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**The Higher Cost of Being African-American or Latino:
Subprime Home Mortgage Lending in New York City
2004-2005**

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**THE HIGHER COST OF BEING AFRICAN-AMERICAN OR LATINO:
SUBPRIME HOME MORTGAGE LENDING IN NEW YORK CITY, 2004-2005**

**A REPORT BY
THE ECONOMIC JUSTICE PROJECT OF THE
JUSTICE ACTION CENTER
NEW YORK LAW SCHOOL
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INTRODUCTION

The recent turmoil in the financial markets caused by rising default rates on subprime residential home mortgages should not obscure an important fact: study after study has shown that African-Americans, Latinos, and residents of predominantly minority neighborhoods receive a disproportionately high percentage of subprime loans.² The subprime lending crisis should also not obscure the fact that not only do African-Americans, Latinos, and residents of predominantly minority communities receive a disproportionately high number of subprime loans, they also have traditionally received a disproportionately low number of all home mortgage loans.³

² ACORN, SEPARATE AND UNEQUAL: PREDATORY LENDING IN AMERICA (November 2001); WILLIAM C. APGAR, JR. & CHRISTOPHER E. HERBERT, SUBPRIME LENDING AND ALTERNATIVE FINANCIAL SERVICE PROVIDERS: A LITERATURE REVIEW AND EMPIRICAL ANALYSIS (February 2006); CALVIN BRADFORD, RISK OR RACE? RACIAL DISPARITIES AND THE SUBPRIME REFINANCE MARKET (Center for Community Change)(May 2002); CALIFORNIA REINVESTMENT COALITION, COMMUNITY REINVESTMENT ASSOCIATION OF NORTH CAROLINA, EMPIRE JUSTICE CENTER, MASSACHUSETTS AFFORDABLE HOUSING ALLIANCE, NEIGHBORHOOD ECONOMIC DEVELOPMENT ADVOCACY PROJECT, & WOODSTOCK INSTITUTE, PAYING MORE FOR THE AMERICAN DREAM: A MULTI-STATE ANALYSIS OF HIGHER COST HOME PURCHASE LENDING (March 2007)[hereinafter PAYING MORE]; JIM CAMPEN, BORROWING TROUBLE? V: SUBPRIME MORTGAGE LENDING IN GREATER BOSTON, 2000-2003 (January 2005); JIM CAMPEN, BORROWING TROUBLE? VI: HIGH-COST MORTGAGE LENDING IN GREATER BOSTON, 2004 (March 2006); JIM CAMPEN, BORROWING TROUBLE VII: HIGHER-COST MORTGAGE LENDING IN BOSTON, GREATER BOSTON AND MASSACHUSETTS, 2005 (January 2007); DEBBIE GRUENSTEIN BOCIAN, KEITH S. ERNST, & WE LI, UNFAIR LENDING: THE EFFECT OF RACE AND ETHNICITY ON THE PRICE OF SUBPRIME MORTGAGES (May 31, 2006); DANIEL IMMERGLUCK & MARTI WILES, TWO STEPS BACK: THE DUAL MORTGAGE MARKET, PREDATORY LENDING, AND THE UNDOING OF COMMUNITY DEVELOPMENT (Woodstock Institute)(November 1999); NATIONAL COMMUNITY REINVESTMENT COALITION, THE CRA AND FAIR LENDING PERFORMANCE OF FINANCIAL INSTITUTIONS IN THE CITY OF PHILADELPHIA (May 2006); NATIONAL COMMUNITY REINVESTMENT COALITION, FAIR LENDING DISPARITIES BY RACE, INCOME, AND GENDER IN ALL METROPOLITAN AREAS IN AMERICA (March 2005); NATIONAL COMMUNITY REINVESTMENT COALITION, THE 2004 FAIR LENDING DISPARITIES: STUBBORN AND PERSISTENT (April 2005); NATIONAL COMMUNITY REINVESTMENT COALITION, THE 2005 FAIR LENDING DISPARITIES: STUBBORN AND PERSISTENT II (May 2006); NATIONAL COMMUNITY REINVESTMENT COALITION, INCOME IS NO SHIELD AGAINST RACIAL DIFFERENCES IN LENDING: A COMPARISON OF HIGH-COST LENDING IN AMERICA'S METROPOLITAN AREAS (July 2007); NATIONAL COMMUNITY REINVESTMENT COALITION, PREAPPROVALS AND PRICING DISPARITIES IN THE MORTGAGE MARKETPLACE: A NCRC FOLLOW-UP REPORT FOR NATIONAL HOMEOWNERSHIP MONTH (June 2005); WOODSTOCK INSTITUTE, NEW MORTGAGE PRICING DATA SHEDS LIGHT ON SUBPRIME MARKET (May 2005); NATIONAL COMMUNITY REINVESTMENT COALITION, THE OPPORTUNITY AGENDA, & POVERTY & RACE RESEARCH ACTION COUNCIL, HOMEOWNERSHIP AND WEALTH BUILDING IMPEDED (April 2006); U.S. DEP'T OF HOUS. AND URBAN DEV., UNEQUAL BURDEN: INCOME AND RACIAL DISPARITIES IN SUBPRIME LENDING IN AMERICA (April/May 2000)[hereinafter HUD REPORT]; Robert B. Avery & Glenn B. Canner, *New Information Reported under HMDA and Its Application in Fair Lending Enforcement*, 91 FED. RES. BULL. 344 (Summer 2005); *NCRC Fair Lending Testing Reveals Discrimination by Mortgage Brokers*, NCRC REINVESTMENT WORKS 1 (Summer 2006).

³ JIM CAMPEN, CHANGING PATTERNS XII: MORTGAGE LENDING TO TRADITIONALLY UNDERSERVED BORROWERS & NEIGHBORHOODS IN GREATER BOSTON, 1990-2004 (January 2006); JIM CAMPEN, CHANGING PATTERNS XIII: MORTGAGE LENDING TO TRADITIONALLY UNDERSERVED BORROWERS & NEIGHBORHOODS IN BOSTON, GREATER BOSTON, AND MASSACHUSETTS, 1990-2005 (November 2006); NATIONAL COMMUNITY REINVESTMENT COALITION, THE 2004 FAIR LENDING DISPARITIES: STUBBORN AND PERSISTENT (April 2005); Richard D. Marsico, *New York Metropolitan Area Lending Scorecard*, 16 N.Y. L. SCH. J. HUM. RTS. 769 (2000); Richard D. Marsico, *Patterns of Lending to Low-Income and Minority Persons and Neighborhoods: The 1999 New York Metropolitan Area Mortgage Lending Scorecard*, 17 N.Y. L. SCH. J. HUM. RTS. 199 (2000); Richard D. Marsico, *Shedding Some Light on Lending: The Effect of Expanded Disclosure Laws on Home Mortgage Marketing, Lending, and Discrimination*

Disproportionately low home mortgage lending and disproportionately high subprime lending to African-Americans, Latinos, and residents of predominantly minority neighborhoods has had a doubly negative impact on homeownership among these populations. Homeownership is neither as likely nor as valuable for African-Americans and Latinos as for whites. As of 2004, 75.7% of white families owned their own homes, compared with 49.5% of African-American families⁴ and 49.7% of Latino families.⁵ African-Americans and Latinos thus do not enjoy the benefits of homeownership--including protection from the unpredictable rental housing market; financial stability; a source of capital for starting a business, financing an education, and loans for children; and a vehicle for passing wealth from one generation to the next--to the same degree as whites. This helps explain our country's wealth gap: as of 2002, white families were, on average, worth nearly fifteen times more than African-American families and eleven times more than Latino families.⁶ And even when African-Americans and Latinos own homes, disproportionately high percentages of them pay more for their loans, reducing the value of the homes they own, and further contributing to the wealth gap.⁷

This report uses data made public pursuant to the Home Mortgage Disclosure Act (HMDA)⁸ to examine home mortgage lending in New York City in 2004 and 2005 to determine whether African-Americans, Latinos, and residents of predominantly minority neighborhoods received their share of loans and whether they paid more for the loans they got. The report examines all loans lenders are required to report under HMDA ("HMDA loans"), and a subgroup of all HMDA loans: conventional, first lien home purchase loans on one-to four-family, owner-occupied property ("home purchase loans").

This report has four parts. Part One examines HMDA and home purchase lending in New York City in 2004 and 2005 by all lenders that report HMDA data in the aggregate, including: 1) changes in the number of HMDA and home purchase loans from 2004-2005; 2) the market shares of HMDA and home purchase loans held by African-Americans, Latinos, and residents of predominantly minority neighborhoods compared with the market shares held by whites and residents of predominantly white neighborhoods; and 3) denial rates on HMDA and home purchase loan applications from African-Americans, Latinos, and residents of predominantly minority neighborhoods compared with denial rates on applications from whites and residents of predominantly white neighborhoods.

in the New York Metropolitan Area, 27 *FORD. URB. L. J.* 481 (1999); Thomas M. Shapiro, *Race, Homeownership, and Wealth*, 20 *WASH. U. J. L. & POL.* 53, 66-67 (2006).

⁴ Shapiro, *supra* note 3, at 65.

⁵ Congressional Hispanic Caucus Institute, *Hispanic Homeownership Barriers Start to Fall*, September 12, 2005, available at www.chci.org/media/05September12b.html (last visited September 22, 2007).

⁶ Shapiro, *supra* note 3, at 62, 63. Shapiro reports that in 2002, the net worth of white households was \$88,651, Latino households was \$7,932, and African-American households \$5,988.

⁷ Shapiro, *supra* note 3, at 67. Shapiro reports that African-Americans pay approximately \$12,000 more for an average 30 year mortgage than whites.

⁸ 12 U.S.C. §§ 2801-2811 (2004). The source of the data is CRA Wiz, published by the PCI Corporation. The data are contained on two CD-ROMs: 2005 Peer Mortgage Data Northeast Region (CRA Wiz and Fair Lending Wiz Version 6.6 CD-ROM); and Peer Mortgage Data Northeast Region 2004 (CRA Wiz CD-ROM).

Part Two examines subprime HMDA and home purchase lending in New York City in 2004 and 2005 by all lenders that report HMDA data in the aggregate, including: 1) changes in the amount of subprime HMDA and home purchase lending from 2004-2005; 2) the market shares of subprime HMDA and home purchase loans held by African-Americans, Latinos, and residents of predominantly minority neighborhoods compared with the market shares held by whites and residents of predominantly white neighborhoods; and 3) the percentages of all HMDA and home purchase loans that African-Americans, Latinos, and residents of predominantly minority neighborhoods received that were subprime compared with the same percentages for whites and residents of predominantly white neighborhoods.

Part Three examines the lending records of the ten largest subprime lenders in New York City in 2005. Part Three compares the percentages of all the HMDA and home purchase loans each of these subprime lenders made to African-Americans, Latinos, whites, UI individuals, LMI individuals, and residents of predominantly minority, predominantly white, UI, and LMI neighborhoods with the aggregate percentages.

Finally, Part Four examines the HMDA and home purchase lending records of the 25 lenders who made the most HMDA loans in New York City in 2004 and 2005. Part Four examines: 1) the percentages of all of each lender's HMDA and home purchase loans that were subprime HMDA and home purchase loans to African-Americans, Latinos, UI individuals, and to residents of predominantly minority neighborhoods compared with each lender's percentages to whites, LMI individuals, and residents of predominantly white and UI neighborhoods and compared with the aggregate percentages; and 2) the percentages of all of each lender's HMDA and home purchase loans to African-Americans, Latinos, and residents of predominantly minority neighborhoods that were subprime HMDA and home purchase loans compared with the percentages to whites and residents of predominantly white neighborhoods.

This report has four appendices. Appendix One describes the variables the report uses. Appendix Two is a glossary. Appendix Three describes the data tables the report uses. Appendix Four contains the tables.

The report reaches several conclusions. The most important conclusion is that in New York City in 2005, African-Americans, Latinos, and residents of predominantly minority neighborhoods received significantly higher percentages of subprime HMDA and home purchase loans than whites and residents of predominantly white neighborhoods. For example:

***Nearly half (45.9%) of all HMDA loans to African-Americans were subprime, nearly three times higher than the percentage to whites (16.6%).**

***Nearly half (47.6%) of all home purchase loans to African-Americans were subprime, five times higher than the percentage to whites (9.4%).⁹**

⁹ Nearly identical results were reported in *PAYING MORE*, *supra* note 2, at 19.

- *Nearly forty percent (39.0%) of all HMDA loans to Latinos were subprime, more than twice as high as the percentage to whites (16.6%).**
- *Nearly 40 percent (36.6%) of all home purchase loans to Latinos were subprime, nearly four times higher than the percentage to whites (9.4%).¹⁰**
- *More than forty percent (42.1%) of all HMDA loans to residents of predominantly minority neighborhoods were subprime, nearly four times higher than the percentage to residents of predominantly white neighborhoods (11.7%).**
- *Approximately forty percent (40.7%) of all home purchase loans to residents of predominantly minority neighborhoods were subprime, more than six times higher than the percentage to residents of predominantly white neighborhoods (6.3%).**

Although the HMDA data that this report uses do not contain enough information about the creditworthiness of individual borrowers to determine whether these disparities are the result of illegal discrimination, the disparities in some cases are so stark that they beg for government enforcement agencies who have access to information about borrower creditworthiness to investigate individual lenders further and they invite private parties to commence litigation against lenders through which they can gain access to this information.

The main conclusions of the report are:

***HMDA and home purchase lending increased slightly in New York City from 2004-2005. In contrast, subprime HMDA and home purchase lending more than doubled.** The total number of HMDA loans increased 2.3% from 2004 to 2005 and the total number of home purchase loans increased 0.7%. In contrast, the total number of subprime HMDA loans and the total number of subprime home purchase loans increased by 102.9% and 139.0%, respectively.

***African-Americans, Latinos, and residents of predominantly minority neighborhoods received less than their shares of HMDA and home purchase loans.** Using their market shares of HMDA and home purchase loan applications as benchmarks, African-Americans, Latinos, and residents of predominantly minority neighborhoods received less than their shares of HMDA and home purchase loans.

***Whites and residents of predominantly white neighborhoods received more than their shares of HMDA and home purchase loans.** In contrast, based on their market shares of HMDA and home purchase loans as benchmarks, whites and residents of predominantly white neighborhoods received more than their shares of HMDA and home purchase loans.

***Lenders rejected HMDA and home purchase loan applications from African-Americans, Latinos, and residents of predominantly minority neighborhoods at higher rates than from whites and residents of predominantly white neighborhoods.** One explanation for the fact that African-Americans, Latinos, and residents of predominantly

¹⁰ See *id.*

minority neighborhoods received less than their shares of HMDA and home purchase loans and that whites and residents of predominantly minority neighborhoods received more than their shares is that lenders rejected applications from African-Americans, Latinos, and residents of predominantly minority neighborhoods at higher rates than they rejected applications from whites and residents of predominantly white neighborhoods. For example, lenders rejected home purchase loan applications from African-Americans 1.8 times more frequently than from whites and they rejected home purchase loan applications from residents of predominantly minority neighborhoods 1.9 times more frequently than from predominantly white neighborhoods.

