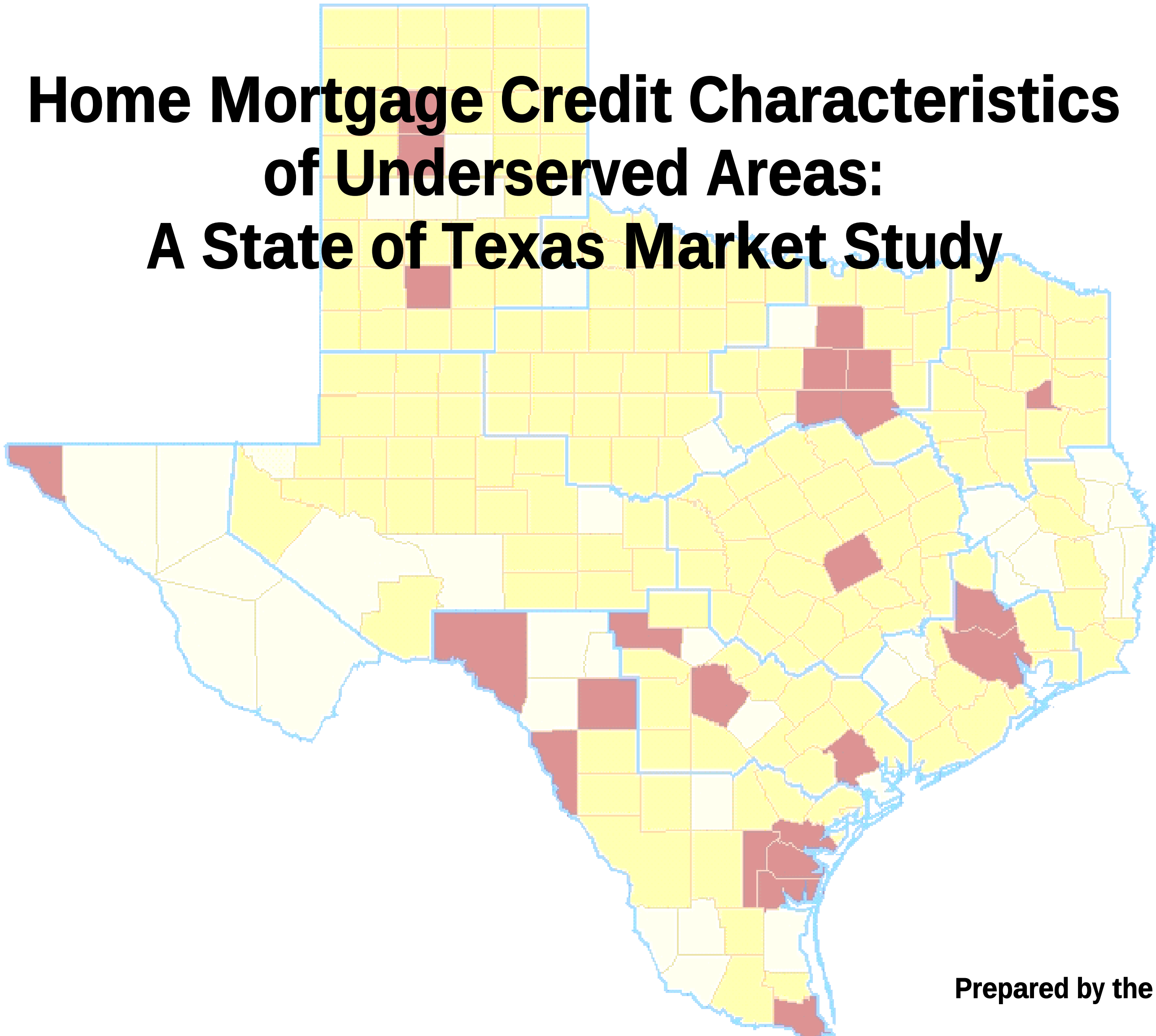
Texas Department of Housing and Community Affairs

Home Mortgage Credit Characteristics of Underserved Areas: A State of Texas Market Study



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EXECUTIVE SUMMARY

Though the homeownership rate in Texas has steadily risen to a 63.9 percent figure in 2001, the rate is nearly 4 percent off the national average. Texas urban low-income census tracts have the lowest homeownership rate at 48 percent compared to 75 percent in rural areas. A recent study found that El Paso, Corpus Christi, Laredo, Killeen-Temple, and Beaumont-Port Arthur lead all metropolitan statistical areas in the country in the highest overall level of subprime lending. Such information suggests that many Texas households may not adequately be served by traditional mortgage products and are possibly entering into unaffordable and/or predatory mortgage transactions.

As the State's lead agency for housing, the Texas Department of Housing and Community Affairs was required by Senate Bill 322 of the 77th Texas Legislative Session to conduct a market study that analyzed the potential market demand, loan availability, and private-sector mortgage-lending rates available to extremely low-, very low-, low-, and moderate-income borrowers in rural areas, border areas, and urban low-income census tracts of the state. In response to the study, the Department was to consider the viability of a single-family mortgage revenue bond product designed to meet the needs of the identified underserved economic and geographic submarkets.

The median-priced Texas home is $119,500. Assuming that all Texas households have sufficient down payment funds and credit histories, 65 percent would be able to purchase this home. Housing affordability, loan availability, debt-to-income ratio, credit history, and loan-to-value ratio are the major factors that effect loan origination. The lack of down payment funds, poor credit histories, and high debt-to-income ratios are the main obstacles to homeownership.

Rural homeownership rates are the highest at 75 percent, followed by colonia census tracts at 73 percent, border areas at 67 percent, and urban low-income census tracts at 48 percent. Rural areas have the highest percentage of one-unit housing while urban low-income census tracts have the lowest. The rural counties and the colonia census tracts have the highest percentage of mobile homes.

The approval to denial ratio for home purchase loans in the state of Texas is 7.4 for prime lenders and 2.0 for subprime lenders. The border areas have the highest approval ratio from both prime and subprime lenders at 5.5 and 2.4, respectively. For urban low-income census tracts, rural borrowers, and colonia census tracts, the approval ratios for prime lenders are 4.8, 3.6, and 2.8 and subprime ratios are 1.6, 1.6, and 1.9, respectively

Prime and subprime institutions tend to lend in areas of dense population. Prime lenders exhibit more of a tendency to lend in urbanized areas, the prime to subprime ratio is lowest along the border and in the rural areas of the western part of the state. In the study areas, the border counties receive the highest purchase-money loan volume per person from prime lenders followed by the urban low-income census tracts, the colonia census tracts, and the rural areas. The rural counties also receive the lowest subprime loan volume per person. The urban low-income tracts and the border areas both receive an equal amount and the colonia census tracts receive a slightly lower amount per person. Manufactured home lender volume is concentrated in the rural areas.

Characteristics of owner-occupied home-purchase mortgage loans in Texas

	Product Characteristics	*Borrower Characteristics*
Conventional Prime Products	60.4 percent of purchase loans in Texas Strict underwriting requirements Generally lowest interest rates Often guaranteed by private insurers	Borrowers required to have "A" credit grades Must pay PMI with down payments of less than 20 percent
FHA Products	19.1 percent of purchase loans in Texas More lenient underwriting Accepts non-traditional credit histories Low down payments offered Limits on loan amounts	Traditionally serves first-time, low-income, and minority borrowers Account for nearly 40 percent of all loans made to minorities 25 percent of borrowers have credit scores under 620 Two-thirds make down payments of less than 5 percent
VA Products	5.3 percent of purchase loans in Texas Higher loan limits than FHA Products Zero down payment products	Available only to qualified veterans
RHS Products	0.1 percent of purchase loans in Texas Available in rural areas only Borrower income limits Zero down payment products Lenient underwriting Accepts non-traditional credit histories	Average income of $21,000 May concurrently receive other types of governement assistance Significant share of minorities compared to rural population 32 percent of loans serve female single-parent households
Subprime Products	5.8 percent of purchase loans in Texas Lower loan amounts Direct marketing	Borrowers may have poor credit histories or debt-to-income ratios Borrower more likely to be low-income or minorities May be unfamiliar with basic loan terms and mortgage products
Manufactured Housing Products	9.3 percent of purchase loans in Texas Higher interest rates Lower loan amounts Loans may not include purchase of land	More likely to be first-time, white, and young or old Generally less educated than conventional borrowers Income less than 80 percent of the median

Based on the results of the market study, TDHCA will direct its single-family mortgage loan efforts according to the volume and type of mortgage products originated throughout the various Texas regions. TDHCA will focus several of its products and services to geographic regions identified with high concentrations of subprime loans. Such products will include homebuyer and credit education, subprime purchase loans, and subprime refinancing loans.

Consistent with national priorities articulated by the President of the United States and the US Department of Housing and Urban Development, TDHCA believes that education prior to the purchase of a home can increase homeownership rates and improve prospects for successful homeownership. TDHCA will continue to market homebuyer education with the new product and investigate the prospect of including educational materials specific to predatory and subprime lending. In addition, TDHCA will continue to encourage the Housing Finance Corporations across the state to include homebuyer education counselors on staff that are trained through the department's homebuyer education program.

TDHCA will allocate at least 10 percent of its total single-family mortgage revenue bond loan volume for subprime loans to meet the credit needs of borrowers in underserved economic and geographic submarkets. This figure has been derived from statistics that demonstrate that 10 percent of the single-family owner-occupied home mortgage market is attributed to subprime lenders and the fact that subprime issues are costlier than prime issues. For these reasons, TDHCA has elected to make a cautious entrance into this market with a minimum 10 percent offering.

