589	0.547	-4.730	0.000	-3.661	-1.516	
Tract Percent of Median Income	-2.017	0.209	-9.670	0.000	-2.426	-1.608	
Log (Loan Amount)	-0.448	0.079	-5.700	0.000	-0.602	-0.294	
Log (Income)	-0.120	0.054	-2.230	0.026	-0.225	-0.014	
Conventional Loan	1.635	0.108	15.100	0.000	1.423	1.847	
Loan to Value Ratio	-0.032	0.029	-1.130	0.260	-0.089	0.024	
Constant	4.110	0.831	4.950	0.000	2.481	5.739	
. test black black_male							
(1) black = 0							
(2) black_male = 0							
chi2(2) = 237.01							
Prob > chi2 = 0.0000							
Marginal effects after logit							
y = Pr(subprime) (predict)							
= .09486768							
variable	dy/dx	Std. Err.	z	P> z	[95%	C.I.]	X
-----+	-----	-----	-----	-----	-----	-----	-----
Race (Reference=White)							
Black	0.112	0.011	10.190	0.000	0.090	0.133	0.250
Asian	-0.053	0.007	-7.900	0.000	-0.066	-0.040	0.091
Hispanic	0.105	0.013	8.280	0.000	0.080	0.129	0.098
Missing Race	0.051	0.009	5.660	0.000	0.033	0.068	0.202
Gender (Reference=Female)							
Male	0.005	0.006	0.860	0.387	-0.006	0.016	0.516
Missing Gender	-0.017	0.009	-1.910	0.056	-0.035	0.000	0.067
Black * Male	0.000	0.009	-0.010	0.996	-0.017	0.017	0.108
Vacancy Rate	-0.222	0.046	-4.790	0.000	-0.313	-0.131	0.094
Tract Percent of Median Income	-0.173	0.017	-10.070	0.000	-0.207	-0.140	0.631
Log (Loan Amount)	-0.038	0.007	-5.690	0.000	-0.052	-0.025	11.859
Log (Income)	-0.010	0.005	-2.230	0.026	-0.019	-0.001	10.967
Conventional Loan	0.088	0.004	24.280	0.000	0.081	0.095	0.887
Loan to Value Ratio	-0.003	0.002	-1.130	0.260	-0.008	0.002	2.408
-----+-----							
(*) dy/dx is for discrete change of dummy variable from 0 to 1							

Table 4 – All Lenders – Home Refinancing Loans

Logistic regression		Number of obs = 30901				
		LR chi2(13) = 1821.45				
		Prob > chi2 = 0.0000				
Log likelihood = -20477.166		Pseudo R2 = 0.0426				

loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
-----	-----	-----	-----	-----	-----	
Race (Reference=White)						
Black	0.583	0.040	14.410	0.000	0.503	0.662
Asian	0.050	0.065	0.760	0.446	-0.078	0.178
Hispanic	0.438	0.049	8.980	0.000	0.342	0.533
Missing Race	0.249	0.038	6.590	0.000	0.175	0.323
Gender (Reference=Female)						
Male	0.003	0.033	0.080	0.939	-0.062	0.067
Missing Gender	0.494	0.047	10.390	0.000	0.400	0.587
Black*Male	0.082	0.051	1.610	0.108	-0.018	0.183
Vacancy Rate	-0.570	0.246	-2.320	0.020	-1.053	-0.088
Log(Loan Amount)	-0.127	0.029	-4.430	0.000	-0.183	-0.071
Log(Income)	-0.464	0.023	-19.990	0.000	-0.510	-0.419
Conventional Loan	-0.016	0.592	-0.030	0.978	-1.177	1.145
FHA Loan	-0.583	0.596	-0.980	0.328	-1.750	0.585
Loan to Value Ratio	0.289	0.016	17.600	0.000	0.257	0.322
Constant	5.528	0.683	8.100	0.000	4.190	6.866

```
. test black black_male
(1) black = 0
(2) black_male = 0
chi2( 2) = 394.67
Prob > chi2 = 0.0000
```

Marginal effects after logit
y = Pr(loan_denied) (predict)
= .4772021

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
-----+	-----	-----	-----	-----	-----	-----
Race (Reference=White)						
Black	0.145	0.010	14.620	0.000	0.125	0.164
Asian	0.012	0.016	0.760	0.446	-0.020	0.044
Hispanic	0.109	0.012	9.130	0.000	0.085	0.132
Missing Race	0.062	0.009	6.600	0.000	0.044	0.081
Gender (Reference=Female)						
Male	0.001	0.008	0.080	0.939	-0.015	0.017
Missing Gender	0.122	0.012	10.570	0.000	0.100	0.145
Black*Male	0.021	0.013	1.600	0.109	-0.005	0.046
Vacancy Rate	-0.142	0.061	-2.320	0.020	-0.263	-0.022
Log(Loan Amount)	-0.032	0.007	-4.430	0.000	-0.046	-0.018
Log(Income)	-0.116	0.006	-19.990	0.000	-0.127	-0.104
Conventional Loan	-0.004	0.148	-0.030	0.978	-0.294	0.286
FHA Loan	-0.140	0.135	-1.040	0.298	-0.404	0.124
Loan to Value Ratio	0.072	0.004	17.600	0.000	0.064	0.080

(*) dy/dx is for discrete change of dummy variable from 0 to 1

Table 5 – All Lenders – Home Improvement Loans

Logistic regression Number of obs = 12767
 LR chi2(11) = 1383.02
 Prob > chi2 = 0.0000
 Log likelihood = -8128.7083 Pseudo R2 = 0.0784

loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	

Race (Reference=White)						
Black	0.685	0.059	11.530	0.000	0.569	0.802
Asian	0.443	0.086	5.170	0.000	0.275	0.611
Hispanic	0.709	0.070	10.090	0.000	0.571	0.847
Missing Race	-0.244	0.075	-3.240	0.001	-0.392	-0.096
Gender (Reference=Female)						
Male	-0.081	0.052	-1.560	0.119	-0.184	0.021
Missing Gender	0.559	0.097	5.780	0.000	0.369	0.748
Black*Male	0.206	0.081	2.550	0.011	0.048	0.364
Vacancy Rate	0.584	0.352	1.660	0.097	-0.106	1.273
Log(Loan Amount)	-0.234	0.035	-6.640	0.000	-0.304	-0.165
Log(Income)	-0.588	0.033	-17.650	0.000	-0.653	-0.523
Loan to Value Ratio	0.303	0.038	8.010	0.000	0.229	0.377
Constant	8.190	0.455	17.990	0.000	7.297	9.082

Note: 0 failures and 1 success completely determined.

```
. test black_black_male
( 1) black = 0
( 2) black_male = 0
    chi2( 2) = 272.72
    Prob > chi2 = 0.0000
```

Marginal effects after logit
 y = Pr(loan_denied) (predict)
 = .53688203

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
Race (Reference=White)						
Black	0.168	0.014	11.830	0.000	0.140	0.196
Asian	0.107	0.020	5.390	0.000	0.068	0.146
Hispanic	0.168	0.015	10.910	0.000	0.138	0.198
Missing Race	-0.061	0.019	-3.240	0.001	-0.098	-0.024
Gender (Reference=Female)						
Male	-0.020	0.013	-1.560	0.119	-0.046	0.005
Missing Gender	0.134	0.022	6.120	0.000	0.091	0.177
Black*Male	0.051	0.020	2.580	0.010	0.012	0.089
Vacancy Rate	0.145	0.087	1.660	0.097	-0.026	0.317
Log(Loan Amount)	-0.058	0.009	-6.640	0.000	-0.076	-0.041
Log(Income)	-0.146	0.008	-17.650	0.000	-0.162	-0.130
Loan to Value Ratio	0.075	0.009	8.010	0.000	0.057	0.094

(*) dy/dx is for discrete change of dummy variable from 0 to 1

Table 6 – Depositories – Home Purchase Loans

Logistic regression	Number of obs = 17245					
	LR chi2(21) = 1102.58					
	Prob > chi2 = 0.0000					
Log likelihood = -7956.1615	Pseudo R2 = 0.0648					
-----	-----					
loan_denied	Coef.	Std. Err.	z	P> z	[95% Cor Interval]	
-----	-----	-----	-----	-----	-----	
Race (Reference=White)						
Black	0.940	0.075	12.490	0.000	0.792	1.087
Asian	-0.042	0.095	-0.440	0.659	-0.228	0.144
Hispanic	0.522	0.084	6.220	0.000	0.357	0.686
Missing Race	0.301	0.074	4.080	0.000	0.156	0.446
Depository Race (Reference=Other Philadelphia Lenders)						
Black	-0.480	0.146	-3.290	0.001	-0.766	-0.194
Asian	0.191	0.233	0.820	0.412	-0.266	0.648
Hispanic	-0.167	0.176	-0.950	0.343	-0.511	0.178
Missing Race	-0.487	0.164	-2.960	0.003	-0.809	-0.165
Gender (Reference=Female)						
Male	0.066	0.055	1.200	0.230	-0.042	0.175
Missing Gender	0.750	0.095	7.910	0.000	0.564	0.936
Black * Male	0.089	0.086	1.040	0.300	-0.079	0.257
Vacancy Rate	1.157	0.398	2.910	0.004	0.376	1.937
Log (Loan Amount)	-0.285	0.059	-4.820	0.000	-0.400	-0.169
Log (Income)	-0.129	0.044	-2.970	0.003	-0.214	-0.044
Tract Percent of Median Income	-0.523	0.143	-3.650	0.000	-0.804	-0.242
Bank (Reference = All other)						
Bank of America	0.262	0.128	2.060	0.040	0.012	0.512
Citizens	-0.046	0.174	-0.270	0.790	-0.386	0.294
Sovereign	-0.911	0.159	-5.720	0.000	-1.224	-0.599
Wachovia	-0.194	0.142	-1.360	0.173	-0.473	0.085
Conventional Loan	0.555	0.071	7.770	0.000	0.415	0.695
Loan to Value Ratio	0.048	0.016	2.940	0.003	0.016	0.081
Constant	2.462	0.616	4.000	0.000	1.255	3.669

```
. test black black_male
( 1) black = 0
( 2) black_male = 0
    chi2( 2) = 270.17
    Prob > chi2 = 0.0000
```

Marginal effects after logit
y = Pr(loan_denied) (predict)
= .17498572

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
-----+	-----	-----	-----	-----	-----	-----
Race (Reference=White)						
Black	0.155	0.014	11.250	0.000	0.128	0.182
Asian	-0.006	0.013	-0.450	0.655	-0.032	0.020
Hispanic	0.086	0.015	5.580	0.000	0.055	0.116
Missing Race	0.046	0.012	3.870	0.000	0.023	0.069
Depository Race (Reference=Other Philadelphia Lenders)						
Black	-0.060	0.016	-3.840	0.000	-0.091	-0.029
Asian	0.029	0.038	0.780	0.438	-0.045	0.103
Hispanic	-0.023	0.023	-1.000	0.318	-0.068	0.022
Missing Race	-0.061	0.017	-3.490	0.000	-0.095	-0.027
Gender (Reference=Female)						
Male	0.010	0.008	1.200	0.230	-0.006	0.025
Missing Gender	0.131	0.019	6.780	0.000	0.093	0.169
Black * Male	0.013	0.013	1.010	0.310	-0.012	0.038
Vacancy Rate	0.167	0.058	2.900	0.004	0.054	0.280
Log (Loan Amount)	-0.041	0.009	-4.830	0.000	-0.058	-0.024
Log (Income)	-0.019	0.006	-2.970	0.003	-0.031	-0.006
Tract Percent of Median Income	-0.076	0.021	-3.660	0.000	-0.116	-0.035
Bank (Reference = All other)						
Bank of America	0.041	0.021	1.920	0.054	-0.001	0.082
Citizens	-0.007	0.024	-0.270	0.787	-0.054	0.041
Sovereign	-0.101	0.013	-7.910	0.000	-0.125	-0.076
Wachovia	-0.026	0.018	-1.450	0.148	-0.062	0.009
Conventional Loan	0.069	0.008	9.130	0.000	0.054	0.084
Loan to Value Ratio	0.007	0.002	2.940	0.003	0.002	0.012

(*) dy/dx is for discrete change of dummy variable from 0 to 1

Table 7 – Depositories – Home Purchase Loans Test for Redlining

Logistic regression
 Number of obs = 17245
 LR chi2(13) = 930.10
 Prob > chi2 = 0.0000
 Log likelihood = -8042.4041
 Pseudo R2 = 0.0547

loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
Percent Minority Population	0.010	0.001	13.260	0.000	0.008	0.011
Male	0.071	0.042	1.680	0.093	-0.012	0.154
Missing Gender	0.556	0.077	7.260	0.000	0.406	0.706
Log (Loan Amount)	-0.305	0.058	-5.240	0.000	-0.419	-0.191
Log (Income)	-0.181	0.043	-4.210	0.000	-0.265	-0.097
Tract Percent of Median Income	-0.187	0.139	-1.340	0.180	-0.460	0.086
Bank of America	0.002	0.073	0.020	0.980	-0.142	0.145
Citizens	-0.278	0.137	-2.020	0.043	-0.547	-0.008
Sovereign	-1.187	0.119	-10.000	0.000	-1.420	-0.954
Wachovia	-0.452	0.097	-4.660	0.000	-0.643	-0.262
Conventional Loan	0.455	0.071	6.450	0.000	0.317	0.594
Vacancy Rate	-0.136	0.411	-0.330	0.741	-0.941	0.669
Loan to Value Ratio	0.030	0.017	1.790	0.073	-0.003	0.062
Constant	3.235	0.600	5.390	0.000	2.059	4.411

Marginal effects after logit
 y = Pr(loan_denied) (predict)
 = .17766793

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X	
-----+	-----	-----	-----	-----	-----	-----	
Percent Minority Population	0.001	0.000	13.380	0.000	0.001	0.002	50.041
Male	0.010	0.006	1.680	0.093	-0.002	0.022	0.512
Missing Gender	0.094	0.015	6.420	0.000	0.065	0.123	0.067
Log (Loan Amount)	-0.045	0.009	-5.240	0.000	-0.061	-0.028	11.822
Log (Income)	-0.026	0.006	-4.220	0.000	-0.039	-0.014	10.927
Tract Percent of Median Income	-0.027	0.020	-1.340	0.180	-0.067	0.013	0.614
Bank of America	0.000	0.011	0.020	0.980	-0.021	0.021	0.071
Citizens	-0.037	0.017	-2.220	0.026	-0.070	-0.004	0.021
Sovereign	-0.122	0.008	-15.550	0.000	-0.138	-0.107	0.062
Wachovia	-0.058	0.011	-5.400	0.000	-0.079	-0.037	0.054
Conventional Loan	0.059	0.008	7.340	0.000	0.043	0.075	0.892
Vacancy Rate	-0.020	0.060	-0.330	0.741	-0.137	0.098	0.096
Loan to Value Ratio	0.004	0.002	1.790	0.073	0.000	0.009	2.412

(*) dy/dx is for discrete change of dummy variable from 0 to 1

Table 8 – Depositories – Home Purchase Loans by Prime and Subprime

Logistic regression		Number of obs = 16028					
		LR chi2(20) = 1547.29					
		Prob > chi2 = 0.0000					
Log likelihood = -5505.024		Pseudo R2 = 0.1232					
subprime	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]		
Race (Reference=White)							
Black	1.017	0.090	11.300	0.000	0.841	1.194	
Asian	-0.830	0.148	-5.620	0.000	-1.120	-0.541	
Hispanic	0.885	0.093	9.530	0.000	0.703	1.068	
Missing Race	0.581	0.088	6.610	0.000	0.409	0.753	
Depository Race (Reference=Other Philadelphia Lenders)							
Black Depository	-0.422	0.245	-1.720	0.085	-0.901	0.058	
Asian Depository	0.780	0.423	1.840	0.065	-0.050	1.609	
Hispanic Depository	-0.236	0.263	-0.900	0.369	-0.752	0.280	
Missing Race Depository	0.184	0.260	0.710	0.480	-0.326	0.694	
Gender (Reference=Female)							
Male	0.035	0.068	0.520	0.601	-0.097	0.168	
Missing Gender	-0.226	0.127	-1.780	0.075	-0.474	0.022	
Black*Male	-0.004	0.103	-0.040	0.971	-0.206	0.199	
Vacancy Rate	-1.942	0.565	-3.440	0.001	-3.049	-0.836	
Log(Loan Amount)	-0.500	0.083	-6.050	0.000	-0.662	-0.338	
Log(Income)	-0.161	0.057	-2.820	0.005	-0.273	-0.049	
Tract Percent of Median Income	-1.910	0.219	-8.710	0.000	-2.340	-1.480	
Bank (Reference = All other)							
Bank of America	-0.730	0.228	-3.200	0.001	-1.176	-0.283	
Citizens	-1.646	0.333	-4.940	0.000	-2.298	-0.993	
Sovereign	-0.893	0.227	-3.940	0.000	-1.337	-0.448	
Wachovia	-1.352	0.264	-5.130	0.000	-1.870	-0.835	
Loan to Value Ratio	-0.028	0.030	-0.920	0.357	-0.087	0.031	
Constant	6.715	0.872	7.700	0.000	5.005	8.425	

```
. test black black_male
( 1) black = 0
( 2) black_male = 0
    chi2( 2) = 194.87
    Prob > chi2 = 0.0000
```

```
Marginal effects after logit
y = Pr(subprime) (predict)
= .0952424
```

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
Race (Reference=White)						
Black	0.109	0.012	9.310	0.000	0.086	0.132
Asian	-0.055	0.007	-7.600	0.000	-0.069	-0.041
Hispanic	0.101	0.014	7.450	0.000	0.075	0.128
Missing Race	0.058	0.010	5.820	0.000	0.038	0.077
Depository Race (Reference=Other Philadelphia Lenders)						
Black Depository	-0.031	0.016	-2.010	0.044	-0.062	-0.001
Asian Depository	0.091	0.063	1.430	0.152	-0.033	0.215
Hispanic Depository	-0.019	0.019	-0.980	0.325	-0.056	0.018
Missing Race Depository	0.017	0.026	0.660	0.508	-0.033	0.067
Gender (Reference=Female)						
Male	0.003	0.006	0.520	0.600	-0.008	0.014
Missing Gender	-0.018	0.009	-1.940	0.053	-0.036	0.000
Black*Male	0.000	0.009	-0.040	0.971	-0.018	0.017
Vacancy Rate	-0.167	0.048	-3.470	0.001	-0.262	-0.073
Log(Loan Amount)	-0.043	0.007	-6.040	0.000	-0.057	-0.029
Log(Income)	-0.014	0.005	-2.830	0.005	-0.024	-0.004
Tract Percent of Median Income	-0.165	0.018	-9.040	0.000	-0.200	-0.129
Bank (Reference = All other)						
Bank of America	-0.049	0.011	-4.290	0.000	-0.071	-0.026
Citizens	-0.078	0.007	-10.850	0.000	-0.092	-0.064
Sovereign	-0.057	0.010	-5.630	0.000	-0.076	-0.037
Wachovia	-0.073	0.008	-9.160	0.000	-0.089	-0.057
Loan to Value Ratio	-0.002	0.003	-0.920	0.357	-0.007	0.003

Table 9 – Depositories – Home Refinancing Loans

Logistic regression		Number of obs = 29904				
		LR chi2(23) = 2152.08				
		Prob > chi2 = 0.0000				
Log likelihood = -19638.228		Pseudo R2 = 0.0519				
loan_denied	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
Race (Reference=White)						
Black	0.5096	0.0439	11.6200	0.0000	0.4236	0.5955
Asian	-0.0914	0.0788	-1.1600	0.2460	-0.2458	0.0631
Hispanic	0.4206	0.0586	7.1800	0.0000	0.3057	0.5355
Missing Race	0.1386	0.0400	3.4600	0.0010	0.0601	0.2170
Depository Race (Reference=Other Philadelphia Lenders)						
Black	0.2062	0.0847	2.4300	0.0150	0.0402	0.3722
Asian	0.5828	0.1509	3.8600	0.0000	0.2870	0.8785
Hispanic	0.1978	0.1133	1.7500	0.0810	-0.0243	0.4199
Missing Race	-0.2438	0.1073	-2.2700	0.0230	-0.4541	-0.0336
Gender (Reference=Female)						
Male	0.0089	0.0335	0.2700	0.7900	-0.0567	0.0745
Missing Gender	0.6175	0.0498	12.4100	0.0000	0.5200	0.7151
Black * Male	0.0826	0.0525	1.5700	0.1160	-0.0203	0.1855
Vacancy Rate	-0.7205	0.2653	-2.7200	0.0070	-1.2405	-0.2005
Log (Loan Amount)	-0.1266	0.0347	-3.6500	0.0000	-0.1946	-0.0586
Log (Income)	-0.4377	0.0243	-17.9900	0.0000	-0.4853	-0.3900
Tract Percent of Median Inc	-0.1485	0.0952	-1.5600	0.1190	-0.3350	0.0381
Bank (Reference = All other)						
Bank of America	-0.3766	0.1193	-3.1600	0.0020	-0.6104	-0.1428
Citibank	-0.3533	0.1057	-3.3400	0.0010	-0.5605	-0.1461
Citizens	0.1288	0.0939	1.3700	0.1700	-0.0552	0.3128
PNC Financial Service	0.6767	0.1472	4.6000	0.0000	0.3881	0.9652
Sovereign	-1.1349	0.1481	-7.6600	0.0000	-1.4251	-0.8447
Wachovia	-0.7876	0.0703	-11.2100	0.0000	-0.9253	-0.6498
Conventional Loan	0.5356	0.0694	7.7200	0.0000	0.3997	0.6716
Loan to Value Ratio	0.2739	0.0193	14.2000	0.0000	0.2361	0.3117
Constant	4.9526	0.3941	12.5700	0.0000	4.1802	5.7250
. test black black_male						
(1) black = 0						
(2) black_male = 0						
chi2(2) = 245.28						
Prob > chi2 = 0.0000						
Marginal effects after logit						
y = Pr(loan_denied) (predict)						
= .48388371						
variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
-----+						
Race (Reference=White)						
Black	0.1267	0.0108	11.7500	0.0000	0.1056	0.1478
Asian	-0.0228	0.0196	-1.1600	0.2450	-0.0612	0.0156
Hispanic	0.1044	0.0143	7.3000	0.0000	0.0764	0.1325
Missing Race	0.0346	0.0100	3.4600	0.0010	0.0150	0.0542
Depository Race (Reference=Other Philadelphia Lenders)						
Black	0.0515	0.0211	2.4400	0.0150	0.0102	0.0928
Asian	0.1430	0.0354	4.0400	0.0000	0.0736	0.2123
Hispanic	0.0494	0.0282	1.7500	0.0800	-0.0059	0.1047
Missing Race	-0.0604	0.0262	-2.3000	0.0210	-0.1118	-0.0090
Gender (Reference=Female)						
Male	0.0022	0.0084	0.2700	0.7900	-0.0142	0.0186
Missing Gender	0.1521	0.0118	12.8600	0.0000	0.1289	0.1753
Black * Male	0.0206	0.0131	1.5700	0.1160	-0.0051	0.0464
Vacancy Rate	-0.1799	0.0663	-2.7200	0.0070	-0.3098	-0.0501
Log (Loan Amount)	-0.0316	0.0087	-3.6500	0.0000	-0.0486	-0.0146
Log (Income)	-0.1093	0.0061	-17.9900	0.0000	-0.1212	-0.0974
Tract Percent of Median Inc	-0.0371	0.0238	-1.5600	0.1190	-0.0837	0.0095
Bank (Reference = All other)						
Bank of America	-0.0925	0.0285	-3.2500	0.0010	-0.1482	-0.0367
Citibank	-0.0869	0.0254	-3.4300	0.0010	-0.1366	-0.0372
Citizens	0.0322	0.0235	1.3700	0.1700	-0.0138	0.0781
PNC Financial Service	0.1647	0.0337	4.8900	0.0000	0.0987	0.2306
Sovereign	-0.2531	0.0266	-9.5200	0.0000	-0.3052	-0.2010
Wachovia	-0.1878	0.0154	-12.1900	0.0000	-0.2180	-0.1576
Conventional Loan	0.1299	0.0160	8.1300	0.0000	0.0986	0.1613
Loan to Value Ratio	0.0684	0.0048	14.2000	0.0000	0.0590	0.0778

(*) dy/dx is for discrete change of dummy variable from 0 to 1						

Table 10 – Depositories – Home Improvement Loans

Logistic regression Number of obs = 11242
 LR chi2(23) = 1491.49
 Prob > chi2 = 0.0000
 Log likelihood = -6983.5135 Pseudo R2 = 0.0965

loan_denied	Coef.	Std.	Err.	z	P> z	[95% Conf. Interval]
-----+-----						
Race (Reference=White)						
Black	0.6979	0.0794	8.7900	0.0000	0.5423	0.8535
Asian	0.5447	0.1611	3.3800	0.0010	0.2289	0.8605
Hispanic	0.8402	0.1161	7.2400	0.0000	0.6127	1.0677
Missing Race	-0.4785	0.0895	-5.3500	0.0000	-0.6539	-0.3032
Depository Race (Reference=Other Philadelphia Lenders)						
Black	-0.1227	0.1011	-1.2100	0.2250	-0.3210	0.0755
Asian	-0.1987	0.1986	-1.0000	0.3170	-0.5880	0.1907
Hispanic	-0.2170	0.1516	-1.4300	0.1520	-0.5142	0.0801
Missing Race	0.3725	0.1519	2.4500	0.0140	0.0748	0.6703
Gender (Reference=Female)						
Male	-0.0775	0.0567	-1.3700	0.1720	-0.1887	0.0337
Missing Gender	0.8330	0.1132	7.3600	0.0000	0.6111	1.0550
Black * Male	0.2095	0.0866	2.4200	0.0160	0.0399	0.3792
Vacancy Rate	-1.0944	0.4425	-2.4700	0.0130	-1.9618	-0.2271
Log (Loan Amount)	-0.1799	0.0415	-4.3400	0.0000	-0.2612	-0.0986
Log (Income)	-0.5030	0.0372	-13.5400	0.0000	-0.5758	-0.4302
Tract Percent of Median Income	-0.9839	0.1541	-6.3800	0.0000	-1.2861	-0.6818
Bank (Reference = All other)						
Bank of America	-0.2733	0.1415	-1.9300	0.0530	-0.5506	0.0040
Citibank	-0.9298	0.1461	-6.3600	0.0000	-1.2162	-0.6434
Citizens	-0.1277	0.0868	-1.4700	0.1410	-0.2978	0.0423
PNC Financial Services	0.2126	0.0965	2.2000	0.0280	0.0236	0.4017
Sovereign	-0.2245	0.1307	-1.7200	0.0860	-0.4807	0.0318
Wachovia	-0.8641	0.0984	-8.7800	0.0000	-1.0571	-0.6712
Conventional Loan	0.2457	0.1466	1.6800	0.0940	-0.0416	0.5330
Loan to Value Ratio	0.2758	0.0442	6.2500	0.0000	0.1893	0.3624
Constant	7.4044	0.5431	13.6300	0.0000	6.3400	8.4688
-----+-----						

. test black black_male
 (1) black = 0
 (2) black_male = 0
 chi2(2) = 135.70
 Prob > chi2 = 0.0000

Marginal effects after logit
 y = Pr(loan_denied) (predict)
 = .55766822

variable	dy/dx	Std. Err.	z	P> z	[95% C.I.]	X
-----+-----						
Race (Reference=White)						
Black	0.1693	0.0187	9.0400	0.0000	0.1326	0.2060
Asian	0.1281	0.0354	3.6200	0.0000	0.0587	0.1975
Hispanic	0.1923	0.0237	8.1200	0.0000	0.1459	0.2387
Missing Race	-0.1190	0.0221	-5.3700	0.0000	-0.1624	-0.0755
Depository Race (Reference=Other Philadelphia Lenders)						
Black	-0.0304	0.0251	-1.2100	0.2260	-0.0796	0.0188
Asian	-0.0494	0.0496	-1.0000	0.3200	-0.1466	0.0479
Hispanic	-0.0539	0.0379	-1.4300	0.1540	-0.1281	0.0202
Missing Race	0.0892	0.0349	2.5500	0.0110	0.0207	0.1577
Gender (Reference=Female)						
Male	-0.0191	0.0140	-1.3700	0.1720	-0.0466	0.0083
Missing Gender	0.1889	0.0226	8.3700	0.0000	0.1446	0.2331
Black * Male	0.0511	0.0209	2.4500	0.0140	0.0102	0.0920
Vacancy Rate	-0.2700	0.1092	-2.4700	0.0130	-0.4840	-0.0560
Log (Loan Amount)	-0.0444	0.0102	-4.3400	0.0000	-0.0644	-0.0243
Log (Income)	-0.1241	0.0092	-13.5400	0.0000	-0.1420	-0.1061
Tract Percent of Median Income	-0.2427	0.0381	-6.3800	0.0000	-0.3173	-0.1681
Bank (Reference = All other)						
Bank of America	-0.0680	0.0354	-1.9200	0.0540	-0.1373	0.0012
Citibank	-0.2260	0.0328	-6.9000	0.0000	-0.2903	-0.1618
Citizens	-0.0316	0.0216	-1.4700	0.1420	-0.0739	0.0106
PNC Financial Services	0.0518	0.0232	2.2400	0.0250	0.0064	0.0973
Sovereign	-0.0558	0.0327	-1.7100	0.0870	-0.1199	0.0082
Wachovia	-0.2121	0.0230	-9.2300	0.0000	-0.2571	-0.1670
Conventional Loan	0.0612	0.0366	1.6700	0.0950	-0.0106	0.1329
Loan to Value Ratio	0.0680	0.0109	6.2500	0.0000	0.0467	0.0894
-----+-----						

Appendix 02 Tables



Appendix 2

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Table 1 – All Loans by Borrower Race in Philadelphia

Portfolio Share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Pct. Of All Households	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	10,305	1,983	12,288	61.0%	35.1%	54.5%	282,063	47.8%	1.28	0.74
African American	4,739	3,462	8,201	28.1%	61.3%	36.4%	237,553	40.2%	0.70	1.52
Asian	1,850	199	2,049	11.0%	3.5%	9.1%	20,567	3.5%	3.14	1.01
Hispanic ³	1,695	832	2,527	9.1%	12.8%	10.1%	38,509	6.5%	1.40	1.97
Total ⁴	23,791	8,538	32,329				590,283			

Market Share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Ratio: Subprime
White	10,305	1,983	12,288	83.86%	16.1%	1.00	1.00
African American	4,739	3,462	8,201	57.79%	42.2%	0.69	2.62
Asian	1,850	199	2,049	90.29%	9.7%	1.08	0.60
Hispanic ³	1,695	832	2,527	67.08%	32.9%	0.80	2.04
Total ⁴	23,791	8,538	32,329	73.59%	26.4%	0.88	1.64

Denial Disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White
White	23,528	5,647	24.0%	1.00
African American	23,505	9,755	41.5%	1.73
Asian	3,620	751	20.7%	0.86
Hispanic ³	6,149	2,289	37.2%	1.55
Total ⁴	77,080	24,955	32.4%	1.35

¹Includes only non-Hispanic borrowers of that race.