***African-Americans, Latinos, and residents of predominantly minority neighborhoods held higher market shares of subprime HMDA and home purchase loans than whites and residents of predominantly white neighborhoods.** The greatest disparities were between residents of predominantly minority neighborhoods and predominantly white neighborhoods. The market share of subprime HMDA loans residents of predominantly minority neighborhoods held was more than nine times higher than the share residents of predominantly white neighborhoods held. The share of subprime home purchase loans residents of predominantly minority neighborhoods held was nearly twelve times higher than the share residents of predominantly white neighborhoods held.

***Nearly half of all HMDA and home purchase loans to African-Americans were subprime HMDA and home purchase loans, several times higher than the percentages of HMDA and home purchase loans to whites that were subprime.** African-Americans were nearly three times more likely to receive a subprime HMDA loan than whites and five times more likely to receive a subprime home purchase loan.

***Nearly forty percent of all HMDA and home purchase loans to Latinos were subprime HMDA and home purchase loans, several times higher than the percentages of HMDA and home purchase loans to whites that were subprime.** Latinos were approximately two times more likely to receive a subprime HMDA loan than whites and nearly four times more likely to receive a subprime home purchase loan.

***Approximately forty percent of all HMDA and home purchase loans to residents of predominantly minority neighborhoods were subprime HMDA and home purchase loans, several times higher than the percentages of all HMDA and home purchase loans to residents of predominantly white neighborhoods that were subprime.** Residents of predominantly minority neighborhoods were more than three times more likely to receive a subprime HMDA loan than residents of predominantly white neighborhoods and more than six times more likely to receive a subprime home purchase loan.

***The ten largest subprime lenders in New York City made disproportionately high percentages of all of their HMDA and home purchase loans to UI Latinos and African Americans who lived in predominantly minority, LMI neighborhoods.** With few exceptions, the ten lenders who made the most subprime loans in New York City made higher percentages of their HMDA and home purchase loans than the aggregate to African-Americans, Latinos, UI

individuals, and residents of predominantly minority and LMI neighborhoods. In contrast, also with few exceptions, the ten largest subprime lenders made lower percentages of their HMDA and home purchase loans than the aggregate to whites, LMI individuals, and residents of predominantly white and UI neighborhoods.

***Disproportionately high percentages of all the HMDA and home purchase loans that several of the top 25 lenders made to African-Americans, Latinos, and UI individuals and to residents of predominantly minority and LMI neighborhoods were subprime HMDA and home purchase loans.** For example, the percentage of all of Fremont Investment & Loan's HMDA loans that were subprime HMDA loans to African-Americans was 37.5% compared with 12.4% to whites, three times higher.

***Disproportionately high percentages of all the HMDA and home purchase loans that several of the top 25 lenders made to African-Americans, Latinos, and residents of predominantly minority neighborhoods were subprime HMDA and home purchase loans.** For example, the percentage of all of Wells Fargo's HMDA loans to African-Americans that were subprime was 13.6%, compared with 1.2% to whites, 11.3 times higher.

PART ONE: AGGREGATE HMDA AND HOME PURCHASE LENDING

1. HMDA and home purchase lending grew slightly in New York City from 2004 to 2005 (Tables One, Two, Four, and Five).

HMDA and home purchase lending grew slightly in New York City from 2004 to 2005. HMDA and home purchase loan applications grew at higher rates than HMDA and home purchase loans. Denial rates on applications increased in 2005, accounting for the higher growth in applications than loans.

	2005 Applications	% Increase 2004-2005	2005 Loans	% Increase 2004-2005
HMDA Loans	345,766	8.0%	155,931	2.3%
Home Purchase Loans	106,753	7.8%	58,831	0.7%

2. African-Americans, Latinos, and residents of predominantly minority neighborhoods received less than their shares of HMDA and home purchase loans (Tables One, Two, Four, and Five).

Using their market shares of HMDA and home purchase loan applications as benchmarks, African-Americans, Latinos, and residents of predominantly minority neighborhoods received less than their shares of HMDA and home purchase loans. The following chart depicts this by deriving the ratio of their market shares of HMDA and home

purchase loans to their market shares of HMDA and home purchase loan applications. A loan market share/application market share ratio of one means the group received loans in exact proportion to its applications, a ratio lower than one means it received less than its share of loans, and a ratio higher than one means the group received more than its share.

	Market Share HMDA Loans	Market Share HMDA Loan Applications	Ratio-- Market Share Loans/Market Share Applications	Market Share Home Purchase Loans	Market Share Home Purchase Loan Applications	Ratio-- Market Share Loans/Market Share Applications
African-Americans	21.8%	23.4%	0.93	15.6%	18.4%	0.85
Latinos	13.0%	13.4%	0.97	12.7%	13.8%	0.92
Minority N'hoods	44.3%	50.3%	0.88	34.4%	41.1%	0.84

In analyzing these ratios, it is important to remember that the benchmarks--the market shares of applications--are likely to be lower for African-Americans, Latinos, and residents of predominantly minority neighborhoods than the actual demand for loans because years of high denial rates may have discouraged African-Americans, Latinos, and residents of predominantly minority neighborhoods from applying for loans. In addition, because the New York City mortgage market is so large, ratios even slightly lower than one represent thousands of loans members of these groups did not receive. For example, the 0.93 ratio for HMDA loans for African-Americans translates into a deficit of 2,495 HMDA loans.

3. Whites and residents of predominantly white neighborhoods received more than their shares of HMDA and home purchase loans (Tables One, Two, Four, and Five).

In contrast, the same loan market share/application market share ratio analysis shows that whites and residents of predominantly white neighborhoods received more than their shares of HMDA and home purchase loans.

	Market Share HMDA Loans	Market Share HMDA Loan Applications	Ratio-- Market Share Loans/Market Share Applications	Market Share Home Purchase Loans	Market Share Home Purchase Loan Applications	Ratio-- Market Share Loans/Market Share Applications
Whites	34.5%	29.2%	1.18	39.3%	35.1%	1.12
White N'hoods	17.2%	14.7%	1.17	19.6%	17.1%	1.15

4. One explanation for the disproportionately lower HMDA and home purchase lending to African-Americans, Latinos, and residents of predominantly minority neighborhoods is that lenders rejected HMDA and home purchase loan applications from these groups at

higher rates--sometimes nearly twice as high--as they rejected applications from whites and residents of predominantly white neighborhoods (Tables Three and Six).

It seems self-evident, but it is nonetheless worth stating that at least one reason African-Americans, Latinos, and residents of predominantly minority neighborhoods received less than their shares of HMDA and home purchase loans and whites and residents of predominantly white neighborhoods received more than their shares is that lenders rejected HMDA and home purchase loan applications from African-Americans, Latinos, and residents of predominantly minority neighborhoods at higher rates than they rejected applications from whites and residents of predominantly white neighborhoods. The following chart shows the denial rates for each of these groups and the “denial rate ratio,” which is denial rate on HMDA and home purchase loan applications from African-Americans divided by the denial rate on applications from whites, the denial rate on HMDA and home purchase loan applications from Latinos divided by the denial rate on applications from whites, and the denial rate on HMDA and home purchase loan applications from residents of predominantly minority neighborhoods divided by the denial rate on applications from residents of predominantly white neighborhoods.

	Denial Rate-- African-Americans	Denial Rate-- Whites	Denial Rate Ratio-- African-Americans /Whites	Denial Rate-- Latinos	Denial Rate Ratio-- Latinos/ Whites	Denial Rate-- Minority N'hoods	Denial Rate-- White N'hoods	Denial Rate Ratio-- Minority /White N'hoods
HMDA Loans	35.7%	22.6%	1.6	33.3%	1.5	35.8%	22.1%	1.6
Home Purchase Loans	29.9%	16.7%	1.8	26.7%	1.6	29.3%	15.4%	1.9

PART TWO: AGGREGATE SUBPRIME HMDA AND HOME PURCHASE LENDING

5. Subprime HMDA and home purchase lending grew significantly in New York City from 2004 to 2005 (Tables Seven and Eight).

In contrast to the slight increases in the total number of HMDA and home purchase loans, the number of subprime HMDA and home purchase loans more than doubled in New York City from 2004 to 2005.

	2004 Loans	2005 Loans	% Increase, 2004-2005
Subprime HMDA Loans	20,957	42,515	102.9%
Subprime Home Purchase Loans	4,974	11,888	139.0%

Market Share

6. The market share of all HMDA loans that were subprime held by African-Americans was 1.8 times as high as the market share held by whites. The market share of all home purchase loans that were subprime held by African-Americans was twice as high (Tables Seven and Eight).

Ten percent of all HMDA loans were subprime HMDA loans to African-Americans in contrast to 5.7% to whites, 1.8 times higher. 7.4% of all home purchase loans were subprime home purchase loans to African-Americans, twice as high as the 3.7% to whites. The following chart depicts this by showing the percentages of all HMDA and home purchase loans to African-Americans and whites that were subprime, and deriving the ratio by dividing the percentages to African-Americans by the percentages to whites.

	African-Americans	Whites	Ratio--African-American/White
All HMDA Loans that were Subprime	10.0%	5.7%	1.8
All Home Purchase Loans that were Subprime	7.4%	3.7%	2.0

7. The market share of all HMDA loans that were subprime held by residents of predominantly minority neighborhoods was nine times higher than the market share held by residents of predominantly white neighborhoods. The market share of all home purchase loans that were subprime held by residents of predominantly minority neighborhoods was nearly twelve times higher than the market share held by residents of predominantly white neighborhoods (Tables Seven and Eight).

18.6% of all HMDA loans were subprime HMDA loans to residents of predominantly minority neighborhoods in contrast to 2.0% to residents of predominantly white neighborhoods, more than nine times higher. 14.0% of all home purchase loans were subprime home purchase loans to residents of predominantly minority neighborhoods, 11.7 times higher than the 1.2% to residents of predominantly white neighborhoods.

	Minority N'hoods	White N'hoods	Ratio--Minority N'hoods/White N'hoods
All HMDA Loans that were Subprime	18.6%	2.0%	9.3
All Home Purchase Loans that were Subprime	14.0%	1.2%	11.7

8. The market share of all home purchase loans that were subprime held by Latinos was 1.3 times higher than the market share held by whites (Table Eight).

4.7% of all home purchase loans were subprime home purchase loans to Latinos, 1.3 times higher than the 3.7% to whites.

	Latinos	Whites	Ratio--Latinos/Whites
All Home Purchase Loans that were Subprime	4.7%	3.7%	1.3

Percentage of all HMDA and home purchase loans to borrowers by race and ethnicity that were subprime and percentage of all HMDA and home purchase loans to neighborhoods by racial composition that were subprime

9. Nearly half of all HMDA and home purchase loans to African-Americans were subprime, nearly three and more than five times higher than the percentage of all HMDA and home purchase loans to whites that were subprime (Tables Nine and Ten).

45.9% of all HMDA loans to African-Americans were subprime. This means that nearly half of the African-Americans who received a HMDA loan received a subprime HMDA loan. This was 2.8 times higher than the 16.6% of all HMDA loans to whites that were subprime. African-Americans were thus nearly three times more likely than whites to get a subprime HMDA loan.

47.6% of all home purchase loans to African-Americans were subprime. This means that nearly half of the African-Americans that received a home purchase loan received a subprime loan. This was 5.1 times higher than the 9.4% of all home purchase loans to whites that were subprime. African-Americans were thus five times more likely than whites to receive a subprime home purchase loan.

	African-Americans	Whites	Ratio--African-American/White
All HMDA Loans that were Subprime	45.9%	16.6%	2.8
All Home Purchase Loans that were Subprime	47.6%	9.4%	5.1

10. Nearly forty percent of all HMDA and home purchase loans to Latinos were subprime, more than two times higher and nearly four times higher than the percentages of all HMDA and home purchase loans to whites that were subprime (Tables Nine and Ten).

39% of all HMDA loans to Latinos were subprime. This means that nearly two of five Latinos who received a HMDA loan received a subprime HMDA loan. This was 2.4 times

higher than the 16.6% of all HMDA loans to whites that were subprime. This means that Latinos were more than two times more likely than whites to receive a subprime HMDA loan.

36.6% of all home purchase loans to Latinos were subprime. This means that nearly two of five Latinos who received a home purchase loan received a subprime home purchase loan. This was 3.9 times higher than the 9.4% of all home purchase loans to whites that were subprime. This means that Latinos were nearly four times more likely to receive a subprime home purchase loan than whites.

	Latinos	Whites	Ratio-- Latinos/Whites
All HMDA Loans that were Subprime	39.0%	16.6%	2.4
All Home Purchase Loans that were Subprime	36.6%	9.4%	3.9

11. Approximately forty percent of all HMDA and home purchase loans to residents of predominantly minority neighborhoods were subprime, nearly four times and more than six times higher than the percentages of all HMDA and home purchase loans to residents of predominantly white neighborhoods that were subprime (Tables Nine and Ten).

42.1% of all HMDA loans to residents of predominantly minority neighborhoods were subprime. This means that two of five HMDA loans to residents of predominantly minority neighborhoods were subprime HMDA loans. This was 3.6 times higher than the 11.7% of all HMDA loans to residents of predominantly white neighborhoods that were subprime. Residents of predominantly minority neighborhoods were thus 3.6 times more likely to receive a subprime HMDA loan than residents of predominantly white neighborhoods.

40.7% of all home purchase loans to residents of predominantly minority neighborhoods were subprime. This means that two of five home purchase loans to residents of predominantly minority neighborhoods were subprime. This was 6.5 times higher than the 6.3% of all home purchase loans to predominantly white neighborhoods that were subprime. Residents of predominantly minority neighborhoods were thus 6.6 times more likely to receive a subprime home purchase loan than residents of predominantly white neighborhoods.

	Minority N'hoods	White N'hoods	Ratio-- Minority N'hoods/ White N'hoods
All HMDA Loans that were Subprime	42.1%	11.7%	3.6
All Home Purchase Loans that were Subprime	40.7	6.3%	6.5

PART THREE: SUBPRIME LENDERS--HMDA AND HOME PURCHASE LENDING

12. The 25 lenders who made the most HMDA loans made a large majority of all HMDA loans. The 25 lenders who made the most subprime HMDA loans made a large majority of all subprime HMDA loans. There is considerable overlap between the 25 lenders who made the most HMDA loans and the 25 lenders who made the most subprime HMDA loans (Tables Eleven and Twelve).

The 25 lenders who made the most HMDA loans in New York City in 2005 made 101,069 HMDA loans, constituting 64.8% of all HMDA loans. JP Morgan Chase Bank ranked first with 12,736 HMDA loans and a market share of 8.2%.