Of the total 10 percent owner-occupied subprime loan allocation, the Department proposes that 46 percent be allocated for home purchase and 54 percent be allocated for refinance purposes. These percentages are consistent with the subprime mortgage loan figures reported in the analysis. TDHCA will offer subprime purchase mortgage loans in Regions 3, 6, 7, and 8A because, according to the market study, these regions had the highest rates of subprime purchase mortgage loans in Texas in 2000. TDHCA will offer subprime refinance mortgage loans in all regions of Texas. Approximately one-third of all refinance mortgage loans were subprime refinance mortgage loans throughout all Texas regions.

Within the purchase and refinance categories, TDHCA will further target the loans geographically e.g. rural, urban low-income tracts, and border. The successful origination of subprime mortgage loan products is highly contingent upon effective and timely product marketing. Marketing of previous bond products to rural lenders has been challenging in the past. An investment in radio advertisements in several East Texas markets did not produce the expected volume of loans. Face-to-face marketing meetings with rural lenders in less-populated areas also did not produce expected results.

The offering of subprime mortgage loans will require further research and development into credit-enhancement options. TDHCA will attempt to structure subprime and purchase loans using Fannie Mae and Freddie Mac guarantees, which assume the full risk of the loan. In any event, if bonds secured by subprime loans are unfeasible or would damage the financial condition of TDHCA, TDHCA's Board may formally appeal to the Bond Review Board for modification or waiver of certain terms.

INTRODUCTION TO THE STUDY

The Texas Department of Housing and Community Affairs is the State's lead agency responsible for affordable housing, public and energy assistance programs, and colonia activities. In fiscal year 2001, TDHCA served 969,488 individuals and households through Department programs; 20,158 households (90.5 percent of which were considered very low income) were served through housing programs that include the HOME Investment Partnerships Program, the Housing Trust Fund, Section 8, Low Income Housing Tax Credits, the Multifamily Bond Program, and the Single Family Bond Program.

The Single Family Bond Program provides home-purchase assistance for qualified individuals through the First Time Homebuyer Program and the Down Payment Assistance Program. These programs are funded through taxable and tax-exempt mortgage revenue bonds, which provide below-market interest-rate funds for single-family homebuyers who qualify for an industry-standard mortgage loan and meet program requirements. In FY 2001, the Single Family Bond Program created homeownership opportunities for 1,781 families, of which 47.3 percent were very low income, with $91,211,344 in funds. These numbers include special loans such as the Bootstrap Loan Program or Contract for Deed Conversions that used single-family bond funds. Since 1994, the Single Family Bond Program has assisted 14,046 families.

Homeownership in Texas is growing. According to Census data, the homeownership rate increased from 59.7 percent in 1994 to a 2001 figure of 63.9 percent – but nearly 4 percent off the national average of 67.8 percent. Information suggests that markets exist in the State that are underserved by traditional mortgage lending products.

Senate Bill 322, passed during the 77th Texas Legislative Session, mandated that the Texas Department of Housing and Community Affairs conduct a market study to determine the mortgage credit needs of underserved economic and geographic submarkets of the State. It is assumed that higher income, particularly urban and suburban, areas are adequately served by the existing home loan mortgage market. According to Section 2306.142(d) of the SB 322:

> The department or its designee shall analyze the potential market demand, loan availability, and private sector home mortgage lending rates available to extremely low, very low, low, and moderate income borrowers in the rural counties of the state, in census tracts in which the median family income is less than 80 percent of the median family income for the county in which the census tract is located, and in the region of the state adjacent to the international border of the state.

In conducting the study, the Department is to analyze, in the underserved economic and geographic markets described above, the following: homeownership rates; loan volume; loan approval ratios; loan interest rates; loan terms; loan availability; type and number of dwelling units; and the use of subprime mortgage loan products. This study will focus on original owner-occupied home-purchase mortgage transactions, which, according to 2000 Home Mortgage Disclosure Act data, comprise 75 percent of all owner-occupied mortgage lending in the state, but refinance data will also be included in the analysis section as this market has seen a dramatic increase in subprime lending. Non-owner-occupied, multifamily, and home improvement loans will be omitted.

Through the analysis of this data, it is predicted that the Department will gain an understanding of mortgage-lending availability throughout the State. In response to this study, the Texas Department of Housing and Community Affairs is to consider the viability of a single-family mortgage revenue bond product designed to meet the needs of the studied underserved economic and geographic submarkets. Explicitly, according to SB 322 Section 2306.142(l), "subject to the identification of a satisfactory market volume demand," the proposed output of the study is to determine the need to, "allocate not less than 40 percent of the total single-family mortgage revenue bond loan volume to meet the credit needs of borrowers in underserved economic and geographic submarkets in the state." SB 322 includes a section referencing the mortgage needs of borrowers who have A- to B- credit grades.

This study will utilize 2000 Home Mortgage Disclosure Act data, which is the most comprehensive data publicly available at this time on mortgage transactions. 2000 census data will also be used when available, however, due to incomplete data releases and census tract inconsistencies, the 1990 census will also be used. For a detailed discussion on additional data sources and related uses, consult the Methodology in the Appendix and the Data Analysis section.

For the purpose of this study, three economic and geographic submarkets have been specifically selected for analysis: rural areas, border areas, and low-income census tracts. A rural county is one that does not include any boundary of a metropolitan statistical area (MSA); 196 counties have been designated as "rural." Border areas are defined according to definition of a colonia, which is a geographic area located in a county within 150 miles of the international border of the State. This study will include analysis of the 75 counties included in this definition and a separate analysis on specific colonia census tracts. Low-income census tracts have been identified as non-rural (urban) census tracts that have a median family income that is less than or equal to 80 percent of the MSA median family income. Data analyzed for these submarkets includes: income levels and poverty rates, homeownership rates, loan volume, subprime loan volume, loan approval ratios, loan interest rates and terms, delinquency and default rates for mortgage loans, type and number of dwelling units, loan availability, and housing affordability.

The Texas Department of Housing and Community Affairs envisions this study to be an informative report on mortgage lending and a tool in evaluating mortgage-credit needs throughout the State. It should be stressed that this is a foundation and not a static document; TDHCA intends to revise the report in an effort to remain informed of statewide trends.

INFORMATION ON MORTGAGE LENDING

The Texas Department of Housing and Community Affairs' Single Family Bond Program serves households up to 115 percent of area median family income in areas not federally designated as a targeted area with an emphasis on those households at 60 percent or below. Though low-income households are targeted through this program (88.2 percent of all households assisted in 2001 were low-income), SB 322 includes a provision, Section 2306.142(h), that the Department allocate bond funds to underserved economic and geographic submarkets as its highest funding priority. Within this section, there are four divisions: Factors That Effect Mortgage Origination, Barriers to Homeownership, Mortgage Products, and CRA and HMDA.

FACTORS THAT EFFECT MORTGAGE ORIGINATION

There are numerous steps involved in the purchase of a home. However, before an individual can advance to the mortgage qualifying and underwriting stage, he/she must first be able to locate an affordable house and seek assistance from a mortgage lender.

HOUSING AFFORDABILITY

In the State of Texas, the 2000 census finds that 66.4 percent of the estimated 8,157,576 housing units are single-family detached or attached, 25.3 percent are two units or more, 8 percent are mobile homes, and .1 percent are boats, recreational vehicles, vans, etc.[1] There exists a unit vacancy rate of 9.4 percent and of this total, 11.2 percent of units are for sale only and 32.6 for rent. Furthermore, American Housing Survey data shows that approximately 30 percent of all owner-occupied units constructed in the US between 1997 and 1999 were considered affordable for a household earning 80 percent or less of the area median income (Collins *et al* 2001, 14). Significantly, 69 percent of these new units were mobile homes where approximately 66 percent of occupants did not actually own the land.

This lack of affordable housing has become a major concern. Calculations of 2000 census data estimate that 39 percent of renters and 21 percent of owners in Texas are financially burdened by definition that they spend more than 30 percent of their gross annual income on housing costs.

According to the Real Estate Center at Texas A&M University (2002b), in the fourth quarter of 2001, only 65 percent of Texas households (assuming that all households had sufficient credit histories and down payment funds) had enough income to purchase the median-priced home of $119,500. Census data affirms that the median household income in Texas for 2000 was $45,861.

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[1] "Mobile home" is used in this report for consistency with any references that use this term. Specifically, "mobile home" is a US Census designation that refers to a dwelling that is transported to the home site on a permanent chassis. TDHCA prefers the use of "manufactured home" for dwellings of this construction.

The subjects of housing affordability and loan availability will be examined further in the Data Analysis section of the report. Information is grouped by Texas region and then submarket.

Loan Availability

Loan availability will be analyzed through information on lender branch locations and HMDA loan application data. Especially in rural areas, the inaccessibility of mortgage lenders and financial services creates an important issue. Carr and Scheutz (2001) provide a detailed national analysis on the subject and note that 12 million US households (this is 11 percent of total US households according to 2000 census figures) do not have any type of relationship with traditional financial institutions and thus rely on cash exchanges or fringe financial services. The authors report that those who do not utilize traditional services cite banking unfamiliarity, banking expenses, distrust of the financial system, and financial inaccessibility as reasons for this choice. In a comparison between a lower-income and higher-income neighborhood in Los Angeles, one depository institution served 36,000 residents in the lower-income neighborhood compared to one every 1,250 residents in the higher-income area. Areas with few conventional options and heavy concentrations of fringe services such as check-cashing centers and payday lenders have seen an influx of subprime lenders.

This concentration of subprime lending is not surprising since traditional mortgage underwriting generally requires that the applicant provide income documentation, information on cash reserves, and information on past financial responsibilities. A mortgage is a loan from a lender to an individual where the property is considered collateral should the loan default. The lender decides whether to approve a loan through a process called "underwriting." Underwriting evaluates the risk of a potential lending transaction through examination of factors such as an applicant's loan repayment ability, an applicant's credit and debt history, and other property-related characteristics.