²U.S. Census 2000

³Borrower identified as Hispanic of any race.

⁴Racial categories may not equal total because not all races are shown.

Table 2 – All Loans by Borrower Income in Philadelphia

Portfolio Share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Pct. Of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	4,651	2,727	7,378	20.0%	32.6%	23.3%	229,276	38.8%	0.51	0.84
Moderate (50-79.99% MSA)	7,448	3,102	10,550	32.0%	37.1%	33.3%	109,355	18.5%	1.73	2.00
Middle (80-119.99% MSA)	5,799	1,678	7,477	24.9%	20.1%	23.6%	102,462	17.4%	1.43	1.16
Upper (120% or More MSA)	5,398	849	6,247	23.2%	10.2%	19.7%	149,190	25.3%	0.92	0.40
LMI (<79.99% MSA Income)	12,099	5,829	17,928	51.9%	69.8%	56.6%	338,631	57.4%	0.91	1.22
UMI (>80% MSA Income)	11,197	2,527	13,724	48.1%	30.2%	43.4%	251,652	42.6%	1.13	0.71
Total ³	23,791	8,538	32,329				590,283			

Portfolio Share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Income Share to Upper-Income Share Ratio: Prime	Income Share to Upper-Income Share Ratio: Subprime
Low (<50% MSA)	4,651	2,727	7,378	63.0%	37.0%	0.73	2.72
Moderate (50-79.99% MSA)	7,448	3,102	10,550	70.6%	29.4%	0.82	2.16
Middle (80-119.99% MSA)	5,799	1,678	7,477	77.6%	22.4%	0.90	1.65
Upper (120% or More MSA)	5,398	849	6,247	86.4%	13.6%	1.00	1.00
LMI (<79.99% MSA Income)	12,099	5,829	17,928	67.5%	32.5%	0.83	1.77
UMI (>80% MSA Income)	11,197	2,527	13,724	81.6%	18.4%	1.00	1.00
Total ³	23,791	8,538	32,329	73.6%	26.4%	0.85	1.94

Denial Disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper-Income Denial Ratio
Low (<50% MSA)	21,221	8,793	41.4%	1.76
Moderate (50-79.99% MSA)	24,521	7,844	32.0%	1.36
Middle (80-119.99% MSA)	16,461	4,606	28.0%	1.19
Upper (120% or More MSA)	12,672	2,984	23.5%	1.00
LMI (<79.99% MSA Income)	45,742	16,637	36.4%	1.40
UMI (>80% MSA Income)	29,133	7,590	26.1%	1.00
Total ³				

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000.

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "UMI" for the "LMI" and "MUI" categories.

Table 3 – All Loans by Tract Minority in Philadelphia

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Pct. Of All Loans	Owned-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	15,332	3,306	18,638	64.4%	38.7%	57.7%	178,316	0.51	1.26	0.76
50-100% minority	8,458	5,232	13,690	35.6%	61.3%	42.3%	171,335	0.49	0.73	1.25
Total ³	23,791	8,538	32,329				349,651			

Market Share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Minority Level Share to Non-Minority Tract: Prime	Minority Level Share to Non-Minority Tract: Subprime
0-49% minority	15,332	3,306	18,638	82.3%	17.7%	1.00	1.00
50-100% minority	8,458	5,232	13,690	61.8%	38.2%	0.75	2.15
Total ³	23,791	8,538	32,329	73.6%	26.4%	0.89	1.49

Denial Disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial
0-49% minority	37,618	9,713	25.8%	1.00
50-100% minority	39,444	15,237	38.6%	1.50
Total ³	77,080	24,955	32.4%	1.25

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 4 – All Loans by Tract Income Level in Philadelphia

Portfolio Share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Pct. Of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	3,483	2,167	5,650	14.6%	25.4%	17.5%	81,464	23.3%	0.63	1.09
Moderate (50-79.99% MSA)	10,190	4,457	14,647	42.9%	52.2%	45.3%	152,805	43.7%	0.98	1.19
Middle (80-119.99% MSA)	8,487	1,797	10,284	35.7%	21.1%	31.8%	100,764	28.8%	1.24	0.73
Upper (120% or More MSA)	1,616	114	1,730	6.8%	1.3%	5.4%	14,605	4.2%	1.63	0.32
LMI (<79.99% MSA Income)	13,673	6,624	20,297	57.5%	77.6%	62.8%	234,269	67.0%	0.86	1.16
UMI (>80% MSA Income)	10,103	1,911	12,014	42.5%	22.4%	37.2%	115,369	33.0%	1.29	0.68
Total ³	23,791	8,538	32,329				349,638			

Market Share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Income Share to upper-Income Share Ratio: Prime ⁴	Income Share to Upper-Income Share Ratio: Subprime ⁴
Low (<50% MSA)	3,483	2,167	5,650	61.6%	38.4%	0.66	5.82
Moderate (50-79.99% MSA)	10,190	4,457	14,647	69.6%	30.4%	0.74	4.62
Middle (80-119.99% MSA)	8,487	1,797	10,284	82.5%	17.5%	0.88	2.65
Upper (120% or More MSA)	1,616	114	1,730	93.4%	6.6%	1.00	1.00
LMI (<79.99% MSA Income)	13,673	6,624	20,297	67.4%	32.6%	0.80	2.05
UMI (>80% MSA Income)	10,103	1,911	12,014	84.1%	15.9%	1.00	1.00
Total ³	23,791	8,538	32,329	73.6%	26.4%	0.79	4.01

Denial Disparity

Tract Income ¹	Loan Application	Application Denials	Denial Rate	Upper-Income Denial Ratio ⁵
Low (<50% MSA)	16,632	6,751	40.6%	2.43
Moderate (50-79.99% MSA)	36,660	12,402	33.8%	2.02
Middle (80-119.99% MSA)	20,762	5,289	25.5%	1.52
Upper (120% or More MSA)	2,965	496	16.7%	1.00
LMI (<79.99% MSA Income)	53,292	19,153	35.9%	1.47
UMI (>80% MSA Income)	23,727	5,785	24.4%	1.00
Total ³	77,080	24,955	32.4%	1.94

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "Total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 5 – All Loans by Borrower Gender in Philadelphia

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Pct. Of All Loans	Households ¹	Percent of All Housholds	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	8,017	2,812	10,829	36.8%	36.5%	36.7%	132,278	22.4%	1.64	1.63
Female	8,305	3,500	11,805	38.1%	45.4%	40.0%	264,975	44.9%	0.85	1.01
Joint (Male/Female)	5,491	1,399	6,890	25.2%	18.1%	23.3%	193,030	32.7%	0.77	0.55
Total2	23,791	8,538	32,329				590,283			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. Of Prime Loans	Pct. Of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	8,017	2,812	10,829	74%	26%	1.00	1.00
Female	8,305	3,500	11,805	70%	30%	0.95	1.14
Joint (Male/Female)	5,491	1,399	6,890	80%	20%	1.08	0.78
Total2	23,791	8,538	32,329	74%	26%	0.99	1.02

Denial Disparity

Borrower Gender	Loan Application	Application Denials	Denial Rate	Gender to Male Denial
Male	25,433	8,091	31.81%	1.00
Female	27,314	9,210	33.72%	1.06
Joint (Male/Female)	14,312	4,070	28.44%	0.89
Total2	77,080	24,955	32.38%	1.02

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 6 – Home Purchase Loans by Borrower Race in Philadelphia

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	5,149	517	5,666	59.3%	31.3%	54.8%	282,063	47.8%	1.24	0.65
African American	2,210	1,046	3,256	25.5%	63.2%	31.5%	237,553	40.2%	0.63	1.57
Asian	1,322	91	1,413	15.2%	5.5%	13.7%	20,567	3.5%	4.37	1.58
Hispanic ³	1,010	413	1,423	10.4%	20.0%	12.1%	38,509	6.5%	1.60	3.06
Total ⁴	12,177	2,549	14,726				590,283			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	5,149	517	5,666	90.9%	9.1%	1.00	1.00
African American	2,210	1,046	3,256	67.9%	32.1%	0.75	3.52
Asian	1,322	91	1,413	93.6%	6.4%	1.03	0.71
Hispanic ³	1,010	413	1,423	71.0%	29.0%	0.78	3.18
Total ⁴	12,177	2,549	14,726	82.7%	17.3%	0.91	1.90

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White denial
White	8,104	931	11.5%	1.00
African American	6,246	1,622	26.0%	2.26
Asian	2,003	229	11.4%	1.00
Hispanic ³	2,281	472	20.7%	1.80
Total ⁴	23,567	4,116	17.5%	1.52

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 7 – Home Purchase Loans by Borrower Income in Philadelphia

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of all households	Prime share to household share ratio	Subprime share to household share ratio
Low (<50% MSA)	2,252	863	3,115	18.7%	35.0%	21.5%	229,276	38.8%	0.48	0.90
Moderate (50-79.99% MSA)	3,836	892	4,728	31.9%	36.2%	32.6%	109,355	18.5%	1.72	1.95
Middle (80-119.99% MSA)	2,883	460	3,343	24.0%	18.7%	23.1%	102,462	17.4%	1.38	1.07
Upper (120% or More MSA)	3,058	251	3,309	25.4%	10.2%	22.8%	149,190	25.3%	1.01	0.40
LMI (<79.99% MSA Income)	6,088	1,755	7,843	50.6%	71.2%	54.1%	338,631	57.4%	0.88	1.24
MUI (>80% MSA Income)	5,941	711	6,652	49.4%	28.8%	45.9%	251,652	42.6%	1.16	0.68
Total ³	12,177	2,549	14,726				590,283			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	2,252	863	3,115	72.3%	27.7%	0.78	3.65
Moderate (50-79.99% MSA)	3,836	892	4,728	81.1%	18.9%	0.88	2.49
Middle (80-119.99% MSA)	2,883	460	3,343	86.2%	13.8%	0.93	1.81
Upper (120% or More MSA)	3,058	251	3,309	92.4%	7.6%	1.00	1.00
LMI (<79.99% MSA Income)	6,088	1,755	7,843	77.6%	22.4%	0.87	2.09
MUI (>80% MSA Income)	5,941	711	6,652	89.3%	10.7%	1.00	1.00
Total ³	12,177	2,549	14,726	82.7%	17.3%	0.89	2.28

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	5,305	1,202	22.7%	1.75
Moderate (50-79.99% MSA)	7,476	1,340	17.9%	1.38
Middle (80-119.99% MSA)	5,130	785	15.3%	1.18
Upper (120% or More MSA)	5,047	654	13.0%	1.00
LMI (<79.99% MSA Income)	12,781	2,542	19.9%	1.41
MUI (>80% MSA Income)	10,177	1,439	14.1%	1.00
Total ³	23,567	4,116	17.5%	1.35

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 8 – Home Purchase Loans by Tract Minority Level in Philadelphia

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime share to OOHU share ratio	Subprime share to OOHU share ratio
0-49% minority	8,088	1,055	9,143	66.4%	41.4%	62.1%	178,316	51.0%	1.30	0.81
50-100% minority	4,089	1,494	5,583	33.6%	58.6%	37.9%	171,335	49.0%	0.69	1.20
Total ³	12,177	2,549	14,726				349,651			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	8,088	1,055	9,143	88.5%	11.5%	1.00	1.00
50-100% minority	4,089	1,494	5,583	73.2%	26.8%	0.83	2.32
Total ³	12,177	2,549	14,726	82.7%	17.3%	0.93	1.50

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	13,263	1,704	12.8%	1.00
50-100% minority	10,292	2,410	23.4%	1.82
Total ³	23,567	4,116	17.5%	1.36

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 9 – Home Purchase Loans by Tract Income in Philadelphia

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	1,914	738	2,652	15.7%	29.0%	18.0%	81,464	23.3%	0.67	1.24
Moderate (50-79.99% MSA)	5,077	1,340	6,417	41.7%	52.6%	43.6%	152,805	43.7%	0.95	1.20
Middle (80-119.99% MSA)	4,120	438	4,558	33.8%	17.2%	31.0%	100,764	28.8%	1.17	0.60
Upper (120% or More MSA)	1,061	32	1,093	8.7%	1.3%	7.4%	14,605	4.2%	2.09	0.30
LMI (<79.99% MSA Income)	6,991	2,078	9,069	57.4%	81.6%	61.6%	234,269	67.0%	0.86	1.22
MUI (>80% MSA Income)	5,181	470	5,651	42.6%	18.4%	38.4%	115,369	33.0%	1.29	0.56
Total ³	12,177	2,549	14,726				349,638			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,914	738	2,652	72.2%	27.8%	0.74	9.51
Moderate (50-79.99% MSA)	5,077	1,340	6,417	79.1%	20.9%	0.82	7.13
Middle (80-119.99% MSA)	4,120	438	4,558	90.4%	9.6%	0.93	3.28
Upper (120% or More MSA)	1,061	32	1,093	97.1%	2.9%	1.00	1.00
LMI (<79.99% MSA Income)	6,991	2,078	9,069	77.1%	22.9%	0.84	2.75
MUI (>80% MSA Income)	5,181	470	5,651	91.7%	8.3%	1.00	1.00
Total ³	12,177	2,549	14,726	82.7%	17.3%	0.85	5.91

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	4,872	1,144	23.5%	2.80
Moderate (50-79.99% MSA)	10,582	2,028	19.2%	2.28
Middle (80-119.99% MSA)	6,535	806	12.3%	1.47
Upper (120% or More MSA)	1,549	130	8.4%	1.00
LMI (<79.99% MSA Income)	15,454	3,172	20.5%	1.77
MUI (>80% MSA Income)	8,084	936	11.6%	1.00
Total ³	23,567	4,116	17.5%	2.08

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "Total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 10 – Home Purchase Loans by Borrower Gender in Philadelphia

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of all households	Prime share to household share ratio	Subprime share to household share ratio
Male	4,397	1,061	5,458	39.3%	44.6%	40.3%	132,278	22.4%	1.75	1.99
Female	4,225	1,075	5,300	37.8%	45.2%	39.1%	264,975	44.9%	0.84	1.01
Joint (Male/Female)	2,559	242	2,801	22.9%	10.2%	20.7%	193,030	32.7%	0.70	0.31
Total ²	12,177	2,549	14,726				590,283			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	4,397	1,061	5,458	80.6%	19.4%	1.00	1.00
Female	4,225	1,075	5,300	79.7%	20.3%	0.99	1.04
Joint (Male/Female)	2,559	242	2,801	91.4%	8.6%	1.13	0.44
Total ²	12,177	2,549	14,726	82.7%	17.3%	1.03	0.89

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	8,929	1,688	18.9%	1.00
Female	8,420	1,496	17.8%	0.94
Joint (Male/Female)	3,991	459	11.5%	0.61
Total ²	23,567	4,116	17.5%	0.92

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 11 – Home Refinance Loans by Borrower Race in Philadelphia

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	4,434	1,288	5,722	63.9%	37.6%	55.2%	282,063	47.8%	1.34	0.79
African American	2,078	2,049	4,127	29.9%	59.8%	39.8%	237,553	40.2%	0.74	1.49
Asian	427	90	517	6.2%	2.6%	5.0%	20,567	3.5%	1.77	0.75
Hispanic ³	571	331	902	7.6%	8.8%	8.0%	38,509	6.5%	1.17	1.35
Total ⁴	9,927	5,256	15,183				590,283			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	4,434	1,288	5,722	77.5%	22.5%	1.00	1.00
African American	2,078	2,049	4,127	50.4%	49.6%	0.65	2.21
Asian	427	90	517	82.6%	17.4%	1.07	0.77
Hispanic ³	571	331	902	63.3%	36.7%	0.82	1.63
Total ⁴	9,927	5,256	15,183	65.4%	34.6%	0.84	1.54

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to white denial
White	13,509	4,064	30.1%	1.00
African American	14,060	6,265	44.6%	1.48
Asian	1,315	403	30.6%	1.02
Hispanic ³	3,028	1,298	42.9%	1.42
Total ⁴	46,237	17,240	37.3%	1.24

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 12 – Home Refinance Loans by Borrower Income in Philadelphia

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	1,890	1,571	3,461	19.7%	30.4%	23.4%	229,276	38.8%	0.51	0.78
Moderate (50-79.99% MSA)	3,105	1,961	5,066	32.3%	38.0%	34.3%	109,355	18.5%	1.75	2.05
Middle (80-119.99% MSA)	2,525	1,080	3,605	26.3%	20.9%	24.4%	102,462	17.4%	1.52	1.21
Upper (120% or More MSA)	2,080	551	2,631	21.7%	10.7%	17.8%	149,190	25.3%	0.86	0.42
LMI (<79.99% MSA Income)	4,995	3,532	8,527	52.0%	68.4%	57.8%	338,631	57.4%	0.91	1.19
MUI (>80% MSA Income)	4,605	1,631	6,236	48.0%	31.6%	42.2%	251,652	42.6%	1.13	0.74
Total ³	9,927	5,256	15,183				590,283			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,890	1,571	3,461	54.6%	45.4%	0.69	2.17
Moderate (50-79.99% MSA)	3,105	1,961	5,066	61.3%	38.7%	0.78	1.85
Middle (80-119.99% MSA)	2,525	1,080	3,605	70.0%	30.0%	0.89	1.43
Upper (120% or More MSA)	2,080	551	2,631	79.1%	20.9%	1.00	1.00
LMI (<79.99% MSA Income)	4,995	3,532	8,527	58.6%	41.4%	0.79	1.58
MUI (>80% MSA Income)	4,605	1,631	6,236	73.8%	26.2%	1.00	1.00
Total ³	9,927	5,256	15,183	65.4%	34.6%	0.83	1.65

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income denial ⁴
Low (<50% MSA)	12,912	5,798	44.9%	1.47
Moderate (50-79.99% MSA)	14,838	5,453	36.8%	1.21
Middle (80-119.99% MSA)	10,039	3,326	33.1%	1.09
Upper (120% or More MSA)	6,930	2,113	30.5%	1.00
LMI (<79.99% MSA Income)	27,750	11,251	40.5%	1.26
MUI (>80% MSA Income)	16,969	5,439	32.1%	1.00
Total ³	46,237	17,240	37.3%	1.22

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and MUI categories.

Table 13 – Home Refinance Loans by Tract Minority in Philadelphia

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	6,337	2,024	8,361	63.8%	38.5%	55.1%	178,316	51.0%	1.25	0.76
50-100% minority	3,589	3,232	6,821	36.2%	61.5%	44.9%	171,335	49.0%	0.74	1.25
Total ³	9,927	5,256	15,183				349,651			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	6,337	2,024	8,361	75.8%	24.2%	1.00	1.00
50-100% minority	3,589	3,232	6,821	52.6%	47.4%	0.69	1.96
Total ³	9,927	5,256	15,183	65.4%	34.6%	0.86	1.43

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	21,768	7,047	32.4%	1.00
50-100% minority	24,463	10,190	41.7%	1.29
Total ³	46,237	17,240	37.3%	1.15

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 14 – Home Refinance Loans by Tract Income Level in Philadelphia

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	1,202	1,182	2,384	12.1%	22.5%	15.7%	81,464	23.3%	0.52	0.97
Moderate (50-79.99% MSA)	4,344	2,773	7,117	43.8%	52.8%	46.9%	152,805	43.7%	1.00	1.21
Middle (80-119.99% MSA)	3,880	1,223	5,103	39.1%	23.3%	33.6%	100,764	28.8%	1.36	0.81
Upper (120% or More MSA)	493	76	569	5.0%	1.4%	3.8%	14,605	4.2%	1.19	0.35
LMI (<79.99% MSA Income)	5,546	3,955	9,501	55.9%	75.3%	62.6%	234,269	67.0%	0.83	1.12
MUI (>80% MSA Income)	4,373	1,299	5,672	44.1%	24.7%	37.4%	115,369	33.0%	1.34	0.75
Total ³	9,927	5,256	15,183				349,638			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,202	1,182	2,384	50.4%	49.6%	0.58	3.71
Moderate (50-79.99% MSA)	4,344	2,773	7,117	61.0%	39.0%	0.70	2.92
Middle (80-119.99% MSA)	3,880	1,223	5,103	76.0%	24.0%	0.88	1.79
Upper (120% or More MSA)	493	76	569	86.6%	13.4%	1.00	1.00
LMI (<79.99% MSA Income)	5,546	3,955	9,501	58.4%	41.6%	0.76	1.82
MUI (>80% MSA Income)	4,373	1,299	5,672	77.1%	22.9%	1.00	1.00
Total ³	9,927	5,256	15,183	65.4%	34.6%	0.75	2.59

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income denial ⁴
Low (<50% MSA)	9,267	4,113	44.4%	1.69
Moderate (50-79.99% MSA)	22,749	8,729	38.4%	1.46
Middle (80-119.99% MSA)	12,904	4,051	31.4%	1.19
Upper (120% or More MSA)	1,288	339	26.3%	1.00
LMI (<79.99% MSA Income)	32,016	12,842	40.1%	1.30
MUI (>80% MSA Income)	14,192	4,390	30.9%	1.00
Total ³	46,237	17,240	37.3%	1.42

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 15 – Home Refinance Loans by Borrower Gender in Philadelphia

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	3,117	1,557	4,674	34.4%	33.5%	34.1%	132,278	22.4%	1.54	1.49
Female	3,453	2,095	5,548	38.1%	45.0%	40.5%	264,975	44.9%	0.85	1.00
Joint (Male/Female)	2,489	1,001	3,490	27.5%	21.5%	25.5%	193,030	32.7%	0.84	0.66
Total ²	9,927	5,256	15,183				590,283			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	3,117	1,557	4,674	66.7%	33.3%	1.00	1.00
Female	3,453	2,095	5,548	62.2%	37.8%	0.93	1.13
Joint (Male/Female)	2,489	1,001	3,490	71.3%	28.7%	1.07	0.86
Total ²	9,927	5,256	15,183	65.4%	34.6%	0.98	1.04

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	14,312	5,294	37.0%	1.00
Female	15,797	6,084	38.5%	1.04
Joint (Male/Female)	8,902	3,049	34.3%	0.93
Total ²	46,237	17,240	37.3%	1.01

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 16 – Home Improvement Loans by Borrower Race in Philadelphia

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	2,076	306	2,382	62.8%	36.3%	57.4%	282,063	47.8%	1.31	0.76
African American	1,008	514	1,522	30.5%	61.0%	36.7%	237,553	40.2%	0.76	1.52
Asian	221	23	244	6.7%	2.7%	5.9%	20,567	3.5%	1.92	0.78
Hispanic ³	227	131	358	6.4%	13.4%	7.9%	38,509	6.5%	0.99	2.06
Total ⁴	4,584	1,128	5,712				590,283			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	2,076	306	2,382	87.2%	12.8%	1.00	1.00
African American	1,008	514	1,522	66.2%	33.8%	0.76	2.63
Asian	221	23	244	90.6%	9.4%	1.04	0.73
Hispanic ³	227	131	358	63.4%	36.6%	0.73	2.85
Total ⁴	4,584	1,128	5,712	80.3%	19.7%	0.92	1.54

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	5,030	1,820	36.2%	1.00
African American	5,844	3,514	60.1%	1.66
Asian	709	349	49.2%	1.36
Hispanic ³	1,517	956	63.0%	1.74
Total ⁴	15,864	7,735	48.8%	1.35

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 17 – Home Improvement Loans by Borrower Income in Philadelphia

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	890	396	1,286	19.5%	35.3%	22.7%	229,276	38.8%	0.50	0.91
Moderate (50-79.99% MSA)	1,361	389	1,750	29.9%	34.7%	30.8%	109,355	18.5%	1.61	1.87
Middle (80-119.99% MSA)	1,202	226	1,428	26.4%	20.1%	25.2%	102,462	17.4%	1.52	1.16
Upper (120% or More MSA)	1,102	111	1,213	24.2%	9.9%	21.4%	149,190	25.3%	0.96	0.39
LMI (<79.99% MSA Income)	2,251	785	3,036	49.4%	70.0%	53.5%	338,631	57.4%	0.86	1.22
MUI (>80% MSA Income)	2,304	337	2,641	50.6%	30.0%	46.5%	251,652	42.6%	1.19	0.70
Total ³	4,584	1,128	5,712				590,283			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	890	396	1,286	69.2%	30.8%	0.76	3.37
Moderate (50-79.99% MSA)	1,361	389	1,750	77.8%	22.2%	0.86	2.43
Middle (80-119.99% MSA)	1,202	226	1,428	84.2%	15.8%	0.93	1.73
Upper (120% or More MSA)	1,102	111	1,213	90.8%	9.2%	1.00	1.00
LMI (<79.99% MSA Income)	2,251	785	3,036	74.1%	25.9%	0.85	2.03
MUI (>80% MSA Income)	2,304	337	2,641	87.2%	12.8%	1.00	1.00
Total ³	4,584	1,128	5,712	80.3%	19.7%	0.88	2.16