The 25 lenders who made the most subprime HMDA loans in New York City in 2005 made 33,850 subprime HMDA loans, constituting 79.6% of all subprime HMDA loans. Fremont Investment & Loan was the largest subprime lender, originating 6,505 subprime HMDA loans, constituting 15.3% of all subprime HMDA loans.

Sixteen lenders are on both the list of top 25 HMDA lenders and top 25 subprime HMDA lenders. JP Morgan Chase Bank, the top-ranked HMDA lender, was ranked 13th among subprime HMDA lenders, making 656 subprime HMDA loans, a market share of 1.5%. Fremont Investment & Loan, the top-ranked subprime HMDA lender, was the fourth ranking HMDA lender, making 7,545 HMDA loans, a market share of 4.8%.

The ten lenders who both made the most subprime HMDA loans and whose market shares of subprime HMDA loans was greater than their market shares of HMDA loans will be referred to in this section as “subprime lenders.”

13. Subprime lenders made higher percentages of their HMDA and home purchase loans to African-Americans, Latinos, and UI individuals and to residents of LMI and predominantly minority neighborhoods than all lenders in the aggregate (Tables Thirteen - Sixteen).

The following chart shows the number of the ten largest subprime lenders whose percentages of HMDA and home purchase loans to the individuals and neighborhoods with the selected characteristics were higher than the aggregate percentages.

	African-Americans	Latinos	UI Individuals	LMI N’hoods	Minority N’hoods
HMDA Loans	9/10	9/10	10/10	10/10	10/10
Home Purchase Loans	10/10	10/10	10/10	10/10	10/10

Thus, for example, all of the ten largest subprime lenders made higher percentages of their home purchase loans to African-Americans, Latinos, UI individuals, LMI neighborhoods, and predominantly minority neighborhoods than the aggregate.

14. In contrast, subprime lenders made lower percentages of their HMDA and home purchase loans to whites and LMI individuals and residents of UI and predominantly white neighborhoods than the aggregate (Tables Thirteen - Sixteen).

The following chart shows the number of the ten largest subprime lenders whose percentages of HMDA and home purchase loans to the individuals and neighborhoods with the selected characteristics were lower than the aggregate percentages.

	Whites	LMI Individuals	UI N'hoods	White N'hoods
HMDA Loans	9/10	9/10	10/10	10/10
Home Purchase Loans	10/10	10/10	10/10	10/10

Thus, for example, all of the ten largest subprime lenders made lower percentages of their home purchase loans to whites, LMI individuals, and residents of UI and predominantly white neighborhoods than the aggregate.

PART FOUR: THE TOP 25 LENDERS SUBPRIME HMDA AND HOME PURCHASE LENDING

Percentage of all HMDA and home purchase loans the lender made that were subprime HMDA and home purchase loans by borrower race, ethnicity, and income and neighborhood racial composition and median income

15. Six of the top 25 lenders: the percentages of all the HMDA loans that six lenders made that were subprime HMDA loans to UI individuals, African-Americans, and Latinos were disproportionately high (Table Seventeen).

The percentages of all of six lenders' HMDA loans that were subprime HMDA loans to UI individuals, African-Americans, and Latinos were disproportionately high. This conclusion is based on the facts that the percentages of all of each of these lenders' HMDA loans that were subprime HMDA loans to:

1. African-Americans and Latinos were higher than the aggregate percentages;
2. African-Americans and Latinos were higher than their percentages to whites;
3. UI individuals were higher than the aggregate percentages; and
4. UI individuals were higher than their percentages to LMI individuals.

The following chart shows, for each of these six lenders, the percentages of all the HMDA loans they made that were subprime HMDA loans to African-Americans, Latinos, whites, UI individuals, and LMI individuals. It also shows the ratio of each lender's percentages to African-Americans, Latinos, and UI individuals to the aggregate percentages.

Lender	% to African-Americans	Ratio-- Lender/ Aggregate	% to Latinos	Ratio-- Lender/ Aggregate	% to Whites	% to UI Ind.	Ratio-- Lender/ Aggregate	% to LMI Ind.
Fremont	37.5%	3.8	18.7%	3.7	12.4%	77.0%	3.6	1.2%
New Century	32.2%	3.2	17.4%	3.4	14.0%	67.6%	3.2	3.4%
Accred- ited	30.5%	3.1	19.5%	3.8	16.7%	66.4%	3.1	1.7%
WMC	27.0%	2.7	21.3%	4.2	18.0%	77.7%	3.7	2.6%
Long Beach	35.4%	3.6	25.1%	4.9	11.4%	85.0%	4.0	6.6%
BNC	44.8%	4.5	15.6%	3.1	13.4%	84.7%	4.0	2.1%

Thus, for example, 37.5% of Fremont’s HMDA loans were subprime HMDA loans to African-Americans, 4.9 times higher than the aggregate percentage and nearly three times higher than the 12.4% of its HMDA loans that were subprime HMDA loans to whites. 77.0% of Fremont’s HMDA loans were subprime HMDA loans to UI persons, 3.6 times higher than the aggregate and several multiples higher than the 1.2% of its HMDA loans that were subprime HMDA loans to LMI persons.

16. Eight of the top 25 lenders: The percentages of all the HMDA loans that eight lenders made that were subprime HMDA loans to residents of predominantly minority and LMI neighborhoods were disproportionately high (Table Eighteen).

The percentages of all of eight lenders’ HMDA loans that were subprime HMDA loans to residents of predominantly minority and LMI neighborhoods were disproportionately high. This conclusion is based on the facts that the percentages of all of each of these lenders’ HMDA loans that were subprime HMDA loans to:

1. residents of predominantly minority and LMI neighborhoods were higher than the aggregate percentages; and
2. residents of predominantly minority and LMI neighborhoods were higher than their percentages to residents of predominantly white and UI neighborhoods.

The following chart shows, for each of these eight lenders, the percentages of all the HMDA loans they made that were subprime HMDA loans to residents of predominantly minority, predominantly white, LMI, and UI neighborhoods. It also shows the ratios of each lender’s percentages to residents of predominantly minority and LMI neighborhoods to the aggregate percentages.

Lender	% to Minority N'hoods	Ratio-- Lender/ Aggregate	% to White N'hoods	% to LMI N'hoods	Ratio-- Lender/ Aggregate	% to UI N'hoods
Fremont	62.4%	3.4	3.9%	34.4%	3.4	15.0%
Argent	56.0%	3.0	4.6%	27.3%	2.7	16.4%
Accredited	57.6%	3.1	3.2%	35.5%	3.5	14.6%
WMC	56.5%	2.7	7.6%	29.9%	2.9	19.8%
Ameriquist	39.3%	2.1	7.3%	20.9%	2.1	16.4%
Long Beach	68.6%	3.7	3.1%	37.9%	3.7	13.5%
Delta	28.1%	1.5	1.5%	18.0%	1.8	6.1%
BNC	74.1%	4.0	4.0%	43.9%	4.3	14.7%

Thus, for example, 62.4% of Fremont's HMDA loans were subprime HMDA loans to residents of predominantly minority neighborhoods, 3.4 times higher than the aggregate percentage and several multiples higher than the 3.9% of its HMDA loans that were subprime HMDA loans to predominantly white neighborhoods. 34.4% of Fremont's HMDA loans were subprime HMDA loans to residents of LMI neighborhoods, 3.4 times higher than the aggregate and 2.3 times higher than the 15.0% of its HMDA loans that were subprime home purchase loans to residents of UI neighborhoods.

17. Seven of the top 25 lenders: The percentages of all the home purchase loans that seven lenders made that were subprime home purchase loans to UI persons, African-Americans, and Latinos were disproportionately high (Table Nineteen).

The percentages of all of seven lenders' home purchase loans that were subprime home purchase loans to African-Americans, Latinos, and UI individuals were disproportionately high. This conclusion is based on the facts that the percentages of all of each of these lenders' home purchase loans that were subprime home purchase loans to:

1. African-Americans and Latinos were higher than the aggregate percentages;
2. African-Americans and Latinos were higher than their percentages to whites;
3. UI individuals were higher than the aggregate percentages; and
4. UI individuals were higher than their percentages to LMI individuals.

The following chart shows, for each of these seven lenders, the percentages of all the home purchase loans they made that were subprime home purchase loans to African-Americans, Latinos, whites, UI individuals, and LMI individuals. It also shows the ratio of each lender's percentages to African-Americans, Latinos, and UI individuals to the aggregate percentages.

Lender	% to African-Americans	Ratio--Lender/Aggregate	% to Latinos	Ratio--Lender/Aggregate	% to Whites	% to UI Individuals	Ratio--Lender/Aggregate	% to LMI Ind.
Fremont	41.6%	5.6	22.6%	4.8	12.8%	89.3%	5.0	0.3%
New Century	33.2%	4.5	21.9%	4.7	15.4%	83.7%	4.7	0.6%
Accredited	34.8%	4.7	22.8%	4.9	17.0%	77.5%	4.3	2.3%
WMC	29.6%	4.0	24.2%	5.2	18.8%	88.8%	5.0	1.0%
Long Beach	37.5%	5.1	26.6%	5.7	9.6%	88.7%	5.0	0.1%
Nat. City Bank	28.2%	3.8	13.5%	2.9	11.9%	64.2%	3.6	1.9%
BNC	43.3%	5.9	20.0%	4.3	11.8%	93.7%	5.2	0.6%

Thus, for example, 41.6% of Fremont’s home purchase loans were subprime home purchase loans to African-Americans, 5.6 times higher than the aggregate percentage and higher than the 12.8% of its home purchase loans that were subprime home purchase loans to whites. 89.3% of Fremont’s home purchase loans were subprime home purchase loans to UI individuals, five times higher than the aggregate and several multiples higher than the 0.3% of its home purchase loans that were subprime home purchase loans to LMI individuals.

18. Ten of the top 25 lenders: The percentages of all the home purchase loans that ten lenders made that were subprime home purchase loans to residents of predominantly minority and LMI neighborhoods were disproportionately high (Table Twenty).

The percentages of all of ten lenders’ home purchase loans that were subprime home purchase loans to residents of predominantly minority neighborhoods and residents of LMI neighborhoods were disproportionately high. This conclusion is based on the facts that the percentages of all of each of these lender’s home purchase loans that were subprime home purchase loans to:

1. residents of predominantly minority and LMI neighborhoods were higher than the aggregate percentages; and
2. residents of predominantly minority and LMI neighborhoods were higher than their percentages to residents of predominantly white and UI neighborhoods.

The following chart shows, for each of these ten lenders, the percentages of all the home purchase loans they made that were subprime home purchase loans to residents of predominantly minority, predominantly white, LMI, and UI neighborhoods. It also shows the ratio of each lender’s percentages to residents of predominantly minority and LMI neighborhoods to the aggregate percentages.

Lender	% to Minority N'hoods	Ratio-- Lender/ Aggregate	% to White N'hoods	% to LMI N'hoods	Ratio-- Lender/ Aggregate	% to UI N'hoods
Fremont	69.1%	4.9	3.5%	38.8%	5.0	15.5%
Option One	52.1%	3.7	5.4%	29.9%	3.8	13.3%
Argent	65.4%	4.7	5.6%	31.7%	4.1	19.2%
New Century	62.0%	4.4	6.4%	31.6%	4.1	18.8%
Accredited	65.7%	4.7	3.1%	43.2%	5.5	14.2%
WMC	59.3%	4.2	8.7%	31.3%	4.0	22.8%
Long Beach	71.7%	5.1	2.2%	20.0%	2.6	8.0%
National City Bank	48.6%	3.5	4.7%	26.9%	3.5	14.6%
Delta	45.2%	3.2	0.0%	32.7%	4.2	8.7%
BNC	77.5%	5.5	4.2%	45.8%	5.9	13.9%

Thus, for example, 69.1% of Fremont's home purchase loans were subprime home purchase loans to residents of predominantly minority neighborhoods, 4.9 times higher than the aggregate percentage and several multiples higher than the 3.5% of its home purchase loans that were subprime home purchase loans to residents of predominantly white neighborhoods. 38.8% of Fremont's home purchase loans were subprime home purchase loans to residents of LMI neighborhoods, five times higher than the aggregate and 2.5 times higher than the 15.5% of its home purchase loans that were subprime home purchase loans to residents of UI neighborhoods.

Percentage of all HMDA and home purchase loans to borrowers by race and ethnicity and neighborhoods by racial composition that were subprime

19. Six lenders: The percentages of all the HMDA loans and home purchase loans that six lenders made to African-Americans and/or Latinos that were subprime were higher than their percentages to whites (Tables Twenty-One and Twenty-Two).

HMDA loans

The percentages of all the HMDA loans that six lenders made to African-Americans and/or Latinos that were subprime were higher than their percentages to whites. The following chart shows the percentages of all the HMDA loans each lender made to African-Americans, Latinos, and whites that were subprime, and the ratio of each lender's percentages of HMDA

loans to African-Americans and Latinos that were subprime to the lender's percentage of HMDA loans to whites that were subprime:

Lender	% to African-Americans	% to Whites	Ratio-- African-Americans/Whites	% to Latinos	Ratio-- Latinos/Whites
JP Morgan Chase	16.9%	3.1%	5.5	9.2%	3.0
Wells Fargo	13.6%	1.2%	11.3	4.8%	4.0
Countrywide	39.9%	14.3%	2.8	22.7%	1.6
Greenpoint	9.9%	5.8%	1.7	n/a	n/a
Indymac	26.9%	10.7%	2.5	20.7%	1.9
American	37.6%	15.9%	2.4	34.7%	2.2

Thus, for example, Wells Fargo's 11.3 ratio for African-Americans and 4.0 ratio for Latinos means that African-Americans were 11.3 times more likely to receive a subprime HMDA loan from Wells Fargo than whites and Latinos were four times more likely.

Home purchase loans

The percentages of all the home purchase loans that six lenders made to African-Americans and/or Latinos that were subprime were higher than their percentages to whites. The following chart shows the percentages of home purchase loans each lender made to African-Americans, whites, and Latinos that were subprime and the ratio of each lender's percentages of home purchase loans to African-Americans and Latinos that were subprime to the lender's percentage of home purchase loans to whites that were subprime:

Lender	% to African-Americans	% to Whites	Ratio-- African-Americans/Whites	% to Latinos	Ratio-- Latinos/Whites
JP Morgan	5.4%	1.0%	5.4	2.9%	2.9
Wells Fargo	4.5%	0.5%	9.0	2.7%	5.4
Countrywide	39.5%	8.2%	4.8	14.9%	1.8
Greenpoint	5.4%	2.5%	2.2	n/a	n/a
Indymac	31.5%	11.6%	2.7	25.9%	2.2
American	27.8%	4.2%	6.6	19.2%	4.6

Thus, for example, Wells Fargo’s 9.0 ratio for African-Americans and 5.4 ratio for Latinos means that African-Americans were nine times more likely to receive a subprime home purchase loan from Wells Fargo than whites and Latinos were 5.4 times more likely.