For those individuals and households that do not utilize financial services, it may be difficult for a lender to assess an applicant's ability to repay a mortgage loan. Lenders may require bank statements, investment information, and income verification as evidence that an applicant can afford monthly mortgage payments. Harris *et al* (2001) describe two different ratios used by lenders to determine if an applicant has the income needed to repay the loan without the loan becoming financially burdensome.

Debt-to-Income Ratio

The "front-end" calculation involves the ratio of the would-be monthly mortgage payment and related housing expenses (including loan principal and interest, property taxes, and insurance (PITI)) to total gross monthly income. On average, conventional loans (that would be purchased by Fannie Mae or Freddie Mac) have a ceiling of 28 percent. Conventional loans with private mortgage insurance (PMI), meaning those loans that were issued without a 20 percent or greater down payment, have a ceiling of 25 percent, while Federal Housing Administration (FHA) loans cap at 29 percent. Spending more than 30 percent of one's monthly gross income is considered a housing cost burden and spending 50 percent is considered an extreme cost burden.

The second "back-end" calculation is a total debt-to-income ratio. This is a computation of an applicant's total monthly debt obligation compared to his/her gross monthly income. The total debt includes housing costs as well as existing debt, such as minimum credit-card payments, automobile payments, or consumer loan debt. This limit is generally set at 36 percent for conventional loans, 33 percent for conventional PMI loans, and 41 percent for FHA loans.

Fannie Mae (2000a) makes special note of self-employed borrowers, who may have fluctuations in personal income as cash flow is often directly affected by business performance. Furthermore, "research has shown that self-employed borrowers tend to default on their mortgages more often that salaried borrowers, all other things being equal" (Fannie Mae 2000a, 27). It may be assumed that inconsistent or unpredictable employment histories among any borrower could have an adverse effect on the underwriting process.

CREDIT HISTORY

Perhaps the foremost factor in mortgage underwriting is the evaluation of an applicant's credit report in an effort to determine how he/she has traditionally managed credit. A credit report is a record of an individual's credit and includes information about credit history, account statuses, credit card account listings, credit inquiries, and public-record items such as bankruptcies, foreclosures, or accounts in collection.

Experian is one of three main credit bureaus, together with Equifax and Trans Union, that collect information on individual consumer credit habits. In their report, credit information is divided into five sections: potentially negative items, accounts in good standing, requests for credit history, personal information, and a personal statement, which is an explanation of any credit information that an individual may elect to add to the report. Experian notes that not all creditors may report information to their company.

Fannie Mae (2000a) explains how certain credit factors on a credit report may be detrimental to a mortgage application. Credit accounts listed in a report include information on an individual's payment history. Fannie Mae notes that individuals with payment delinquencies within a few months of applying for a loan pose more risk than an individual with payment delinquencies a few years ago. In addition, many inquiries for credit or an abundance of currently utilized credit may signal that an individual is financially overextended. Obviously, bankruptcies, foreclosures, or evidence of accounts in collection may signal that an applicant has had a difficult time managing credit in the past.

However, it should be added that a survey of debtors in 1999 revealed that approximately 25 percent of individuals filing for bankruptcy indicated substantial medical debt as a main reason (Warren *et al* 2000, 4). This suggests that unfortunate circumstances of which an individual has no control or prior knowledge may be a substantial factor in credit history problems. In addition, illness or death in the family accounted for 7 percent of all reasons for mortgage default based on a study of mortgage loans from a major bank in the late 1980s (Capone 2002, 13). The study found that job loss or reduction in income was the most significant factor for default followed by financial problems not associated with income, divorce, illness or death, legal problems, and catastrophe.

Through the comparison of personal credit factors to historical credit data, individuals receive a credit score that numerically quantifies future credit risk. This score is commonly referred to as a FICO score, because the basic mathematical model was originally developed by Fair, Isaac and Company. The top FICO score is 850 and credit risk increases as a score decreases. FICO (2002a) estimates that 20 percent of the general population has a score below 620, 20 percent scores between 620 and 690, 20 percent between 690 and 745, and the remaining percentage has scores over 745.

FICO (2002b) evaluates five main information categories in determining a score.

- Payment History: comprises 35 percent of a score and includes details on payments (late or on time) and any public-record items.
- Amounts Owed: comprises 30 percent and considers how much money is owed on any accounts. Accounts with high balances may indicate an overextension and risk of late payments.
- Length of Credit History: comprises 15 percent of the score where longer history generally suggests decreased risk.
- New Credit: comprises 10 percent and includes newly opened accounts and any inquiries for credit. FICO notes that “rate shopping” does not signify a higher risk and will not lower a score.
- Types of Credit Use: comprises the final 10 percent and considers what type of accounts (e.g. credit card, retail, and automobile loans) an individual maintains. According to FICO, this category is not a main factor.

Credit histories and scores are a major factor in a sort of grading system used by lenders to place applicants according to perceived risk. It is estimated that credit scores are used in 80 percent of all mortgage decisions (Handley 1998). According to Consumer Reports (2001), a borrower with an “A” grade is quoted the best rate and terms due to lower risk. (According to Freddie Mac (2002a), in 2001, the average interest rate on a 30-year fixed-rate mortgage was 6.97 percent.) “A” borrowers have credit scores of at least 660 and generally no more than 1 late consumer credit payment. Borrowers not classified as “A” are considered subprime designated by grades “A-,” “B,” “C,” or “D.” According to *Inside B&C Lending* (2002, 2, 11), lower credit grades may be characterized by the following (mortgage rates are based on rate quotes from subprime lenders on 30-year fixed-rate mortgages as of 3/8/02):

- "A-" Credit: score of over 580; average interest rate of 9.71 percent with an 85 percent loan-to-value (LTV) ratio; accounted for 70.7 percent of subprime mortgages in 2001.
- "B" Credit: score of 560-579; average interest rate of 9.97 percent with an 80 percent LTV ratio; accounted for 10.7 percent of subprime mortgages in 2001.
- "C" Credit: score of 549-559; average interest rate of 11.14 percent with a 75 percent LTV ration; accounted for 8.1 percent of subprime mortgages in 2001.
- "D" Credit: score of 548 or below and accounted for 10.9 percent of subprime mortgages in 2001.

In terms of default risk, Capone (2002, 10) notes that a borrower with a credit score around 580 has a 50 percent chance of having a 90-day default on credit (including both consumer and mortgage credit) in a two-year period, a borrower with a score of 620 has a 33 percent chance, a borrower of 720 has a 6 percent chance, and a borrower with a score of over 800 has only a one percent chance.

Unfortunately, although credit scoring appears to be significant in the classification of a subprime borrower, TDHCA was unable to obtain credit information on mortgage loans for this analysis. The Home Mortgage Disclosure Act does not require collection of this information and the Department was unable to secure access to existing private databases on the matter. However, the Texas Legislative Council is currently conducting a study of mortgage lending in Texas with an emphasis on high-cost subprime and predatory loans. It is the Department's understanding that this study will also include the collection of credit score information for the analysis of mortgage data. TDHCA is eager to interpret the findings.

Though Fannie Mae (2000a) noted that it did not use FICO credit scores to determine risk in its Desktop Underwriter, which is a proprietary automated system used to analyze mortgage application data, they have modified the system and are now using the score (2002a). Freddie Mac also uses FICO scores in their Loan Prospector automated underwriting system (Freddie Mac 2002c). Straka notes that these automated scoring tools have allowed tradeoffs between traditional underwriting risk factors that have enabled the lending industry to introduce non-traditional products such as 97 percent loan-to-value mortgages (Straka 2000, 217).

Loan-to-Value Ratio

The loan-to-value ratio is the principal amount of the loan relative to the value of the home. For initial home purchases, the amount of an applicant's down payment, or more importantly the amount of financial interest that a buyer intends to invest in the property, is significant in underwriting. Fannie Mae (2000a) notes that lending risk is lowered relative to increased home equity. This perceived risk is reflected in the commonplace practice that applicants pay private mortgage insurance for conventional mortgage loans with down payments less than 20 percent. Mortgage loans may also be insured through the Federal Housing Administration, Rural Housing Service, or Veterans Affairs, where the government assumes the risk of the loan.

Affordable mortgage loans or those with down payments less than the traditional 20 percent and as low as 3 or zero percent have become increasingly popular in recent years. Such loans enable lower-income individuals, typically those who do not have the savings for a significant down payment, the opportunity to purchase a home. However, research has indicated that loans with low down payments have higher default rates.

Capone (2002, 8-9) presents several studies with comparable findings on this subject. One case examined loans purchased by Freddie Mac that were originated between 1975 and 1983 and had defaults from 1983 to 1992 – results discovered that those loans with down payments of 5 percent defaulted at double the rate of loans with 10 or 15 percent down. A look at affordable loans originated in the early 1990s found that loans with higher debt-to-income ratios and 5 percent down payments had default rates 2.5 times the average. Furthermore, loans with only 3 percent down were 6 times more likely to default. The average used is a two-to-three percent lifetime default rate on all Freddie Mac loans.

However, based on the study of a sample of 1981 USDA Section 502 program borrowers who defaulted between 1981 and 1987, the authors found that home equity, captured as loan-to-value, had no effect on default. Rather, for this sample, cash-flow changes (such as the loss of the mortgage subsidy) or crisis events (such as divorce) had significant effects on default (Quercia *et al* 1995, 394).