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	5,135	3,209	62.5%	2.09
Moderate (50-79.99% MSA)	4,980	2,460	49.4%	1.65
Middle (80-119.99% MSA)	3,307	1,303	39.4%	1.32
Upper (120% or More MSA)	2,332	698	29.9%	1.00
LMI (<79.99% MSA Income)	10,115	5,669	56.0%	1.58
MUI (>80% MSA Income)	5,639	2,001	35.5%	1.00
Total ³	15,864	7,735	48.8%	1.63

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 18 – Home Improvement Loans by Tract Minority Level in Philadelphia

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	2,882	408	3,290	62.9%	36.2%	57.6%	178,316	51.0%	1.23	0.71
50-100% minority	1,702	720	2,422	37.1%	63.8%	42.4%	171,335	49.0%	0.76	1.30
Total ³	4,584	1,128	5,712	0.0%	0.0%	0.0%	349,651	0.0%	-	-

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	2,882	408	3,290	87.6%	12.4%	1.00	1.00
50-100% minority	1,702	720	2,422	70.3%	29.7%	0.80	2.40
Total ³	4,584	1,128	5,712	80.3%	19.7%	0.92	1.59

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	7,253	2,822	38.9%	1.00
50-100% minority	8,609	4,911	57.0%	1.47
Total ³	15,864	7,735	48.8%	1.25

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 19 – Home Improvement Loans by Tract Income Level in Philadelphia

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	649	319	968	14.2%	28.3%	17.0%	81,464	23.3%	0.61	1.21
Moderate (50-79.99% MSA)	1,943	549	2,492	42.4%	48.7%	43.7%	152,805	43.7%	0.97	1.11
Middle (80-119.99% MSA)	1,782	246	2,028	38.9%	21.8%	35.5%	100,764	28.8%	1.35	0.76
Upper (120% or More MSA)	206	13	219	4.5%	1.2%	3.8%	14,605	4.2%	1.08	0.28
LMI (<79.99% MSA Income)	2,592	868	3,460	56.6%	77.0%	60.6%	234,269	67.0%	0.84	1.15
MUI (>80% MSA Income)	1,988	259	2,247	43.4%	23.0%	39.4%	115,369	33.0%	1.32	0.70
Total ³	4,584	1,128	5,712				349,638			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	649	319	968	67.0%	33.0%	0.71	5.55
Moderate (50-79.99% MSA)	1,943	549	2,492	78.0%	22.0%	0.83	3.71
Middle (80-119.99% MSA)	1,782	246	2,028	87.9%	12.1%	0.93	2.04
Upper (120% or More MSA)	206	13	219	94.1%	5.9%	1.00	1.00
LMI (<79.99% MSA Income)	2,592	868	3,460	74.9%	25.1%	0.85	2.18
MUI (>80% MSA Income)	1,988	259	2,247	88.5%	11.5%	1.00	1.00
Total ³	4,584	1,128	5,712	80.3%	19.7%	0.85	3.33

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	3,964	2,458	62.0%	2.84
Moderate (50-79.99% MSA)	7,347	3,745	51.0%	2.34
Middle (80-119.99% MSA)	4,149	1,441	34.7%	1.59
Upper (120% or More MSA)	394	86	21.8%	1.00
LMI (<79.99% MSA Income)	11,311	6,203	54.8%	1.63
MUI (>80% MSA Income)	4,543	1,527	33.6%	1.00
Total ³	15,864	7,735	48.8%	2.23

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 20 – Home Improvement Loans by Borrower Gender in Philadelphia

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	1,235	305	1,540	29.6%	29.4%	29.5%	132,278	22.4%	1.32	1.31
Female	1,521	475	1,996	36.4%	45.7%	38.3%	264,975	44.9%	0.81	1.02
Joint (Male/Female)	1,421	259	1,680	34.0%	24.9%	32.2%	193,030	32.7%	1.04	0.76
Total ²	4,584	1,128	5,712				590,283			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	1,235	305	1,540	80.2%	19.8%	1.00	1.00
Female	1,521	475	1,996	76.2%	23.8%	0.95	1.20
Joint (Male/Female)	1,421	259	1,680	84.6%	15.4%	1.05	0.78
Total ²	4,584	1,128	5,712	80.3%	19.7%	1.00	1.00

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	4,554	2,306	50.6%	1.00
Female	6,250	3,340	53.4%	1.06
Joint (Male/Female)	3,586	1,357	37.8%	0.75
Total ²	15,864	7,735	48.8%	0.96

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 21 – All Loans by Borrower Race in Suburbs

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	40,955	4,425	45,380	90.0%	78.9%	88.8%	766,308	85.7%	1.05	0.92
African American	2,476	1,039	3,515	5.4%	18.5%	6.9%	74,414	8.3%	0.65	2.23
Asian	2,056	142	2,198	4.5%	2.5%	4.3%	24,471	2.7%	1.65	0.93
Hispanic	1,034	196	1,230	2.2%	3.4%	2.4%	19,335	2.2%	1.03	1.56
Total	55,584	7,338	62,922	0.0%	0.0%	0.0%	894,610	0.0%	-	-

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	40,955	4,425	45,380	90.2%	9.8%	1	1
African American	2,476	1,039	3,515	70.4%	29.6%	0.78	3.03
Asian	2,056	142	2,198	93.5%	6.5%	1.04	0.66
Hispanic	1,034	196	1,230	84.1%	15.9%	0.93	1.63
Total	55,584	7,338	62,922	88.3%	11.7%	0.98	1.20

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to white denial
White	76,272	14,035	18.4%	1.00
African American	8,707	3,127	35.9%	1.95
Asian	3,624	593	16.4%	0.89
Hispanic	2,599	695	26.7%	1.45
Total	114,327	23,831	20.8%	1.13

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 22 – All Loans by Borrower Income in Suburbs

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	2,737	606	3,343	5.1%	8.6%	5.5%	135,139	15.5%	0.33	0.55
Moderate (50-79.99% MSA)	9,709	1,748	11,457	17.9%	24.9%	18.7%	117,361	13.5%	1.33	1.84
Middle (80-119.99% MSA)	14,518	2,160	16,678	26.8%	30.7%	27.3%	152,157	17.5%	1.53	1.76
Upper (120% or More MSA)	27,175	2,513	29,688	50.2%	35.8%	48.5%	464,768	53.5%	0.94	0.67
LMI (<79.99% MSA Income)	12,446	2,354	14,800	23.0%	33.5%	24.2%	252,500	29.0%	0.79	1.15
MUI (>80% MSA Income)	41,693	4,673	46,366	77.0%	66.5%	75.8%	616,925	71.0%	1.09	0.94
Total ³	55,584	7,338	62,922				869,425			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	2,737	606	3,343	81.9%	18.1%	0.89	2.14
Moderate (50-79.99% MSA)	9,709	1,748	11,457	84.7%	15.3%	0.93	1.80
Middle (80-119.99% MSA)	14,518	2,160	16,678	87.0%	13.0%	0.95	1.53
Upper (120% or More MSA)	27,175	2,513	29,688	91.5%	8.5%	1.00	1.00
LMI (<79.99% MSA Income)	12,446	2,354	14,800	84.1%	15.9%	0.94	1.58
MUI (>80% MSA Income)	41,693	4,673	46,366	89.9%	10.1%	1.00	1.00
Total ³	55,584	7,338	62,922	88.3%	11.7%	0.97	1.38

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income denial ⁴
Low (<50% MSA)	8,102	2,817	34.8%	2.10
Moderate (50-79.99% MSA)	22,295	5,563	25.0%	1.51
Middle (80-119.99% MSA)	30,215	6,385	21.1%	1.28
Upper (120% or More MSA)	49,948	8,269	16.6%	1.00
LMI (<79.99% MSA Income)	30,397	8,380	27.6%	1.51
MUI (>80% MSA Income)	80,163	14,654	18.3%	1.00
Total ³	114,327	23,831	20.8%	1.26

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 23 – All Loans by Tract Minority Level in Suburbs

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	54,767	6,850	61,617	98.5%	93.3%	97.9%	631,633	97.4%	1.01	0.96
50-100% minority	817	488	1,305	1.5%	6.7%	2.1%	16,574	2.6%	0.57	2.60
Total	55,584	7,338	62,922				648,207			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	54,767	6,850	61,617	88.9%	11.1%	1.00	1.00
50-100% minority	817	488	1,305	62.6%	37.4%	0.70	3.36
Total	55,584	7,338	62,922	88.3%	11.7%	0.99	1.05

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	110,383	22,274	20.2%	1
50-100% minority	3,944	1,557	39.5%	1.96
Total	114,327	23,831	20.8%	1.03

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 24 – All Loans by Tract Income Level in Suburbs

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	146	124	270	0.3%	1.7%	0.4%	5,134	0.8%	0.33	2.13
Moderate (50-79.99% MSA)	2,544	840	3,384	4.6%	11.4%	5.4%	31,196	4.8%	0.95	2.38
Middle (80-119.99% MSA)	20,033	3,607	23,640	36.0%	49.2%	37.6%	230,235	35.5%	1.01	1.38
Upper (120% or More MSA)	32,860	2,767	35,627	59.1%	37.7%	56.6%	381,554	58.9%	1.00	0.64
LMI (<79.99% MSA Income)	2,690	964	3,654	4.8%	13.1%	5.8%	36,330	5.6%	0.86	2.34
MUI (>80% MSA Income)	52,893	6,374	59,267	95.2%	86.9%	94.2%	611,789	94.4%	1.01	0.92
Total ³	55,584	7,338	62,922				648,119			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Share to Upper - Income Share Ratio:	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	146	124	270	54.1%	45.9%	0.59	5.91
Moderate (50-79.99% MSA)	2,544	840	3,384	75.2%	24.8%	0.82	3.20
Middle (80-119.99% MSA)	20,033	3,607	23,640	84.7%	15.3%	0.92	1.96
Upper (120% or More MSA)	32,860	2,767	35,627	92.2%	7.8%	1.00	1.00
LMI (<79.99% MSA Income)	2,690	964	3,654	73.6%	26.4%	0.82	2.45
MUI (>80% MSA Income)	52,893	6,374	59,267	89.2%	10.8%	1.00	1.00
Total ³	55,584	7,338	62,922	88.3%	11.7%	0.96	1.50

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income denial ⁴
Low (<50% MSA)	965	444	46.0%	2.79
Moderate (50-79.99% MSA)	7,967	2,468	31.0%	1.88
Middle (80-119.99% MSA)	46,238	11,158	24.1%	1.46
Upper (120% or More MSA)	59,153	9,761	16.5%	1.00
LMI (<79.99% MSA Income)	8,932	2,912	32.6%	1.64
MUI (>80% MSA Income)	105,391	20,919	19.8%	1.00
Total ³	114,327	23,831	20.8%	1.26

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Total" and "Upper" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 25 – All Loans by Borrower Gender in Suburbs

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	13,442	2,232	15,674	26.0%	33.3%	26.9%	154,324	17.3%	1.51	1.93
Female	11,472	1,927	13,399	22.2%	28.7%	23.0%	248,340	27.8%	0.80	1.04
Joint (Male/Female)	26,723	2,548	29,271	51.8%	38.0%	50.2%	491,946	55.0%	0.94	0.69
Total ²	55,584	7,338	62,922	0.0%	0.0%	0.0%	894,610	0.0%	0.00	0

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	13,442	2,232	15,674	85.8%	14.2%	1.00	1.00
Female	11,472	1,927	13,399	85.6%	14.4%	1.00	1.01
Joint (Male/Female)	26,723	2,548	29,271	91.3%	8.7%	1.06	0.61
Total ²	55,584	7,338	62,922	88.3%	11.7%	1.03	0.82

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	30,539	7,159	23.4%	1.00
Female	24,385	5,304	21.8%	0.93
Joint (Male/Female)	48,027	8,396	17.5%	0.75
Total ²	114,327	23,831	20.8%	0.89

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 26 – Home Purchase Loans by Borrower Race in Suburbs

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	19,162	1,126	20,288	87.7%	72.5%	86.7%	766,308	85.7%	1.02	0.85
African American	1,198	352	1,550	5.5%	22.7%	6.6%	74,414	8.3%	0.66	2.72
Asian	1,494	75	1,569	6.8%	4.8%	6.7%	24,471	2.7%	2.50	1.77
Hispanic ³	575	86	661	2.6%	5.2%	2.7%	19,335	2.2%	1.19	2.43
Total ⁴	27,242	1,966	29,208				894,610			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	19,162	1,126	20,288	94.4%	5.6%	1.00	1.00
African American	1,198	352	1,550	77.3%	22.7%	0.82	4.09
Asian	1,494	75	1,569	95.2%	4.8%	1.01	0.86
Hispanic ³	575	86	661	87.0%	13.0%	0.92	2.34
Total ⁴	27,242	1,966	29,208	93.3%	6.7%	0.99	1.21

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	26,727	1,776	6.6%	1.00
African American	2,673	535	20.0%	3.01
Asian	2,209	213	9.6%	1.45
Hispanic ³	1,021	140	13.7%	2.06
Total ⁴	39,806	3,345	8.4%	1.26

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 27 – Home Purchase Loans by Borrower Income in Suburbs

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	957	155	1,112	3.6%	8.5%	3.9%	135,139	15.5%	0.23	0.55
Moderate (50-79.99% MSA)	4,687	446	5,133	17.5%	24.6%	18.0%	117,361	13.5%	1.30	1.82
Middle (80-119.99% MSA)	6,976	571	7,547	26.1%	31.5%	26.4%	152,157	17.5%	1.49	1.80
Upper (120% or More MSA)	14,148	641	14,789	52.9%	35.4%	51.7%	464,768	53.5%	0.99	0.66
LMI (<79.99% MSA Income)	5,644	601	6,245	21.1%	33.1%	21.9%	252,500	29.0%	0.73	1.14
MUI (>80% MSA Income)	21,124	1,212	22,336	78.9%	66.9%	78.1%	616,925	71.0%	1.11	0.94
Total ³	27,242	1,966	29,208				869,425			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	957	155	1,112	86.1%	13.9%	0.90	3.22
Moderate (50-79.99% MSA)	4,687	446	5,133	91.3%	8.7%	0.95	2.00
Middle (80-119.99% MSA)	6,976	571	7,547	92.4%	7.6%	0.97	1.75
Upper (120% or More MSA)	14,148	641	14,789	95.7%	4.3%	1.00	1.00
LMI (<79.99% MSA Income)	5,644	601	6,245	90.4%	9.6%	0.96	1.77
MUI (>80% MSA Income)	21,124	1,212	22,336	94.6%	5.4%	1.00	1.00
Total ³	27,242	1,966	29,208	93.3%	6.7%	0.97	1.55

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	1,831	346	18.9%	3.06
Moderate (50-79.99% MSA)	7,148	782	10.9%	1.77
Middle (80-119.99% MSA)	10,118	856	8.5%	1.37
Upper (120% or More MSA)	19,514	1,207	6.2%	1.00
LMI (<79.99% MSA Income)	8,979	1,128	12.6%	1.80
MUI (>80% MSA Income)	29,632	2,063	7.0%	1.00
Total ³	39,806	3,345	8.4%	1.36

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 28 – Home Purchase Loans by Tract Minority Level in Suburbs

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	26,852	1,822	28,674	98.6%	92.7%	98.2%	631,333	97.4%	1.01	0.95
50-100% minority	390	144	534	1.4%	7.3%	1.8%	16,574	2.6%	0.56	2.86
Total ³	27,242	1,966	29,208				648,207			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	26,852	1,822	28,674	93.6%	6.4%	1.00	1.00
50-100% minority	390	144	534	73.0%	27.0%	0.78	4.24
Total ³	27,242	1,966	29,208	93.3%	6.7%	1.00	1.06

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	38,751	3,080	7.9%	1.00
50-100% minority	1,055	265	25.1%	3.16
Total ³	39,806	3,345	8.4%	1.06

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 29 – Home Purchase Loans by Tract Income Level in Suburbs

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	69	42	111	0.3%	2.1%	0.4%	5,134	0.8%	0.32	2.70
Moderate (50-79.99% MSA)	1,344	263	1,607	4.9%	13.4%	5.5%	31,196	4.8%	1.02	2.78
Middle (80-119.99% MSA)	9,231	962	10,193	33.9%	48.9%	34.9%	230,235	35.5%	0.95	1.38
Upper (120% or More MSA)	16,598	699	17,297	60.9%	35.6%	59.2%	381,554	58.9%	1.03	0.60
LMI (<79.99% MSA Income)	1,413	305	1,718	5.2%	15.5%	5.9%	36,330	5.6%	0.93	2.77
MUI (>80% MSA Income)	25,829	1,661	27,490	94.8%	84.5%	94.1%	611,789	94.4%	1.00	0.90
Total ³	27,242	1,966	29,208				648,119			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	69	42	111	62.2%	37.8%	0.65	9.36
Moderate (50-79.99% MSA)	1,344	263	1,607	83.6%	16.4%	0.87	4.05
Middle (80-119.99% MSA)	9,231	962	10,193	90.6%	9.4%	0.94	2.34
Upper (120% or More MSA)	16,598	699	17,297	96.0%	4.0%	1.00	1.00
LMI (<79.99% MSA Income)	1,413	305	1,718	82.2%	17.8%	0.88	2.94
MUI (>80% MSA Income)	25,829	1,661	27,490	94.0%	6.0%	1.00	1.00
Total ³	27,242	1,966	29,208	93.3%	6.7%	0.97	1.67

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	253	76	30.0%	4.67
Moderate (50-79.99% MSA)	2,550	394	15.5%	2.40
Middle (80-119.99% MSA)	14,219	1,411	9.9%	1.54
Upper (120% or More MSA)	22,783	1,464	6.4%	1.00
LMI (<79.99% MSA Income)	2,803	470	16.8%	2.16
MUI (>80% MSA Income)	37,002	2,875	7.8%	1.00
Total ³	39,806	3,345	8.4%	1.31

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 30 – Home Purchase Loans by Borrower Gender in Suburbs

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	6,845	725	7,570	27.0%	39.6%	27.8%	154,324	17.3%	1.56	2.30
Female	5,496	578	6,074	21.7%	31.6%	22.3%	248,340	27.8%	0.78	1.14
Joint (Male/Female)	13,024	526	13,550	51.3%	28.8%	49.8%	491,946	55.0%	0.93	0.52
Total ²	27,242	1,966	29,208				894,610			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	6,845	725	7,570	90.4%	9.6%	1.00	1.00
Female	5,496	578	6,074	90.5%	9.5%	1.00	0.99
Joint (Male/Female)	13,024	526	13,550	96.1%	3.9%	1.06	0.41
Total ²	27,242	1,966	29,208	93.3%	6.7%	1.03	0.70

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial rate	Gender to Male Denial Ratio
Male	10,889	1,174	10.8%	1.00
Female	8,516	868	10.2%	0.95
Joint (Male/Female)	17,272	919	5.3%	0.49
Total ²	39,806	3,345	8.4%	0.78

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 31 – Home Refinance Loans by Borrower Race in Suburbs

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	19,640	3,027	22,667	92.1%	81.8%	90.6%	766,308	85.7%	1.08	0.96
African American	1,172	613	1,785	5.5%	16.6%	7.1%	74,414	8.3%	0.66	1.99
Asian	502	59	561	2.4%	1.6%	2.2%	24,471	2.7%	0.86	0.58
Hispanic ³	424	99	523	2.0%	2.6%	2.0%	19,335	2.2%	0.90	1.21
Total ⁴	25,673	4,963	30,636				894,610			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	19,640	3,027	22,667	86.6%	13.4%	1.00	1.00
African American	1,172	613	1,785	65.7%	34.3%	0.76	2.57
Asian	502	59	561	89.5%	10.5%	1.03	0.79
Hispanic ³	424	99	523	81.1%	18.9%	0.94	1.42
Total ⁴	25,673	4,963	30,636	83.8%	16.2%	0.97	1.21

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	45,217	11,144	24.6%	1.00
African American	5,455	2,290	42.0%	1.70
Asian	1,253	326	26.0%	1.06
Hispanic ³	1,441	492	34.1%	1.39
Total ⁴	68,594	18,759	27.3%	1.11

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 32 – Home Refinance Loans by Borrower Income in Suburbs

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	1,421	398	1,819	5.7%	8.3%	6.2%	135,139	15.5%	0.37	0.53
Moderate (50-79.99% MSA)	4,492	1,208	5,700	18.2%	25.1%	19.3%	117,361	13.5%	1.35	1.86
Middle (80-119.99% MSA)	6,850	1,475	8,325	27.7%	30.7%	28.2%	152,157	17.5%	1.58	1.75
Upper (120% or More MSA)	11,977	1,728	13,705	48.4%	35.9%	46.4%	464,768	53.5%	0.91	0.67
LMI (<79.99% MSA Income)	5,913	1,606	7,519	23.9%	33.4%	25.4%	252,500	29.0%	0.82	1.15
MUI (>80% MSA Income)	18,827	3,203	22,030	76.1%	66.6%	74.6%	616,925	71.0%	1.07	0.94
Total ³	25,673	4,963	30,636				869,425			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,421	398	1,819	78.1%	21.9%	0.89	1.74
Moderate (50-79.99% MSA)	4,492	1,208	5,700	78.8%	21.2%	0.90	1.68
Middle (80-119.99% MSA)	6,850	1,475	8,325	82.3%	17.7%	0.94	1.41
Upper (120% or More MSA)	11,977	1,728	13,705	87.4%	12.6%	1.00	1.00
LMI (<79.99% MSA Income)	5,913	1,606	7,519	78.6%	21.4%	0.92	1.47
MUI (>80% MSA Income)	18,827	3,203	22,030	85.5%	14.5%	1.00	1.00
Total ³	25,673	4,963	30,636	83.8%	16.2%	0.96	1.28

Denial Disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	5,392	2,124	39.4%	1.70
Moderate (50-79.99% MSA)	13,864	4,350	31.4%	1.35
Middle (80-119.99% MSA)	18,565	5,114	27.5%	1.19
Upper (120% or More MSA)	28,296	6,558	23.2%	1.00
LMI (<79.99% MSA Income)	19,256	6,474	33.6%	1.35
MUI (>80% MSA Income)	46,861	11,672	24.9%	1.00
Total ³	68,594	18,759	27.3%	1.18

¹ Borrower Income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 33 – Home Refinance Loans by Tract Minority Level in Suburbs

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	25,303	4,657	29,960	98.6%	93.8%	97.8%	631,633	97.4%	1.01	0.96
50-100% minority	370	306	676	1.4%	6.2%	2.2%	16,574	2.6%	0.56	2.41
Total ³	25,673	4,963	30,636				648,207			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	25,303	4,657	29,960	84.5%	15.5%	1.00	1.00
50-100% minority	370	306	676	54.7%	45.3%	0.65	2.91
Total ³	25,673	4,963	30,636	83.8%	16.2%	0.99	1.04

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	66,007	17,627	26.7%	1.00
50-100% minority	2,587	1,132	43.8%	1.64
Total ³	68,594	18,759	27.3%	1.02

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 34 – Home Refinance Loans by Tract Income Level in Suburbs

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	62	69	131	0.2%	1.4%	0.4%	5,134	0.8%	0.30	1.76
Moderate (50-79.99% MSA)	1,052	532	1,584	4.1%	10.7%	5.2%	31,196	4.8%	0.85	2.23
Middle (80-119.99% MSA)	9,742	2,435	12,177	37.9%	49.1%	39.7%	230,235	35.5%	1.07	1.38
Upper (120% or More MSA)	14,816	1,927	16,743	57.7%	38.8%	54.7%	381,554	58.9%	0.98	0.66
LMI (<79.99% MSA Income)	1,114	601	1,715	4.3%	12.1%	5.6%	36,330	5.6%	0.77	2.16
MUI (>80% MSA Income)	24,558	4,362	28,920	95.7%	87.9%	94.4%	611,789	94.4%	1.01	0.93
Total ³	25,673	4,963	30,636				648,119			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	62	69	131	47.3%	52.7%	0.53	4.58
Moderate (50-79.99% MSA)	1,052	532	1,584	66.4%	33.6%	0.75	2.92
Middle (80-119.99% MSA)	9,742	2,435	12,177	80.0%	20.0%	0.90	1.74
Upper (120% or More MSA)	14,816	1,927	16,743	88.5%	11.5%	1.00	1.00
LMI (<79.99% MSA Income)	1,114	601	1,715	65.0%	35.0%	0.76	2.32
MUI (>80% MSA Income)	24,558	4,362	28,920	84.9%	15.1%	1.00	1.00
Total ³	25,673	4,963	30,636	83.8%	16.2%	0.95	1.41

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	623	317	50.9%	2.23
Moderate (50-79.99% MSA)	4,924	1,864	37.9%	1.66
Middle (80-119.99% MSA)	29,444	8,907	30.3%	1.33
Upper (120% or More MSA)	33,600	7,671	22.8%	1.00
LMI (<79.99% MSA Income)	5,547	2,181	39.3%	1.50
MUI (>80% MSA Income)	63,044	16,578	26.3%	1.00
Total ³	68,594	18,759	27.3%	1.20

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 35 – Home Refinance Loans by Borrower Gender in Suburbs

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	6,072	1,415	7,487	25.6%	31.5%	26.5%	154,324	17.3%	1.48	1.83
Female	5,379	1,242	6,621	22.7%	27.7%	23.4%	248,340	27.8%	0.82	1.00
Joint (Male/Female)	12,295	1,832	14,127	51.8%	40.8%	50.0%	491,946	55.0%	0.94	0.74
Total ²	25,673	4,963	30,636				894,610			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	6,072	1,415	7,487	81.1%	18.9%	1.00	1.00
Female	5,379	1,242	6,621	81.2%	18.8%	1.00	0.99
Joint (Male/Female)	12,295	1,832	14,127	87.0%	13.0%	1.07	0.69
Total ²	25,673	4,963	30,636	83.8%	16.2%	1.03	0.86

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	18,273	5,528	30.3%	1.00
Female	14,458	3,977	27.5%	0.91
Joint (Male/Female)	28,028	6,810	24.3%	0.80
Total ²	68,594	18,759	27.3%	0.90

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 36 – Home Improvement Loans by Borrower Race in Suburbs

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	9,350	720	10,070	93.6%	82.5%	92.7%	766,308	85.7%	1.09	0.96
African American	358	139	497	3.6%	15.9%	4.6%	74,414	8.3%	0.43	1.91
Asian	285	14	299	2.9%	1.6%	2.8%	24,471	2.7%	1.04	0.59
Hispanic ³	163	38	201	1.6%	4.2%	1.8%	19,335	2.2%	0.74	1.93
Total ⁴	11,760	1,032	12,792	0%	0%	0%	894,610	0	0.00	0

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	9,350	720	10,070	92.9%	7.1%	1.00	1.00
African American	358	139	497	72.0%	28.0%	0.78	3.91
Asian	285	14	299	95.3%	4.7%	1.03	0.65
Hispanic ³	163	38	201	81.1%	18.9%	0.87	2.64
Total ⁴	11,760	1,032	12,792	91.9%	8.1%	0.99	1.13

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	16,709	3,880	23.2%	1.00
African American	1,496	786	52.5%	2.26
Asian	635	203	32.0%	1.38
Hispanic ³	478	189	39.5%	1.70
Total ⁴	22,424	5,784	25.8%	1.11