20. The percentages of all the HMDA loans that six lenders made to residents of predominantly minority neighborhoods that were subprime were significantly higher than their percentages to residents of predominantly white neighborhoods. The percentages of all home purchase loans that seven lenders made to predominantly minority neighborhoods that were subprime were significantly higher than their percentages to residents of predominantly white neighborhoods (Tables Twenty-One and Twenty-Two).

HMDA loans

The percentages of all the HMDA loans that six lenders made to residents of predominantly minority neighborhoods that were subprime were higher than their percentages to residents of predominantly white neighborhoods. The following chart shows the percentages of all the HMDA loans each lender made to residents of predominantly minority and predominantly white neighborhoods that were subprime, and the ratio of each lender’s percentage of HMDA loans to residents of predominantly minority neighborhoods that were subprime to the lender’s percentage of HMDA loans to residents of predominantly white neighborhoods that were subprime:

Lender	% to Minority N’hoods	% to White N’hoods	Ratio--Minority/White N’hoods
JP Morgan Chase	13.4%	1.6%	8.4
Wells Fargo	9.8%	0.9%	10.9
Countrywide	34.2%	10.2%	3.4
Greenpoint	13.0%	4.6%	2.8
Indymac	23.0%	12.2%	1.9
American	32.9%	8.7%	3.8

Thus, for example, Wells Fargo’s 10.9 ratio means that residents of predominantly minority neighborhoods were 10.9 times more likely to receive a subprime HMDA loan from Wells Fargo than residents of predominantly white neighborhoods.

Home purchase loans

The percentages of all home purchase loans that seven lenders made to residents of predominantly minority neighborhoods that were subprime were higher than their percentages to residents of predominantly white neighborhoods. The following chart shows the percentages of all home purchase loans each lender made to residents of predominantly minority neighborhoods and to residents of predominantly white neighborhoods that were subprime, and the ratio of the lender's percentage of home purchase loans to residents of predominantly minority neighborhoods that were subprime to the lender's percentage of home purchase loans to residents of predominantly white neighborhoods that were subprime.

Lender	% to Minority N'hoods	% to White N'hoods	Ratio-- Minority/White N'hoods
JP Morgan Chase	3.8%	0.4%	9.5
Wells Fargo	3.5%	0.3%	11.7
Countrywide	29.7%	5.8%	5.1
Greenpoint	3.6%	2.1%	1.7
Indymac	27.1%	12.8%	2.1
Delta	61.8%	0.0%	n/a
American	19.1%	3.6%	5.3

Thus, for example, Wells Fargo's 11.7 ratio means that a resident of a predominantly minority neighborhood was 11.7 times more likely to receive a subprime home purchase loan from Wells Fargo than a resident of a predominantly white neighborhood.

CONCLUSION

This report has presented data that show that African-Americans, Latinos, and residents of predominantly minority neighborhoods received significantly higher percentages of subprime HMDA and home purchase loans than whites and residents of predominantly white neighborhoods in New York City in 2005. It also presented data that show that several of the largest HMDA lenders in New York City in 2005 made disproportionately high percentages of subprime HMDA and home purchase loans to African-Americans, Latinos, and residents of predominantly minority neighborhoods. HMDA data alone are not sufficient to permit a conclusion that these disparities are the result of illegal discrimination. HMDA data lacks information about borrower creditworthiness--most importantly the borrower's credit score--that is necessary to make such a conclusion. However, the disparities are so large that they invite action by government enforcement agencies who have access to the necessary data and private parties who have the right to commence administrative or judicial litigation alleging discrimination.

Nevertheless, despite some noteworthy exceptions, government investigation and enforcement has been sluggish. Highlights include former New York State Attorney General Elliot Spitzer's investigation of subprime lending disparities using 2004 HMDA data.¹¹ He subsequently brought and settled a claim against Countrywide in 2006.¹² Current New York State Attorney General Andrew Cuomo stated that his office is planning to investigate subprime mortgage lenders.¹³ Between January 1, 2004 and June 30, 2007, the four federal banking regulatory agencies referred 134 potential discrimination cases to the Department of Justice.¹⁴ However, the Department has not filed any cases.

Private enforcement efforts have also been slow to develop, but recently the efforts have increased. For example, the National Community Reinvestment Coalition filed an administrative complaint with the Department of Housing and Urban Development alleging that Allied Home Mortgage Capital Corporation often steered minority "mystery shoppers" to subprime loans even though they were qualified for prime loans while Allied referred white comparison "mystery shoppers" to prime loans.¹⁵ In July 2007, the NAACP filed a class-action lawsuit against eleven mortgage lenders, alleging that African-Americans received higher percentages of subprime loans than whites.¹⁶ These lenders include Ameriquest, Fremont Investment and Loan, Option One, WMC Mortgage, Long Beach Mortgage, BNC Mortgage, Accredited Home Lenders, Encore Credit, First Franklin Financial, HSBC Finance, and Washington Mutual, several of which have appeared in this report.¹⁷

Disproportionately high rates of subprime home mortgage lending makes homeownership more expensive for African-Americans and Latinos. It also makes homeownership less likely; or at least it makes it more likely that African-Americans and Latinos will lose homes that they already have. Subprime loans have disproportionately high foreclosure rates.¹⁸ Concentrations of subprime loans in particular neighborhoods, which lead to higher foreclosure rates in those neighborhoods, have a negative impact on those neighborhoods.¹⁹ To the extent predominantly minority neighborhoods receive disproportionately high percentages of subprime loans, they are more likely to face high foreclosure rates and the consequent harm. For example, a study of Los Angeles from 2001-2004 shows that 45% of all foreclosures were in predominantly minority

¹¹ Ameet Sachdev, *Bias Probe looks at Household acquirer's loan pricing*, CHI. TRIB., April 29, 2005, at C1.

¹² Kate Berry, *Countrywide Spitzer Deal A Disclosure Precedent*, AM. BANKER, December 6, 2006, at 1.

¹³ Karen Freifeld, *N.Y. Plans Probe of High-Risk Lenders*, Bloomberg News, March 16, 2007.

¹⁴ Cheyenne Hopkins, *HMDA Suits Backdrop for Committee Hearings*, AMER. BANKER, July 25, 2007.

¹⁵ National Community Reinvestment Coalition v. Allied Home Mortgage Capital Corporation, (U.S. Dep't of Hous. and Urb. Dev. filed June 14, 2006).

¹⁶ Hopkins, *supra* note 14.

¹⁷ Bob Tedeschi, *The N.A.A.C.P. vs. 11 Lenders*, N.Y. TIMES, September 23, 2007, at RE 12.

¹⁸ HUD REPORT, *supra* note 2. See Bradford, *supra* note 2, at vi; Vikas Bajaj, *More Trouble in Subprime Mortgages*, N.Y. TIMES, June 15, 2007, at C1.

¹⁹ Bradford, *supra* note 2, at vi-vii.

neighborhoods and that foreclosures occurred twelve times more often in predominantly minority neighborhoods than in predominantly white neighborhoods.²⁰

As government officials, lenders, and advocates contemplate the subprime home mortgage crisis and its fallout, they must develop solutions that address the impact of the crisis on borrowers and neighborhoods and the disproportionate impact on borrowers and neighborhoods by race. Only solutions that take this into account will be sufficient and complete.

²⁰ Shapiro, *supra* note 3, at 70-71.

APPENDIX ONE: REPORT VARIABLES

This report uses several variables which are defined more fully in the Glossary in Appendix Two. The variables are:

Loan type:

- HMDA loan
- Home purchase loan
- Subprime HMDA loan
- Subprime home purchase loan

Lender:

- All lenders in New York City in the aggregate
- The 25 lenders who made the highest number of HMDA loans
- The 25 lenders who made the highest number of subprime HMDA loans
- Subprime lenders

Borrower characteristics:

- Low- and moderate-income (LMI) individuals
- Upper income (UI) individuals
- African-Americans
- Latinos
- Whites

Neighborhood characteristics:

- 80-100% minority (predominantly minority)
- < 20% minority (predominantly white)
- Low- and moderate-income (LMI)
- Upper income (UI)

Application status:

- Application filed
- Loan originated
- Loan denied

Evaluative Criteria:

- Loan application rate
- Market share of applications
- Loan origination rate
- Market share of loans
- Denial rate
- Denial rate ratio
- Percentage of all loans originated that were subprime loans to borrowers by race, ethnicity, or income or neighborhood by racial composition or median income
- Percentage of all loans to borrowers by race, ethnicity or income or neighborhood by racial composition or median income that were subprime

APPENDIX TWO: GLOSSARY

African-American: a person having origins in any of the black racial groups of Africa.¹

Aggregate: all the lenders that reported HMDA data in New York City combined.

Application rate: the percentage of all applications submitted to one lender or to all lenders in the aggregate by the applicant's race, ethnicity, or income or by the racial composition or median income of the neighborhood in which the property that was the subject of the loan is located.

Conventional loan: a loan that is not insured or guaranteed by the federal government.

Denial rate: the percentage of applications a lender denied by the race, ethnicity, or income of the applicant or by the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located.

Denial rate ratio: the denial rate for a particular group divided by the denial rate for the group's "control" group, which is a group against which lenders have not traditionally discriminated. The groups and their corresponding control groups in this report are:

African-American/White

Latino/White

Predominantly minority neighborhood/Predominantly white neighborhoods

HMDA: the Home Mortgage Disclosure Act, which is the federal statute that requires lenders to report data about their home mortgage lending.

HMDA loans: all types of home mortgage loans that lenders are required to report pursuant to the HMDA, including home purchase loans, home refinance loans, and home improvement loans.

Home purchase loan: a first-lien conventional loan secured by and made for the purpose of buying a one-to-four family, owner-occupied home.²

Latino: a person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish culture or origin, regardless of race.³

¹ REVISIONS TO REGULATION C, at <http://www.ffiec.gov/mda/pdf/hmdatraining2003.pdf> (last visited Sept. 22, 2007).

² 12 C.F.R. § 203.2(h)(2007).

³ REVISIONS TO REGULATION C, *supra* note 1.

Lien: an interest in real property secured by a mortgage.

Loan origination: A loan a lender made to a borrower.

LMI: low- and moderate-income.

Low- and moderate-income (LMI): income that is less than 80% of the MSA median income.

Market share: the percentage share of all applications or loans held by a particular racial, ethnic, or income group or by a particular neighborhood by racial composition or median income.

MSA: Metropolitan Statistical area.

Origination rate: the percentage of all of a particular type of loan made by a lender or by all lenders in the aggregate that a particular racial, ethnic, or income group received or that a neighborhood by racial composition or income level received.

Predominantly minority neighborhood: a neighborhood whose racial composition is 80% or higher minority.

Predominantly white neighborhood: a neighborhood whose racial composition is less than 20% minority.

Subprime loan: a home mortgage loan whose interest rate is three percentage points or more higher than the interest rate on the Treasury bill of comparable maturity.⁴

UI: upper income.

Upper income (UI): income that is 120% or higher than the MSA median income.

White: a person having origins in any of the original peoples of Europe, the Middle East, or North America and who is not a person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish culture or origin.⁵

⁴ 12 C.F.R. §203.4(a)(12)(2007).

⁵ REVISIONS TO REGULATION C, *supra* note 1.

APPENDIX THREE: DESCRIPTION OF TABLES

Table One shows the 1) total number of HMDA loan applications submitted in New York City in 2004 and 2005 by the race, ethnicity, or income of the applicant and the racial composition or median income of the neighborhood in which the property that is the subject of the application is located; 2) market share of applications by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Two shows the 1) total number of HMDA loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located; 2) market share of loans by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Three shows the 1) denial rates on HMDA loan applications in New York City in 2004 and 2005 by the race, ethnicity, or income level of the applicant and the racial composition or median income of the neighborhood in which the property that is the subject of the application is located; 2) the denial rate ratio, which is the denial rate on applications from a selected racial, ethnic, or income group or neighborhood by racial composition or median income divided by the denial rate on applications from its corresponding control group; and 3) the percentage change in denial rate ratio.

Table Four shows the 1) total number of home purchase loan applications submitted in New York City in 2004 and 2005 by the race, ethnicity, or income of the applicant and the racial composition or median income of the neighborhood in which the property that is the subject of the application is located; 2) market share of applications by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Five shows the 1) total number of home purchase loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located; 2) market share of loans by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Six shows the 1) denial rates on home purchase loan applications in New York City in 2004 and 2005 by the race, ethnicity, or income of the applicant and the racial composition or median income of the neighborhood in which the property that is the subject of the application is located; 2) the denial rate ratio, which is the denial rate on applications from a selected racial, ethnic, or income group divided by the denial rate on applications from its corresponding control group; and 3) the percentage change in denial rate ratio.

Table Seven shows the 1) total number of subprime HMDA loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located; 2) market share of originations by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Eight shows the 1) total number of subprime home purchase loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of

the loan is located; 2) market share of originations by the same characteristics; and 3) percentage change in market share from 2004-2005.

Table Nine shows the 1) total number of HMDA loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located; 2) total number of subprime HMDA loans by the same characteristics; 3) percentage of HMDA loans that each particular group or neighborhood received that were subprime; and 4) percentage change from 2004-2005.

Table Ten shows the 1) total number of home purchase loans originated in New York City in 2004 and 2005 by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located; 2) total number of subprime home purchase loans by the same characteristics; 3) percentage of home purchase loans that each particular group or neighborhood received that were subprime; and 4) percentage change from 2004-2005.

Table Eleven shows the 25 lenders that originated the most HMDA loans in New York City in 2005, the total number of HMDA loans each lender originated, and each lender's market share.

Table Twelve shows the 25 lenders that originated the most subprime HMDA loans in New York City in 2005, the total number of subprime HMDA loans each lender originated, and each lender's market share.

Table Thirteen shows, for the top 25 HMDA lenders in New York City in 2005, by the race, ethnicity, or income of the borrower, the total number of HMDA loans each lender made, the origination rates for each lender, and the aggregate origination rates for all lenders in New York City, and compares each lender's origination rates with the aggregate rates. An individual lender's rate that is lower than the corresponding aggregate rate is in bold.

Table Fourteen shows, for the top 25 HMDA lenders in New York City in 2005, by the racial composition or median income of the neighborhood in which the loan was made, the total number of HMDA loans each lender made, the origination rates for each lender, and the aggregate origination rates for all lenders in New York City, and compares each lender's origination rates with the aggregate rates. An individual lender's rate that is lower than the corresponding aggregate rate is in bold.

Table Fifteen shows, for the top 25 HMDA lenders in New York City in 2005, by the race, ethnicity, or income of the borrower, the total number of home purchase loans each lender made, the origination rates for each lender, and the aggregate origination rate for all lenders in New York City, and compares each lender's origination rates with the aggregate rates. An individual lender's rate that is lower than the corresponding aggregate rate is in bold.