HOMEBUYER EDUCATION

It is imperative to include a discussion on the role of homebuyer education in mortgage lending. Pre-purchase homebuyer education has become a common requirement in many affordable lending products or a recommended step in the process, as with TDHCA's First Time Homebuyer Program. In a controlled analysis of Freddie Mac Affordable Gold loans, research showed that, on average, those borrowers who received counseling were 13 percent less likely to become 60 days delinquent with payments compared to comparable borrowers who did not participate in the counseling (Hirad and Zorn 2001, 1-2). Furthermore, the authors concluded that this percentage was raised to 23 percent for classroom education and 41 percent for individual counseling; telephone or home study curriculums did not seem to lower the delinquency risk.

The National Task Force of Predatory Lending, co-chaired by the US Department of Housing and Urban Development and the US Department of Treasury, finds (2000) that many victims of predatory lending are uneducated with regard to basic finances and loan terms. Cited is a study where 12 percent of subprime borrowers said they were unfamiliar with the terms "interest rate" and "principal" and one-third were not aware of the different available mortgage products. The Task Force concludes that, because evidence suggests that many subprime borrowers could have qualified for prime credit, if these borrowers had been educated, they would not have entered into the transaction (HUD-Treasury 2000, 59-60).

Freddie Mac (2002b) has introduced a product called CreditWorks, which helps credit and debt-impaired individuals improve their financial situations and qualify for a market-rate mortgage product. CreditWorks requires that borrowers participate in a Debt Management Product through a local credit counseling agency and take pre- and post-purchase homebuyer education courses. Rather than steer a credit-impaired borrower toward a subprime loan, this product allows an applicant who has made scheduled payments for at least 18 months apply for a market-rate product.

Homebuyer education may also decide the suitability of homeownership. One documented study that examined an early 1990s homebuyer education program in Michigan found that of program participants, one-third continued the home-purchase process, one-third delayed the purchase, and the remaining third elected not to purchase a home (Capone 2002, 17).

BARRIERS TO HOMEOWNERSHIP

Senate Bill 322 ordered the detailed analysis of three specific economic and geographic submarkets: Rural Areas, Border Areas, and Low-Income Census Tracts. The Department has also decided to include People with Disabilities in this discussion. This section will examine how certain factors addressed in the previous section can specifically affect each of these groups. It is assumed that obstacles such as the lack of down payment funds, lack of credit, and financial literacy concerns extend across all markets. The major constraint to homeownership for low-income individuals is lack of savings to meet down payment requirements (Millennial Housing Commission 2002, 20). Analyses of 2000 HMDA data found that credit history followed by debt-to-income ratios were the main reasons for denial among lenders that reported such reasons.

RURAL AREAS

For purposes of this study, rural areas are defined as counties that do not contain any part of a metropolitan statistical area (MSA). Of the 254 counties in the State, 196 have been designated as rural counties.

Census data states that the national homeownership rate in 2001 was 67.8 percent. Notably, the rate in metropolitan areas was only 66.1 percent, but rural areas (outside metropolitan areas) had a 75.0 percent homeownership rate. Analysis of census data for Texas found urban rates at 62 percent and rural rates at 75 percent. 2000 data shows that 72.9 percent of housing units in rural Texas areas are single-family detached, compared to 66.5 percent throughout the State. Mobile homes account for 18.4 percent of rural units while the State average is only 9 percent.

Though the cost of living is generally lower in rural areas (Housing Assistance Council 2000, 10), annual incomes are also lower. The US Department of Agriculture calculates that, in 1998, rural families had a median family income of $38,006 compared to a median urban income of $49,016 (USDA: Economic

Research Services 2000). This report finds that, despite these lower rural incomes, the average homeownership costs for rural areas compared to the rest of the state are nearly identical.

Though the authors find that the rural homeownership rate in Texas at is 75 percent, individuals in rural markets may have particular difficulties in achieving homeownership. "Quality" credit and mortgage services are difficult to locate in rural areas, and the remoteness of such areas may cause lenders to raise costs (HAC 2000, 21).

A survey of 1997 American Housing Survey data concluded that only 54.4 percent of nonmetro households with mortgages had interest rates less than 8 percent compared to 62.9 percent of metro owners. Furthermore, an astounding 16.8 percent of rural owners, nearly double the percentage of metro owners, had rates over 10 percent (HAC 2000, 20-21). HAC further notes that an estimated $300 million annually is paid in additional interest due to rural rate increases.

Border Areas

In keeping with the Department's definition of a colonia, border areas include those 75 counties that are located within 150 miles of the international border. Also included in the report is a separate analysis on specific colonia census tracts.

A colonia, which is Spanish for neighborhood or community, is a geographic area located within 150 miles of the Texas-Mexico border that has a majority population of households of low and very-low income. It is estimated that the average median household income is between $7,000 and $11,000 for the 1,450 colonias that accommodate over 350,000 residents (Center for Housing and Urban Development, 2002). Colonia residents are generally unskilled, lack a formal education, and do not have stable employment. It is assumed that many residents work as day-to-day or farm laborers and the unemployment rate ranges from 20 to 60 percent (Moncada, 2001).

Moncada (2001) states that unsteady income, a general distrust of financial institutions, and a tendency toward cash-based transactions lead to the infiltration of alternative forms of finance. Erratic income may prove difficult in qualifying for a traditional mortgage or saving for a down payment. In addition, the unlikelihood that residents use financial services will be especially difficult in developing a credit history. It is not uncommon for subprime and alternative lending outlets to offer products that do not require financial documentation.

The study of 2000 census data finds that 75 percent of housing units in border counties are owner-occupied and results from 1990 census data (1990 information is used for tract-level analysis because detailed 2000 census information was not yet released at time of publication) conclude that colonia tracts have a 73 percent ownership rate.

Despite the high homeownership rate in colonia census tracts, colonia homes are inadequate. Households may purchase lots for as little as $20 down and build dwellings out of recycled materials or establish decrepit trailers or campers on the property (Center for Housing and Urban Development, 2002). Census date from 1990 concludes that 4.3 percent of colonia dwelling lack kitchen facilities and 6.5 percent plumbing facilities. Approximately 50 percent of colonia residents who lack basic water and sewage systems: 51 percent use septic tanks, 36 percent use cesspools, 7 percent use outhouses, and 6 percent use other wastewater systems (Moncada, 2001). Some of these properties may have been purchased with contracts for deed, which are seller-financed transactions that do not transfer the title and ownership of the property to the buyer until the purchase price is paid in full.

Low-Income Census Tracts

Low-income census are defined as census tracts that have an average median family income that is 80 percent or less than the average median family income of the MSA, as the focus of this submarket is on urban areas.

Perhaps the most obvious barrier to homeownership for low-income families is the inability to locate affordable housing. In using the $45,861 median family income figure for the State and using the standard calculation that an affordable home is no more than two-and-one-half times annual income, a home priced at $114,653 would be the most the median family could afford. Comparing this number to the Real Estate Center's median price of $119,500 suggests a slight affordability issue, but if this calculation with respect to a household at 80 percent of the median income is considered, the situation is even more dismal.

According to Real Estate Center (2002a) data, 65.4 percent of Texas homes sold in 1994 were priced below $100,000. In 2001, homes under this price accounted for just 33.1 percent of all sales. In comparing this to research that finds only modest gains in average income for the lowest national income quintiles since 1975, but finds that households in the highest quintile saw an income increase of 55 percent (Joint Center for Housing Studies 2002a, 3), it can be deduced that housing costs are rising more rapidly than incomes for the majority of Americans.

Though it is assumed that urban areas have greater access to financial services than rural areas, there is evidence that urban areas are not created equal. As cited above, a study of two Los Angeles areas found that the upper-income neighborhood had 1,250 residents to one financial institution compared to 36,000 residents in the lower-income neighborhood (Carr and Scheutz 2001, 7). This may an underlying principle to the estimate that only 25 percent of households with an income below 80 percent of the area median income hold a bank account and less than 50 percent have a credit card (Joint Center for Housing Studies 2002a, 27).

1990 census data maintains that the homeownership rate in low-income Texas census tracts is 48 percent. However, it should be noted that many elderly households are designated as low income and purchased homes when they had higher incomes, thus probably inflating the statistic (Joint Center for Housing Studies 2002a, 26).

People with Disabilities

Based on 1998 census data, nearly 3 million of the 45 million total people with disabilities live in Texas (Fannie Mae 2000b, 1 & 13). Of this national total, more than half live in the home of another person or in an institutional setting (Klein and Nelson, 1999) and less than 5 percent of disabled adults receiving Social Security benefits own their own home (Fannie Mae 2000b, 1).

Many of the barriers to homeownership presented for individuals in low-income census tracts apply here. In 2000, the Social Security Income (SSI) monthly payment in Texas was $512, which translates to only 18.4 percent of the state median income (O'Hara and Miller 2001, 35). For an individual receiving only SSI income, this amounts to $6,144 annually. This presents a severe housing affordability problem. Calculating home purchase affordability for an individual earning $6,000 yearly, he/she can only afford a home of $15,000.

The receipt of SSI and other government benefits (such as Medicaid) may prove especially difficult in the accumulation of down payment funds. Specifically, individuals receiving SSI may not save more than $2,000 in cash assets without jeopardizing benefits (Fannie Mae and National Home of Your Own Alliance 2000, 3). The Institute on Disability suggests strategies to overcome the lack of down payment funds, such as using gift funds, including the down payment as part of the loan, or using local homebuyer programs (Klein and Nelson, 1999). They also list other barriers such as high housing costs, credit history concerns, low incomes, support services needs, legal questions, and meeting underwriting criteria (please consult reference for detailed information).

In an effort to address to housing needs of people with disabilities, Fannie Mae has introduced mortgage products to address some of these barriers. In addition to Community Lending mortgages that offer low down payments, acceptable alternative sources for down payments and closing costs, and nontraditional credit histories, HomeChoice is Fannie Mae's initiative specifically designed for people with disabilities. This product offers greater flexibility in qualifying and underwriting (including debt-to-income ratios), the acceptance of nontraditional credit histories (such as rent or utility payments) and a 3 percent down payment where only $500 must be from the borrower's own funds (Fannie Mae, 2002b). In addition, because locating accessible properties may also be difficult for people with disabilities, this mortgage may also be used in conjunction with subordinate financing for accessibility modifications with a maximum loan-to-value ratio of 120 percent.