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 37 – Home Improvement Loans by Borrower Income in Suburbs

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	644	82	726	5.6%	8.0%	5.8%	135,139	15.5%	0.36	0.51
Moderate (50-79.99% MSA)	1,706	232	1,938	14.7%	22.6%	15.4%	117,361	13.5%	1.09	1.67
Middle (80-119.99% MSA)	2,995	296	3,291	25.8%	28.8%	26.1%	152,157	17.5%	1.48	1.65
Upper (120% or More MSA)	6,248	417	6,665	53.9%	40.6%	52.8%	464,768	53.5%	1.01	0.76
LMI (<79.99% MSA Income)	2,350	314	2,664	20.3%	30.6%	21.1%	252,500	29.0%	0.70	1.05
MUI (>80% MSA Income)	9,243	713	9,956	79.7%	69.4%	78.9%	616,925	71.0%	1.12	0.98
Total ³	11,760	1,032	12,792				869,425			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	644	82	726	88.7%	11.3%	0.95	1.81
Moderate (50-79.99% MSA)	1,706	232	1,938	88.0%	12.0%	0.94	1.91
Middle (80-119.99% MSA)	2,995	296	3,291	91.0%	9.0%	0.97	1.44
Upper (120% or More MSA)	6,248	417	6,665	93.7%	6.3%	1.00	1.00
LMI (<79.99% MSA Income)	2,350	314	2,664	88.2%	11.8%	0.95	1.65
MUI (>80% MSA Income)	9,243	713	9,956	92.8%	7.2%	1.00	1.00
Total ³	11,760	1,032	12,792	91.9%	8.1%	0.98	1.29

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper Income Denial Ratio ⁴
Low (<50% MSA)	1,729	777	44.9%	2.29
Moderate (50-79.99% MSA)	3,932	1,374	34.9%	1.78
Middle (80-119.99% MSA)	5,774	1,478	25.6%	1.31
Upper (120% or More MSA)	10,724	2,101	19.6%	1.00
LMI (<79.99% MSA Income)	5,661	2,151	38.0%	1.75
MUI (>80% MSA Income)	16,498	3,579	21.7%	1.00
Total ³	22,424	5,784	25.8%	1.32

¹ Borrower income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 38 – Home Improvement Loans by Tract Minority Level in Suburbs

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	11,608	959	12,567	98.7%	92.9%	98.2%	631,633	97.4%	1.01	0.95
50-100% minority	152	73	225	1.3%	7.1%	1.8%	16,574	2.6%	0.51	2.77
Total ³	11,760	1,032	12,792				648,207			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	11,608	959	12,567	92.4%	7.6%	1.00	1.00
50-100% minority	152	73	225	67.6%	32.4%	0.73	4.25
Total ³	11,760	1,032	12,792	91.9%	8.1%	1.00	1.06

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	21,749	5,441	25.0%	1.00
50-100% minority	675	343	50.8%	2.03
Total ³	22,424	5,784	25.8%	1.03

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 39 – Home Improvement Loans by Tract Income Level in Suburbs

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	36	16	52	0.3%	1.6%	0.4%	5,134	0.8%	0.39	1.96
Moderate (50-79.99% MSA)	411	111	522	3.5%	10.8%	4.1%	31,196	4.8%	0.73	2.23
Middle (80-119.99% MSA)	4,399	523	4,922	37.4%	50.7%	38.5%	230,235	35.5%	1.05	1.43
Upper (120% or More MSA)	6,912	382	7,294	58.8%	37.0%	57.0%	381,554	58.9%	1.00	0.63
LMI (<79.99% MSA Income)	447	127	574	3.8%	12.3%	4.5%	36,330	5.6%	0.68	2.20
MUI (>80% MSA Income)	11,311	905	12,216	96.2%	87.7%	95.5%	611,789	94.4%	1.02	0.93
Total ³	11,760	1,032	12,792				648,119			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	36	16	52	69.2%	30.8%	0.73	5.88
Moderate (50-79.99% MSA)	411	111	522	78.7%	21.3%	0.83	4.06
Middle (80-119.99% MSA)	4,399	523	4,922	89.4%	10.6%	0.94	2.03
Upper (120% or More MSA)	6,912	382	7,294	94.8%	5.2%	1.00	1.00
LMI (<79.99% MSA Income)	447	127	574	77.9%	22.1%	0.84	2.99
MUI (>80% MSA Income)	11,311	905	12,216	92.6%	7.4%	1.00	1.00
Total ³	11,760	1,032	12,792	91.9%	8.1%	0.97	1.54

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	170	90	52.9%	2.55
Moderate (50-79.99% MSA)	1,276	546	42.8%	2.06
Middle (80-119.99% MSA)	9,048	2,675	29.6%	1.43
Upper (120% or More MSA)	11,928	2,473	20.7%	1.00
LMI (<79.99% MSA Income)	1,446	636	44.0%	1.79
MUI (>80% MSA Income)	20,976	5,148	24.5%	1.00
Total ³	22,424	5,784	25.8%	1.24

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 40 – Home Improvement Loans by Borrower Gender in Suburbs

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	2,081	241	2,322	19.1%	24.9%	19.6%	154,324	17.3%	1.11	1.45
Female	1,905	210	2,115	17.5%	21.7%	17.9%	248,340	27.8%	0.63	0.78
Joint (Male/Female)	6,892	515	7,407	63.4%	53.3%	62.5%	491,946	55.0%	1.15	0.97
Total ²	11,760	1,032	12,792				894,610			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	2,081	241	2,322	89.6%	10.4%	1.00	1.00
Female	1,905	210	2,115	90.1%	9.9%	1.01	0.96
Joint (Male/Female)	6,892	515	7,407	93.0%	7.0%	1.04	0.67
Total ²	11,760	1,032	12,792	91.9%	8.1%	1.03	0.78

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	4,791	1,564	32.6%	1.00
Female	4,084	1,293	31.7%	0.97
Joint (Male/Female)	11,584	2,376	20.5%	0.63
Total ²	22,424	5,784	25.8%	0.79

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 41 – All Loans by Borrower Race in Baltimore

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	4,185	722	4,907	46.8%	18.5%	38.2%	93,423	36.2%	1.29	0.51
African American	4,567	3,162	7,729	51.1%	80.9%	60.2%	151,907	58.9%	0.87	1.37
Asian	185	24	209	2.1%	0.6%	1.6%	4,193	1.6%	1.27	0.38
Hispanic ³	215	79	294	2.3%	2.0%	2.2%	3,793	1.5%	1.60	1.35
Total ⁴	10,776	4,895	15,671				257,788			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	4,185	722	4,907	85.3%	14.7%	1.00	1.00
African American	4,567	3,162	7,729	59.1%	40.9%	0.69	2.78
Asian	185	24	209	88.5%	11.5%	1.04	0.78
Hispanic ³	215	79	294	73.1%	26.9%	0.86	1.83
Total ⁴	10,776	4,895	15,671	68.8%	31.2%	0.81	2.12

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	8,558	1,822	21.3%	1.00
African American	19,689	7,177	36.5%	1.71
Asian	400	105	26.2%	1.23
Hispanic ³	658	206	31.3%	1.47
Total ⁴	37,520	11,969	31.9%	1.50

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000.

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 42 – All Loans by Borrower Income in Baltimore

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	1,987	1,373	3,360	18.9%	28.7%	22.0%	110,295	42.8%	0.44	0.67
Moderate (50-79.99% MSA)	3,679	1,848	5,527	35.1%	38.7%	36.2%	50,969	19.8%	1.77	1.96
Middle (80-119.99% MSA)	2,516	1,081	3,597	24.0%	22.6%	23.6%	42,475	16.5%	1.46	1.37
Upper (120% or More MSA)	2,308	475	2,783	22.0%	9.9%	18.2%	54,049	21.0%	1.05	0.47
LMI (<79.99% MSA Income)	5,666	3,221	8,887	54.0%	67.4%	58.2%	161,264	62.6%	0.86	1.08
MUI (>80% MSA Income)	4,824	1,556	6,380	46.0%	32.6%	41.8%	96,524	37.4%	1.23	0.87
Total ³	10,776	4,895	15,671				257,788			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,987	1,373	3,360	59.1%	40.9%	0.71	2.39
Moderate (50-79.99% MSA)	3,679	1,848	5,527	66.6%	33.4%	0.80	1.96
Middle (80-119.99% MSA)	2,516	1,081	3,597	69.9%	30.1%	0.84	1.76
Upper (120% or More MSA)	2,308	475	2,783	82.9%	17.1%	1.00	1.00
LMI (<79.99% MSA Income)	5,666	3,221	8,887	63.8%	36.2%	0.84	1.49
MUI (>80% MSA Income)	4,824	1,556	6,380	75.6%	24.4%	1.00	1.00
Total ³	10,776	4,895	15,671	68.8%	31.2%	0.83	1.83

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	9,711	3,664	37.7%	1.49
Moderate (50-79.99% MSA)	13,161	4,208	32.0%	1.26
Middle (80-119.99% MSA)	7,923	2,350	29.7%	1.17
Upper (120% or More MSA)	5,699	1,442	25.3%	1.00
LMI (<79.99% MSA Income)	22,872	7,872	34.4%	1.24
MUI (>80% MSA Income)	13,622	3,792	27.8%	1.00
Total ³	37,520	11,969	31.9%	1.26

¹ Borrower Income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 43 – All Loans by Tract Minority Level in Baltimore

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	5,041	1,189	6,230	46.8%	24.3%	39.8%	51,722	39.8%	1.17	0.61
50-100% minority	5,735	3,706	9,441	53.2%	75.7%	60.2%	78,157	60.2%	0.88	1.26
Total ³	10,776	4,895	15,671				129,879			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	5,041	1,189	6,230	80.9%	19.1%	1.00	1.00
50-100% minority	5,735	3,706	9,441	60.7%	39.3%	0.75	2.06
Total ³	10,776	4,895	15,671	68.8%	31.2%	0.85	1.64

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	12,125	3,037	25.0%	1.00
50-100% minority	25,395	8,932	35.2%	1.40
Total ³	37,520	11,969	31.9%	1.27

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 44 – All Loans by Tract Income Level in Baltimore

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	1,830	1,155	2,985	17.0%	23.6%	19.0%	28,290	21.8%	0.78	1.08
Moderate (50-79.99% MSA)	5,237	2,667	7,904	48.6%	54.5%	50.4%	67,006	51.6%	0.94	1.06
Middle (80-119.99% MSA)	2,915	987	3,902	27.1%	20.2%	24.9%	25,666	19.8%	1.37	1.02
Upper (120% or More MSA)	794	86	880	7.4%	1.8%	5.6%	8,917	6.9%	1.07	0.26
LMI (<79.99% MSA Income)	7,067	3,822	10,889	65.6%	78.1%	69.5%	95,296	73.4%	0.89	1.06
MUI (>80% MSA Income)	3,709	1,073	4,782	34.4%	21.9%	30.5%	34,583	26.6%	1.29	0.82
Total ³	10,776	4,895	15,671				129,879			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,830	1,155	2,985	61.3%	38.7%	0.68	3.96
Moderate (50-79.99% MSA)	5,237	2,667	7,904	66.3%	33.7%	0.73	3.45
Middle (80-119.99% MSA)	2,915	987	3,902	74.7%	25.3%	0.83	2.59
Upper (120% or More MSA)	794	86	880	90.2%	9.8%	1.00	1.00
LMI (<79.99% MSA Income)	7,067	3,822	10,889	64.9%	35.1%	0.84	1.56
MUI (>80% MSA Income)	3,709	1,073	4,782	77.6%	22.4%	1.00	1.00
Total ³	10,776	4,895	15,671	68.8%	31.2%	0.76	3.20

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	8,561	3,203	37.4%	2.39
Moderate (50-79.99% MSA)	19,228	6,270	32.6%	2.08
Middle (80-119.99% MSA)	8,293	2,271	27.4%	1.75
Upper (120% or More MSA)	1,438	225	15.6%	1.00
LMI (<79.99% MSA Income)	27,789	9,473	34.1%	1.33
MUI (>80% MSA Income)	9,731	2,496	25.6%	1.00
Total ³	37,520	11,969	31.9%	2.04

¹ Tract income as a percent of the Metropolitan Statistical Area income

² 2000 Census

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 45 – All Loans by Borrower Gender in Baltimore

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	3,362	1,453	4,815	33.9%	32.2%	33.3%	61,247	23.8%	1.43	1.35
Female	4,257	2,226	6,483	42.9%	49.3%	44.9%	124,476	48.3%	0.89	1.02
Joint (Male/Female)	2,303	839	3,142	23.2%	18.6%	21.8%	72,065	28.0%	0.83	0.66
Total ²	10,776	4,895	15,671				257,788			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	3,362	1,453	4,815	69.8%	30.2%	1.00	1.00
Female	4,257	2,226	6,483	65.7%	34.3%	0.94	1.14
Joint (Male/Female)	2,303	839	3,142	73.3%	26.7%	1.05	0.88
Total ²	10,776	4,895	15,671	68.8%	31.2%	0.98	1.04

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	11,426	3,732	32.7%	1.00
Female	15,220	5,021	33.0%	1.01
Joint (Male/Female)	6,464	1,811	28.0%	0.86
Total ²	37,520	11,969	31.9%	0.98

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 46 – All Loans by Borrower Race in Detroit

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	704	636	1,340	20.6%	13.0%	16.1%	44,789	13.3%	1.55	0.98
African American	2,664	4,230	6,894	78.1%	86.5%	83.0%	269,354	80.1%	0.98	1.08
Asian	42	27	69	1.2%	0.6%	0.8%	2,758	0.8%	1.50	0.67
Hispanic ³	147	201	348	4.1%	3.9%	4.0%	12,446	3.7%	1.12	1.07
Total ⁴	3,916	5,576	9,492				336,482			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	704	636	1,340	52.5%	47.5%	1.00	1.00
African American	2,664	4,230	6,894	38.6%	61.4%	0.74	1.29
Asian	42	27	69	60.9%	39.1%	1.16	0.82
Hispanic ³	147	201	348	42.2%	57.8%	0.80	1.22
Total ⁴	3,916	5,576	9,492	41.3%	58.7%	0.79	1.24

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	4,862	2,247	46.2%	1.00
African American	28,785	15,073	52.4%	1.13
Asian	209	95	45.5%	0.98
Hispanic ³	1,250	594	47.5%	1.03
Total ⁴	40,746	20,965	51.5%	1.11

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000.

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 47 – All Loans by Borrower Income in Detroit

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	509	731	1,240	13.8%	13.3%	13.5%	144,057	42.8%	0.32	0.31
Moderate (50-79.99% MSA)	1,252	2,276	3,528	34.0%	41.5%	38.5%	63,525	18.9%	1.80	2.20
Middle (80-119.99% MSA)	1,062	1,657	2,719	28.8%	30.2%	29.7%	55,762	16.6%	1.74	1.82
Upper (120% or More MSA)	859	822	1,681	23.3%	15.0%	18.3%	73,138	21.7%	1.07	0.69
LMI (<79.99% MSA Income)	1,761	3,007	4,768	47.8%	54.8%	52.0%	207,582	61.7%	0.78	0.89
MUI (>80% MSA Income)	1,921	2,479	4,400	52.2%	45.2%	48.0%	128,900	38.3%	1.36	1.18
Total ³	3,916	5,576	9,492				336,482			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	509	731	1,240	41.0%	59.0%	0.80	1.21
Moderate (50-79.99% MSA)	1,252	2,276	3,528	35.5%	64.5%	0.69	1.32
Middle (80-119.99% MSA)	1,062	1,657	2,719	39.1%	60.9%	0.76	1.25
Upper (120% or More MSA)	859	822	1,681	51.1%	48.9%	1.00	1.00
LMI (<79.99% MSA Income)	1,761	3,007	4,768	36.9%	63.1%	0.85	1.12
MUI (>80% MSA Income)	1,921	2,479	4,400	43.7%	56.3%	1.00	1.00
Total ³	3,916	5,576	9,492	41.3%	58.7%	0.81	1.20

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	6,007	3,426	57.0%	1.17
Moderate (50-79.99% MSA)	14,479	7,481	51.7%	1.06
Middle (80-119.99% MSA)	11,467	5,749	50.1%	1.03
Upper (120% or More MSA)	7,372	3,586	48.6%	1.00
LMI (<79.99% MSA Income)	20,486	10,907	53.2%	1.07
MUI (>80% MSA Income)	18,839	9,335	49.6%	1.00
Total ³	40,746	20,965	51.5%	1.06

¹ Borrower Income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 48 – All Loans by Tract Minority Level in Detroit

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	194	235	429	5.0%	4.2%	4.5%	6,895	3.7%	1.32	1.12
50-100% minority	3,722	5,341	9,063	95.0%	95.8%	95.5%	176,976	96.3%	0.99	1.00
Total ³	3,916	5,576	9,492				183,871			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	194	235	429	45.2%	54.8%	1.00	1.00
50-100% minority	3,722	5,341	9,063	41.1%	58.9%	0.91	1.08
Total ³	3,916	5,576	9,492	41.3%	58.7%	0.91	1.07

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	1,708	839	49.1%	1.00
50-100% minority	39,038	20,126	51.6%	1.05
Total ³	40,746	20,965	51.5%	1.05

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 49 – All Loans by Tract Income Level in Detroit

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	245	358	603	6.3%	6.4%	6.4%	17,007	9.2%	0.68	0.69
Moderate (50-79.99% MSA)	1,645	2,799	4,444	42.0%	50.2%	46.8%	95,031	51.7%	0.81	0.97
Middle (80-119.99% MSA)	1,632	2,095	3,727	41.7%	37.6%	39.3%	61,995	33.7%	1.24	1.11
Upper (120% or More MSA)	393	323	716	10.0%	5.8%	7.5%	9,838	5.4%	1.88	1.08
LMI (<79.99% MSA Income)	1,890	3,157	5,047	48.3%	56.6%	53.2%	112,038	60.9%	0.79	0.93
MUI (>80% MSA Income)	2,025	2,418	4,443	51.7%	43.4%	46.8%	71,833	39.1%	1.32	1.11
Total ³	3,916	5,576	9,492				183,871			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	245	358	603	40.6%	59.4%	0.74	1.32
Moderate (50-79.99% MSA)	1,645	2,799	4,444	37.0%	63.0%	0.67	1.40
Middle (80-119.99% MSA)	1,632	2,095	3,727	43.8%	56.2%	0.80	1.25
Upper (120% or More MSA)	393	323	716	54.9%	45.1%	1.00	1.00
LMI (<79.99% MSA Income)	1,890	3,157	5,047	37.4%	62.6%	0.82	1.15
MUI (>80% MSA Income)	2,025	2,418	4,443	45.6%	54.4%	1.00	1.00
Total ³	3,916	5,576	9,492	41.3%	58.7%	0.75	1.30

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	2,893	1,508	52.1%	1.12
Moderate (50-79.99% MSA)	19,852	10,427	52.5%	1.13
Middle (80-119.99% MSA)	15,379	7,809	50.8%	1.09
Upper (120% or More MSA)	2,617	1,219	46.6%	1.00
LMI (<79.99% MSA Income)	22,745	11,935	52.5%	1.05
MUI (>80% MSA Income)	17,996	9,028	50.2%	1.00
Total ³	40,746	20,965	51.5%	1.10

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 50 – All Loans by Borrower Gender in Detroit

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	1,476	2,381	3,857	39.5%	44.8%	42.6%	77,770	23.1%	1.71	1.94
Female	1,735	2,480	4,215	46.4%	46.7%	46.6%	165,315	49.1%	0.94	0.95
Joint (Male/Female)	527	454	981	14.1%	8.5%	10.8%	93,397	27.8%	0.51	0.31
Total ²	3,916	5,576	9,492				336,482			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	1,476	2,381	3,857	38.3%	61.7%	1.00	1.00
Female	1,735	2,480	4,215	41.2%	58.8%	1.08	0.95
Joint (Male/Female)	527	454	981	53.7%	46.3%	1.40	0.75
Total ²	3,916	5,576	9,492	41.3%	58.7%	1.08	0.95

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	16,361	8,383	51.2%	1.00
Female	17,322	8,852	51.1%	1.00
Joint (Male/Female)	4,192	2,196	52.4%	1.02
Total ²	40,746	20,965	51.5%	1.00

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 51 – All Loans by Borrower Race in Pittsburgh

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	2,839	741	3,580	90.4%	80.4%	88.1%	101,229	70.4%	1.28	1.14
African American	207	180	387	6.6%	19.5%	9.5%	34,690	24.1%	0.27	0.81
Asian	94	1	95	3.0%	0.1%	2.3%	3,869	2.7%	1.11	0.04
Hispanic ³	42	10	52	1.3%	1.1%	1.3%	1,586	1.1%	1.20	0.97
Total ⁴	3,537	1,134	4,671				143,752			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	2,839	741	3,580	79.3%	20.7%	1.00	1.00
African American	207	180	387	53.5%	46.5%	0.67	2.25
Asian	94	1	95	98.9%	1.1%	1.25	0.05
Hispanic ³	42	10	52	80.8%	19.2%	1.02	0.93
Total ⁴	3,537	1,134	4,671	75.7%	24.3%	0.95	1.17

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	7,227	2,368	32.8%	1.00
African American	1,639	955	58.3%	1.78
Asian	142	18	12.7%	0.39
Hispanic ³	132	49	37.1%	1.13
Total ⁴	11,244	4,244	37.7%	1.15

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000.

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 52 – All Loans by Borrower Income in Pittsburgh

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	398	253	651	11.4%	22.6%	14.2%	72,161	50.2%	0.23	0.45
Moderate (50-79.99% MSA)	929	373	1,302	26.7%	33.3%	28.3%	28,137	19.6%	1.37	1.70
Middle (80-119.99% MSA)	835	274	1,109	24.0%	24.5%	24.1%	21,119	14.7%	1.64	1.67
Upper (120% or More MSA)	1,314	220	1,534	37.8%	19.6%	33.4%	22,335	15.5%	2.43	1.26
LMI (<79.99% MSA Income)	1,327	626	1,953	38.2%	55.9%	42.5%	100,298	69.8%	0.55	0.80
MUI (>80% MSA Income)	2,149	494	2,643	61.8%	44.1%	57.5%	43,454	30.2%	2.05	1.46
Total ³	3,537	1,134	4,671				143,752			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	398	253	651	61.1%	38.9%	0.71	2.71
Moderate (50-79.99% MSA)	929	373	1,302	71.4%	28.6%	0.83	2.00
Middle (80-119.99% MSA)	835	274	1,109	75.3%	24.7%	0.88	1.72
Upper (120% or More MSA)	1,314	220	1,534	85.7%	14.3%	1.00	1.00
LMI (<79.99% MSA Income)	1,327	626	1,953	67.9%	32.1%	0.84	1.71
MUI (>80% MSA Income)	2,149	494	2,643	81.3%	18.7%	1.00	1.00
Total ³	3,537	1,134	4,671	75.7%	24.3%	0.88	1.69

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	1,999	970	48.5%	1.78
Moderate (50-79.99% MSA)	3,369	1,354	40.2%	1.47
Middle (80-119.99% MSA)	2,644	1,019	38.5%	1.41
Upper (120% or More MSA)	3,008	822	27.3%	1.00
LMI (<79.99% MSA Income)	5,368	2,324	43.3%	1.33
MUI (>80% MSA Income)	5,652	1,841	32.6%	1.00
Total ³	11,244	4,244	37.7%	1.38

¹ Borrower Income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 53 – All Loans by Tract Minority Level in Pittsburgh

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	3,260	956	4,216	92.2%	84.3%	90.3%	127,959	89.2%	1.03	0.95
50-100% minority	277	178	455	7.8%	15.7%	9.7%	15,543	10.8%	0.72	1.45
Total ³	3,537	1,134	4,671				143,502			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	3,260	956	4,216	77.3%	22.7%	1.00	1.00
50-100% minority	277	178	455	60.9%	39.1%	0.79	1.73
Total ³	3,537	1,134	4,671	75.7%	24.3%	0.98	1.07

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	9,410	3,274	34.8%	1.00
50-100% minority	1,834	970	52.9%	1.52
Total ³	11,244	4,244	37.7%	1.08

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 54 – All Loans by Tract Income Level in Pittsburgh

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	91	37	128	2.6%	3.3%	2.7%	4,402	5.9%	0.44	0.56
Moderate (50-79.99% MSA)	835	392	1,227	23.6%	34.6%	26.3%	23,883	31.9%	0.74	1.08
Middle (80-119.99% MSA)	1,683	612	2,295	47.6%	54.0%	49.2%	33,495	44.7%	1.07	1.21
Upper (120% or More MSA)	926	93	1,019	26.2%	8.2%	21.8%	13,150	17.5%	1.49	0.47
LMI (<79.99% MSA Income)	926	429	1,355	26.2%	37.8%	29.0%	28,285	37.7%	0.69	1.00
MUI (>80% MSA Income)	2,609	705	3,314	73.8%	62.2%	71.0%	46,645	62.3%	1.19	1.00
Total ³	3,537	1,134	4,671				74,930			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	91	37	128	71.1%	28.9%	0.78	3.17
Moderate (50-79.99% MSA)	835	392	1,227	68.1%	31.9%	0.75	3.50
Middle (80-119.99% MSA)	1,683	612	2,295	73.3%	26.7%	0.81	2.92
Upper (120% or More MSA)	926	93	1,019	90.9%	9.1%	1.00	1.00
LMI (<79.99% MSA Income)	926	429	1,355	68.3%	31.7%	0.87	1.49
MUI (>80% MSA Income)	2,609	705	3,314	78.7%	21.3%	1.00	1.00
Total ³	3,537	1,134	4,671	75.7%	24.3%	0.83	2.66

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper Income Denial Ratio ⁴
Low (<50% MSA)	602	335	55.6%	2.81
Moderate (50-79.99% MSA)	3,614	1,676	46.4%	2.34
Middle (80-119.99% MSA)	5,319	1,895	35.6%	1.80
Upper (120% or More MSA)	1,707	338	19.8%	1.00
LMI (<79.99% MSA Income)	4,216	2,011	47.7%	1.50
MUI (>80% MSA Income)	7,026	2,233	31.8%	1.00
Total ³	11,244	4,244	37.7%	1.91

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 55 – All Loans by Borrower Gender in Pittsburgh

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	1,157	373	1,530	35.1%	36.9%	35.5%	35,954	25.0%	1.40	1.48
Female	992	348	1,340	30.1%	34.4%	31.1%	61,632	42.9%	0.70	0.80
Joint (Male/Female)	1,145	290	1,435	34.8%	28.7%	33.3%	46,166	32.1%	1.08	0.89
Total ²	3,537	1,134	4,671				143,752			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	1,157	373	1,530	75.6%	24.4%	1.00	1.00
Female	992	348	1,340	74.0%	26.0%	0.98	1.07
Joint (Male/Female)	1,145	290	1,435	79.8%	20.2%	1.06	0.83
Total ²	3,537	1,134	4,671	75.7%	24.3%	1.00	1.00

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	3,510	1,271	36.2%	1.00
Female	3,272	1,315	40.2%	1.11
Joint (Male/Female)	3,131	1,151	36.8%	1.02
Total ²	11,244	4,244	37.7%	1.04

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 56 – All Loans by Borrower Race in Philadelphia (Non – Owner-Occupied)

Portfolio share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
White	2,122	850	2,972	62.8%	48.1%	57.8%	282,063	47.8%	1.32	1.01
African American	824	807	1,631	24.4%	45.6%	31.7%	237,553	40.2%	0.61	1.13
Asian	431	111	542	12.8%	6.3%	10.5%	20,567	3.5%	3.66	1.80
Hispanic ³	195	133	328	5.5%	7.0%	6.0%	38,509	6.5%	0.84	1.07
Total ⁴	5,056	2,351	7,407				590,283			

Market share

Borrower Race ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Race Share to White Share Ratio: Prime	Race Share to White Share Ratio: Subprime
White	2,122	850	2,972	71.4%	28.6%	1.00	1.00
African American	824	807	1,631	50.5%	49.5%	0.71	1.73
Asian	431	111	542	79.5%	20.5%	1.11	0.72
Hispanic ³	195	133	328	59.5%	40.5%	0.83	1.42
Total ⁴	5,056	2,351	7,407	68.3%	31.7%	0.96	1.11

Denial disparity

Borrower Race ¹	Loan Applications	Application Denials	Denial Rate	Race to White Denial
White	5,479	1,379	25.2%	1.00
African American	4,390	1,771	40.3%	1.60
Asian	992	219	22.1%	0.88
Hispanic ³	850	311	36.6%	1.45
Total ⁴	15,619	4,746	30.4%	1.21

¹ Includes only non-Hispanic borrowers of that race.