Table Sixteen shows, for the top 25 HMDA lenders in New York City in 2005, by the racial composition or median income of the neighborhood in which the loan was made, the total number of home purchase loans each lender made, the origination rates for each lender, and the aggregate origination rates for all lenders in New York City, and compares each lender's origination rates with the aggregate rates. An individual lender's rate that is lower than the corresponding aggregate rate is in bold.

Table Seventeen shows, for the top 25 HMDA lenders in New York City in 2005, by the race, ethnicity, or income of the borrower, the total number of subprime HMDA loans each lender

made, the percentage of all the lender's HMDA loans this constituted, and the aggregate percentages for all lenders in New York City, and compares each lender's percentages with the aggregate percentages. An individual lender's percentage that is higher than the corresponding aggregate percentage is in bold.

Table Eighteen shows, for the top 25 HMDA lenders in New York City in 2005, by the racial composition or median income of the neighborhood in which the loan was made, the total number of subprime HMDA loans each lender made, the percentage of all the lender's HMDA loans this constituted, and the aggregate percentages for all lenders in New York City, and compares each lender's percentages with the aggregate percentages. An individual lender's percentage that is higher than the corresponding aggregate percentage is in bold.

Table Nineteen shows, for the top 25 HMDA lenders in New York City in 2005, by the race, ethnicity, or income of the borrower, the total number of subprime home purchase loans each lender made, the percentage of all the lender's home purchase loans this constituted, and the aggregate percentages for all lenders in New York City, and compares each lender's percentages with the aggregate percentages. An individual lender's percentage that is higher than the corresponding aggregate percentage is in bold.

Table Twenty shows, for the top 25 HMDA lenders in New York City in 2005, by the racial composition or median income of the neighborhood in which the loan was made, the total number of subprime home purchase loans each lender made, the percentage of each lender's HMDA loans this constituted, and the aggregate percentages for all lenders in New York City, and compares each lender's percentages with the aggregate percentages. An individual lender's percentage that is higher than the corresponding aggregate percentage is in bold.

Table Twenty-One shows, for each lender, the percentage of the all HMDA loans the lender made to borrowers by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located that were subprime.

Table Twenty-Two shows, for each lender, the percentage of all home purchase loans the lender made to borrowers by the race, ethnicity, or income of the borrower and the racial composition or median income of the neighborhood in which the property that is the subject of the loan is located that were subprime.

APPENDIX FOUR: TABLES

Table One
HMDA LOANS
APPLICATIONS SUBMITTED, MARKET SHARE, AND PERCENTAGE CHANGE IN MARKET SHARE
NEW YORK CITY (2004-2005)

Applicant Characteristics	2004		2005		% Change in Share +/-
	Applications Submitted	Market Share	Applications Submitted	Market Share	
African-American	69,045	21.6%	80,987	23.4%	9
Latino	36,692	11.5%	46,373	13.4%	17
White Non-Latino	83,013	25.9%	100,936	29.2%	13
Low-Moderate Income (<80% MSA Median)	34,237	10.7%	29,431	8.5%	(20)
Upper Income (120% or More MSA Median)	191,918	59.9%	235,645	68.2%	14
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Applications Submitted	Market Share	Applications Submitted	Market Share	
<20% Minority	53,706	16.8%	50,827	14.7%	(12)
80-100% Minority	149,839	46.8%	173,773	50.3%	7
Low-Moderate Income (<80% MSA Median)	95,014	29.7%	109,441	31.7%	7
Upper Income (120% or More MSA Median)	111,675	34.9%	110,051	31.8%	(9)
Total Applications	320,172		345,766		8

Table Two
HMDA LOANS
LOANS ORIGINATED, MARKET SHARE, AND PERCENTAGE CHANGE IN MARKET SHARE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004		2005		% Change in Share +/-
	Loans Originated	Market Share	Loans Originated	Market Share	
African-American	30,226	19.8%	34,020	21.8%	10
Latino	17,185	11.3%	20,297	13.0%	15
White Non-Latino	46,636	30.6%	53,868	34.5%	13
Low-Moderate Income (<80% MSA Median)	12,723	8.3%	9,804	6.3%	(25)
Upper Income (120% or More MSA Median)	94,435	61.9%	109,055	69.9%	13
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Loans Originated	Market Share	Loans Originated	Market Share	
<20% Minority	29,746	19.5%	26,886	17.2%	(12)
80-100% Minority	62,306	40.9%	69,103	44.3%	8
Low-Moderate Income (<80% MSA Median)	40,718	26.7%	44,851	28.8%	8
Upper Income (120% or More MSA Median)	59,838	39.2%	55,946	35.9%	(9)
Total Loans Originated	152,485		155,931		2

Table Three
HMDA LONS
DENIAL RATES, DENIAL RATE RATIOS, AND PERCENTAGE CHANGE IN DENIAL RATE RATIOS
NEW YORK CITY (2004-2005)

Applicant Characteristics	2004		2005		% Change in Ratio +/-
	Denial Rate	Denial Rate Ratio	Denial Rate	Denial Rate Ratio	
African-American	32.4%	1.5	35.7%	1.6	5
Latino	29.7%	1.4	33.3%	1.5	7
White Non-Latino	21.6%	1.0	22.6%	1.0	0
Low-Moderate Income (<80% MSA Median)	41.4%	1.6	47.1%	1.7	2
Upper Income (120% or More MSA Median)	25.4%	1.0	28.3%	1.0	0
Neighborhood Characteristics	2004		2005		% Change in Ratio +/-
	Denial Rate	Denial Rate Ratio	Denial Rate	Denial Rate Ratio	
<20% Minority	20.9%	1.0	22.1%	1.0	0
80-100% Minority	33.1%	1.6	35.8%	1.6	2
Low-Moderate Income (<80% MSA Median)	32.4%	1.4	34.7%	1.4	(1)
Upper Income (120% or More MSA Median)	22.4%	1.0	24.4%	1.0	0

Table Four
HOME PURCHASE LOANS
APPLICATIONS SUBMITTED, MARKET SHARE, AND PERCENTAGE CHANGE IN MARKET SHARE
NEW YORK CITY (2004-2005)

Applicant Characteristics	2004		2005		% Change in Share +/-
	Applications Submitted	Market Share	Applications Submitted	Market Share	
African-American	16,475	16.6%	19,649	18.4%	11
Latino	11,550	11.7%	14,756	13.8%	19
White Non-Latino	30,127	30.4%	37,423	35.1%	15
Low-Moderate Income (<80% MSA Median)	6,889	7.0%	6,313	5.9%	(15)
Upper Income (120% or More MSA Median)	67,974	68.6%	81,243	76.1%	11
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Applications Submitted	Market Share	Applications Submitted	Market Share	
<20% Minority	19,852	20.0%	18,214	17.1%	(15)
80-100% Minority	36,828	37.2%	43,829	41.1%	10
Low-Moderate Income (<80% MSA Median)	26,213	26.5%	31,195	29.2%	10
Upper Income (120% or More MSA Median)	40,350	40.7%	38,866	36.4%	(11)
Total Home Purchase Loan Applications	99,074		106,753		8

Table Five
HOME PURCHASE LOANS
LOANS ORIGINATED, MARKET SHARE, AND PERCENTAGE CHANGE IN MARKET SHARE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004		2005		% Change in Share +/-
	Loans Originated	Market Share	Loans Originated	Market Share	
African-American	8,357	14.3%	9,159	15.6%	9
Latino	6,353	10.9%	7,495	12.7%	17
White Non-Latino	19,813	33.9%	23,104	39.3%	16
Low-Moderate Income (<80% MSA Median)	3,991	6.8%	3,249	5.5%	(19)
Upper Income (120% or More MSA Median)	40,204	68.8%	44,939	76.4%	11
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Loans Originated	Market Share	Loans Originated	Market Share	
<20% Minority	13,095	22.4%	11,557	19.6%	(12)
80-100% Minority	18,406	31.5%	20,266	34.4%	9
Low-Moderate Income (<80% MSA Median)	13,489	23.1%	14,881	25.3%	10
Upper Income (120% or More MSA Median)	26,148	44.8%	23,999	40.8%	(9)
Total Home Purchase Loans Originated	58,394		58,831	100%	1

Table Six
HOME PURCHASE LOANS
DENIAL RATES, DENIAL RATE RATIOS, AND PERCENTAGE CHANGE IN DENIAL RATE RATIOS
NEW YORK CITY (2004-2005)

Applicant Characteristics	2004		2005		% Change in Ratio +/-
	Denial Rate	Denial Rate Ratio	Denial Rate	Denial Rate Ratio	
African-American	24.8%	1.6	29.9%	1.8	11
Latino	22.1%	1.4	26.7%	1.6	12
White Non-Latino	15.4%	1.0	16.7%	1.0	0
Low-Moderate Income (<80% MSA Median)	22.6%	1.2	27.6%	1.3	2
Upper Income (120% or More MSA Median)	18.3%	1.0	21.8%	1.0	0
Neighborhood Characteristics	2004		2005		% Change in Ratio +/-
	Denial Rate	Denial Rate Ratio	Denial Rate	Denial Rate Ratio	
<20% Minority	13.9%	1.0	15.4%	1.0	0
80-100% Minority	24.6%	1.8	29.3%	1.9	8
Low-Moderate Income (<80% MSA Median)	24.2%	1.6	28.0%	1.7	3
Upper Income (120% or More MSA Median)	14.7%	1.0	16.7%	1.0	0

Table Seven
SUBPRIME HMDA LOANS
SUBPRIME HMDA LOANS ORIGINATED, MARKET SHARE OF ALL HMDA LOANS, AND PERCENTAGE CHANGE IN
MARKET SHARE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004		2005		% Change in Share +/-
	Subprime HMDA Loans Originated	MS--All HMDA Loans	Subprime HMDA Loans Originated	MS--All HMDA Loans	
African-American	7,594	5.0%	15,607	10.0%	101
Latino	3,312	2.2%	7,912	5.1%	134
White Non-Latino	4,158	2.7%	8,921	5.7%	110
Low-Moderate Income (<80% MSA Median)	1,478	1.0%	1,690	1.1%	12
Upper Income (120% or More MSA Median)	13,618	8.9%	33,210	21.3%	138
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Subprime HMDA Loans Originated	MS--All HMDA Loans	Subprime HMDA Loans Originated	MS--All HMDA Loans	
<20% Minority	1,652	1.1%	3,135	2.0%	86
80-100% Minority	14,311	9.4%	29,064	18.6%	99
Low-Moderate Income (<80% MSA Median)	7,891	5.2%	15,960	10.2%	98
Upper Income (120% or More MSA Median)	4,592	3.0%	8,991	5.8%	91
Total Subprime Loans Originated	20,957	14%	42,515	28%	103

Table Eight
SUBPRIME HOME PURCHASE LOANS
SUBPRIME HOME PURCHASE LOANS ORIGINATED, MARKET SHARE OF ALL HP LOANS, AND PERCENTAGE CHANGE IN
MARKET SHARE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004		2005		% Change in Share +/-
	Subprime HP Loans Originated	MS--All HP Loans	Subprime HP Loans Originated	MS--All HP Loans	
African-American	1,852	3.2%	4,360	7.4%	134
Latino	1,028	1.8%	2,743	4.7%	165
White Non-Latino	892	1.5%	2,173	3.7%	142
Low-Moderate Income (<80% MSA Median)	145	0.2%	176	0.3%	20
Upper Income (120% or More MSA Median)	3,658	6.3%	10,511	17.9%	185
Neighborhood Characteristics	2004		2005		% Change in Share +/-
	Subprime HP Loans Originated	MS--All HP Loans	Subprime HP Loans Originated	MS--All HP Loans	
<20% Minority	332	0.6%	732	1.2%	119
80-100% Minority	3,505	6.0%	8,248	14.0%	134
Low-Moderate Income (<80% MSA Median)	1,980	3.4%	4,589	7.8%	130
Upper Income (120% or More MSA Median)	969	1.7%	2,292	3.9%	135
Total Subprime Home Purchase Loans Originated	4,974	9%	11,888	20%	137

Table Nine
ALL HMDA LOANS
PERCENTAGE OF ALL HMDA LOANS RECEIVED THAT WERE SUBPRIME AND PERCENTAGE CHANGE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004			2005			% Change +/-
	HMDA Loans	Subprime HMDA Loans	% Subprime	HMDA Loans	Subprime HMDA Loans	% Subprime	
African-American	30,226	7,594	25.1%	34,020	15,607	45.9%	83
Latino	17,185	3,312	19.3%	20,297	7,912	39.0%	102
White Non-Latino	46,636	4,158	8.9%	53,868	8,921	16.6%	86
Low-Moderate Income (<80% MSA Median)	12,723	1,478	11.6%	9,804	1,690	17.2%	48
Upper Income (120% or More MSA Median)	94,435	13,618	14.4%	109,055	33,210	30.5%	111
Neighborhood Characteristics	2004			2005			% Change +/-
	HMDA Loans	Subprime HMDA Loans	% Subprime	HMDA Loans	Subprime HMDA Loans	% Subprime	
<20% Minority	29,746	1,652	5.6%	26,886	3,135	11.7%	110
80-100% Minority	62,306	14,311	23.0%	69,103	29,064	42.1%	83
Low-Moderate Income (<80% MSA Median)	40,718	7,891	19.4%	44,851	15,960	35.6%	84
Upper Income (120% or More MSA Median)	59,838	4,592	7.7%	55,946	8,991	16.1%	109

Table Ten
HOME PURCHASE LOANS
PERCENTAGE OF ALL HOME PURCHASE LOANS RECEIVED THAT WERE SUBPRIME AND PERCENTAGE CHANGE
NEW YORK CITY (2004-2005)

Borrower Characteristics	2004			2005			% Change +/-
	Home Purchase Loans	Subprime HP Loans	% Subprime	Home Purchase Loans	Subprime HP Loans	% Subprime	
African-American	8,357	1,852	22.2%	9,159	4,360	47.6%	115
Latino	6,353	1,028	16.2%	7,495	2,743	36.6%	126
White Non-Latino	19,813	892	4.5%	23,104	2,173	9.4%	109
Low-Moderate Income (<80% MSA Median)	3,991	145	3.6%	3,249	176	5.4%	49
Upper Income (120% or More MSA Median)	40,204	3,658	9.1%	44,939	10,511	23.4%	157
Neighborhood Characteristics	2004			2005			% Change +/-
	Home Purchase Loans	Subprime HP Loans	% Subprime	Home Purchase Loans	Subprime HP Loans	% Subprime	
<20% Minority	13,095	332	2.5%	11,557	732	6.3%	150
80-100% Minority	18,406	3,505	19.0%	20,266	8,248	40.7%	114
Low-Moderate Income (<80% MSA Median)	13,489	1,980	14.7%	14,881	4,589	30.8%	110
Upper Income (120% or More MSA Median)	26,148	969	3.7%	23,999	2,292	9.6%	158