MORTGAGE PRODUCTS

This section will attempt to explore the characteristics of various lending products: Conventional Prime Products, GSE Products, Government-Backed Products, Bond Products, Subprime Products, Manufactured Housing Products, and Predatory Lending.

It is appropriate to preface this section with a brief comment on lender economics. Litan *et al* (2000) present a detailed discussion on lender market decisions that finds that financial institutions have a tendency to avoid initial market entry if there are no plans for other institutions to join in the entrance. Unsaturated markets may present a risk for lenders because of volatility due to the lack of accurate information about housing values (because of presumably infrequent home sales) and the higher cost of lending due to unavailable information. "The end result can be a downward spiral – less lending, fewer appraisals, even less lending, and so forth" (Litan et al 2000, 47).

Conventional Prime Products

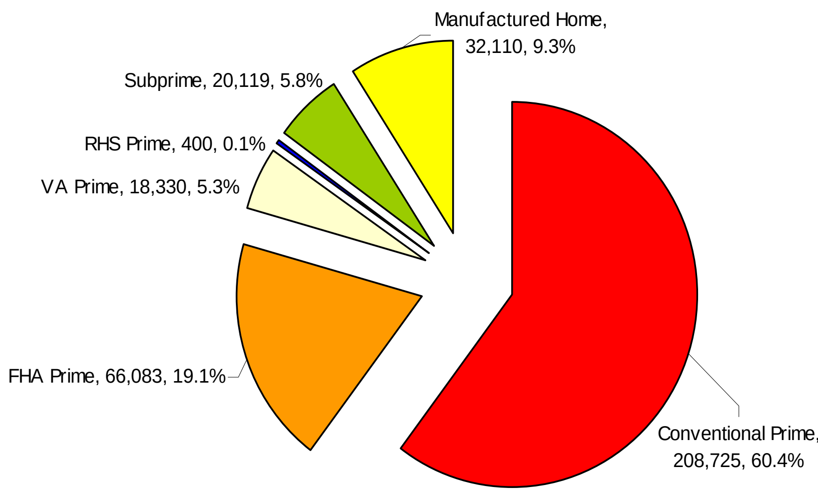
Prime mortgage loans that are not government-backed (such as Federal Housing Administration, Veterans Affairs, and USDA Rural Housing Service loans) are included in this discussion. Though loans purchased by the government-sponsored entities (GSEs) Fannie Mae and Freddie Mac are considered conventional, GSEs will be discussed as a separate category because of their special status.

Prime conventional loans are those generally funded through a bank, depository, or savings and loan that offer the lowest interest rates. Because the government does not guarantee these loans, there is risk involved for the lender, which means that these loans have strict underwriting requirements. The typical borrowers who qualify for these loans have a credit score higher than 650, no past late mortgage payments, and no more than one 30-day late payment on consumer credit (US Department of Housing and Urban Development and the US Department of Treasury 2000, 33). As indication of the high credit scores found in prime conventional lending, HUD and the Department of Treasury further note that the average credit score of the top 30-year mortgage pools of non-GSE mortgage-backed securities in the third quarter of 1999 was 721.

For conventional loans that have a loan-to-value (LTV) ratio higher than 80 percent, private mortgage insurance (PMI) is generally required. Though government-backed loans assume the higher risk of default with higher LTV ratios (please refer to Factors that Effect Mortgage Origination for further discussion on default rates), conventional mortgage issuers need to protect the investment by adding PMI to the cost of the loan. The popularity of low down-payment loans is recent: in 1990, loans originated with down payments of 5 percent or less comprised only 3 percent of the total while 16 percent of all loans in 2000 had down payments that low (Millennial Housing Commission 2002, 20).

Prime mortgages constitute the bulk of mortgage lending today. Nine out of 10 home purchase and refinance loans originated in the nation are prime (Litan *et al* 2000, 20). 2000 HMDA data shows there were 208,725 (approximately 60 percent of the total number) prime conventional home purchase loans (this figure excludes FHA, VA, RHS, subprime, and manufactured housing loans) in Texas.

Owner-Occupied Home-Purchase Loans in Texas[2]



Nationally, according to 2000 HMDA calculations by Bunce (2002, Table 1), loan characteristics of the conventional conforming market (this includes the loans of identified subprime lenders) are as follows: 29.8 percent of loans went to low-income borrowers, 5.9 percent to African-Americans, 8.3 to Hispanics, 21.2 to minorities, 12 percent were made in low-income census tracts, and 27.1 percent were made in underserved areas.

Prime mortgages also have the lowest delinquency rates: through December 2001, between .95 and 1.15 percent of mortgages in Texas are seriously delinquent (at least 90 days past due) or in foreclosure (Market Pulse 2001, 4).

GSE Products

Fannie Mae and Freddie Mac are government-sponsored entities (GSEs), which means that they were created by congress to serve the public. GSEs are private shareholder-owned companies, but because of their congressional charters to serve public purposes, they are regulated by the US Department of Housing and Urban Development (HUD). This status gives them special advantages including the exemption from state and local taxes and Securities and Exchange Commission registration requirements and a high credit rating due to their connection with the government (HUD, 2000a).

[2] It should be noted that designations in this figure are based on HUD's Subprime and Manufactured Housing Home Lender List. Thus, because of limitations (see the CRA and HMDA section for further explanation) some subprime or manufactured housing-designated lenders may also originate government-backed mortgages and are not reflected in these numbers.

The role of GSEs is to fund future mortgages by purchasing originated loans directly from lenders and then packaging the loans into mortgage-backed securities for sale to investors (HUD, 2002). HUD sets three goals that direct the entities to purchase certain loans that support affordable housing: the Low- and Moderate-Income Goal requires that at least 50 percent of the loans purchased by Fannie and Freddie must be for households earning less than the area median income; the Special Affordable Goal requires at least 20 percent of purchases be for very low- or low-income families (60 and 80 percent of area median income respectively); and the Geographically Targeted Goal requires 31 percent of the purchases be in underserved areas (as defined by HUD's rule) (HUD, 2002).

Though the GSEs do not actually originate loans, they do develop products designed to meet the above goals that lenders may choose to originate with the notion that the originated loans will be purchased. Government-sponsored entities are obligated to "extend the benefits of the secondary mortgage market to a broad range of Americans," which includes "low- and moderate-income families, first-time homebuyers, and residents of communities underserved by mortgage credit" (HUD, 2000a). Fannie Mae offers various Community Lending products (including the Community Home Buyer's Program, Fannie 3/2, and Fannie 97) that are generally available exclusively to individuals who have annual incomes less than the area median and allow higher debt-to-income ratios, down payments as low as 3 percent, and little or no required cash reserves at closing (Fannie Mae 2000c, 4-5).

In attempts to attract borrowers from the subprime market, both Fannie Mae and Freddie Mac have developed products for the credit-impaired. Fannie offers an Expanded Approval product that is available to individuals with minor credit problems with a minimum 3 percent down payment. In addition, some individuals may qualify for a 1 percent rate reduction after 24 consecutive payments through the Timely Payment Rewards Program (Fannie Mae, 2002c). Freddie Mac offers the comparable A-minus Offering product that also includes an Affordable Merit Rate interest rate reduction feature (Freddie Mac, 2001).

Despite these efforts, the GSEs lag behind the total market for home purchase mortgages. For 2000, though 33.8 percent of mortgages in the total market were made to low-income borrowers, only 25.9 percent were purchased by the GSEs (Bunce 2000, Table 1). The total market share for African-Americans, Hispanics, and Minorities was 8.3, 10.9, and 25.4 percent respectively with the GSEs purchasing only 4.2, 7.3, and 18.9 percent of the loans. The GSEs also purchased 9.4 percent of 13.5 percent total loans originated in low-income census tracts and 23 percent of the 30.3 loans originated in underserved areas.

GOVERNMENT-BACKED PRODUCTS

Mortgages through the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), and the USDA Rural Housing Service (RHS) are all government-backed products. Government-backed products have more lenient qualifying ratios, low down payments, and accept non-traditional credit histories, which make them attractive to lower-income individuals who might not otherwise qualify for a conventional loan. It should be mentioned that government-backed loans have higher delinquency rates compared to conventional loans: though December 2001, nationally, 5.15 percent of government loans were seriously delinquent compared to only .69 percent of 30-year fixed-rate conventional mortgages (Market Pulse 2001, 4).

FHA loans, which are available to anyone, have loan amount limits that range from $132,000 to $239,250, depending on area, and require down payments of less than 5 percent (HUD, 2001). VA loans are available only to qualified veterans and are generally limited at $240,000 with the possibility of a zero-percent down payment (VA Home Loan Guaranty Services, 2001).

The USDA Rural Housing Service offers slightly different programs as it funds both direct and guaranteed loans that have no required down payments in rural areas only. The guaranteed Section 502 loan is available to families up to 115 percent, Direct Section 502 loans are funded directly from the government and are available only to very low- and low-income individuals (earning 80 percent or less of the area median income), and Section 502 Mutual Self-Help Housing Loans are available to households with incomes 80 percent of less than the area median income who contribute approximately 65 percent of the construction labor on the home. All loans are exclusively for households that are without adequate housing, and cannot obtain credit elsewehere (USDA, 2002a, 2002b, 2002c).