² U.S. Census 2000.

³ Borrower identified as Hispanic of any race.

⁴ Racial categories may not equal total because not all races are shown.

Table 57 – All Loans by Borrower Income in Philadelphia (Non – Owner-Occupied)

Portfolio share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ²	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Low (<50% MSA)	153	124	277	3.6%	5.7%	4.3%	229,276	38.8%	0.09	0.15
Moderate (50-79.99% MSA)	543	350	893	12.6%	16.0%	13.7%	109,355	18.5%	0.68	0.86
Middle (80-119.99% MSA)	850	580	1,430	19.7%	26.5%	22.0%	102,462	17.4%	1.14	1.53
Upper (120% or More MSA)	2,763	1,135	3,898	64.1%	51.9%	60.0%	149,190	25.3%	2.54	2.05
LMI (<79.99% MSA Income)	696	474	1,170	16.2%	21.7%	18.0%	338,631	57.4%	0.28	0.38
MUI (>80% MSA Income)	3,613	1,715	5,328	83.8%	78.3%	82.0%	251,652	42.6%	1.97	1.84
Total ³	5,056	2,351	7,407				590,283			

Market share

Borrower Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	153	124	277	55.2%	44.8%	0.78	1.54
Moderate (50-79.99% MSA)	543	350	893	60.8%	39.2%	0.86	1.35
Middle (80-119.99% MSA)	850	580	1,430	59.4%	40.6%	0.84	1.39
Upper (120% or More MSA)	2,763	1,135	3,898	70.9%	29.1%	1.00	1.00
LMI (<79.99% MSA Income)	696	474	1,170	59.5%	40.5%	0.88	1.26
MUI (>80% MSA Income)	3,613	1,715	5,328	67.8%	32.2%	1.00	1.00
Total ³	5,056	2,351	7,407	68.3%	31.7%	0.96	1.09

Denial disparity

Borrower Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	965	490	50.8%	1.88
Moderate (50-79.99% MSA)	2,278	887	38.9%	1.44
Middle (80-119.99% MSA)	3,201	1,025	32.0%	1.18
Upper (120% or More MSA)	7,771	2,104	27.1%	1.00
LMI (<79.99% MSA Income)	3,243	1,377	42.5%	1.49
MUI (>80% MSA Income)	10,972	3,129	28.5%	1.00
Total ³	15,619	4,746	30.4%	1.12

¹ Borrower Income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and "Upper".

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 58 – All Loans by Tract Minority Level in Philadelphia (Non – Owner-Occupied)

Portfolio share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
0-49% minority	2,483	669	3,152	49.1%	28.5%	42.6%	178,316	51.0%	0.96	0.56
50-100% minority	2,573	1,682	4,255	50.9%	71.5%	57.4%	171,335	49.0%	1.04	1.46
Total ³	5,056	2,351	7,407				349,651			

Market share

Minority Level ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Minority Level Share to Non-Minority Tract Share Ratio: Prime	Minority Level Share to Non-Minority Tract Share Ratio: Subprime
0-49% minority	2,483	669	3,152	78.8%	21.2%	1.00	1.00
50-100% minority	2,573	1,682	4,255	60.5%	39.5%	0.77	1.86
Total ³	5,056	2,351	7,407	68.3%	31.7%	0.87	1.50

Denial disparity

Minority Level ¹	Loan Applications	Application Denials	Denial Rate	Minority Area to Non-Minority Area Denial Ratio
0-49% minority	5,609	1,274	22.7%	1.00
50-100% minority	10,007	3,470	34.7%	1.53
Total ³	15,619	4,746	30.4%	1.34

¹ The minority-level of a tract is defined as the non-white population.

² U.S. Census 2000.

³ Minority level categories may not equal total because a few applications may not contain census tract information.

Table 59 – All Loans by Tract Income in Philadelphia (Non – Owner-Occupied)

Portfolio share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Owner-Occupied Housing Units (OOHU) ²	Percent of All OOHU	Prime Share to OOHU Share Ratio	Subprime Share to OOHU Share Ratio
Low (<50% MSA)	1,531	1,056	2,587	30.3%	44.9%	34.9%	81,464	23.3%	1.30	1.93
Moderate (50-79.99% MSA)	2,224	1,082	3,306	44.0%	46.0%	44.6%	152,805	43.7%	1.01	1.05
Middle (80-119.99% MSA)	947	185	1,132	18.7%	7.9%	15.3%	100,764	28.8%	0.65	0.27
Upper (120% or More MSA)	353	28	381	7.0%	1.2%	5.1%	14,605	4.2%	1.67	0.29
LMI (<79.99% MSA Income)	3,755	2,138	5,893	74.3%	90.9%	79.6%	234,269	67.0%	1.11	1.36
MUI (>80% MSA Income)	1,300	213	1,513	25.7%	9.1%	20.4%	115,369	33.0%	0.78	0.27
Total ³	5,056	2,351	7,407				349,638			

Market share

Tract Income ¹	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Income Share to Upper - Income Share Ratio: Prime ⁴	Income Share to Upper - Income Share Ratio: Subprime ⁴
Low (<50% MSA)	1,531	1,056	2,587	59.2%	40.8%	0.64	5.55
Moderate (50-79.99% MSA)	2,224	1,082	3,306	67.3%	32.7%	0.73	4.45
Middle (80-119.99% MSA)	947	185	1,132	83.7%	16.3%	0.90	2.22
Upper (120% or More MSA)	353	28	381	92.7%	7.3%	1.00	1.00
LMI (<79.99% MSA Income)	3,755	2,138	5,893	63.7%	36.3%	0.74	2.58
MUI (>80% MSA Income)	1,300	213	1,513	85.9%	14.1%	1.00	1.00
Total ¹	5,056	2,351	7,407	68.3%	31.7%	0.74	4.32

Denial disparity

Tract Income ¹	Loan Applications	Application Denials	Denial Rate	Income to Upper - Income Denial Ratio ⁴
Low (<50% MSA)	5,846	1,982	33.9%	2.03
Moderate (50-79.99% MSA)	7,016	2,144	30.6%	1.83
Middle (80-119.99% MSA)	2,135	515	24.1%	1.45
Upper (120% or More MSA)	618	103	16.7%	1.00
LMI (<79.99% MSA Income)	12,862	4,126	32.1%	1.43
MUI (>80% MSA Income)	2,753	618	22.4%	1.00
Total ³	15,619	4,746	30.4%	1.82

¹ Tract income as a percent of the Metropolitan Statistical Area income

² U.S. Census 2000

³ "Total" includes those applications with "income not available" reported; therefore, "total" may not equal the sum of "Low", "Middle", "Moderate" and

⁴ The denominator for the "Low", "Moderate", "Middle", "Upper" and "Total" categories is "Upper" and "MUI" for the "LMI" and "MUI" categories.

Table 60 – All Loans by Borrower Gender in Philadelphia (Non – Owner-Occupied)

Portfolio share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Pct. of All Loans	Households ¹	Percent of All Households	Prime Share to Household Share Ratio	Subprime Share to Household Share Ratio
Male	1,981	1,286	3,267	50.7%	60.6%	54.2%	132,278	22.4%	2.26	2.71
Female	912	552	1,464	23.3%	26.0%	24.3%	264,975	44.9%	0.52	0.58
Joint (Male/Female)	1,015	283	1,298	26.0%	13.3%	21.5%	193,030	32.7%	0.79	0.41
Total ²	5,056	2,351	7,407				590,283			

Market share

Borrower Gender	Prime Loans	Subprime Loans	Total Loans	Pct. of Prime Loans	Pct. of Subprime Loans	Gender Share to Male Share Ratio: Prime	Gender Share to Male Share Ratio: Subprime
Male	1,981	1,286	3,267	60.6%	39.4%	1.00	1.00
Female	912	552	1,464	62.3%	37.7%	1.03	0.96
Joint (Male/Female)	1,015	283	1,298	78.2%	21.8%	1.29	0.55
Total ²	5,056	2,351	7,407	68.3%	31.7%	1.13	0.81

Denial disparity

Borrower Gender	Loan Applications	Application Denials	Denial Rate	Gender to Male Denial Ratio
Male	7,380	2,442	33.1%	1.00
Female	3,459	1,176	34.0%	1.03
Joint (Male/Female)	2,279	519	22.8%	0.69
Total ²	15,619	4,746	30.4%	0.92

¹ U.S. Census 2000; based on gender of householder.

² Gender categories may not equal total because not all applications contained gender information.

Table 61 – Ranking of Depositories

Composite		Prime Lending to African Americans				African America-to-White Denial Ratio	
All Banks Summary							
Mean		0.16		5.88		1.67	
Max		1.00		250.00		12.00	
Min		0.00		0.00		0.00	
N		268		374		131	
St. Dev.		0.26		23.30		1.97	
Weight		0.10		0.10		0.10	
Individual Bank Scores							
Bank Name		Loan Share	Z Score	Loan Count	Z Score	Denial Ratio	Z Score
Bank of America	25.57	0.23	0.29	181	7.52	2.05	-0.19
CitiGroup, Inc.	2.13	0.10	-0.23	18	0.52	0.94	0.37
Citizens Financial Group	11.77	0.47	1.21	135	5.54	4.09	-1.23
Commerce Bancorp, Inc.	10.51	0.35	0.74	79	3.14	1.17	0.26
PNC Financial Services Group	-6.83	0.00	-0.62	0	-0.25	1.00	0.34
Sovereign Bancorp, Inc.	29.27	0.28	0.46	250	10.48	2.75	-0.55
Wachovia Corporation	16.56	0.22	0.25	150	6.19	1.14	0.27

	Prime Lending to Hispanics				Hispanic to White Denial Ratio	
All Banks Summary						
Mean	0.05		2.68		0.48	
Max	1.00		149.00		8.00	
Min	0.00		0.00		0.00	
N	268		374		131	
St. Dev.	0.16		13.45		0.94	
Weight	0.10		0.10		0.10	
Individual Bank Scores						
Bank Name	Loan Share	Z Score	Loan Count	Z Score	Denial Ratio	Z Score
Bank of America	0.16	0.69	128	9.32	1.05	-0.61
CitiGroup, Inc.	0.03	-0.13	6	0.25	0.22	0.28
Citizens Financial Group	0.10	0.29	29	1.96	0.45	0.03
Commerce Bancorp, Inc.	0.11	0.33	24	1.59	0.42	0.07
PNC Financial Services Group	0.00	-0.34	0	-0.20	2.00	-1.62
Sovereign Bancorp, Inc.	0.16	0.69	149	10.88	3.88	-3.63
Wachovia Corporation	0.06	0.04	41	2.85	0.49	0.00

	Prime Lending to LMI borrowers				LMI-to-MUI Denial	
All Banks Summary						
Mean	0.40		16.28		1.60	
Max	1.00		697.00		10.00	
Min	0.00		0.00		0.00	
N	268		374		150	
St. Dev.	0.34		61.98		1.65	
Weight	0.025		0.10		0.025	
Individual Bank Scores						
Bank Name	Loan Share	Z Score	Loan Count	Z Score	Denial Ratio	Z Score
Bank of America	0.63	0.68	489	7.63	2.73	-0.68
CitiGroup, Inc.	0.37	-0.08	67	0.82	1.04	0.34
Citizens Financial Group	0.81	1.21	232	3.48	3.75	-1.30
Commerce Bancorp, Inc.	0.75	1.04	170	2.48	2.58	-0.59
PNC Financial Services Group	1.00	1.77	2	-0.23	10.00	-5.08
Sovereign Bancorp, Inc.	0.77	1.09	697	10.98	4.56	-1.79
Wachovia Corporation	0.55	0.46	371	5.72	1.39	0.13

	Prime Lending in LMI tracts		LMI-to-MUI Tract Denial		Prime Lending in Minority Tracts		Minority-to-non-minority Tract Denial	
All Banks Summary								
Mean	0.51		3.30		0.32		1.34	
Max	1.00		23.00		1.00		7.50	
Min	0.00		0.00		0.00		0.00	
N	268		126		268		149	
St. Dev.	0.35		3.50		0.33		1.28	
Weight	10.00		10.00		2.50		2.50	
Individual Bank Scores								
Bank Name	Share	Z Score	Ratio	Z Score	Share	Z Score	Ratio	Z Score
Bank of America	0.69	0.52	3.54	-0.02	0.44	0.37	1.28	0.05
CitiGroup, Inc.	0.39	-0.34	1.68	0.12	0.23	-0.27	0.70	0.50
Citizens Financial Group	0.73	0.63	6.60	-0.24	0.50	0.55	1.81	-0.37
Commerce Bancorp, Inc.	0.77	0.72	2.31	0.07	0.49	0.51	1.15	0.15
PNC Financial Services Group	1.00	1.39	4.50	-0.09	0.50	0.56	4.50	-2.46
Sovereign Bancorp, Inc.	0.70	0.55	4.93	-0.12	0.39	0.21	1.34	0.00
Wachovia Corporation	0.58	0.21	2.40	0.06	0.38	0.18	1.09	0.20

Table 62 – Philadelphia Depository Ranking – All Loans

Race

Depository	Applications	Prime Loans Originated	Percent of Loans to African Americans	Rank Percent of Loans to African Americans	Percent of Loans to Hispanics	Rank Percent of Loans to Hispanics	Percent of Loans to Asians	Rank Percent of Loans to Asians	Percent of Loans in Minority Tracts	Rank Percent of Loans in Minority Tracts
Bank of America	2,043	1,014	23	7	16	1	6	6	43	3
CitiGroup, Inc.	1,986	394	24	5	2	7	7	5	34	7
Citizens Financial Group	2,143	867	36	1	8	5	8	2	47	2
Commerce Bancorp, Inc.	766	361	27	3	7	6	7	4	40	5
PNC Financial Services Group	794	137	35	2	10	3	8	1	54	1
Sovereign Bancorp, Inc.	1,780	1,173	26	4	15	2	8	3	39	6
Wachovia Corporation	5,373	2,171	24	6	9	4	4	7	41	4
Z Deposit	14,940	6,152	26		11		6		42	
Z Total	77,062	23,790	20		7		7		35	

Income/Gender

Depository	Percent of Loans to LMI Borrowers	Rank Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	Rank Percent of Loans in LMI Tracts	Percent of Loans to Females	Rank Percent of Loans to Females
Bank of America	61	5	67	5	41	6
CitiGroup, Inc.	45	7	48	7	37	7
Citizens Financial Group	71	2	68	3	50	2
Commerce Bancorp, Inc.	67	3	69	1	47	4
PNC Financial Services Group	65	4	68	2	53	1
Sovereign Bancorp, Inc.	73	1	68	4	47	3
Wachovia Corporation	54	6	62	6	42	5
Z Deposit	62		64		44	
Z Total	51		57		41	

Denials

Depository	Applications	Denials	African American to White Denial Ratio	Rank African American to White Denial Ratio	Hispanic to White Denial Ratio	Rank Hispanic to White Denial Ratio	Asian to White Denial Ratio	Rank Asian to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio	Rank Minority to Non-Minority Tract Denial Ratio
Bank of America	2,043	588	2.09	4	1.05	6	0.19	2	1.33	2
CitiGroup, Inc.	1,986	683	4.33	7	0.47	2	0.10	1	2.01	6
Citizens Financial Group	2,143	937	1.64	3	0.54	3	0.41	7	1.44	3
Commerce Bancorp, Inc.	766	279	1.22	1	0.24	1	0.19	3	1.33	1
PNC Financial Services Group	794	553	3.90	6	1.00	4	0.33	5	2.81	7
Sovereign Bancorp, Inc.	1,780	251	2.21	5	1.21	7	0.37	6	1.64	5
Wachovia Corporation	5,373	1,577	1.46	2	1.01	5	0.20	4	1.64	4
Z Deposit	14,940	4,882	2.09		0.79		0.25		1.68	
Z Total	77,062	24,950	1.74		0.41		0.14		1.57	

Market Share Ratios

Depository	African American to White	African American to White Ratio Rank	Minority Tract to Non-Minority Tract	Minority Tract to Non-Minority Tract Ratio Rank	LMI to MUI Borrower	LMI to MUI Borrower Ratio Rank	LMI Tracts to MUI Tracts	LMI Tracts to MUI Tracts Ratio Rank
Bank of America	1.78	4	1.40	3	1.54	5	1.49	5
CitiGroup, Inc.	1.03	7	0.92	7	0.70	7	0.76	7
Citizens Financial Group	2.05	1	1.61	2	1.63	3	2.27	2
Commerce Bancorp, Inc.	1.39	5	1.23	5	1.64	1	1.88	3
PNC Financial Services Group	2.01	2	2.14	1	1.64	2	1.79	4
Sovereign Bancorp, Inc.	1.82	3	1.17	6	1.62	4	2.62	1
Wachovia Corporation	1.34	6	1.32	4	1.22	6	1.10	6

¹ Only loans for owner-occupied are included.

Table 63 – Philadelphia Depository Ranking – Home Purchase Loans

Race

Depository	Applications	Prime Loans Originated	Percent of Loans to African Americans	Rank Percent of Loans to African Americans	Percent of Loans to Hispanics	Rank Percent of Loans to Hispanics	Percent of Loans to Asians	Rank Percent of Loans to Asians	Percent of Loans in Minority Tracts	Rank Percent of Loans in Minority Tracts
Bank of America	1,376	781	23.3%	4	16.4%	2	6.4%	5	44.0%	3
CitiGroup, Inc.	395	184	9.8%	6	3.3%	6	9.2%	1	23.4%	6
Citizens Financial Group	468	288	46.9%	1	10.4%	4	6.9%	4	50.0%	1
Commerce Bancorp, Inc.	312	227	34.8%	2	10.6%	3	7.5%	3	48.5%	2
Sovereign Bancorp, Inc.	1,254	913	27.4%	3	16.5%	1	9.1%	2	38.8%	4
Wachovia Corporation	1,085	687	22.1%	5	6.3%	5	6.1%	6	37.1%	5
Z Deposit	4,926	3,097	26.5%		12.3%		7.4%		40.7%	
Z Total	23,555	12,177	18.2%		8.4%		10.9%		33.6%	

Income/Gender

Depository	Percent of Loans to LMI Borrowers	Rank Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	Rank Percent of Loans in LMI Tracts	Percent of Loans to Females	Rank Percent of Loans to Females
Bank of America	62.9%	4	69.4%	4	40.9%	5
CitiGroup, Inc.	36.8%	6	39.0%	6	31.3%	6
Citizens Financial Group	80.8%	1	73.2%	2	54.7%	1
Commerce Bancorp, Inc.	75.2%	3	76.5%	1	52.2%	2
Sovereign Bancorp, Inc.	76.9%	2	70.3%	3	48.5%	3
Wachovia Corporation	55.2%	5	58.3%	5	42.1%	4
Z Deposit	66.2%		66.2%		45.0%	
Z Total	50.6%		57.5%		41.3%	

Denials

Depository	Applications	Denials	African American to White Denial Ratio	Rank African American to White Denial Ratio	Hispanic to White Denial Ratio	Rank Hispanic to White Denial Ratio	Asian to White Denial Ratio	Rank Asian to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio	Rank Minority to Non-Minority Tract Denial Ratio
Bank of America	1,376	314	2.07	2	1.05	2	0.19	5	1.29	3
CitiGroup, Inc.	395	51	0.94	6	0.22	6	0.11	6	0.70	6
Citizens Financial Group	468	77	4.09	1	0.55	3	1.00	1	1.75	1
Commerce Bancorp, Inc.	312	43	1.17	5	0.42	5	0.42	3	1.15	4
Sovereign Bancorp, Inc.	1,254	96	2.00	3	2.67	1	0.50	2	1.34	2
Wachovia Corporation	1,085	148	1.17	4	0.49	4	0.23	4	1.08	5
Z Deposit	4,926	741	1.79		0.87		0.30		1.25	
Z Total	23,555	4,114	1.75		0.51		0.25		1.41	

Market Share Ratios

Depository	African American to White Ratio	African American to White Ratio Rank	Minority Tract to Non-Minority Tract Ratio	Minority Tract to Non-Minority Tract Ratio Rank	LMI to MUI Borrower Ratio	LMI to MUI Borrower Ratio Rank	LMI Tracts to MUI Tracts	LMI Tracts to MUI Tracts Ratio Rank
Bank of America	1.92	5	1.55	3	1.68	4	1.65	4
CitiGroup, Inc.	0.38	6	0.59	6	0.47	6	0.57	6
Citizens Financial Group	3.90	1	1.96	1	2.01	2	4.11	1
Commerce Bancorp, Inc.	2.31	2	1.87	2	2.41	1	2.96	3
Sovereign Bancorp, Inc.	2.28	3	1.25	4	1.75	3	3.25	2
Wachovia Corporation	1.98	4	1.20	5	1.03	5	1.20	5

¹ Only loans for owner-occupied are included.

Table 64 – Philadelphia Depository Ranking – Refinance Loans

Race										
Depository	Applications	Prime Loans Originated	Percent of Loans to African Americans	Rank Percent of Loans to African Americans	Percent of Loans to Hispanics	Rank Percent of Loans to Hispanics	Percent of Loans to Asians	Rank Percent of Loans to Asians	Percent of Loans in Minority Tracts	Rank Percent of Loans in Minority Tracts
Bank of America	499	178	19.7%	5	13.5%	2	6.7%	3	37.1%	4
CitiGroup, Inc.	1,189	180	37.2%	1	1.7%	7	4.4%	6	46.1%	2
Citizens Financial Group	886	297	26.6%	3	6.4%	5	8.4%	2	36.4%	5
Commerce Bancorp, Inc.	213	83	10.8%	7	2.4%	6	4.8%	5	18.1%	7
PNC Financial Services Group	299	61	32.8%	2	14.8%	1	9.8%	1	49.2%	1
Sovereign Bancorp, Inc.	361	200	19.5%	6	9.0%	4	6.0%	4	32.5%	6
Wachovia Corporation	3,473	1,250	24.9%	4	10.5%	3	3.0%	7	42.8%	3
Z Deposit	6,936	2,261	25.0%		9.1%		4.6%		40.1%	
Z Total	46,231	9,926	21.1%		5.9%		4.4%		36.2%	

Income/Gender						
Depository	Percent of Loans to LMI Borrowers	Rank Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	Rank Percent of Loans in LMI Tracts	Percent of Loans to Females	Rank Percent of Loans to Females
Bank of America	56.0%	4	57.8%	5	40.4%	6
CitiGroup, Inc.	52.7%	6	57.5%	6	43.7%	4
Citizens Financial Group	66.0%	1	59.9%	3	44.9%	2
Commerce Bancorp, Inc.	48.1%	7	51.9%	7	34.6%	7
PNC Financial Services Group	59.3%	3	62.7%	1	45.8%	1
Sovereign Bancorp, Inc.	59.8%	2	59.8%	4	44.4%	3
Wachovia Corporation	53.0%	5	61.8%	2	42.6%	5
Z Deposit	55.5%		60.3%		42.7%	
Z Total	52.0%		55.8%		42.0%	

Denials										
Depository	Applications	Denials	African American to White Denial Ratio	Rank African American to White Denial Ratio	Hispanic to White Denial Ratio	Rank Hispanic to White Denial Ratio	Asian to White Denial Ratio	Rank Asian to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio	Rank Minority to Non-Minority Tract Denial Ratio
Bank of America	499	200	1.88	4	0.90	1	0.18	4	1.04	5
CitiGroup, Inc.	1,189	448	4.37	1	0.43	5	0.10	7	1.99	1
Citizens Financial Group	886	438	1.12	6	0.38	6	0.34	2	0.90	6
Commerce Bancorp, Inc.	213	87	0.72	7	0.19	7	0.11	6	0.89	7
PNC Financial Services Group	299	203	3.76	2	0.90	2	0.48	1	1.82	2
Sovereign Bancorp, Inc.	361	84	1.94	3	0.67	4	0.28	3	1.21	4
Wachovia Corporation	3,473	1,100	1.38	5	0.75	3	0.17	5	1.41	3
Z Deposit	6,936	2,562	1.80		0.61		0.21		1.35	
Z Total	46,231	17,237	1.55		0.33		0.10		1.45	

Market Share Ratios									
Depository	African American to White	African American to White Ratio Rank	Minority Tract to Non-Minority Tract Ratio	Minority Tract to Non-Minority Tract Ratio Rank	LMI to MUI Borrower	LMI to MUI Borrower Ratio Rank	LMI Tracts to MUI Tracts	LMI Tracts to MUI Tracts Ratio Rank	
Bank of America	1.28	3	0.95	5	1.09	5	1.17	4	
CitiGroup, Inc.	1.93	2	1.52	2	1.07	6	1.03	6	
Citizens Financial Group	1.15	5	1.02	4	1.18	3	1.79	1	
Commerce Bancorp, Inc.	0.37	7	0.40	7	0.85	7	0.86	7	
PNC Financial Services Group	2.40	1	1.60	1	1.33	1	1.34	3	
Sovereign Bancorp, Inc.	0.88	6	0.87	6	1.18	4	1.37	2	
Wachovia Corporation	1.20	4	1.34	3	1.28	2	1.04	5	

Table 65 – Philadelphia Depository Ranking – Home Improvement Loans

Race

Depository	Applications	Prime Loans Originated	Percent of Loans to African Americans	Rank Percent of Loans to African Americans	Percent of Loans to Hispanics	Rank Percent of Hispanics	Percent of Loans to Asians	Rank Percent of Loans to Asians	Percent of Loans in Minority Tracts	Rank Percent of Loans in Minority Tracts
Bank of America	168	55	30.9%	5	30.9%	1	9.1%	4	63.6%	2
CitiGroup, Inc.	402	30	33.3%	4	6.7%	6	10.0%	2	30.0%	7
Citizens Financial Group	789	282	36.9%	2	8.9%	4	10.3%	1	55.7%	4
Commerce Bancorp, Inc.	241	51	23.5%	7	2.0%	7	9.8%	3	39.2%	6
PNC Financial Services Group	478	74	37.8%	1	6.8%	5	6.8%	6	59.5%	3
Sovereign Bancorp, Inc.	165	60	36.7%	3	11.7%	3	1.7%	7	66.7%	1
Wachovia Corporation	815	234	24.8%	6	16.2%	2	7.3%	5	50.9%	5
All depositories	3,078	794	32.5%		12.1%		8.2%		54.4%	
All lenders	7,276	1,687	26.9%		6.9%		6.1%		46.2%	

Income/Gender

Depository	Percent of Loans to LMI Borrowers	Rank Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	Rank Percent of Loans in LMI Tracts	Percent of Loans to Females	Rank Percent of Loans to Females
Bank of America	63.0%	4	72.2%	5	46.3%	4
CitiGroup, Inc.	53.3%	7	56.7%	7	36.7%	7
Citizens Financial Group	66.4%	3	73.6%	2	52.1%	2
Commerce Bancorp, Inc.	60.8%	5	62.7%	6	47.1%	3
PNC Financial Services Group	70.3%	2	73.0%	3	59.5%	1
Sovereign Bancorp, Inc.	72.4%	1	72.4%	4	43.1%	6
Wachovia Corporation	57.9%	6	76.4%	1	44.6%	5
All depositories	63.7%		72.8%		48.5%	
All lenders	61.0%		67.4%		46.1%	