Table Eleven
TOP 25 LENDERS--HMDA LOANS
NEW YORK CITY (2005)

Rank	Institution	Loans Originated	Market Share (%)
1	JPMORGAN CHASE BANK	12,736	8.17
2	WASHINGTON MUTUAL BANK	9,219	5.91
3	CITIMORTGAGE, INC.	8,137	5.22
4	FREMONT INVESTMENT & LOAN	7,545	4.84
5	WELLS FARGO BANK, N.A.	7,432	4.77
6	COUNTRYWIDE HOME LOANS	4,960	3.18
7	HSBC MORTGAGE CORPORATION	4,600	2.95
8	OPTION ONE MORTGAGE CORP.	4,383	2.81
9	ARGENT MORTGAGE COMPANY L.L.C.	4,068	2.61
10	NEW CENTURY MORTGAGE CORPORATION	3,852	2.47
11	GREENPOINT MORTGAGE FUNDING	3,646	2.34
12	INDYMAC BANK, F.S.B.	3,113	2.00
13	BNY MORTGAGE COMPANY	2,593	1.66
14	CITIBANK, N.A.	2,585	1.66
15	ACCREDITED HOME LENDERS, INC.	2,453	1.57
16	WMC MORTGAGE CORP.	2,439	1.56
17	BANK OF AMERICA, N.A.	2,391	1.53
18	ALLIANCE MORTGAGE BANKING CORP.	2,366	1.52
19	AMERIQUEST MORTGAGE COMPANY	2,326	1.49
20	LONG BEACH MORTGAGE CO.	2,074	1.33
21	NATIONAL CITY BANK OF INDIANA	1,907	1.22
22	DELTA FUNDING CORPORATION	1,765	1.13
23	AMERICAN HOME MORTGAGE CORP.	1,762	1.13
24	IDEAL MORTGAGE BANKERS, LTD.	1,381	0.89
25	BNC MORTGAGE	1,336	0.86
TOTAL		101,069	64.82

Table Twelve
TOP 25 LENDERS--SUBPRIME HMDA LOANS
NEW YORK CITY (2005)

Rank	Institution	Loans Originated	Market Share (%)
1	FREMONT INVESTMENT & LOAN	6,505	15.3
2	ARGENT MORTGAGE COMPANY L.L.C.	3,166	7.45
3	OPTION ONE MORTGAGE CORP.	3,071	7.22
4	NEW CENTURY MORTGAGE CORPORATION	3,033	7.13
5	WMC MORTGAGE CORP.	2,102	4.94
6	ACCREDITED HOME LENDERS, INC.	1,931	4.54
7	LONG BEACH MORTGAGE CO.	1,863	4.38
8	AMERIQUEST MORTGAGE COMPANY	1,490	3.5
9	BNC MORTGAGE	1,265	2.98
10	NATIONAL CITY BANK OF INDIANA	1,215	2.86
11	COUNTRYWIDE HOME LOANS	1,214	2.86
12	ENCORE CREDIT CORP.	1,042	2.45
13	JPMORGAN CHASE BANK	656	1.54
14	DELTA FUNDING CORPORATION	635	1.49
15	AAMES FUNDING CORPORATION	549	1.29
16	INDYMAC BANK, F.S.B.	542	1.27
17	AIG FEDERAL SAVINGS BANK	493	1.16
18	EMIGRANT MORTGAGE COMPANY, INC.	454	1.07
19	ALLIANCE MORTGAGE BANKING CORP.	421	0.99
20	AMERICAN HOME MORTGAGE CORP.	395	0.93
21	KEYBANK NATIONAL ASSOCIATION	375	0.88
22	MORTGAGEIT, INC.	368	0.87
23	GFI MORTGAGE BANKERS, INC.	363	0.85
24	AEGIS FUNDING CORPORATION	359	0.84
25	FIRST CONTINENTAL MORTGAGE	343	0.81
TOTAL		33,850	79.6

Table Thirteen
TOP 25 HMDA LENDERS
HMDA LOANS AND ORIGINATION RATES BY BORROWER RACE, ETHNICITY, OR INCOME
NEW YORK CITY (2005)

Institution	African-American	Origination Rate ¹	Latino	Origination Rate ²	White Non-Latino	Origination Rate ³	LMI	Origination Rate ⁴	UI	Origination Rate ⁵	All HMDA Loans
JPMORGAN CHASE BANK	1,274	10%	969	7.6%	5,064	39.8%	1,111	8.7%	8,347	65.5%	12,736
WASHINGTON MUTUAL BANK	1,144	12.4%	834	9.0%	3,971	43.1%	582	6.3%	6,083	66.0%	9,219
CITIMORTGAGE, INC.	576	7.1%	688	8.5%	4,418	54.3%	798	9.8%	5,889	72.4%	8,137
FREMONT	3,212	42.6%	1,634	21.7%	1,133	15.0%	120	1.6%	6,696	88.7%	7,545
WELLS FARGO BANK, N.A.	691	9.3%	586	7.9%	4,002	53.8%	347	4.7%	5,716	76.9%	7,432
COUNTRYWIDE HOME LOANS	1,094	22.1%	933	18.8%	1,484	29.9%	371	7.5%	3,552	71.6%	4,960
HSBC	475	10.3%	415	9.0%	1,733	37.7%	465	10.1%	3,049	66.3%	4,600
OPTION ONE	1,657	37.8%	774	17.7%	1,052	24.0%	164	3.7%	3,337	76.1%	4,383
ARGENT MORTGAGE	1,397	34.3%	754	18.5%	1,518	37.3%	235	5.8%	3,032	74.5%	4,068
NEW CENTURY MORTGAGE	1,580	41.0%	801	20.8%	716	18.6%	126	3.3%	3,190	82.8%	3,852
GREENPOINT MORTGAGE	465	12.8%	482	13.2%	1,629	44.7%	80	2.2%	2,708	74.3%	3,646
INDYMAC BANK, F.S.B.	674	21.7%	493	15.8%	951	30.5%	84	2.7%	2,099	67.4%	3,113
BNY MORTGAGE COMPANY	286	11.0%	243	9.4%	953	36.8%	350	13.5%	1,358	52.4%	2,593
CITIBANK, N.A.	332	12.8%	282	10.9%	997	38.6%	265	10.3%	1,828	70.7%	2,585
ACCREDITED HOME LENDERS	936	38.2%	589	24.0%	533	21.7%	111	4.5%	1,978	80.6%	2,453
WMC MORTGAGE CORP.	731	30.0%	597	24.5%	538	22.1%	47	1.9%	2,174	89.1%	2,439
BANK OF AMERICA, N.A.	347	14.5%	331	13.8%	1,060	44.3%	209	8.7%	1,632	68.3%	2,391
ALLIANCE MORTGAGE	970	41.0%	533	22.5%	571	24.1%	64	2.7%	1,993	84.2%	2,366
AMERIQUEST MORTGAGE	456	19.6%	268	11.5%	759	32.6%	223	9.6%	1,421	61.1%	2,326
LONG BEACH MORTGAGE CO.	801	38.6%	585	28.2%	276	13.3%	17	0.8%	1,948	93.9%	2,074
NATIONAL CITY BANK OF INDIANA	630	33.0%	283	14.8%	418	21.9%	69	3.6%	1,586	83.2%	1,907
DELTA FUNDIN	308	17.5%	118	6.7%	120	6.8%	160	9.1%	1,128	63.9%	1,765
AMERICAN HOME MORTGAGE	186	10.6%	314	17.8%	696	39.5%	46	2.6%	1,263	71.7%	1,762
IDEAL MORTGAGE BANKERS	724	52.4%	462	33.5%	164	11.9%	18	1.3%	747	54.1%	1,381
BNC MORTGAGE	627	46.9%	219	16.4%	188	14.1%	31	2.3%	1,183	88.5%	1,336

Footnotes:

2005 aggregate origination rates for HMDA loans by applicant race, ethnicity, or income (individual lender rates lower than the aggregate rates in **bold**):

1. African-American = 21.8%

2. Latino = 13.0%

3. White Non-Latino = 34.5%

4. LMI = 6.3%

5. UI = 69.9%

Table Fourteen
TOP 25 HMDA LENDERS
HMDA LOANS AND ORIGINATION RATES
BY NEIGHBORHOOD RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	White N'hood	Origination Rate ¹	Minority N'hood	Origination Rate ²	LMI N'hood	Origination Rate ³	UI N'hood	Origination Rate ⁴	All HMDA Loans
JPMORGAN CHASE BANK	3,184	25.0%	2,968	23.3%	2,694	21.2%	6,209	48.8%	12,736
WASHINGTON MUTUAL BANK	2,009	21.8%	2,831	30.7%	2,286	24.8%	4,010	43.5%	9,219
CITIMORTGAGE, INC.	2,253	27.7%	1,507	18.5%	1,501	18.4%	4,658	57.2%	8,137
FREMONT INVESTMENT & LOAN	364	4.8%	5,401	71.6%	2,957	39.2%	1,346	17.8%	7,545
WELLS FARGO BANK, N.A.	2,167	29.2%	1,458	19.6%	1,072	14.4%	4,301	57.9%	7,432
COUNTRYWIDE HOME LOANS	706	14.2%	2,445	49.3%	1,370	27.6%	1,666	33.6%	4,960
HSBC MORTGAGE CORPORATION	781	17.0%	1,302	28.3%	1,150	25.0%	1,738	37.8%	4,600
OPTION ONE MORTGAGE CORP.	350	8.0%	2,947	67.2%	1,612	36.8%	920	21.0%	4,383
ARGENT MORTGAGE COMPANY	258	6.3%	2,882	70.8%	1,373	33.8%	895	22.0%	4,068
NEW CENTURY MORTGAGE	283	7.3%	2,656	69.0%	1,312	34.1%	854	22.2%	3,852
GREENPOINT MORTGAGE FUNDING	785	21.5%	1,152	31.6%	912	25.0%	1,511	41.4%	3,646
INDYMAC BANK, F.S.B.	517	16.6%	1,515	48.7%	805	25.9%	956	30.7%	3,113
BNY MORTGAGE COMPANY	308	11.9%	1,025	39.5%	1,277	49.2%	507	19.6%	2,593
CITIBANK, N.A.	644	24.9%	809	31.3%	631	24.4%	1,181	45.7%	2,585
ACCREDITED HOME LENDERS, INC.	106	4.3%	1,775	72.4%	1,070	43.6%	475	19.4%	2,453
WMC MORTGAGE CORP.	221	9.1%	1,565	64.2%	842	34.5%	574	23.5%	2,439
BANK OF AMERICA, N.A.	504	21.1%	728	30.4%	566	23.7%	1,016	42.5%	2,391
ALLIANCE MORTGAGE BANKING	123	5.2%	1,816	76.8%	1,156	48.9%	332	14.0%	2,366
AMERIQUEST MORTGAGE COMPANY	290	12.5%	1,353	58.2%	713	30.7%	636	27.3%	2,326
LONG BEACH MORTGAGE CO.	77	3.7%	1,577	76.0%	868	41.9%	315	15.2%	2,074
NATIONAL CITY BANK OF INDIANA	214	11.2%	1,139	59.7%	618	32.4%	495	26.0%	1,907
DELTA FUNDING CORPORATION	70	4.0%	1,354	76.7%	764	43.3%	309	17.5%	1,765
AMERICAN HOME MORTGAGE CORP.	310	17.6%	692	39.3%	542	30.8%	602	34.2%	1,762
IDEAL MORTGAGE BANKERS, LTD.	33	2.4%	1,072	77.6%	520	37.7%	219	15.9%	1,381
BNC MORTGAGE	56	4.2%	1,038	77.7%	619	46.3%	209	15.6%	1,336

Footnotes:

2005 aggregate origination rates for all HMDA loans by neighborhood racial composition or income (Individual lender rates lower than aggregate rates in **bold**):

1. White N'hood = 17.2%

2. Minority N'hood = 44.3%

3. LMI N'hood = 28.8%

4. UI N'hood = 35.9%

Table Fifteen
TOP 25 HMDA LENDERS
HOME PURCHASE LOANS RECEIVED AND ORIGINATION RATES
BY BORROWER RACE, ETHNICITY, AND INCOME
NEW YORK CITY (2005)

Institution	African-American	Origination Rate ¹	Latino	Origination Rate ²	White Non-Latino	Origination Rate ³	LMI	Origination Rate ⁴	UI	Origination Rate ⁵	All Home Purchase Loans
JPMORGAN CHASE BANK	463	6.1%	490	6.5%	3,130	41.3%	547	7.2%	5,102	67.4%	7,575
WASHINGTON MUTUAL BANK	343	9.8%	286	8.1%	1,690	48.1%	281	8.0%	2,504	71.2%	3,516
CITIMORTGAGE, INC.	331	6.2%	451	8.4%	2,846	53.1%	538	10.0%	3,849	71.8%	5,364
FREMONT INVESTMENT & LOAN	1,083	43.1%	595	23.7%	353	14.0%	9	0.4%	2,365	94.0%	2,515
WELLS FARGO BANK, N.A.	242	5.1%	336	7.1%	2,698	57.2%	165	3.5%	3,886	82.3%	4,719
COUNTRYWIDE HOME LOANS	354	15.4%	516	22.4%	821	35.7%	99	4.3%	1,878	81.6%	2,302
HSBC MORTGAGE CORPORATION	279	8.8%	255	8.1%	1,112	35.2%	328	10.4%	2,062	65.2%	3,161
OPTION ONE MORTGAGE CORP.	276	31.5%	211	24.1%	195	22.2%	5	0.6%	781	89.1%	877
ARGENT MORTGAGE COMPANY L.L.C.	321	29.9%	242	22.6%	346	32.3%	16	1.5%	936	87.3%	1,072
NEW CENTURY MORTGAGE	389	35.4%	259	23.6%	202	18.4%	9	0.8%	1,017	92.6%	1,098
GREENPOINT MORTGAGE FUNDING	166	9.1%	228	12.5%	950	52.3%	26	1.4%	1,597	87.9%	1,817
INDYMAC BANK, F.S.B.	130	16.5%	147	18.6%	294	37.2%	4	0.5%	670	84.8%	790
BNY MORTGAGE COMPANY	97	6.4%	131	8.6%	549	36.2%	259	17.1%	759	50.0%	1,517
CITIBANK, N.A.	89	13.4%	72	10.9%	284	42.9%	98	14.8%	479	72.4%	662
ACCREDITED HOME LENDERS, INC.	302	38.6%	202	25.8%	148	18.9%	24	3.1%	669	85.5%	782
WMC MORTGAGE CORP.	254	30.9%	208	25.3%	174	21.1%	10	1.2%	773	93.9%	823
BANK OF AMERICA, N.A.	107	11.1%	116	12.1%	465	48.4%	90	9.4%	704	73.3%	961
ALLIANCE MORTGAGE BANKING	333	39.6%	216	25.7%	193	23.0%	23	2.7%	720	85.7%	840
AMERIQUEST MORTGAGE COMPANY	7	28.0%	7	28.0%	8	32.0%	1	4.0%	22	88.0%	25
LONG BEACH MORTGAGE CO.	349	39.9%	259	29.6%	98	11.2%	2	0.2%	847	96.8%	875
NATIONAL CITY BANK OF INDIANA	270	32.8%	126	15.3%	173	21.0%	23	2.8%	716	87.0%	823
DELTA FUNDING CORPORATION	23	22.1%	11	10.6%	8	7.7%	1	1.0%	97	93.3%	104
AMERICAN HOME MORTGAGE CORP.	54	8.2%	120	18.1%	265	40.0%	14	2.1%	482	72.8%	662
IDEAL MORTGAGE BANKERS, LTD.	330	53.2%	230	37.1%	55	8.9%	3	0.5%	353	56.9%	620
BNC MORTGAGE	214	45.0%	96	20.2%	57	12.0%	3	0.6%	458	96.2%	476