According to a 1998 survey of USDA Section 502 Single Family Direct Loan participants, borrowers had an average income of $20,949, one-fifth had received food stamps at some point during the preceding year, and nearly two-thirds were under 40 years of age (Mikesell *et al* 1999, 34). The study found that the Section 502 program served a significant share of female single-parent (31.8 percent) and married couples with children (39.6 percent) households and, compared to other low- to moderate-income rural residents, served a disproportionate share of African-American (12.6 percent) and Hispanic (11.9 percent) borrowers.

Rural Housing Service loans account for only .1 percent of 2000 HMDA home purchase loans in Texas. VA loans comprise 5.3 percent and FHA loans make up 19.1 percent of the total number. FHA-insured loans are commonly regarded as the “major source of funding for first-time, low-income, and minority homebuyers” (Office of Policy Development and Research 2000, 2). Accordingly, approximately two-thirds of FHA borrowers make down payments of 5 percent or less compared to only 6 percent of conventional borrowers and 25 percent of FHA borrowers have credit scores of less than 620 (Office of Policy Development and Research 2000, 3).

Though 2000 HMDA data finds that FHA loans comprise approximately 20 percent of national home purchase loans (which is consistent with the Texas figure), they accounted for nearly 40 percent of all loans originated to African-American and Hispanic Borrowers (Bunce 2002, 12). Of total FHA loan numbers, 36.2 percent were made to minorities, 48.7 percent were made to low-income borrowers, and 42.1 percent were originated in underserved areas (Bunce 2002, 18-19). It is clear that FHA-insured loans serve a greater percentage of typically underserved lending markets than do conventional products.

Bond Products

The First Time Homebuyer and Down Payment Assistance Programs administered by the Texas Department of Housing and Community Affairs are funded through tax-exempt mortgage revenue bonds (MRBs). The State of Texas is allocated a certain amount of tax-exempt private activity bond issuance authority under IRS regulations. In 2001, this amount was $1.3 billion, of which 25 percent was allocated to housing finance agencies for use in single-family programs – local housing finance corporations (HFCs) received approximately two-thirds of this amount and the Department received the remaining $108.6 million dollars. It must be noted that the allocation of these funds for local HFCs are based on a rotation system established by the Texas Bond Review Board (Texas Bond Review Board, 2001), which means that not all HFCs may receive funding in a given year.

Products funded through the Department and the roughly 80 local housing finance corporations work the same way. After a bond allocation is received, the bonds are then sold to investors, who accept a lower rate of return because of the tax-exempt nature of the bond. This lower rate results in a below-market interest rate mortgage that is offered through single-family home-purchase programs.

Because these bonds follow Internal Revenue Service regulations, single-family products are available to households of one or two individuals earning no more than 100 percent of the area median income or households of three or more earning no more than 115 percent of the area median family income. For a home purchase in a targeted area, which is designated as a census tract where 70 percent of residents earn below 80 percent of the area median income, the income limits are 120 percent and 140 percent respectively. In 2001, 1,791 mortgages were originated through TDHCA's program and between 7/2000 and 6/2001, 2,986 mortgages were originated though local HFCs.

Loans through TDHCA's program may be underwritten using government or conventional standards. In an effort to target very low-income households, a minimum of 30 percent of program funds is set aside for one year at initial product offering available exclusively to applicants earning no more than 60 percent of area median family income.

Subprime Products

Subprime lending may be described as the practice of lenders charging higher interest rates compared to prime loan interest rates in order to justify a greater risk in the transaction. Subsequently, the subprime market offers individuals with poor credit histories, high debt-to-income ratios, insufficient financial documentation, or other application limitations the opportunity to secure credit (Carr and Kolluri 2001: 35).

The higher risk of the loans tends to raise interest rates according to credit grade. Prime mortgages are considered "A" paper loans, while subprime loans can vary from the highest "A-" to "D." Citing the National Home Equity Mortgage Association, "A-" borrowers may pay only one-half of a percentage point more than prime borrowers while "C" and "D" borrower may pay rates of up to 4 points higher (HUD-Treasury 2000, 28).

Subprime loans generally have the following characteristics: they have higher risk due to the nature of subprime borrowers, loan amounts are lower compared to prime (which may be a result of typically high down payments), costs are higher to originate because of additional needed reviews of applications (especially as a percentage of the loan amount), and faster prepayments (HUD-Treasury 2000, 27-28). Interestingly, according to "A Dialogue on Subprime Lending" (2000), it is estimated that 70-80 percent of subprime loans have prepayment penalties compared to only one percent of prime loans. The article further notes that many subprime lenders report only negative payment information if anything at all, which seems to keep individuals in high cost situations without the opportunity to build better credit histories and the hope of refinancing after consecutive, timely payments.

The Office of Thrift Supervision reports that, using data from LoanPerformance, average interest rates on subprime loans originated in 1999 for "A-," "B," "C," and "D" credit grades were 9.9, 10.6, 11.5, and 12.6 percent respectively (Office of Thrift Supervision 2000, 11). It should be mentioned that LoanPerformance's database only includes data from 27 subprime lenders and did not include any data from Texas at the time of the report (Office of Thrift Supervision 2000, 6). It is obvious that this data is not comprehensive and may not represent the market because there were 251 designated subprime lenders according to the 1999 HUD Subprime and Manufactured Housing Lender List.

Between 1993 and 1998, subprime lending has increased by $130 billion (HUD, 2000c). The Predatory Lending Taskforce reports that 82 percent of the approximately 75 percent of all subprime first-lien loans were used for refinance purposes rather than initial home purchase (HUD-Treasury 2000, 31). Indeed, our analysis of 2000 HMDA data found that only 5.8 percent of home purchase loans in Texas were through subprime lenders compared to 33.1 percent of the refinance total. Through December 2001, 7.09 to 7.7 percent of subprime loans in Texas were seriously delinquent (Market Pulse 2002, 6).

As explored in an earlier section, subprime lending tends to flourish in particularly low-income areas that are not effectively served by traditional lenders and where borrowers may be unfamiliar with available mortgage products. Because prime borrowers have typical credit scores of at least 660, it is alarming to find that 16 percent of "A-" loans in LoanPerformance's database had credit scores above 680 and another 25 percent had scores ranging from 660 to 680 (Office of Thrift Supervision 2000, 10). This type of evidence supports the sentiment that borrowers are receiving subprime loans when they could have qualified for prime rates: Freddie Mac reports that this figure may be as high as 35 percent while Fannie Mae estimates the figure to be closer to 50 percent (Carr and Kolluri 2001: 37). This may be the result of a borrower's lack of financial knowledge, the lack of lending entities in the area, or aggressive sales tactics.

Subprime borrowers may utilize the subprime market because of credit history problems, high debt-to-income ratios, few assets or cash reserves, and/or variable or undocumented sources of income (HUD-Treasury 2000, 27). According to analyses of 1998 HMDA data, subprime loans are were 3 times more likely to originate in low-income neighborhoods and 5 times more likely in African-American neighborhoods (HUD 2000c). Applicants who were single, female, older than 45, and did not have a college education were more likely to receive subprime loans (HUD-Treasury 2000, 36-37).

Two notable studies have recently been released that explore race inequality in subprime and prime loans through the analysis of 2000 HMDA data. *Risk or Race? Racial Disparities and the Subprime Refinance Market* (2002) found that lower-income African-Americans were 2.4 times as likely and Hispanics 1.4 times as likely as whites to receive a subprime refinance loan. El Paso, Corpus Christi, Laredo, Killeen-Temple, and Beaumont-Port Arthur, Texas led MSAs in the country for the highest overall level of subprime lending. Furthermore, El Paso, San Antonio, and Corpus Christi topped the list in percentage of subprime refinance loans for Hispanics. *Separate and Unequal: Predatory Lending in America* (2001) analyzed both refinance and home purchase loans, noting that African-American homebuyers were 4-times more likely and Hispanics twice as likely than white borrowers to receive a subprime loan.

MANUFACTURED HOUSING PRODUCTS

Analysis of 2000 HMDA data finds that 9.3 percent of home purchase and 4 percent of refinance loans in Texas were made through manufactured housing lenders. This may be attributable to the fact that manufactured housing "was responsible for 35 percent of the growth in homeownership in non-metropolitan areas and 23 percent of the gains among very low-income households" (Joint Center for Housing Studies 2002a, 15). Of the more than 500,000 affordable housing units built between 1997 and 1999, 69 percent were mobile units and two-thirds of these units did not include ownership of the land (Collins *et al* 2001, 14). Furthermore, the Millennium Housing Commission (2002, 72) reports that most lenders are unwilling to finance manufactured homes on leased land with "anything but costly personal property installment loans." This suggests that manufactured housing owners are failing to benefit from the equity accumulated through property ownership and may be paying excessive rates in the process.

Manufactured housing owners are more likely to be first-time homebuyers and either younger or much older compared to owners of non-manufactured housing units (Vermeer and Louie 1997, 14). The authors further note that, compared to all other units, manufactured home owners are more likely to be white, have significantly less education, and have incomes below 80 percent of the area medians.

Unfortunately, manufactured borrowers may be susceptible to abuses. "In Over Our Heads" (2002) presents an analysis of manufactured housing complaints in Texas received by the Office of the Attorney General and the Office of the Consumer Credit Commissioner. Many of the complaints included examples of outright fraud where the dealer switched the agreed-upon home for a different model, loan application information was falsified, and/or the interest rate was raised and additional costs were added (Mitchell 2002, 3). Texas Credit Code permits manufactured housing lenders to charge interest rates of up to 18 percent (Consumers Union and The Austin Tenants' Council 2000, 26).