Denials

Denials	Applications	Denials	African American to White Denial Ratio	Rank African American to White Denial Ratio	Hispanic to White Denial Ratio	Rank Hispanic to White Denial Ratio	Asian to White Denial Ratio	Rank Asian to White Denial Ratio	Minority to Non-Minority Tract Denial Ratio	Rank Minority to Non-Minority Tract Denial Ratio
Bank of America	168	74	2.92	3	1.50	2	0.25	4	3.35	4
CitiGroup, Inc.	402	184	7.37	1	0.84	4	0.11	7	2.91	5
Citizens Financial Group	789	422	2.09	6	0.77	5	0.45	1	2.35	6
Commerce Bancorp, Inc.	241	149	1.68	7	0.23	7	0.20	6	1.76	7
PNC Financial Services Group	478	339	4.10	2	1.02	3	0.24	5	3.77	1
Sovereign Bancorp, Inc.	165	71	2.77	4	0.62	6	0.38	2	3.44	3
Wachovia Corporation	815	329	2.13	5	2.91	1	0.36	3	3.70	2
All depositories	3,078	1,579	2.88		1.14		0.32		2.93	
All lenders	7,276	3,599	2.88		0.81		0.19		2.74	

Market Share Ratio

Depository	African American to White Ratio Rank	African American to White Ratio Rank	Minority Tract to Non-Minority Tract Ratio Rank	Minority Tract to Non-Minority Tract Ratio Rank	LMI to MUI Borrower Ratio Rank	LMI Tracts to MUI Tracts Ratio Rank	LMI Tracts to MUI Tracts Ratio Rank	LMI Tracts to MUI Tracts Ratio Rank
Bank of America	3.35	1	2.14	2	1.25	5	1.09	4
CitiGroup, Inc.	1.75	2	0.50	7	0.63	7	0.73	7
Citizens Financial Group	1.51	3	1.44	4	1.34	2	1.27	3
Commerce Bancorp, Inc.	0.73	7	0.75	6	0.81	6	0.99	5
PNC Financial Services Group	1.34	5	1.70	3	1.30	3	1.51	2
Sovereign Bancorp, Inc.	1.39	4	2.20	1	1.27	4	1.68	1
Wachovia Corporation	0.85	6	1.21	5	1.56	1	0.88	6

Table 66 – Philadelphia Unranked Depositories – All Loans

Race

Depository	Applications	Prime Loans Originated	Percent of Loans to African Americans	Percent of Loans to Hispanics	Percent of Loans to Asians	Percent of Loans in Minority Tracts
Advance Bank	11	8	50.0%	0.0%	0.0%	100.0%
Mellon Bank	13	10	0.0%	0.0%	0.0%	0.0%
Republic First Bancorp, Inc.	6	3	0.0%	0.0%	0.0%	0.0%
United Bank of Philadelphia	25	14	92.9%	7.1%	0.0%	92.9%
All depositories	14,940	6,152	26.7%	11.1%	6.5%	42.2%

Income/Gender

Depository	Percent of Loans to LMI Borrowers	Percent of Loans in LMI Tracts	Percent of Loans to Females
Advance Bank	37.5%	75.0%	62.5%
Mellon Bank	10.0%	0.0%	30.0%
Republic First Bancorp, Inc.	0.0%	33.3%	0.0%
United Bank of Philadelphia	76.9%	76.9%	38.5%
All depositories	62.0%	64.9%	44.6%

Denials

Denials	Applications	Denials	African American to White Denial Ratio	Hispanic to White Denial Ratio	Asian to White Denial Ratio	Minority to Non Minority Tract Denial Ratio
Advance Bank	11	1				
Bank of America	2,043	588	2.09	1.05	0.19	1.33
CitiGroup, Inc.	1,986	683	4.33	0.47	0.10	2.01
Citizens Financial Group	2,143	937	1.64	0.54	0.41	1.44
Commerce Bancorp, Inc.	766	279	1.22	0.24	0.19	1.33
Mellon Bank	13	0				
PNC Financial Services Group	794	553	3.90	1.00	0.33	2.81
Republic First Bancorp, Inc.	6	2				
Sovereign Bancorp, Inc.	1,780	251	2.21	1.21	0.37	1.64
United Bank of Philadelphia	25	11				10.00
Wachovia Corporation	5,373	1,577	1.46	1.01	0.20	1.64
All depositories	14,940	4,882	2.09	0.79	0.25	1.68

Market Share Ratio

Depository	African American to White	Minority Tract to Non-Minority Tract	LMI Tracts to MUI Tracts	LMI Tracts to MUI Tracts
Advance Bank	2.17		2.22	0.56
Mellon Bank	0.00	0.00	0.00	0.10
Republic First Bancorp, Inc.	0.00	0.00	0.37	0.00
United Bank of Philadelphia		21.77	2.46	3.08

Table 67 – Philadelphia Depository List

Institution	Respondent Id
Advance Bank	0000006824
Bank Of America, N.A.	0000013044
Lasalle Bank Na	0000014362
Citibank, N.A.	
Citicorp Trust Bank, Fsb	0000014470
Citifinancial Services, Inc.	0000902270
Citimortgage, Inc	13-3222578
Rbs Citizens Bank, N.A.	
Citizens Bank Of Pennsylvania	0000057282
Commerce Bank	0000022765
Commerce Bank, Na	0000017094
Commerce Bank, North	0000022178
Mellon Trust Of New England	0000024412
Pnc Bank, Na	0000001316
Republic First Bank	0000027332
Sovereign Bank	0000004410
United Bank Of Philadelphia	0001945247
Wachovia Corporation	
Southtrust Mort DbA Equibanc	63-0692047
Wachovia Bank Na	0000000001
Wachovia Bank Of Delaware	0000022559
Wachovia Mortgage	56-0811711

Source: Federal Reserve System

Table 68 – CRA Small Business Lending by Income

Institution	Bank of America	Bank of New York / Mellon	Citizens	Citibank	Commerce Bank	PNC	Republic First	Sovereign	Wachovia	Total for All Depositories	Total for Non-Depositories
# of Small Business Loans	2,726	3	537	6,131	168	2,119	52	175	904	12,815	24,358
# of Loans to Low Income Census Tracts	495	0	104	1,141	33	382	16	39	189	2,399	4,109
# of Loans to Moderate Income Census Tracts	1,045	2	182	2,315	58	789	19	66	328	4,804	8,895
# of Loans to Middle Income Census Tracts	759	0	170	1,728	43	499	10	40	194	3,443	7,213
# of Loans to Upper Income Census Tracts	367	1	65	682	29	397	7	25	165	1,738	3,583
# to Businesses with Less Than \$1 Million in Annual Sales	1,370	0	322	3,451	96	1,509	51	108	451	7,358	5,557
# of Loans to All Known Income Groups	2,666	3	521	5,866	163	2,067	52	170	876	12,384	23,800
Total Small Business Loans in Philadelphia	37,173										
Total Dollars Loaned to Small Businesses in Philadelphia	\$925,700,000										

Table 69 – CRA Small Business Lending Data – Bank of America

Institution	Bank of America	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	2,726	12,815	21.27%	7.33%
# of Loans to Low Income Census Tracts	495	2,399	20.63%	7.61%
# of Loans to Moderate Income Census Tracts	1,045	4,804	21.75%	7.63%
# of Loans to Middle Income Census Tracts	759	3,443	22.04%	7.12%
# of Loans to Upper Income Census Tracts	367	1,738	21.12%	6.90%
# to Businesses with Less Than \$1 Million in Annual Sales	1,370	7,358	18.62%	10.61%
# of Loans to All Known Income Groups	2,666	12,384	21.53%	7.37%

Table 70 – CRA Small Business Lending Data – Bank of New York Mellon

Institution	Bank of New York / Mellon	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	3	12,815	0.02%	0.01%
# of Loans to Low Income Census Tracts	0	2,399	0.00%	0.00%
# of Loans to Moderate Income Census Tracts	2	4,804	0.04%	0.01%
# of Loans to Middle Income Census Tracts	0	3,443	0.00%	0.00%
# of Loans to Upper Income Census Tracts	1	1,738	0.06%	0.02%
# to Businesses with Less Than \$1 Million in Annual Sales	0	7,358	0.00%	0.00%
# of Loans to All Known Income Groups	3	12,384	0.02%	0.01%

Table 71 – CRA Small Business Lending Data – Citizens Bank

Institution	Citizens Bank	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	537	12,815	4.19%	1.44%
# of Loans to Low Income Census Tracts	104	2,399	4.34%	1.60%
# of Loans to Moderate Income Census Tracts	182	4,804	3.79%	1.33%
# of Loans to Middle Income Census Tracts	170	3,443	4.94%	1.60%
# of Loans to Upper Income Census Tracts	65	1,738	3.74%	1.22%
# to Businesses with Less Than \$1 Million in Annual Sales	322	7,358	4.38%	2.49%
# of Loans to All Known Income Groups	521	12,384	4.21%	1.44%

Table 72 – CRA Small Business Lending Data – Citibank

Institution	Citibank	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	6,131	12,815	47.84%	16.49%
# of Loans to Low Income Census Tracts	1,141	2,399	47.56%	17.53%
# of Loans to Moderate Income Census Tracts	2,315	4,804	48.19%	16.90%
# of Loans to Middle Income Census Tracts	1,728	3,443	50.19%	16.22%
# of Loans to Upper Income Census Tracts	682	1,738	39.24%	12.82%
# to Businesses with Less Than \$1 Million in Annual Sales	3,451	7,358	46.90%	26.72%
# of Loans to All Known Income Groups	5,866	12,384	47.37%	16.21%

Table 73 – CRA Small Business Lending Data – Commerce Bank

Institution	Commerce Bank	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	168	12,815	1.31%	0.45%
# of Loans to Low Income Census Tracts	33	2,399	1.38%	0.51%
# of Loans to Moderate Income Census Tracts	58	4,804	1.21%	0.42%
# of Loans to Middle Income Census Tracts	43	3,443	1.25%	0.40%
# of Loans to Upper Income Census Tracts	29	1,738	1.67%	0.55%
# to Businesses with Less Than \$1 Million in Annual Sales	96	7,358	1.30%	0.74%
# of Loans to All Known Income Groups	163	12,384	1.32%	0.45%

Table 74 – CRA Small Business Lending Data – PNC Bank

Institution	PNC	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	2,119	12,815	16.54%	5.70%
# of Loans to Low Income Census Tracts	382	2,399	15.92%	5.87%
# of Loans to Moderate Income Census Tracts	789	4,804	16.42%	5.76%
# of Loans to Middle Income Census Tracts	499	3,443	14.49%	4.68%
# of Loans to Upper Income Census Tracts	397	1,738	22.84%	7.46%
# to Businesses with Less Than \$1 Million in Annual Sales	1,509	7,358	20.51%	11.68%
# of Loans to All Known Income Groups	2,067	12,384	16.69%	5.71%

Table 75 – CRA Small Business Lending Data – Republic First Bank

Institution	Republic First Bank	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	52	12,815	0.41%	0.14%
# of Loans to Low Income Census Tracts	16	2,399	0.67%	0.25%
# of Loans to Moderate Income Census Tracts	19	4,804	0.40%	0.14%
# of Loans to Middle Income Census Tracts	10	3,443	0.29%	0.09%
# of Loans to Upper Income Census Tracts	7	1,738	0.40%	0.13%
# to Businesses with Less Than \$1 Million in Annual Sales	51	7,358	0.69%	0.39%
# of Loans to All Known Income Groups	52	12,384	0.42%	0.14%

Table 76 – CRA Small Business Lending Data – Sovereign Bank

Institution	Sovereign	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	175	12,815	1.37%	0.47%
# of Loans to Low Income Census Tracts	39	2,399	1.63%	0.60%
# of Loans to Moderate Income Census Tracts	66	4,804	1.37%	0.48%
# of Loans to Middle Income Census Tracts	40	3,443	1.16%	0.38%
# of Loans to Upper Income Census Tracts	25	1,738	1.44%	0.47%
# to Businesses with Less Than \$1 Million in Annual Sales	108	7,358	1.47%	0.84%
# of Loans to All Known Income Groups	170	12,384	1.37%	0.47%

Table 77 – CRA Small Business Lending Data – Wachovia Bank

Institution	Wachovia Bank	Total for All Depositories	% of Total for All Depositories	% of Total for Philadelphia
# of Small Business Loans	904	12,815	7.05%	2.43%
# of Loans to Low Income Census Tracts	189	2,399	7.88%	2.90%
# of Loans to Moderate Income Census Tracts	328	4,804	6.83%	2.39%
# of Loans to Middle Income Census Tracts	194	3,443	5.63%	1.82%
# of Loans to Upper Income Census Tracts	165	1,738	9.49%	3.10%
# to Businesses with Less Than \$1 Million in Annual Sales	451	7,358	6.13%	3.49%
# of Loans to All Known Income Groups	876	12,384	7.07%	2.42%

Table 78 – Small Business Lending – by Tract Income Level

City of Philadelphia	All Small Business Loans		Loans to Businesses with < \$1 Million in Revenue	
Income Level	Number of Loans	Percent of Loans	Number of Loans	Percent of Loans
Low Income	6,508	17.51%	2,377	18.40%
Moderate Income	13,699	36.85%	4,755	36.82%
Middle Income	10,656	28.67%	3,794	29.38%
Upper Income	5,321	14.31%	1,722	13.33%
Tract of Income not Known	989	2.66%	267	2.07%
Total	37,173	100.00%	12,915	100.00%

City of Philadelphia	All Small Business Loans		Loans to Businesses with < \$1 Million in Revenue	
Income Level	Number of Loans	Percent of Loans	Number of Loans	Percent of Loans
Low Income	483	0.39%	154	0.36%
Moderate Income	5,733	4.64%	2,002	4.70%
Middle Income	36,619	29.65%	13,276	31.15%
Upper Income	78,223	63.34%	26,244	61.58%
Tract of Income not Known	2,433	1.97%	945	2.22%
Total	123,491	100.00%	42,621	100.00%

Table 79 – Small Business Lending – by Tract Minority Level

City of Philadelphia	All Small Business Loans		Loans to Businesses with < \$1m in Revenue	
Minority Status	Number of Loans	Percent of Loans	Number of Loans	Percent of Loans
Minority Areas	12,170	32.74%	4,422	34.24%
Non-Minority Areas	24,406	65.66%	8,311	64.35%
Tract Unknown or No Population	597	1.61%	182	1.41%
Total	37,173	100.00%	12,915	100.00%

City of Philadelphia	All Small Business Loans		Loans to Businesses with < \$1m in Revenue	
Minority Status	Number of Loans	Percent of Loans	Number of Loans	Percent of Loans
Minority Areas	1,914	1.55%	665	1.56%
Non-Minority Areas	119,149	96.48%	41,011	96.22%
Tract Unknown or No Population	2,428	1.97%	945	2.22%
Total	123,491	100.00%	42,621	100.00%

Table 80 – Small Business Lending – Philadelphia and Suburbs

Revenue Size	Philadelphia County		Suburban Counties	
	Number of Loans	Percent of Loans	Number of Loans	Percent of Loans
Small Businesses	37,173	100.0%	123,491	100.0%
Businesses with Revenues <\$1mil.	12,915	34.7%	42,621	34.5%

Table 81 – Philadelphia Depositories by Income and Tract Minority Level

Income Level [1]

Banks	Branches	LMI Tract	MUI Tract	Percent of Branches in LMI tracts / Percent of All Branches in LMI Tracts	Percent of Branches in LMI tracts / Percent of LMI Tracts
Advance	1	100.0%	0.0%	1.79	1.53
Bank of America	16	50.0%	50.0%	0.89	0.77
CitiBank	2	100.0%	0.0%	1.79	1.53
Citizens	61	52.5%	45.9%	0.94	0.80
Commerce	17	52.9%	47.1%	0.95	0.81
Bank of New York / Mellon	2	50.0%	50.0%	0.89	0.77
PNC	41	53.7%	41.5%	0.96	0.82
Republic First	6	83.3%	16.7%	1.49	1.28
Sovereign	17	76.5%	23.5%	1.37	1.17
United Bank of Philadelphia	4	50.0%	50.0%	0.89	0.77
Wachovia	47	61.7%	38.3%	1.10	0.94
All Banks	343	56.0%	42.9%		
Census tracts	381	65.4%	30.7%		

Minority Level

Banks	Branches	50% or more Minority Tract	Less than 50% Minority Tract	Percent of Branches in Minority Tracts / Percent of All Branches in Minority Tracts Ratio	Percent of Branches in Minority Tracts / Percent of Minority Tracts Ratio
Advance	1	100.0%	0.0%	4.40	1.91
Bank of America	16	18.8%	81.3%	0.82	0.36
CitiBank	2	0.0%	100.0%	0.00	0.00
Citizens	61	26.2%	72.1%	1.15	0.50
Commerce	17	5.9%	94.1%	0.26	0.11
Bank of New York / Mellon	2	0.0%	100.0%	0.00	0.00
PNC	41	36.6%	61.0%	1.61	0.70
Republic First	6	16.7%	83.3%	0.73	0.32
Sovereign	17	41.2%	58.8%	1.81	0.79
United Bank of Philadelphia	4	75.0%	25.0%	3.30	1.44
Wachovia	47	25.5%	74.5%	1.12	0.49
All Banks	343	22.7%	76.7%		
All Tracts	381	52.2%	45.4%		

[1] Not all percentages will total to 100 because income and minority information is not available for every tract

[2] Branches according to FDIC Summary of Deposits data as of June 2007

Table 82 – Neighborhood Single-Family Lending Analysis Prime Single-Family, Owner Occupied loans

			2000 Demographics				Portfolio Share of the City				Market Share of Loans				Loans as Percent of OOHUs	
	Location	Major Ethnic Group	Percent of Households African-American	Percent of Households Hispanic	Percent of Regional Median Family Income	Owner-Occupied Housing Units (OOHU)1	Percent of City OOHUs	Percent of City Loans	Percent of Prime City Loans	Percent of Subprime City Loans	Total Loans	Prime Loans	Prime as a Percent of All Loans	Subprime Loans	Prime Loans/OOHUs	Subprime Loans/OOHUs
APM	N Phila	Hisp	14.0%	76.5%	36.4%	289	0.08%	0.06%	0.04%	0.13%	20	9	45.0%	11	55.0%	3.1%
HACE	N 5th St	Hisp	19.3%	74.8%	24.2%	4,022	1.15%	0.62%	0.37%	1.32%	201	88	43.8%	113	56.2%	2.2%
AWF	N Phila	Afr-Am	94.1%	1.0%	46.4%	4,584	1.31%	0.54%	0.39%	0.98%	176	92	52.3%	84	47.7%	2.0%
OARC	W Oak Ln	Afr-Am	95.7%	0.8%	75.8%	11,794	3.37%	3.64%	2.81%	5.95%	1,177	669	56.8%	508	43.2%	5.7%
Project Home	Spr Grdn	Afr-Am	98.4%	0.5%	33.8%	3,894	1.11%	0.49%	0.34%	0.91%	159	81	50.9%	78	49.1%	2.1%
PEC	W Phila	Afr-Am	64.6%	2.5%	36.3%	1,445	0.41%	0.22%	0.16%	0.37%	70	38	54.3%	32	45.7%	2.6%
American St. EZ	Kensington	Hisp	17.3%	76.5%	36.4%	289	0.62%	0.50%	0.46%	0.62%	162	109	67.3%	53	32.7%	37.7%
North Central EZ	N Phila	Afr-Am	90.3%	5.0%	32.9%	1,339	0.38%	0.16%	0.12%	0.28%	53	29	54.7%	24	45.3%	2.2%
West Phila. EZ	W Phila	Afr-Am	95.3%	0.8%	41.0%	1,399	0.40%	0.25%	0.22%	0.35%	82	52	63.4%	30	36.6%	3.7%
City of Philadelphia			40.7%	65.0%	63.4%	34,9651	100.00%	100.00%	100.00%	100.00%	32,329	23,791	73.6%	8,538	26.4%	6.8%

Table 83 – Neighborhood Single Family Lending Analysis by Depository

Lending by Lender

Neighborhood	Bank of America	Citigroup Inc	Citizens	Commerce	PNC	Sovereign	Wachovia	All Lenders
APM	1	0	2	0	0	0	4	20
HACE	15	12	9	0	0	19	36	201
AWF	2	8	9	4	3	11	16	176
OARC	26	46	50	9	14	56	79	1,177
Project Home	4	5	2	6	0	4	12	159
People's	2	2	2	1	1	2	4	70
American St. EZ	9	3	4	1	1	3	19	162
North Cental EZ	0	2	2	0	1	0	2	53
West Phila. EZ	6	4	6	3	0	6	11	82
All 9 CDC Neighborhoods	64	82	84	24	20	101	179	2,080
Philadelphia	1,155	791	944	364	175	1,314	2,406	32,329

Market Share

Number of lender's single family loans to a neighborhood divided by all single family loans to the neighborhood.

Neighborhood	Bank of America	Citigroup Inc	Citizens	Commerce	PNC	Sovereign	Wachovia	All Lenders
APM	5.0%	0.0%	10.0%	0.0%	0.0%	0.0%	20.0%	100.0%
HACE	7.5%	6.0%	4.5%	0.0%	0.0%	9.5%	17.9%	100.0%
AWF	1.1%	4.5%	5.1%	2.3%	1.7%	6.3%	9.1%	100.0%
OARC	2.2%	3.9%	4.2%	0.8%	1.2%	4.8%	6.7%	100.0%
Project Home	2.5%	3.1%	1.3%	3.8%	0.0%	2.5%	7.5%	100.0%
People's	2.9%	2.9%	2.9%	1.4%	1.4%	2.9%	5.7%	100.0%
American St. EZ	5.6%	1.9%	2.5%	0.6%	0.6%	1.9%	11.7%	100.0%
North Cental EZ	0.0%	3.8%	3.8%	0.0%	1.9%	0.0%	3.8%	100.0%
West Phila. EZ	7.3%	4.9%	7.3%	3.7%	0.0%	7.3%	13.4%	100.0%
All 9 CDC Neighborhoods	3.1%	3.9%	4.0%	1.2%	1.0%	4.9%	8.6%	100.0%
Philadelphia	3.6%	2.4%	2.9%	1.1%	0.5%	4.1%	7.4%	100.0%

Lender Portfolio Share

Number of lender's single family loans in a neighborhood divided by all of lender's single family loans in the city.

Neighborhood	Bank of America	Citigroup Inc	Citizens	Commerce	PNC	Sovereign	Wachovia	All Lenders
APM	0.1%	0.0%	0.2%	0.0%	0.0%	0.0%	0.2%	0.1%
HACE	1.3%	1.5%	1.0%	0.0%	0.0%	1.4%	1.5%	0.6%
AWF	0.2%	1.0%	1.0%	1.1%	1.7%	0.8%	0.7%	0.5%
OARC	2.3%	5.8%	5.3%	2.5%	8.0%	4.3%	3.3%	3.6%
Project Home	0.3%	0.6%	0.2%	1.6%	0.0%	0.3%	0.5%	0.5%
People's	0.2%	0.3%	0.2%	0.3%	0.6%	0.2%	0.2%	0.2%
American St. EZ	0.8%	0.4%	0.4%	0.3%	0.6%	0.2%	0.8%	0.5%
North Cental EZ	0.0%	0.3%	0.2%	0.0%	0.6%	0.0%	0.1%	0.2%
West Phila. EZ	0.5%	0.5%	0.6%	0.8%	0.0%	0.5%	0.5%	0.3%
All 9 CDC Neighborhoods	5.5%	10.4%	8.9%	6.6%	11.4%	7.7%	7.4%	6.4%
Philadelphia	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 84 – Neighborhood Small Business Lending Analysis

Neighborhood	Number of Small Business Loans	Loans to Small Businesses with Revenues less than \$1 million	Percentage of Loans to small Businesses with Revenues less than \$1 million	Number of Small Businesses	Number of Small Businesses with Revenues less than \$1 million
Allegheny West Foundation (AWF)	242	81	33%	733	458
American Street Empowerment Zone	380	135	36%	862	557
Association of Puerto Ricans on March (APM)	24	10	42%	93	48
Hispanic Association of Contractors & Enterprises (HACE)	221	88	40%	839	508
North Central Empowerment Zone	180	61	34%	709	470
Ogontz Avenue Revitalization Committee (OARC)	436	165	38%	1,169	721
People's Emergency Center (PEC)	283	105	37%	600	392
Project Home	116	54	47%	625	381
West Philadelphia Enterprise Zone	129	46	36%	422	268
	2,011	745	3	6,052	3,803