Footnotes: 2005 aggregate origination rates for home purchase loans by applicant race, ethnicity, or income (individual lender rates lower than aggregate rates in **bold**):

1. African-American = 15.6%

2. Latino = 12.7%

3. White Non-Latino = 39.3%

4. LMI = 5.5%

5. UI = 76.4%

Table Sixteen
TOP 25 HMDA LENDERS
HOME PURCHASE LOANS AND ORIGINATION RATES
BY NEIGHBORHOOD RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	White N'hood	Origination Rate ¹	Minority N'hood	Origination Rate ²	LMI N'hood	Origination Rate ³	UI N'hood	Origination Rate ⁴	All Home Purchase Loans
JPMORGAN CHASE BANK	1,939	25.6%	1,416	18.7%	1,567	20.7%	3,727	49.2%	7,575
WASHINGTON MUTUAL BANK	767	21.8%	773	22.0%	689	19.6%	1,632	46.4%	3,516
CITIMORTGAGE, INC.	1,339	25.0%	1,025	19.1%	1,060	19.8%	2,932	54.7%	5,364
FREMONT INVESTMENT & LOAN	104	4.1%	1,813	72.1%	1,014	40.3%	422	16.8%	2,515
WELLS FARGO BANK, N.A.	1,443	30.6%	663	14.0%	577	12.2%	2,878	61.0%	4,719
COUNTRYWIDE HOME LOANS	398	17.3%	911	39.6%	568	24.7%	879	38.2%	2,302
HSBC MORTGAGE CORPORATION	509	16.1%	838	26.5%	792	25.1%	1,136	35.9%	3,161
OPTION ONE MORTGAGE CORP.	69	7.9%	562	64.1%	321	36.6%	163	18.6%	877
ARGENT MORTGAGE COMPANY L.L.C.	72	6.7%	749	69.9%	358	33.4%	244	22.8%	1,072
NEW CENTURY MORTGAGE	87	7.9%	729	66.4%	375	34.2%	243	22.1%	1,098
GREENPOINT MORTGAGE FUNDING	480	26.4%	387	21.3%	312	17.2%	934	51.4%	1,817
INDYMAC BANK, F.S.B.	148	18.7%	328	41.5%	191	24.2%	259	32.8%	790
BNY MORTGAGE COMPANY	185	12.2%	515	33.9%	704	46.4%	321	21.2%	1,517
CITIBANK, N.A.	206	31.1%	187	28.2%	113	17.1%	383	57.9%	662
ACCREDITED HOME LENDERS, INC.	27	3.5%	575	73.5%	363	46.4%	134	17.1%	782
WMC MORTGAGE CORP.	79	9.6%	513	62.3%	270	32.8%	202	24.5%	823
BANK OF AMERICA, N.A.	213	22.2%	230	23.9%	238	24.8%	419	43.6%	961
ALLIANCE MORTGAGE BANKING CORP.	45	5.4%	631	75.1%	412	49.0%	115	13.7%	840
AMERIQUEST MORTGAGE COMPANY	2	8.0%	13	52.0%	7	28.0%	4	16.0%	25
LONG BEACH MORTGAGE CO.	25	2.9%	681	77.8%	371	42.4%	117	13.4%	875
NATIONAL CITY BANK OF INDIANA	89	10.8%	491	59.7%	262	31.8%	211	25.6%	823
DELTA FUNDING CORPORATION	1	1.0%	76	73.1%	58	55.8%	15	14.4%	104
AMERICAN HOME MORTGAGE CORP.	111	16.8%	215	32.5%	183	27.6%	252	38.1%	662
IDEAL MORTGAGE BANKERS, LTD.	13	2.1%	485	78.2%	206	33.2%	103	16.6%	620
BNC MORTGAGE	21	4.4%	378	79.4%	226	47.5%	69	14.5%	476

Footnotes: 2005 aggregate origination rates for home purchase loans by neighborhood racial composition or median income (Individual lender rates lower than aggregate rates in **bold**):

1. White N'hood = 19.6%

2. Minority N'hood = 34.4%

3. LMI N'hood = 25.3%

4. UI N'hood = 40.8%

Table Seventeen
TOP 25 HMDA LENDERS
SUBPRIME HMDA LOANS AND PERCENTAGE OF ALL THE LENDER'S HMDA LOANS
BY BORROWER RACE, ETHNICITY, OR INCOME
NEW YORK CITY (2005)

Institution	African-American	% all HMDA Loans ¹	Latino	% all HMDA Loans ²	White Non-Latino	% all HMDA Loans ³	LMI	% all HMDA Loans ⁴	UI	% All HMDA Loans ⁵	All HMDA Loans
JPMORGAN CHASE BANK	215	1.7%	89	0.7%	158	1.2%	125	1.0%	343	2.7%	12,736
WASHINGTON MUTUAL BANK	7	0.1%	3	0.0%	13	0.1%	6	0.1%	23	0.2%	9,219
CITIMORTGAGE, INC.	12	0.1%	5	0.1%	17	0.2%	16	0.2%	15	0.2%	8,137
FREMONT INVESTMENT & LOAN	2,833	37.5%	1,413	18.7%	935	12.4%	91	1.2%	5,811	77.0%	7,545
WELLS FARGO BANK, N.A.	94	1.3%	28	0.4%	49	0.7%	26	0.3%	147	2.0%	7,432
COUNTRYWIDE HOME LOANS	437	8.8%	212	4.3%	212	4.3%	81	1.6%	889	17.9%	4,960
HSBC MORTGAGE CORPORATION	10	0.2%	8	0.2%	5	0.1%	4	0.1%	15	0.3%	4,600
OPTION ONE MORTGAGE CORP.	1,274	29.1%	545	12.4%	723	16.5%	87	2.0%	2,399	54.7%	4,383
ARGENT MORTGAGE COMPANY L.L.C.	1,069	26.3%	601	14.8%	1,158	28.5%	138	3.4%	2,461	60.5%	4,068
NEW CENTURY MORTGAGE	1,241	32.2%	669	17.4%	539	14.0%	66	1.7%	2,605	67.6%	3,852
GREENPOINT MORTGAGE FUNDING	46	1.3%	29	0.8%	95	2.6%	0	0.0%	61	1.7%	3,646
INDYMAC BANK, F.S.B.	181	5.8%	102	3.3%	102	3.3%	26	0.8%	422	13.6%	3,113
BNY MORTGAGE COMPANY	6	0.2%	6	0.2%	6	0.2%	6	0.2%	9	0.3%	2,593
CITIBANK, N.A.	15	0.6%	4	0.2%	16	0.6%	20	0.8%	19	0.7%	2,585
ACCREDITED HOME LENDERS, INC.	747	30.5%	478	19.5%	409	16.7%	64	2.6%	1,630	66.4%	2,453
WMC MORTGAGE CORP.	658	27.0%	520	21.3%	438	18.0%	32	1.3%	1,896	77.7%	2,439
BANK OF AMERICA, N.A.	1	0.0%	0	0.0%	4	0.2%	2	0.1%	3	0.1%	2,391
ALLIANCE MORTGAGE BANKING CORP.	159	6.7%	54	2.3%	112	4.7%	15	0.6%	348	14.7%	2,366
AMERIQUEST MORTGAGE COMPANY	337	14.5%	167	7.2%	449	19.3%	154	6.6%	913	39.3%	2,326
LONG BEACH MORTGAGE CO.	734	35.4%	521	25.1%	236	11.4%	12	0.6%	1,762	85.0%	2,074
NATIONAL CITY BANK OF INDIANA	454	23.8%	224	11.7%	217	11.4%	34	1.8%	1,055	55.3%	1,907
DELTA FUNDING CORPORATION	148	8.4%	42	2.4%	57	3.2%	56	3.2%	419	23.7%	1,765
AMERICAN HOME MORTGAGE CORP.	70	4.0%	109	6.2%	111	6.3%	1	0.1%	280	15.9%	1,762
IDEAL MORTGAGE BANKERS, LTD.	4	0.3%	4	0.3%	0	0.0%	0	0.0%	0	0.0%	1,381
BNC MORTGAGE	598	44.8%	209	15.6%	179	13.4%	28	2.1%	1,132	84.7%	1,336

Footnotes:
2005 aggregate % of all HMDA loans that were subprime by borrower, race, and income (individual lender percentages higher than aggregate percentages in **bold**):

1. African-American = 10%

2. Latino = 5.1%

3. White Non-Latino = 5.7%

4. LMI = 1.1%

5. UI = 21.3%

Table Eighteen
TOP 25 HMDA LENDERS
SUBPRIME HMDA LOANS AND PERCENTAGE OF ALL THE LENDER'S HMDA LOANS
BY NEIGHBORHOOD RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	White	% all HMDA Loans ¹	Minority	% all HMDA Loans ²	LMI	% all HMDA Loans ³	UI	% all HMDA Loans ⁴	All HMDA Loans
JPMORGAN CHASE BANK	52	0.4%	399	3.1%	247	1.9%	159	1.2%	12,736
WASHINGTON MUTUAL BANK	4	0.0%	18	0.2%	12	0.1%	9	0.1%	9,219
CITIMORTGAGE, INC.	5	0.1%	20	0.2%	18	0.2%	12	0.1%	8,137
FREMONT INVESTMENT & LOAN	295	3.9%	4,710	62.4%	2,594	34.4%	1,131	15.0%	7,545
WELLS FARGO BANK, N.A.	20	0.3%	143	1.9%	75	1.0%	64	0.9%	7,432
COUNTRYWIDE HOME LOANS	72	1.5%	835	16.8%	424	8.5%	280	5.6%	4,960
HSBC MORTGAGE CORPORATION	3	0.1%	17	0.4%	7	0.2%	12	0.3%	4,600
OPTION ONE MORTGAGE CORP.	225	5.1%	2,103	48.0%	1,157	26.4%	603	13.8%	4,383
ARGENT MORTGAGE COMPANY L.L.C.	187	4.6%	2,280	56.0%	1,111	27.3%	667	16.4%	4,068
NEW CENTURY MORTGAGE CORPORATION	215	5.6%	2,119	55.0%	1,056	27.4%	642	16.7%	3,852
GREENPOINT MORTGAGE FUNDING	36	1.0%	150	4.1%	153	4.2%	49	1.3%	3,646
INDYMAC BANK, F.S.B.	63	2.0%	349	11.2%	144	4.6%	129	4.1%	3,113
BNY MORTGAGE COMPANY	3	0.1%	14	0.5%	7	0.3%	3	0.1%	2,593
CITIBANK, N.A.	12	0.5%	24	0.9%	14	0.5%	20	0.8%	2,585
ACCREDITED HOME LENDERS, INC.	79	3.2%	1,412	57.6%	872	35.5%	358	14.6%	2,453
WMC MORTGAGE CORP.	186	7.6%	1,377	56.5%	730	29.9%	482	19.8%	2,439
BANK OF AMERICA, N.A.	1	0.0%	4	0.2%	1	0.0%	2	0.1%	2,391
ALLIANCE MORTGAGE BANKING CORP.	28	1.2%	307	13.0%	172	7.3%	77	3.3%	2,366
AMERIQUEST MORTGAGE COMPANY	170	7.3%	915	39.3%	487	20.9%	382	16.4%	2,326
LONG BEACH MORTGAGE CO.	65	3.1%	1,427	68.8%	786	37.9%	281	13.5%	2,074
NATIONAL CITY BANK OF INDIANA	102	5.3%	787	41.3%	428	22.4%	279	14.6%	1,907
DELTA FUNDING CORPORATION	27	1.5%	496	28.1%	317	18.0%	108	6.1%	1,765
AMERICAN HOME MORTGAGE CORP.	27	1.5%	228	12.9%	186	10.6%	60	3.4%	1,762
IDEAL MORTGAGE BANKERS, LTD.	0	0.0%	4	0.3%	3	0.2%	1	0.1%	1,381
BNC MORTGAGE	53	4.0%	990	74.1%	587	43.9%	197	14.7%	1,336

Footnotes:

2005 aggregate percentage of all HMDA loans that were subprime by n'hood racial composition or median income (individual lender percentages higher than aggregate percentages in **bold**):

1. White N'hood = 2.0%

2. Minority N'hood = 18.6%

3. LMI N'hood = 10.2%

4. UI N'hood = 5.8%

Table Nineteen
TOP 25 HMDA LENDERS
SUBPRIME HOME PURCHASE LOANS AND PERCENTAGE OF ALL THE LENDER'S HOME PURCHASE LOANS THAT WERE SUBPRIME
BY BORROWER RACE, ETHNICITY, OR INCOME
NEW YORK CITY (2005)