PREDATORY LENDING

Often subprime and manufactured home loans are synonymous with "predatory lending," but this is not the case. Many of these loans legitimately serve a portion of the population that is unable to qualify for a prime loan. Predatory lending, however, may be characterized by lenders "engaging in deception or fraud, manipulating the borrower through aggressive sales tactics, or taking unfair advantage of a borrower's lack of understanding about loan terms" (HUD-Treasury 2000, 1). It should be quoted that "while not all subprime lenders are predatory, just about all predatory loans are subprime" (ACORN 2001: 2). Predatory lending is generally not present in prime markets because, unlike subprime, most prime lenders are regulated by federal and state governments, have more competition between lenders, and greater standardization in loan terms and underwriting (HUD-Treasury 2000: 2).

Predatory lenders use aggressive sales tactics to attract potential borrowers. Such techniques may include door-to-door solicitation, direct telephone marketing, direct mailings, or local advertisements to pursue people with limited educations and/or people with considerable equity in their homes (Carr and Kolluri 2001, 32-33). The elderly are especially vulnerable because of typically low incomes, high healthcare bills, and high home equity worth (Joint Center for Housing Studies 2002a, 27).

Four main categories of abuses emerged out of testimony at the HUD-Treasury (2000, 2) predatory lending forums:

- Loan Flipping: repeated, successive refinancings that often include high fees and penalties.
- Excessive Fees: "packed" fees included in loan amount unknown to borrower.
- Lending without Regard of Ability to Repay: lending often based on home equity rather than borrowers income and ability to make payments.
- Outright Fraud and Abuse: deceptive and/or highly aggressive sales tactics.

ACORN (2000, 35) accounts the story of a single mother who initially purchased a home with a 7 percent interest rate on her mortgage. She decided to refinance after receiving numerous solicitations and ended up with a mortgage for more than the home's value at a 12.2 percent interest rate, over $12,000 in financed fees, and a five-year prepayment penalty of roughly $10,000.

ACORN calculates that predatory lending costs Texans nearly $32 million a year in excess fees, $5 million in prepayment penalties, and approximately $65 million in inflated interest rates yearly (ACORN 2001, 5).

CRA AND HMDA

COMMUNITY REINVESTMENT ACT

Congress passed the Community Reinvestment Act (CRA) in 1977 as an attempt to persuade depository institutions to meet the credit needs of the communities they served. CRA, which was developed out of depository charter requirements to serve the "convenience and needs" or their communities, and the Home Mortgage Disclosure Act (HMDA) of 1975 were government responses to claims that banks and savings and loans were "redlining" certain low-income and minority neighborhoods (Joint Center for Housing Studies 2002b, 19).

After several enhancements (1989 Financial Institutions Reform, Recovery, and Enforcement Act, 1995 regulations, and the 1999 Gramm-Leach-Bliley Financial Modernization Act), the current Community Reinvestment Act requires that depositories maintain and report data on the actual the performance and success of their CRA obligations through a series of lending exams (Joint Center for Housing Studies 2002b, 23). Examinations, graded as "substantial noncompliance," "needs to improve," "satisfactory," or "outstanding," are performed annually for depositories with $250 million or more in assets or those of any size that belong to a parent company with $1 billion or more in assets (Litan *et al* 2000, 41). Depositories with less than $250 million in assets are to be examined once every five years for "outstanding" institutions and once every four years for "satisfactory" institutions (Litan *et al* 2000, 43). The main control behind CRA is that depositories must have at least a "satisfactory" rating before they can, for example, merge with other institutions or open or close branches (Litan *et al* 2000, 43).

Despite the fact that CRA does not apply to lending institutions other than depositories (such as independent mortgage companies) and that "less than 30 percent of home purchase loans are subject to intensive review under CRA" (Joint Center for Housing Studies 2002b, iii), there is evidence of expanded lending due to the Act. Litan *et al*, through an examination of loans from 1993 and 1998, find that lending to low- and moderate-income borrowers by CRA-regulated institutions increased by 80 percent (2000, 15). Notably, despite a substantial overall increase, subprime lending to low- and moderate-income borrowers in areas with CRA lenders only increased by 15 percent compared to a growth of approximately 66 percent in areas without CRA lenders (Litan *et al* 2000, 103).

HOME MORTGAGE DISCLOSURE ACT

The Home Mortgage Disclosure Act requires lenders to report certain information on each loan application received; required data collects loan type, loan purpose, loan amount, location, race of the borrower, sex of the borrower, and the income of the borrower (Federal Financial Institutions Examination Council 1998, 6). The Federal Reserve Board proposed revisions to this reported criteria (known as Regulation C) which requires the lenders to report a 3 percent (for first liens) or 5 percent (for second liens) spread between the loans annual percentage rate (APR) and the Treasury yield, whether the loan is subject to the Home Ownership and Equity Protection Act (HOEPA), and whether the application is for a manufactured home (Office of the Federal Register 2002, 7222). The above amendments are effective 1/1/2004 whereas the use of 2000 census data and the collection if race, ethnicity, and sex through telephone applications are required beginning 1/1/2003 (Federal Reserve Board, 2002a, 2002b).

Though the expanded HMDA requirements will greatly improve analyses on home mortgage lending, there are still obvious limitations to HMDA data. Lenders must report loan-level information through HMDA if they have assets above a certain level and have an office in an MSA, or for nondepository institutions, have lending activity in an MSA (FFIEC 1998, 1). Because of the provision that requires reporting only if the lender has an office in an MSA or had lending activity in an MSA, this is likely to exclude loan information lenders whose business is serving rural borrowers. In addition, because reporting is only required for institutions with assets set at $31 million in 2000 and for lenders whose home purchase and refinance loan originations equal or exceed 10 percent of their total loan originations (FFIEC 1998, 4-5), small home mortgage lenders are unlikely to be captured. Please refer to *A Guide to HMDA: Getting it Right* for more detailed information on reporting requirements.

This study is using 2000 HMDA data for information on all home purchase and refinance loans in Texas in an attempt to examine underserved economic and geographic submarkets in the State. However, because 2000 HMDA reporting requirements did not include collection on high-cost loans or manufactured housing loans, the 2000 HUD Subprime and Manufactured Home Lender List is used to differentiate those loans which may fall into these categories. HUD identified 185 subprime and 24 manufactured housing lenders on its 2000 list (reference Scheessele, 2001 for discussion on the screening process).

It must be emphasized that this is not a complete list. Scheessele (2002, 2-3) cites Household Financial as an example of a lender that operates a significant subprime mortgage lender, but is not required to report HMDA data because mortgage loans account for less than 10 percent of its business. Large lenders such as Chase and GMAC also operate a significant subprime business, but are not included because subprime lending does not account for more than 50 percent of their overall business.

Lenders included on this list are designated as subprime or manufactured housing if the lender designated this explicitly or if at least 50 percent of their loan originations are subprime or manufactured housing (Scheessele 2002, 2). Thus, it can only be assumed that only 50 percent of loans from lenders on this list are subprime or manufactured housing and many subprime loans from prime lenders will not be captured.

DATA ANALYSIS

This section identifies the areas included in the market study and analyzes selected factors to provide a complete picture of subprime lending market demand in the state. The first step is to identify the underserved economic and geographic submarkets; the rural and border counties and low-income census tracts within Metropolitan Statistical Areas. The next step is to investigate several factors including homeownership rates, prime and subprime loan volume, approval ratios, interest rates and terms, loan availability and type and number of housing units. The final analysis is presented at the Uniform State Service Regional level. Most of the data in this report comes from the 1990 and 2000 U.S. Census and Home Mortgage Disclosure Act data from 2000; other data sources are noted. See Appendix for a complete description of the methodology.

STATE OF TEXAS

UNDERSERVED AREAS

The rural areas of the state include all counties outside the boundaries of a Primary Metropolitan Statistical Area (PMSA) or a Metropolitan Statistical Area (MSA). In general, metropolitan areas are counties containing a central city or adjoining cities with a combined population of 50,000. Suburban counties that surround such central-city counties and that are significantly linked by commuting patterns or other factors may also be designated as an MSA. According to the 2000 Census, there are 196 rural counties in Texas, see map at the end of this section.

The border areas of the state include all counties within 150 miles of the international border that have a majority population composed of low-income and very low-income individuals and qualifies as an economically distressed area.[3] According to TDHCA's Office of Colonia Initiatives, the border areas include the counties listed in Table 2 in the Methodology. See map at the end of this section. This study will include analysis of the census tracts containing colonias, see map at the end of this section.[4]

Low-income census tracts are located within an MSA and have a median family income that is less than or equal to 80 percent of the MSA median family income. For a map of the MSAs in Texas, see map…See the regional sections that follow for maps of the low-income (80 percent AMI and under), very low-income

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[3] Section 2306.581 of the Government Code defines "colonia" as follows:
1. "Colonia" means a geographic area located in a county some part of which is within 150 miles of the international border of this state and that:
(A) has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under Section 17.921, Water Code; or
(B) has the physical and economic characteristics of a colonia, as determined by the Department.

[4] Colonia shapefiles provided by the Office of the Attorney General for the state of Texas.

(60 percent AMI and under), and extremely low-income (30 percent AMI and under) census tracts in each region.

Homeownership and Mortgage Lending

The total population of Texas according to the most recent census is 20,851,018; a 23 percent increase from 1990. There are over eight million housing units and almost 7.3 million households in the state. The median family income is $45,861. Over three million Texans, or 15 percent of the population, live below the poverty level. See the tables at the end of the Data Analysis section.

In the state, 71 percent of the total population is white; 11.5 percent is black; 2.7 percent is Asian or Pacific Islander; and 0.6 percent is American Indian or Alaskan Native; 12 percent is some other race; and 2.5 percent reported more than one race. Almost 6.7 million people in the state are of Hispanic or Latino heritage (of any race), which represents 32 percent of the total population.