Appendix 03 Maps

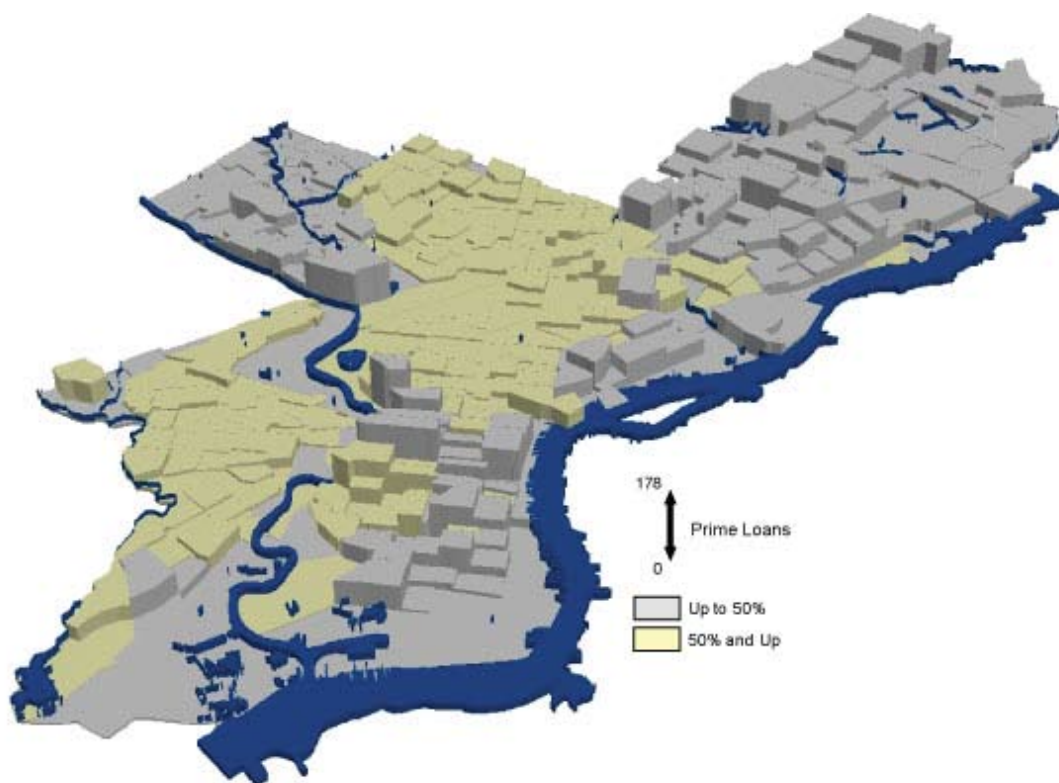


Appendix 3

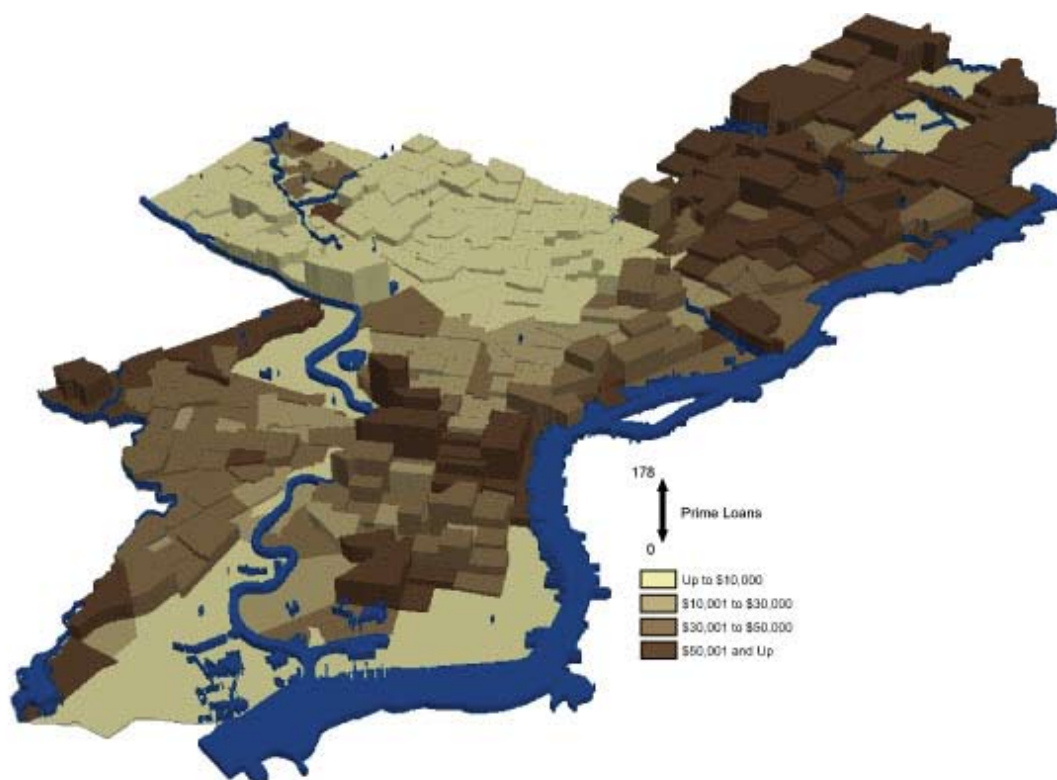
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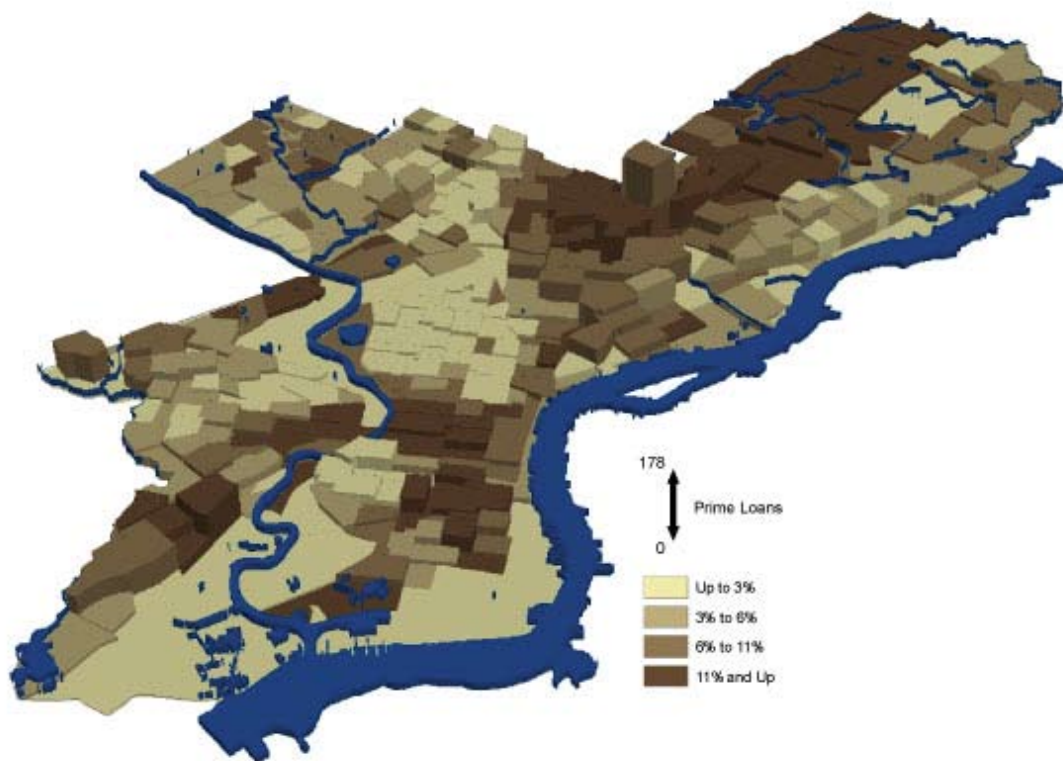
Map 1 – Prime Loans by Minority Level of Tract



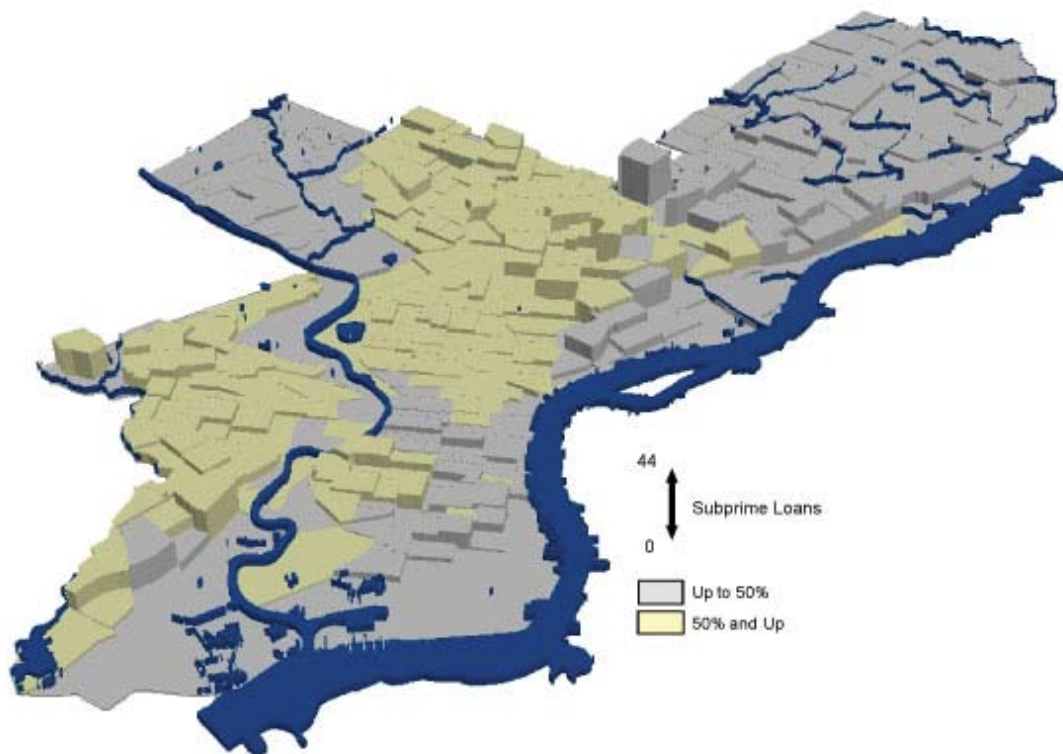
Map 2 – Prime Loans by Median Household Income of Tract



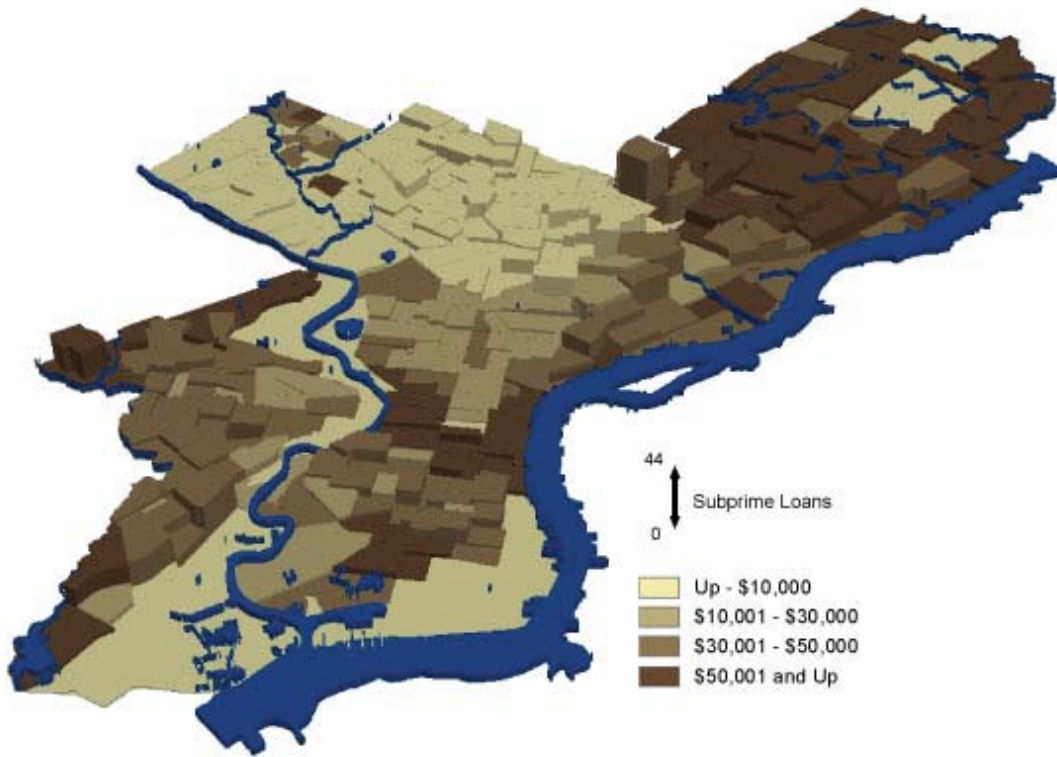
Map 3 – Prime Loans by Immigrant Population of Tract



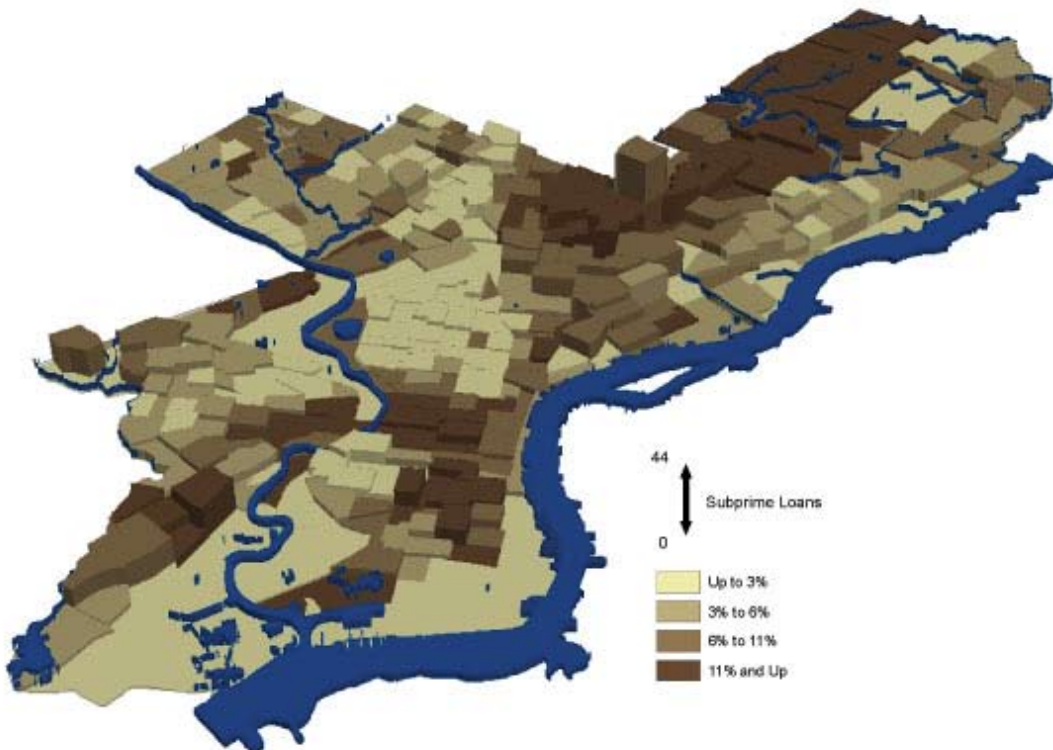
Map 4 – Subprime Loans by Minority Level of Tract



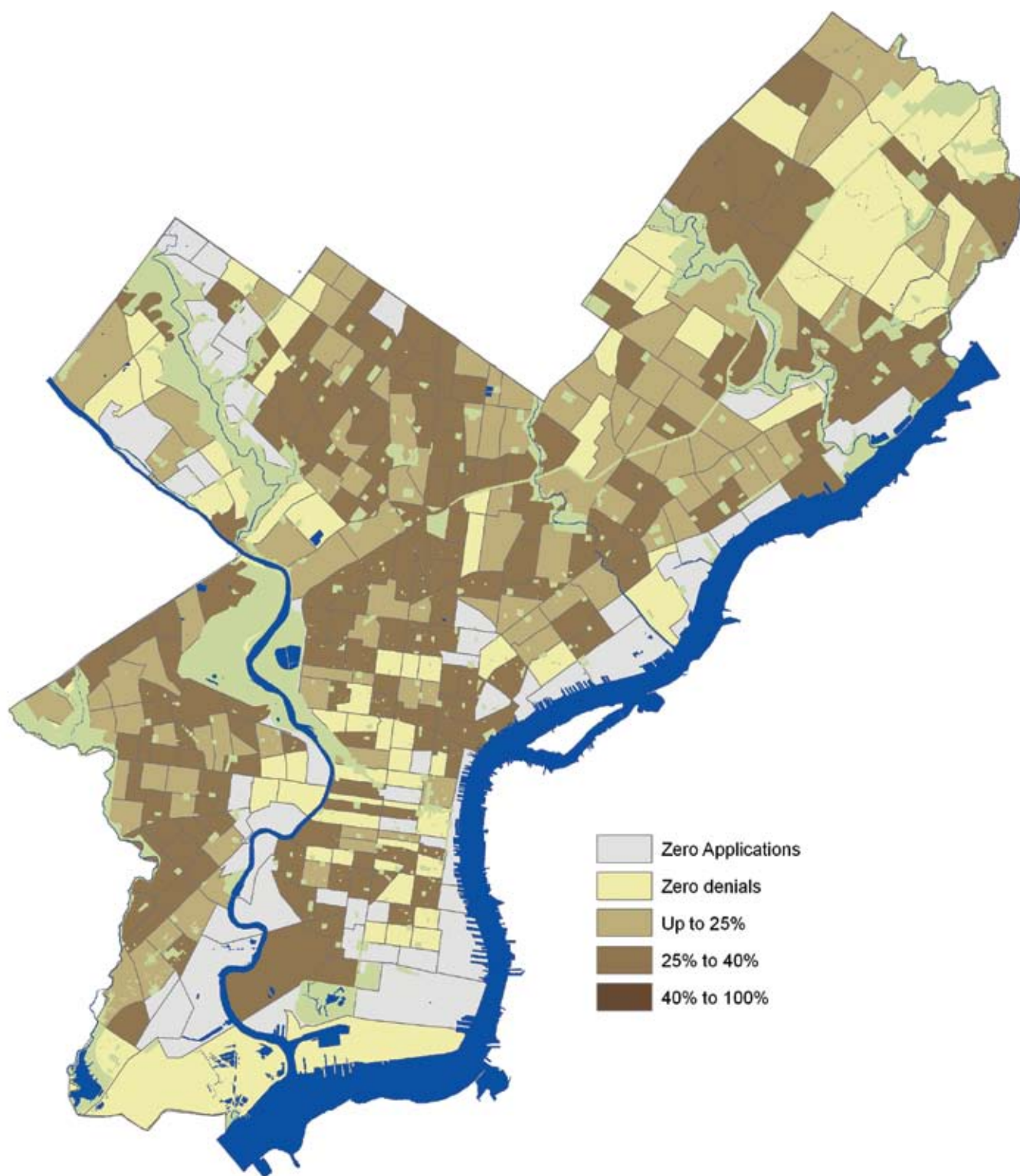
Map 5 – Subprime Loans by Median Household Income of Tract



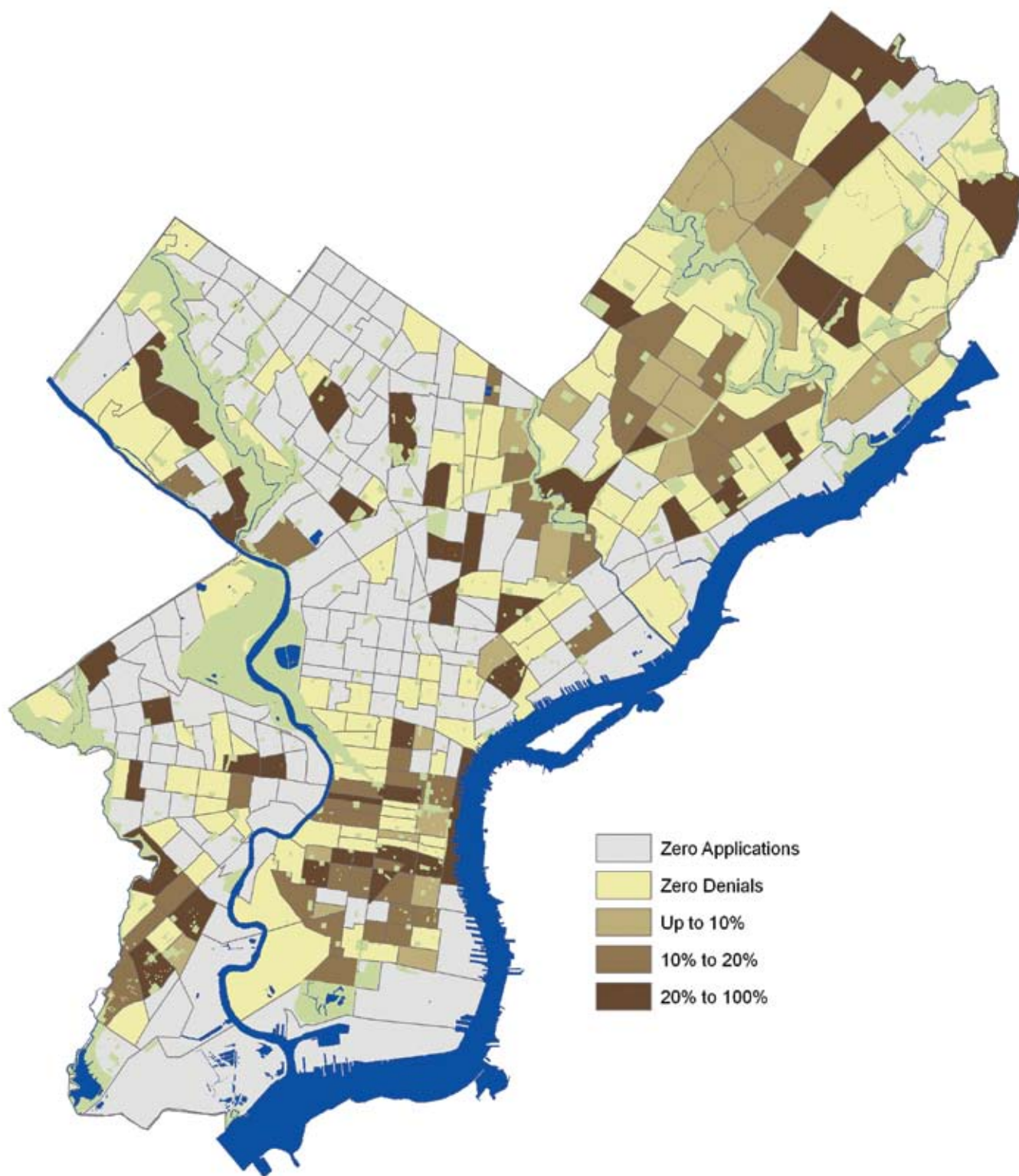
Map 6 – Subprime Loans by Immigrant Population of Tract



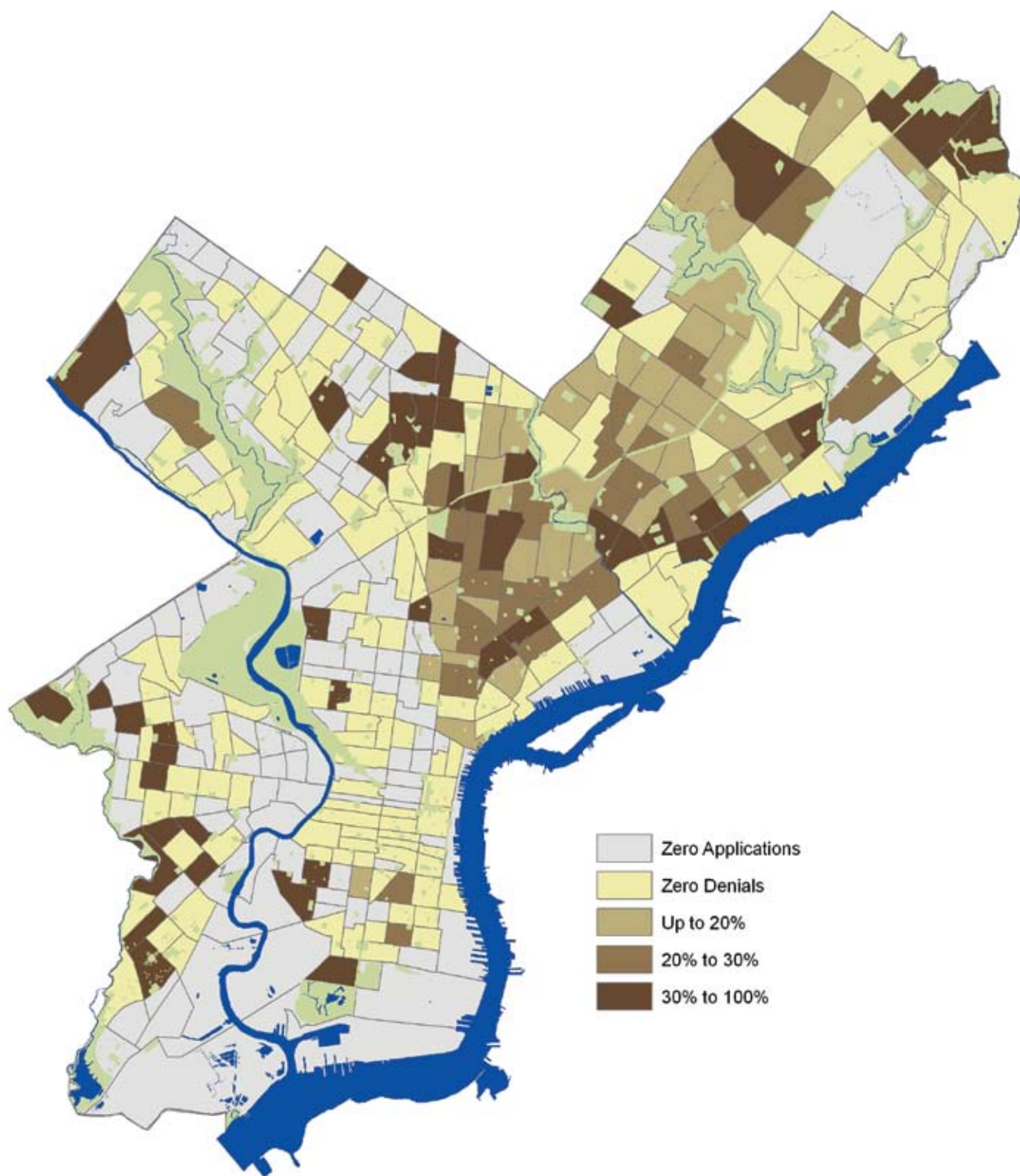
Map 7 – African – American Denial Rates for Home Purchase Loans by Tract



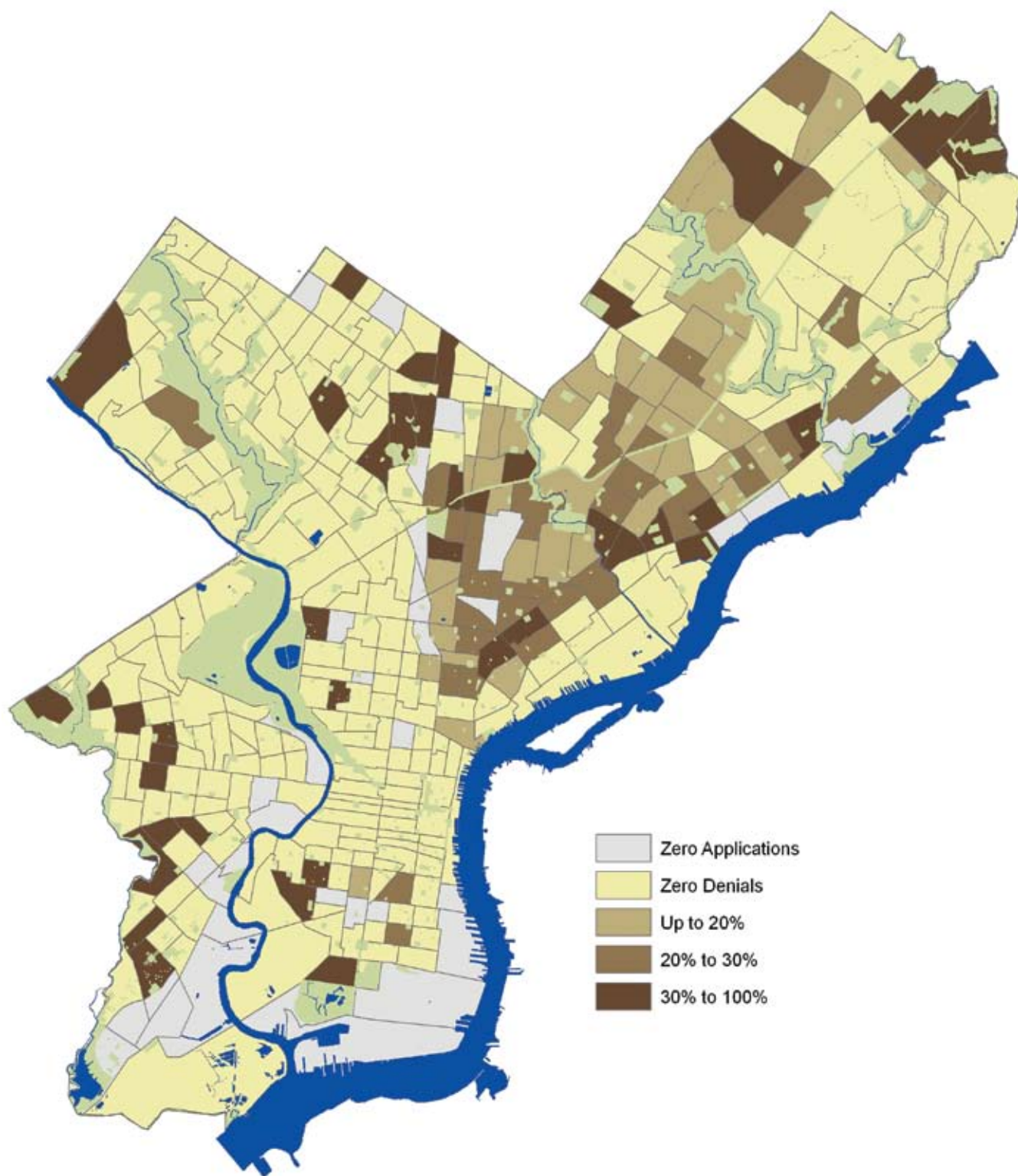
Map 8 – Asian Denial Rates for Home Purchase Loans by Tract