Institution	African-American	% all HMDA Loans ¹	Latino	% all HMDA Loans ²	White Non-Latino	% all HMDA Loans ³	Low-Moderate Income	% all HMDA Loans ⁴	Upper Income	Origination Rate ⁵	All Home Purchase Loans
JPMORGAN CHASE BANK	25	0.3%	14	0.2%	31	0.4%	11	0.1%	59	0.8%	7,575
WASHINGTON MUTUAL BANK	0	0.0%	0	0.0%	1	0.0%	0	0.0%	0	0.0%	3,516
CITIMORTGAGE, INC	8	0.1%	4	0.1%	11	0.2%	11	0.2%	11	0.2%	5,364
FREMONT INVESTMENT & LOAN	1,047	41.6%	569	22.6%	321	12.8%	8	0.3%	2,246	89.3%	2,515
WELLS FARGO BANK, NA	11	0.2%	9	0.2%	13	0.3%	1	0.0%	38	0.8%	4,719
COUNTRYWIDE HOME LOANS	140	6.1%	77	3.3%	67	2.9%	13	0.6%	321	13.9%	2,302
HSBC MORTGAGE CORPORATION	6	0.2%	3	0.1%	1	0.0%	2	0.1%	6	0.2%	3,161
OPTION ONE MORTGAGE CORP	225	25.7%	158	18.0%	150	17.1%	5	0.6%	619	70.6%	877
ARGENT MORTGAGE COMPANY LLC	299	27.9%	221	20.6%	307	28.6%	10	0.9%	862	80.4%	1,072
NEW CENTURY MORTGAGE CORPORATION	365	33.2%	241	21.9%	169	15.4%	9	0.8%	919	83.7%	1,098
GREENPOINT MORTGAGE FUNDING	9	0.5%	5	0.3%	24	1.3%	0	0.0%	15	0.8%	1,817
INDYMAC BANK, F.S.B.	41	5.2%	38	4.8%	34	4.3%	2	0.3%	125	15.8%	790
BNY MORTGAGE COMPANY	4	0.3%	4	0.3%	3	0.2%	6	0.4%	2	0.1%	1,517
CITIBANK, N.A.	1	0.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	662
ACCREDITED HOME LENDERS, INC	272	34.8%	178	22.8%	133	17.0%	18	2.3%	606	77.5%	782
WMC MORTGAGE CORP.	244	29.6%	199	24.2%	155	18.8%	8	1.0%	731	88.8%	823
BANK OF AMERICA, N.A.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	961
ALLIANCE MORTGAGE BANKING CORP	46	5.5%	18	2.1%	37	4.4%	5	0.6%	106	12.6%	840
AMERIQUEST MORTGAGE COMPANY	3	12.0%	2	8.0%	4	16.0%	1	4.0%	11	44.0%	25
LONG BEACH MORTGAGE CO.	328	37.5%	233	26.6%	84	9.6%	1	0.1%	776	88.7%	875
NATIONAL CITY BANK OF INDIANA	232	28.2%	111	13.5%	98	11.9%	16	1.9%	528	64.2%	823
DELTA FUNDING CORPORATION	11	10.6%	7	6.7%	5	4.8%	0	0.0%	53	51.0%	104
AMERICAN HOME MORTGAGE CORP.	15	2.3%	23	3.5%	11	1.7%	1	0.2%	42	6.3%	662
IDEAL MORTGAGE BANKERS, LTD	0	0.0%	3	0.5%	0	0.0%	0	0.0%	1	0.2%	620
BNC MORTGAGE	206	43.3%	95	20.0%	56	11.8%	3	0.6%	446	93.7%	476

Footnotes: 2005 aggregate percentages of all home purchase loans that were subprime by borrower race, ethnicity, or income (individual lender percentages higher than aggregate percentages in **bold**):

1. African-American = 7.4%

2. Latino = 4.7%

3. White Non-Latino = 3.7%

4. LMI = 0.3%

5. UI = 17.9%

Table Twenty
TOP 25 HMDA LENDERS
SUBPRIME HOME PURCHASE LOANS AND PERCENTAGE OF ALL THE LENDER'S HOME PURCHASE LOANS THAT WERE SUBPRIME
BY NEIGHBORHOOD RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	White	% all HMDA Loans ¹	Minority	% all HMDA Loans ²	LMI	% all HMDA Loans ³	UI	% all HMDA Loans ⁴	All Home Purchase Loans
JPMORGAN CHASE BANK	8	0.1%	54	0.7%	36	0.5%	25	0.3%	7,575
WASHINGTON MUTUAL BANK	0	0.0%	1	0.0%	0	0.0%	0	0.0%	3,516
CITIMORTGAGE, INC.	2	0.0%	15	0.3%	13	0.2%	7	0.1%	5,364
FREMONT INVESTMENT & LOAN	88	3.5%	1,739	69.1%	977	38.8%	390	15.5%	2,515
WELLS FARGO BANK, N.A.	5	0.1%	23	0.5%	14	0.3%	12	0.3%	4,719
COUNTRYWIDE HOME LOANS	23	1.0%	271	11.8%	138	6.0%	73	3.2%	2,302
HSBC MORTGAGE CORPORATION	0	0.0%	9	0.3%	3	0.1%	6	0.2%	3,161
OPTION ONE MORTGAGE CORP.	47	5.4%	457	52.1%	262	29.9%	117	13.3%	877
ARGENT MORTGAGE COMPANY L.L.C.	60	5.6%	701	65.4%	340	31.7%	206	19.2%	1,072
NEW CENTURY MORTGAGE CORPORATION	70	6.4%	681	62.0%	347	31.6%	206	18.8%	1,098
GREENPOINT MORTGAGE FUNDING	10	0.6%	14	0.8%	15	0.8%	18	1.0%	1,817
INDYMAC BANK, F.S.B.	19	2.4%	89	11.3%	38	4.8%	30	3.8%	790
BNY MORTGAGE COMPANY	2	0.1%	8	0.5%	4	0.3%	2	0.1%	1,517
CITIBANK, N.A.	0	0.0%	1	0.2%	1	0.2%	0	0.0%	662
ACCREDITED HOME LENDERS, INC.	24	3.1%	514	65.7%	338	43.2%	111	14.2%	782
WMC MORTGAGE CORP.	72	8.7%	488	59.3%	258	31.3%	188	22.8%	823
BANK OF AMERICA, N.A.	0	0.0%	0	0.0%	0	0.0%	0	0.0%	961
ALLIANCE MORTGAGE BANKING CORP.	11	1.3%	91	10.8%	50	6.0%	24	2.9%	840
AMERIQUEST MORTGAGE COMPANY	1	4.0%	7	28.0%	5	20.0%	2	8.0%	25
LONG BEACH MORTGAGE CO.	19	2.2%	627	71.7%	337	38.5%	105	12.0%	875
NATIONAL CITY BANK OF INDIANA	39	4.7%	400	48.6%	221	26.9%	120	14.6%	823
DELTA FUNDING CORPORATION	0	0.0%	47	45.2%	34	32.7%	9	8.7%	104
AMERICAN HOME MORTGAGE CORP.	4	0.6%	41	6.2%	33	5.0%	7	1.1%	662
IDEAL MORTGAGE BANKERS, LTD.	0	0.0%	0	0.0%	0	0.0%	1	0.2%	620
BNC MORTGAGE	20	4.2%	369	77.5%	218	45.8%	66	13.9%	476

Footnotes:

2005 aggregate percentages of all home purchase loans that were subprime by neighborhood racial composition or median income (individual lender percentages higher than aggregate percentages in **bold**):

1. White N'hood = 1.2%

2. Minority N'hood = 14.0%

3. LMI N'hood = 7.8%

4. UI N'hood = 3.9%

Table Twenty-One
TOP 25 HMDA LENDERS
PERCENTAGE OF ALL HMDA LOANS TO BORROWERS THAT WERE SUBPRIME BY RACE, ETHNICITY, OR INCOME
OR NEIGHBORHOODS BY RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	Borrower Characteristics					Neighborhood Characteristics			
	African-American	Latino	White Non-Latino	LMI	UI	White	Minority	LMI	UI
JPMORGAN CHASE BANK	16.9%	9.2%	3.1%	11.3%	4.1%	1.6%	13.4%	9.2%	2.6%
WASHINGTON MUTUAL BANK	0.6%	0.4%	0.3%	1.0%	0.4%	0.2%	0.6%	0.5%	0.2%
CITIMORTGAGE, INC.	2.1%	0.7%	0.4%	2.0%	0.3%	0.2%	1.3%	1.2%	0.3%
FREMONT INVESTMENT & LOAN	88.2%	86.5%	82.5%	75.8%	86.8%	81.0%	87.2%	87.7%	84.0%
WELLS FARGO BANK, N.A.	13.6%	4.8%	1.2%	7.5%	2.6%	0.9%	9.8%	7.0%	1.5%
COUNTRYWIDE HOME LOANS	39.9%	22.7%	14.3%	21.8%	25.0%	10.2%	34.2%	30.9%	16.8%
HSBC MORTGAGE CORPORATION	2.1%	1.9%	0.3%	0.9%	0.5%	0.4%	1.3%	0.6%	0.7%
OPTION ONE MORTGAGE CORP.	76.9%	70.4%	68.7%	53.0%	71.9%	64.3%	71.4%	71.8%	65.5%
ARGENT MORTGAGE COMPANY L.L.C.	76.5%	79.7%	76.3%	58.7%	81.2%	72.5%	79.1%	80.9%	74.5%
NEW CENTURY MORTGAGE	78.5%	83.5%	75.3%	52.4%	81.7%	76.0%	79.8%	80.5%	75.2%
GREENPOINT MORTGAGE FUNDING	9.9%	6.0%	5.8%	0.0%	2.3%	4.6%	13.0%	16.8%	3.2%
INDYMAC BANK, F.S.B.	26.9%	20.7%	10.7%	31.0%	20.1%	12.2%	23.0%	17.9%	13.5%
BNY MORTGAGE COMPANY	2.1%	2.5%	0.6%	1.7%	0.7%	1.0%	1.4%	0.5%	0.6%
CITIBANK, N.A.	4.5%	1.4%	1.6%	7.5%	1.0%	1.9%	3.0%	2.2%	1.7%
ACCREDITED HOME LENDERS, INC.	79.8%	81.2%	76.7%	57.7%	82.4%	74.5%	79.5%	81.5%	75.4%
WMC MORTGAGE CORP.	90.0%	87.1%	81.4%	68.1%	87.2%	84.2%	88.0%	86.7%	84.0%
BANK OF AMERICA, N.A.	0.3%	0.0%	0.4%	1.0%	0.2%	0.2%	0.5%	0.2%	0.2%
ALLIANCE MORTGAGE BANKING CORP.	16.4%	10.1%	19.6%	23.4%	17.5%	22.8%	16.9%	14.9%	23.2%
AMERIQUEST MORTGAGE COMPANY	73.9%	62.3%	59.2%	69.1%	64.3%	58.6%	67.6%	68.3%	60.1%
LONG BEACH MORTGAGE CO.	91.6%	89.1%	85.5%	70.6%	90.5%	84.4%	90.5%	90.6%	89.2%
NATIONAL CITY BANK OF INDIANA	72.1%	79.2%	51.9%	49.3%	66.5%	47.7%	69.1%	69.3%	56.4%
DELTA FUNDING CORPORATION	48.1%	35.6%	47.5%	35.0%	37.1%	38.6%	36.6%	41.5%	35.0%
AMERICAN HOME MORTGAGE CORP.	37.6%	34.7%	15.9%	2.2%	22.2%	8.7%	32.9%	34.3%	10.0%
IDEAL MORTGAGE BANKERS, LTD.	0.6%	0.9%	0.0%	0.0%	0.0%	0.0%	0.4%	0.6%	0.5%
BNC MORTGAGE	95.4%	95.4%	95.2%	90.3%	95.7%	94.6%	95.4%	94.8%	94.3%

Table Twenty-Two
TOP 25 HMDA LENDERS
PERCENTAGE OF ALL HOME PURCHASE LOANS TO BORROWERS THAT WERE SUBPRIME BY RACE, ETHNICITY, OR INCOME
OR NEIGHBORHOODS BY RACIAL COMPOSITION OR MEDIAN INCOME
NEW YORK CITY (2005)

Institution	Borrower Characteristics					Neighborhood Characteristics			
	African-American	Latino	White Non-Latino	LMI	UI	White	Minority	LMI	UI
JPMORGAN CHASE BANK	5.4%	2.9%	1.0%	2.0%	1.2%	0.4%	3.8%	2.3%	0.7%
WASHINGTON MUTUAL BANK	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
CITIMORTGAGE, INC.	2.4%	0.9%	0.4%	2.0%	0.3%	0.1%	1.5%	1.2%	0.2%
FREMONT INVESTMENT & LOAN	96.7%	95.6%	90.9%	88.9%	95.0%	84.6%	95.9%	96.4%	92.4%
WELLS FARGO BANK, N.A.	4.5%	2.7%	0.5%	0.6%	1.0%	0.3%	3.5%	2.4%	0.4%
COUNTRYWIDE HOME LOANS	39.5%	14.9%	8.2%	13.1%	17.1%	5.8%	29.7%	24.3%	8.3%
HSBC MORTGAGE CORPORATION	2.2%	1.2%	0.1%	0.6%	0.3%	0.0%	1.1%	0.4%	0.5%
OPTION ONE MORTGAGE CORP.	81.5%	74.9%	76.9%	100.0%	79.3%	68.1%	81.3%	81.6%	71.8%
ARGENT MORTGAGE COMPANY L.L.C.	93.1%	91.3%	88.7%	62.5%	92.1%	83.3%	93.6%	95.0%	84.4%
NEW CENTURY MORTGAGE CORPORATION	93.8%	93.1%	83.7%	100.0%	90.4%	80.5%	93.4%	92.5%	84.8%
GREENPOINT MORTGAGE FUNDING	5.4%	2.2%	2.5%	0.0%	0.9%	2.1%	3.6%	4.8%	1.9%
INDYMAC BANK, F.S.B.	31.5%	25.9%	11.6%	50.0%	18.7%	12.8%	27.1%	19.9%	11.6%
BNY MORTGAGE COMPANY	4.1%	3.1%	0.5%	2.3%	0.3%	1.1%	1.6%	0.6%	0.6%
CITIBANK, N.A.	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.9%	0.0%
ACCREDITED HOME LENDERS, INC.	90.1%	88.1%	89.9%	75.0%	90.6%	88.9%	89.4%	93.1%	82.8%
WMC MORTGAGE CORP.	96.1%	95.7%	89.1%	80.0%	94.6%	91.1%	95.1%	95.6%	93.1%
BANK OF AMERICA, N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ALLIANCE MORTGAGE BANKING CORP.	13.8%	8.3%	19.2%	21.7%	14.7%	24.4%	14.4%	12.1%	20.9%
AMERIQUEST MORTGAGE COMPANY	42.9%	28.6%	50.0%	100.0%	50.0%	50.0%	53.8%	71.4%	50.0%
LONG BEACH MORTGAGE CO.	94.0%	90.0%	85.7%	50.0%	91.6%	76.0%	92.1%	90.8%	89.7%
NATIONAL CITY BANK OF INDIANA	85.9%	88.1%	56.6%	69.6%	73.7%	43.8%	81.5%	84.4%	56.9%
DELTA FUNDING CORPORATION	47.8%	63.6%	62.5%	0.0%	54.6%	0.0%	61.8%	58.6%	60.0%
AMERICAN HOME MORTGAGE CORP.	27.8%	19.2%	4.2%	7.1%	8.7%	3.6%	19.1%	18.0%	2.8%
IDEAL MORTGAGE BANKERS, LTD.	0.0%	1.3%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	1.0%
BNC MORTGAGE	96.3%	99.0%	98.2%	100.0%	97.4%	95.2%	97.6%	96.5%	95.7%