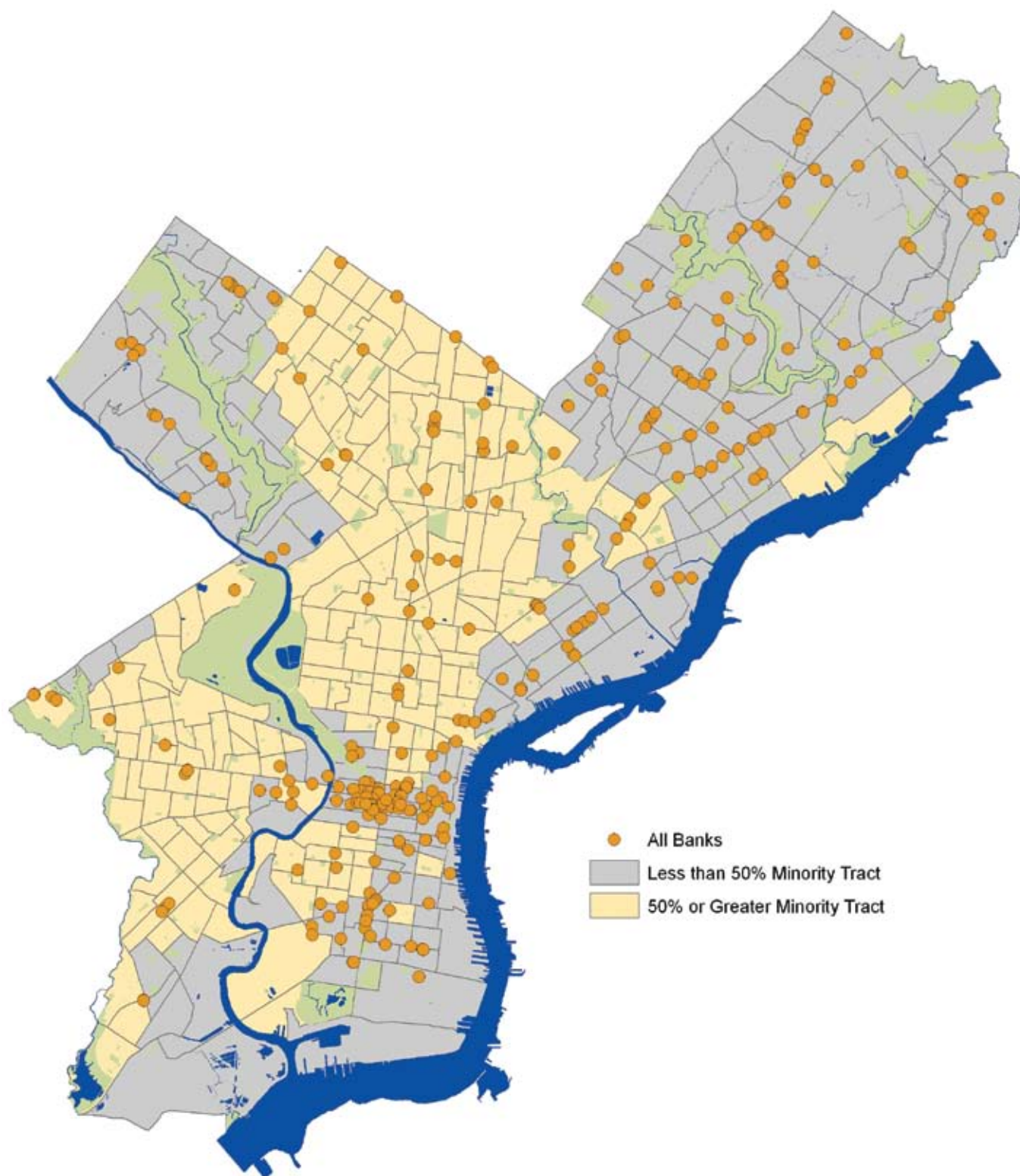
Map 9 – Hispanic Denial Rates for Home Purchase Loans by Tract



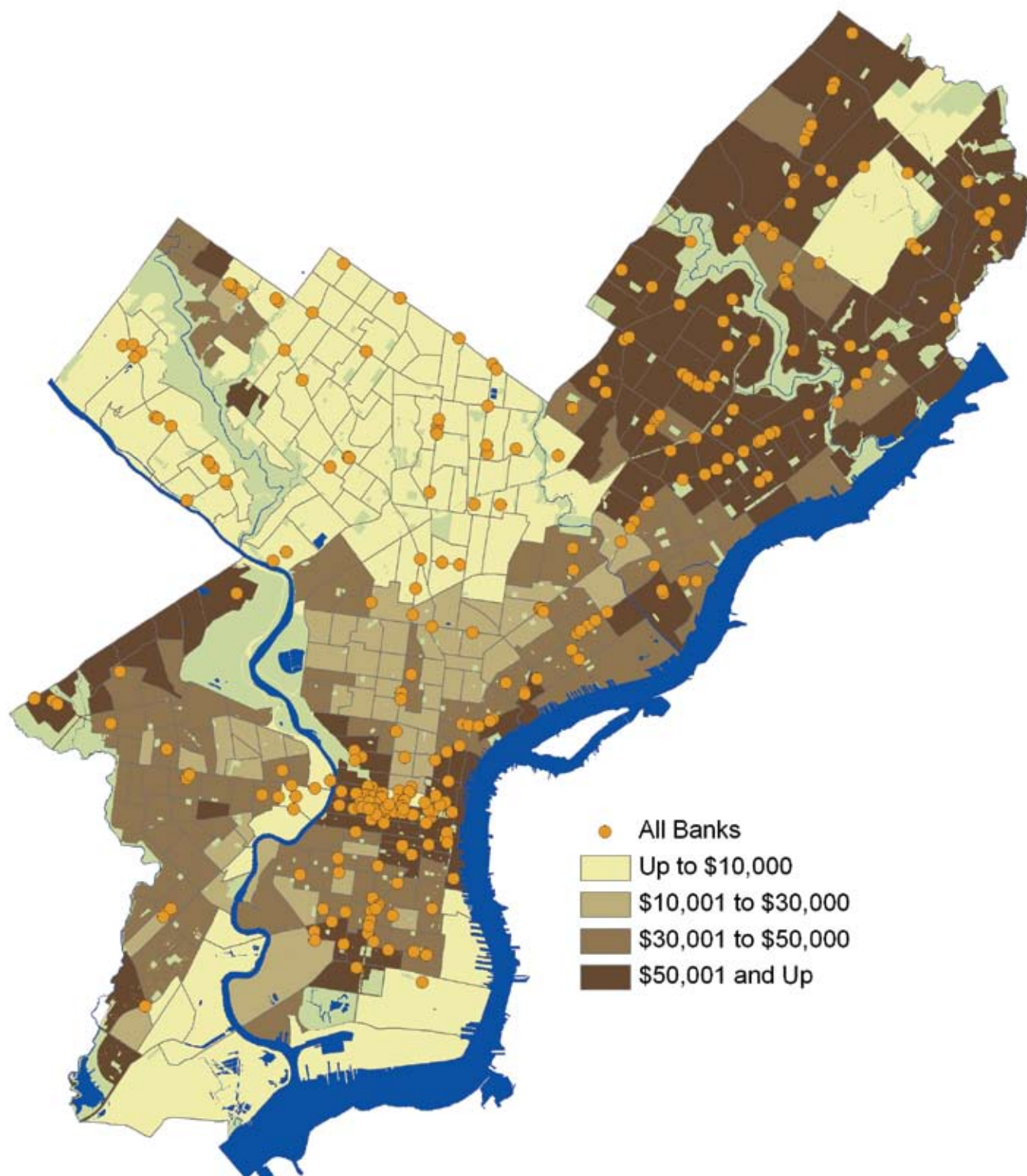
Map 10 – White Denial Rates for Home Purchase Loans by Tract



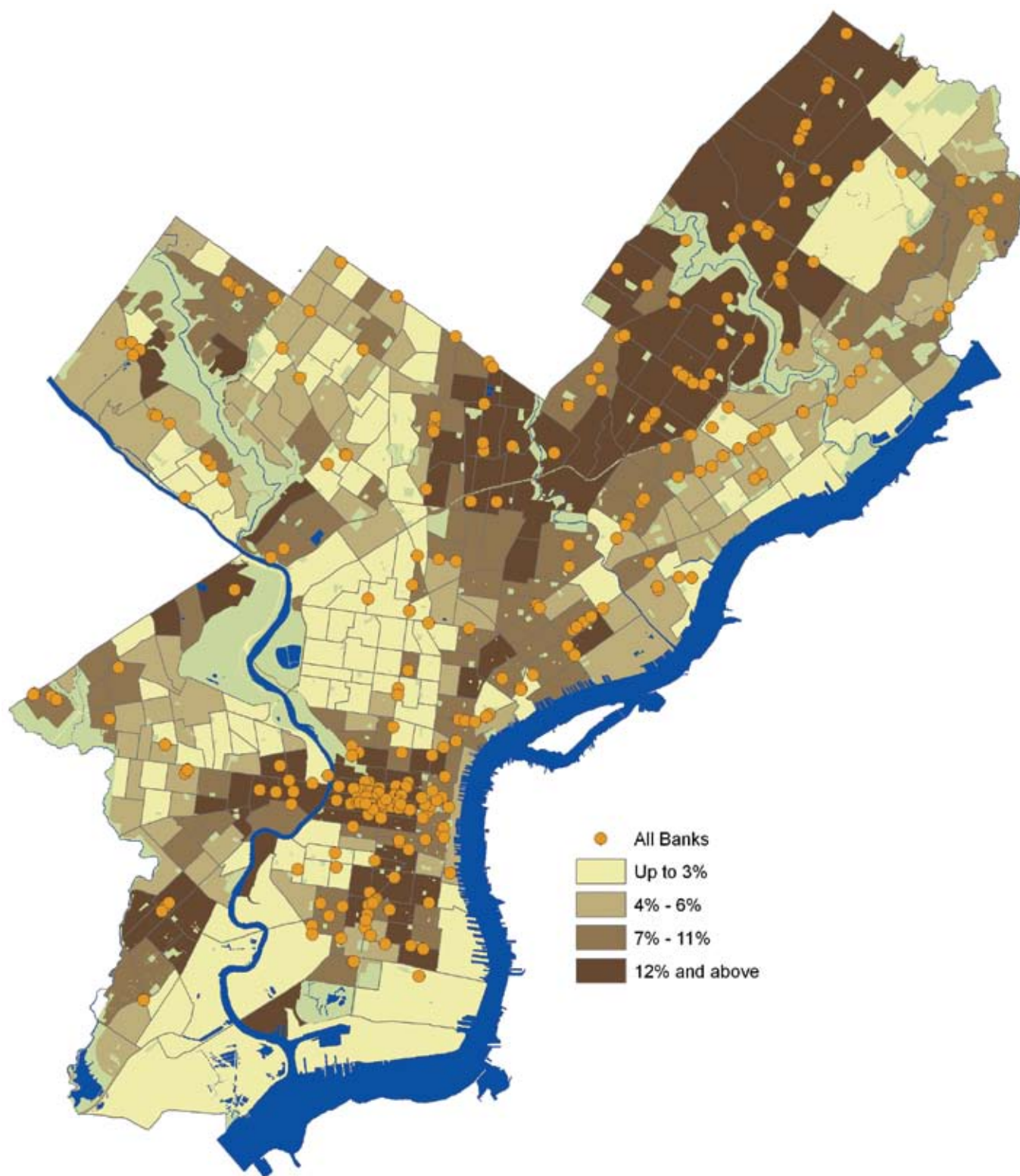
Map 11 – Bank Branches by Minority Level of Tract



Map 12 – Bank Branches by Median Household Income of Tract



Map 13 – Bank Branches by Immigrant Population of Tract



Appendix 04

Methodology



Data Sources

Home lending was analyzed using 2006 Home Mortgage Disclosure Act data obtained from the Federal Financial Institutions Examination Council (FFIEC), which collects data annually from lenders.

The FFIEC's National Information Center database of 2006 HMDA reporting institutions was used to generate a list of affiliates for each City Depository.

Community Reinvestment Act aggregated public data on small business lending by census tract and by financial institution was downloaded from the FFIEC website.

The number of small businesses and business with less than \$1 million in revenue was data purchased from PCi Corporation (© PCi Corporation CRA Wiz, Tel: 800 – 261 – 3111).

Individual depository data for the small business lending analysis was obtained from the 2006 Institutional Disclosure Statements on the FFIEC website.

Bank holding company data was obtained from the FDIC and FFIEC web sites to assign affiliated banks to City depositories. This use of a second source allowed for a more thorough assignment of affiliated banks to City depositories; 2006 data was then re – run accordingly, to enable a fairer comparison across years.

Other census – tract – level supplementary data, such as immigrant population, came from the 2000 census, the most recent information available at this geography. Unfortunately, these data become less accurate as the time since the last decennial census increases.

Home Loans Used in Analysis

All loan types (conventional, Federal Housing Administration, Veterans Administration, Farm Service Agency/Rural Housing Service) were included in the analysis. Properties with more than four – units and manufactured housing were excluded. The remaining properties were considered to be single – family dwellings.

Lenders record the intended purpose of each loan – home purchase, refinance or home improvement. Any analysis combining all three was identified as “All Loans.” In some analyses the loan purposes were disaggregated.

To allow for comparison, this analysis was done using the methodology established in the 2004 and 2005 report. Any variations were noted.

Home purchase and home refinance loans secured by a first lien and applied for during 2006 were included. Home improvement loans secured by a first or second lien and applied for during 2006 were also included. Unless otherwise noted, the analysis included only applications by buyers intending to live in the property (owner – occupied) with one exception, the Section 5.0 analysis of investor (non – occupant owner) lending.

Of the 162,884 applications recorded in Philadelphia, 91,611 met these initial criteria and were included in the overall owner – occupied analysis and 18,094 in the overall non – occupant owner analysis. However, smaller subsets were used for analyses by loan purpose and loan rate.

Since 2004, lenders have been required to report loan rates that are three points greater than the rate on Treasury securities of comparable maturity. Loans with rate information were identified as subprime loans. Loans with “NA” in the rate field were considered to be prime loans. It is important to note that not all subprime loans are three percentage points or more above the Treasury APR. And some loans may be identified as subprime because of fees or yield spread premiums.



Because lenders frequently price mortgages based on shorter – term maturities, the Federal Reserve has warned that some of the increase in loans with rates 3 percentage points or more above the Treasury APR may reflect a narrower gap between short – term and long – term loans in 2006 compared to 2005.

Geography

Census tract, county and state coding within the HMDA dataset were used to identify specific geographic areas. The lending universe for Philadelphia was isolated using its county code. The suburban analysis combined lending in Bucks, Chester, Delaware, and Montgomery Counties.

Because cities were not coded in the HMDA data, a list of census tracts completely within Detroit and Pittsburgh was generated from the census website. Those tracts were then used for the citywide analysis. Baltimore was coded as its own county.

Race of Borrowers

Borrowers were placed in racial categories based on information reported by the lender. Lenders could report up to five races each for the applicant and co – applicant. In all but a few records, no more than two races were reported for the first applicant and one for the co – applicant. For this reason, the applicant race was determined based on what was reported in those fields. Three races were included in this analysis – white, African – American and Asian.

In addition to race, the ethnicity of each applicant could also be reported. From this information, a fourth racial category was created – Hispanic. To be placed in the Hispanic category, the first applicant was identified as Hispanic. Joint applications were included if the second applicant was identified as Hispanic or if ethnicity information was not reported. Because Hispanic applicants can be of any race, those applicants were excluded from the three racial groups.

One methodological change from previous years was made here. If the racial category was undefined (“NA” or blank) and ethnicity indicated “Hispanic,” then the observation was coded “Hispanic.” In previous studies, these observations were dropped. To then fairly compare across years, previous years’ results were re – run using this change in methodology.

The result is four racial groupings: non – Hispanic white, non – Hispanic African American, non – Hispanic Asian, and Hispanic.

In keeping with prior reports, only single applicant loans, or joint loans where the second applicant’s race either matched the race of the first applicant or was not reported, were included in a particular racial group. The same method was used for Hispanic applicants. Few applications were excluded.

The denominator included only records where racial information was provided by the lender. Thus, the race denominator was less than the total number of loans. Of the 39,224 approved loans meeting owner – occupied analysis criteria, 28,473 included race information.

Applications without ethnic information were excluded from the Hispanic denominator.

As a result, the Hispanic denominator was less than the total number of loans. Of the 39,224 approved loans meeting initial owner – occupied analysis criteria, 31,642 included ethnicity information.

The number of non – Hispanic white, non – Hispanic African American, non – Hispanic Asian, and any – race Hispanic households in Philadelphia was downloaded from the U.S. Census Bureau Summary File 4 release. These numbers were then divided by the total number of households in Philadelphia.



Income

Borrowers were divided into six groups based on their reported income relative to the median family income for the Metropolitan Statistical Area (MSA). The median was determined by the Department of Housing and Urban Development (HUD). According to the FFIEC, HUD's 2006 median family income for the Philadelphia area was \$69,800.

Income Groups as a Percent of MSA Median Family Income:

- low – income – less than 50 percent of median income
- moderate – income – between 50 and 80 percent of median income
- middle – income – Between 80 and 120 percent of median income
- upper – income – 120 percent or more of median income
- low – and moderate – income (LMI) – less than 80 percent of median income
- middle – and upper – income (MUI) – 80 percent or more of median income

Borrower income was reported in thousands. The breaks to determine the groupings were rounded to the nearest whole number.

All loans for which the borrower's income was "not available" were excluded from this analysis. When calculating the percent of loans in each income category, the denominator represented the total of only those loans containing income information for the borrower. Of the 39,224 approved loans meeting initial owner – occupied analysis criteria, 38,056 included applicant income.

Tract Minority Level

Each tract was placed into one of two groups based on the percentage of its population that was minority. The minority category includes all races except non – Hispanic whites. Population and race data were from the 2000 census, the most recent information available.

Minority Level Groups:

- minority – half or more of the population was minority
- non – minority – less than half was minority

Tract Income Level

Tracts were placed into six groups based on the tract's median family income relative to the MSA median family income. These percents were provided in the HMDA data set. The income groupings were the same as borrower incomes: low, moderate, middle, upper, LMI and MUI.

Applications for which census tract income percentage was not available were excluded from the denominator. Of the 39,224 approved loans meeting initial owner – occupied analysis criteria, 39,194 included census tract income.

Gender

Each applicant's gender was reported by the lender. Applications were separated into three groups: male, female and joint. Applications with either a single applicant or two applicants of the same gender were categorized as either male or female. Applications with a male and female borrower were classified as joint.

Applications without gender information were not included in the denominator. Of the 39,224 approved loans meeting initial owner – occupied analysis criteria, 36,702 included applicant gender.



Small Business Lending

Using data from the FFIEC website, a file was created showing the number of loans to small businesses and loans to businesses with revenues of less than \$1 million by census tract, and the income status of each tract, defined as follows:

Income Groups as a Percent of MSA Median Family Income:

- low – income – less than half of median income
- moderate – income – between 50 percent and 80 percent of median income
- middle – income – between 80 percent and 120 percent of median income
- upper – income – 120 percent or more of median income

The definition of a small business was not provided on the FFIEC website. However, it was clear that the businesses with revenues of less than \$1 million composed a subset of all small businesses.

The census tracts in this file were then matched with tracts from aggregated data files from the Census Bureau to add a minority status variable. Minority status was defined as follows:

- minority – half or more of the population was minority
- non – minority – less than half of the population was minority

The number of small businesses and small businesses with less than \$1 million in revenue in each tract was joined with the aggregate small business lending data using census tract codes.

Descriptive statistics (including frequency distributions, cross tabulations, and sums) were run in SPSS to report the findings for Philadelphia in relation to its suburban counties and small business lending in the targeted neighborhoods.

The small business lending ranking was restricted to only seven of the depositories as United Bank and Advance Bank did not report CRA data in 2006. The methodology for ranking the seven institutions was specified in that section of the report.

Depository Analysis

Using the FFIEC's National Information Center database of 2006 HMDA reporters, a list of City Depositories and their affiliates was generated. From this list, the lending performance of these institutions was examined. Four of the depositories – Advance, Mellon, Republic, and United – were excluded from further analysis because they wrote fewer than 25 loans in 2006. These depositories were left out of the rankings in 2005 for the same reason. Also note that PNC was excluded from the Home Purchase loan rankings as they originated only six prime loans in 2006.

Composite Score

A statistical analysis was done to measure the relative performance and assign a composite score to each depository, taking into account several factors. Thirteen fair lending performance measures were identified to evaluate depositories:

1. African – American share of prime home purchase loans originated
2. Number of prime home purchase loans originated for African Americans
3. Denial ratio of African Americans to whites for prime home purchase loans
4. Hispanic share of prime home purchase loans originated
5. Number of prime home purchase loans originated for Hispanics
6. Denial ratio of Hispanics to whites for prime home purchase loans
7. Low – and moderate – income borrower share of prime home purchase loans originated
8. Number of prime home purchase loans originated for low – and moderate – income borrowers
9. Denial ratio of low – and moderate – income applicants to middle – and upper – income applicants for prime home purchase loans
10. Share of prime home purchase loans originated in low and moderate – income tracts
11. Denial ratio of low – and moderate – income tracts to middle – and upper – income tracts for home purchase loans

12. Share of prime home purchase loans originated in minority tracts

13. Denial ratio of minority tracts to non – minority tracts for prime home purchase loans

The depositories were evaluated on their performance in each of these 13 factors using standardized scores, also known as z – scores. For each factor, the mean value and standard deviation from the mean were calculated for all Philadelphia lenders that originated at least 25 prime home purchase loans in 2006. The z – score for each depository was calculated by subtracting the mean factor value for all lenders from the factor value for the depository, and dividing by the standard deviation for all lenders:

Only prime loans were included in the analysis because just three depositories (Citizens, Bank of America, and Wachovia) wrote more than 25 subprime loans.

Where:

$$Z = \frac{F_{\text{Depository}} - \mu}{\sigma}$$

$F_{\text{Depository}}$ – is the value of the factor (e.g., the denial ratio of Hispanics to whites)

μ – is the mean for all lenders in Philadelphia in 2006 for the factor, and

σ – is the standard deviation of the factor for all lenders in Philadelphia in 2006

The Z – score for each factor reflects the number of standard deviations a depository sat away from the mean value for all lenders. A score of one indicates the depository was one standard deviation above the mean, a negative one means the depository was one standard deviation below the mean, and a score of zero indicates the depository had the average (mean) value for all lenders in Philadelphia.

These scores were combined to create a composite score reflecting the overall fair lending performance of each depository. The first nine factors were each weighted as 10 percent of the score for a total of 90 percent. The final four factors were weighted at 2.5 percent each, totaling the remaining 10 percent.

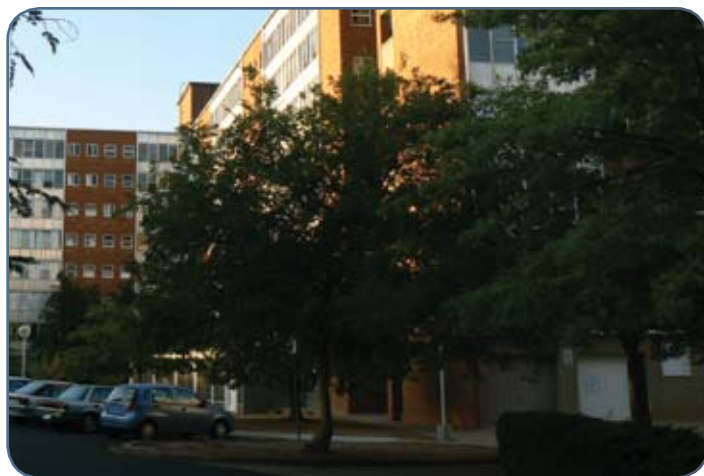
The composite score reflects the magnitude of deviation of each depository from the average fair lending performance of lenders in the City. A positive score means that a depository had above – average fair lending practices. A score closer to zero indicates the depository had average fair lending practices. A negative score means the depository had below – average fair lending practices. An overall ranking was given to each depository based on their combined score. The depository with the highest score was ranked first.

Performance Rankings

Separate from the composite score, the depositories were ranked compared to one another based on performance in 15 categories, which were established in prior years of this report. These rankings were calculated for all loans and for each home loan purpose (purchase, refinance and improvement) individually. Only prime, single – family, owner – occupied loans were included. The collective performance of the City Depositories, as well as all City lenders, was also listed.

Performance categories studied:

1. Percent of Loans to African – Americans – Percentage of loans originated by the depository to African – American borrowers.
2. Percent of Loans to Hispanic – Percentage of loans originated by the depository to Hispanic borrowers.
3. Percent of Loans to Asians – Percentage of loans originated by the depository to Asian borrowers.
4. Percent of Loans in Minority Tracts – Percentage of loans originated by the depository in tracts where at least half of population was minority.



5. Percent of Loans to LMI Borrowers – Percentage of loans originated by the depository to borrowers with an income of less than 80 percent of the MSA median family income.
6. Percent of Loans in LMI Tracts – Percentage of loans originated by the depository in tracts where the median family income was less than 80 percent of the MSA median family income.
7. Percent of Loans to Females – Percentage of loans originated by the depository to female borrowers.
8. African – American – to – White Denial Ratio – The percentage of African – American loan applicants denied divided by the percentage of white applicants denied. A ratio greater than one indicates that African – Americans were denied more frequently than whites.
9. Hispanic – to – White Denial Ratio – The percentage of Hispanic applicants denied divided by the percentage of white applicants denied. A ratio greater than one indicates that Hispanics were denied more frequently than whites.
10. Asian – to – White Denial Ratio – The percentage of Asian applicants denied divided by the percentage of white applicants denied. A ratio greater than one indicates that Asians were denied more frequently than whites. Conversely, a ratio of less than one means whites were denied more often.
11. Minority Tract – to – Non – minority Tract Denial Ratio – The percentage of applications in minority tracts (population at least half minority) denied divided by the percentage of applications in non – minority tracts denied. A ratio greater than one indicates that applications in minority tracts were denied more frequently than those that were not.
12. African – American – to – White Market Share Ratio – The depository's share of all loans in the City to African Americans divided by its share of all loans in the City to whites. A ratio of greater than one means that the depository has a greater share of the City's African American loan market than of the white one, which can indicate the depository was making a greater effort to lend to African Americans.
13. Minority Tract – to – Non – Minority Tract Market Share Ratio – The depository's share of all loans in the City in minority tracts divided by its share of all loans in the City in non – minority ones. A ratio of greater than one means that the depository has a greater share of the City's minority tract loan market than of the non – minority one, which can indicate the depository was making a greater effort to lend in minority tracts.
14. LMI Borrower – to – MUI Borrower Market Share Ratio – The depository's share of all loans in the City to LMI borrowers divided by its share of all loans in the City to MUI borrowers. A ratio of greater than one means that the depository has a greater share of the City's LMI borrower loan market than of the MUI borrower one, which can indicate the depository was making a greater effort to lend to LMI borrowers.
15. LMI Tract – to – MUI Tract Market Share Ratio – The depository's share of all loans in the City in LMI tracts divided by its share of all loans in the City in MUI ones. A ratio of greater than one means that the depository has a greater share of the City's LMI tract loan market than of the MUI one, which can indicate the depository was making a greater effort to lend in LMI tracts.

Comprehensive Report

Calendar Year 2007

Office of the City Treasurer

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