The average homeownership rate in Texas is 64 percent. The urban homeownership rate for the state is slightly lower, 62 percent, and the average rural homeownership rate is 75 percent. The homeownership rate among the low-income census tracts within metropolitan statistical areas is 48 percent, reflecting a greater tendency to rent in urban areas. The homeownership rate among border counties is 67 percent. Within these border areas, the urban homeownership rate is 65 percent and the rural rate is 74 percent.

Approximately 65 percent of Texas households have sufficient income to afford the median priced home (Real Estate Center, 2002b). According to the most recent Census data, the median amount spent on mortgage costs represents 30 percent of the median income for all residents, including those without a mortgage. This is a 6 percent decrease from 1990. The national percentage for 2000 is 31.1 percent. Another definition of housing affordability is the ability to spend two and one-half times the total family income on a median-priced home. A family in Texas earning the median income can afford to purchase a home worth 1.4 times the median value.

Of the 8.2 million housing units in Texas, 67 percent are one-unit; 14 percent are 2 to 19 units; 10 percent are more than 20 units; 9 percent are mobile homes; and the rest are boats, RVs etc. On average the houses are 18 years old. Over 54,000 units, or 0.7 percent of the total, lack complete plumbing facilities (hot and cold piped water, a flush toilet, and a bathtub or shower); and 0.7 percent lack complete kitchen facilities (sink with piped water, range or cook top, and a refrigerator).

More than 88 percent of the prime, owner-occupied, purchase money applications in Texas were approved in the year 2000. That represents an approval to denial ratio of 7.24. The main reasons for denial are credit history (49 percent), followed by insufficient debt to income ratio (20 percent) and other (10 percent). Approximately 67 percent of the subprime applications were approved; a ratio of 2.0, or two approvals for each denial. The main reasons for denial are credit history (44 percent), other (21 percent), and debt to income ratio (12 percent).

Over 1,000 lenders reported making loans in Texas in 2000; 231 prime lenders reported more than 100 owner-occupied purchase and refinance originations. Of the over 1,000 lenders, 73 are subprime and 13 are manufactured home lenders. There are many sources of non-conventional loans (VA, FHA, or FSA/RHS), 256 lenders reported making these loans. There are almost 5,000 branches of FDIC-insured financial institutions in Texas, according to the FDIC Institution Directory (Federal Deposit Insurance Corporation, 2002).

According to the survey responses, there are over 80 housing finance corporations (HFCs) across the state; together they service 215 counties and 21 cities.[5] There are three state-wide HFCs: TDHCA, the Texas State Affordable Housing Corporation, and the Texas Veteran's Land Board. Since the year 2000 the HFCs (excluding TDHCA) have provided over 7,100 loans or $500 million worth of single family home financing. See map at the end of this section for coverage of HFCs.

The TDHCA single-family bond program currently has 40 participating lenders represented in 294 branches across the state. Since 2000, TDHCA participating lenders have provided financing for 2,922 loans or $209 million worth of loans. See map at the end of this section for the location of TDHCA bond loans.

Lending institutions originated 495,132 mortgage loans in Texas during the year 2000, or $47.97 billion of loans. Of that total, $36.6 billion or over 345,700 loans are owner-occupied home purchase loans; and $6.1 billion or 70,000 loans are owner-occupied refinances. The rest are home-improvement loans, multifamily financing, or loans for non owner-occupied properties.

The Department of Housing and Urban Development (HUD) prepares an annual list of subprime lenders and manufactured home lenders. After HUD identifies potential subprime and manufactured home lenders from the complete list of HMDA reporters, HUD confirms the subprime or manufactured home lending by talking with the institutions or reviewing the institutions' publications. If more than 50 percent of the conventional portfolio originated by the institution was subprime or manufactured home, then HUD categorizes the institution as a subprime or manufactured home lender.

The total number of owner-occupied purchase and refinance loans originated by prime lenders in Texas in the year 2000 is almost 338,000 loans, $37.85 billion, or $1,810 per person. The total amount of owner-occupied purchase and refinance loans originated by subprime lenders is $3.44 billion, or over

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[5] TDHCA Housing Resource Center's 2001 survey of housing finance corporations covering funding for year of July 2000 to end June 2001. Response rate was 88 percent for 2001.

43,400 loans. That is a total of $160 per person. Of that total, $1.8 billion are home purchase loans, or 53 percent, and $1.6 billion are refinances.

Within the category of owner-occupied home purchase loans, 85 percent ($33.5 billion) are from prime lenders, only 6 percent are from subprime lenders, and the rest are from manufactured home lenders. Within this category, there are 14.6 loans originated by a prime lender for each loan by a subprime lender; and there is $18.40 loaned out by prime lenders for each dollar by subprime lenders.

Among owner-occupied refinance lending, 63 percent ($4.4 billion) are prime loans and 33 percent are from subprime lenders.[6] The prime vs. subprime refinance ratio is 1.9 prime loans for each subprime loan, and $2.70 dollars in prime loans for each dollar in subprime loans.

Prime lenders reported borrower race in 89 percent of the originations of purchase and refinance owner-occupied mortgages. Among those, 69 percent of the loans went to white borrowers, 6 percent to black, 18 percent to Hispanic borrowers, 4 percent to Asian and Pacific Islanders, and 1.5 percent to other races.

Subprime lenders reported borrower race for 70 percent of the owner-occupied purchase money and refinance originations. White borrowers received 57 percent of the loans from subprime lenders, 13 percent went to black borrowers, 26 percent of the loans went to Hispanic borrowers, 1 percent to Asian and Pacific Islanders, and 1 percent to those of other races.

The average mortgage interest rate in Texas for the year 2001 was 7.01 percent with total points of 0.54. The national average was a 6.94 percent note rate and 0.53 total points. For Texas, the average term to maturity was 26.5 years and the average loan to price ratio was 77.4 percent. Only 21 percent of the loans were under 70 percent loan to value (LTV); 43 percent had an LTV between 70 percent and 80 percent; 9 percent of the loans had an LTV between 80 percent and 90 percent; and 27 percent were over 90 percent LTV (Federal Housing Finance Board, 2002).

A subprime lender provided rate information for the state of Texas; these rates are representative of the market for 30 year fixed loans as of July 11th, 2002. Borrowers with a credit grade of A- receive a rate of 9.5 percent with 2 points; borrowers with B credit receive a 10.99 percent note rate with 3 points. C credit borrowers receive a note rate of 11.99 percent with 4 points; and D credit borrowers receive a note rate of 14 percent and 5 points.

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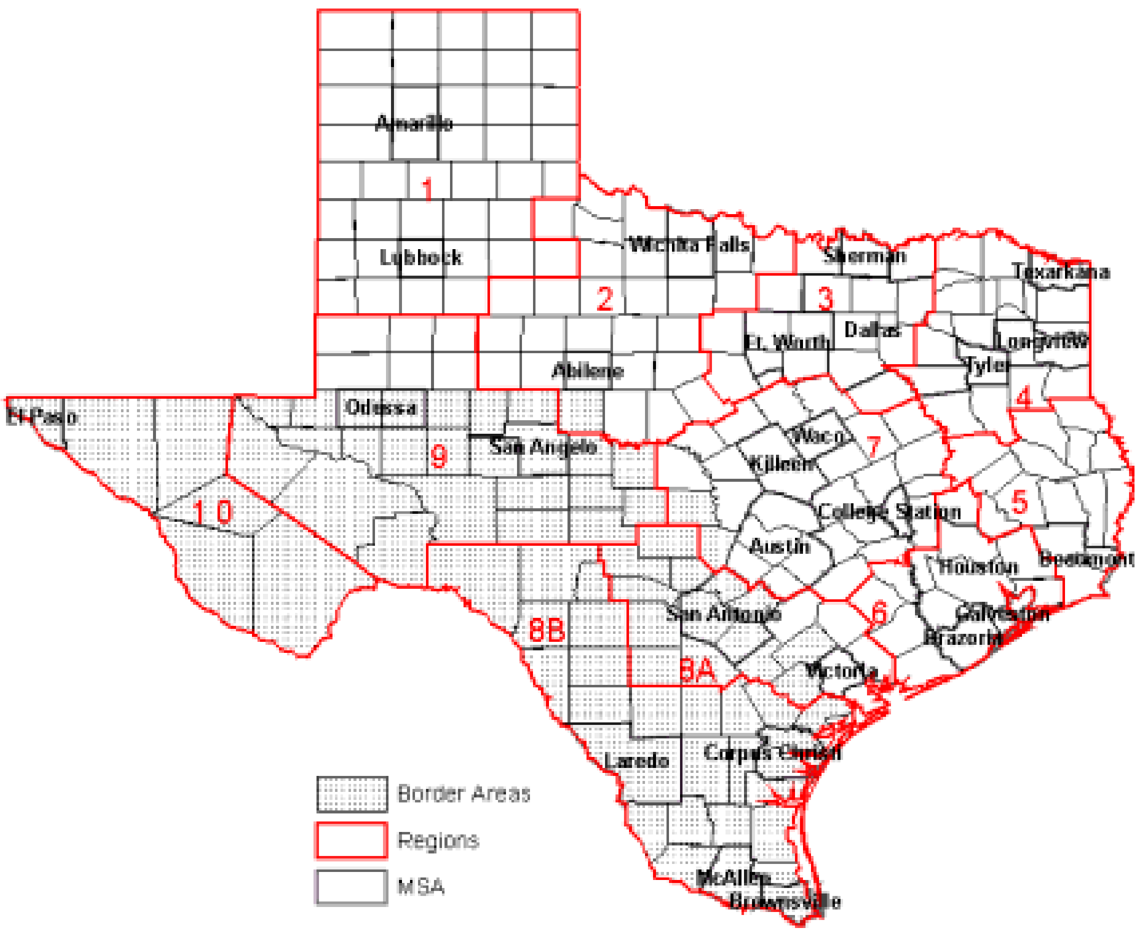
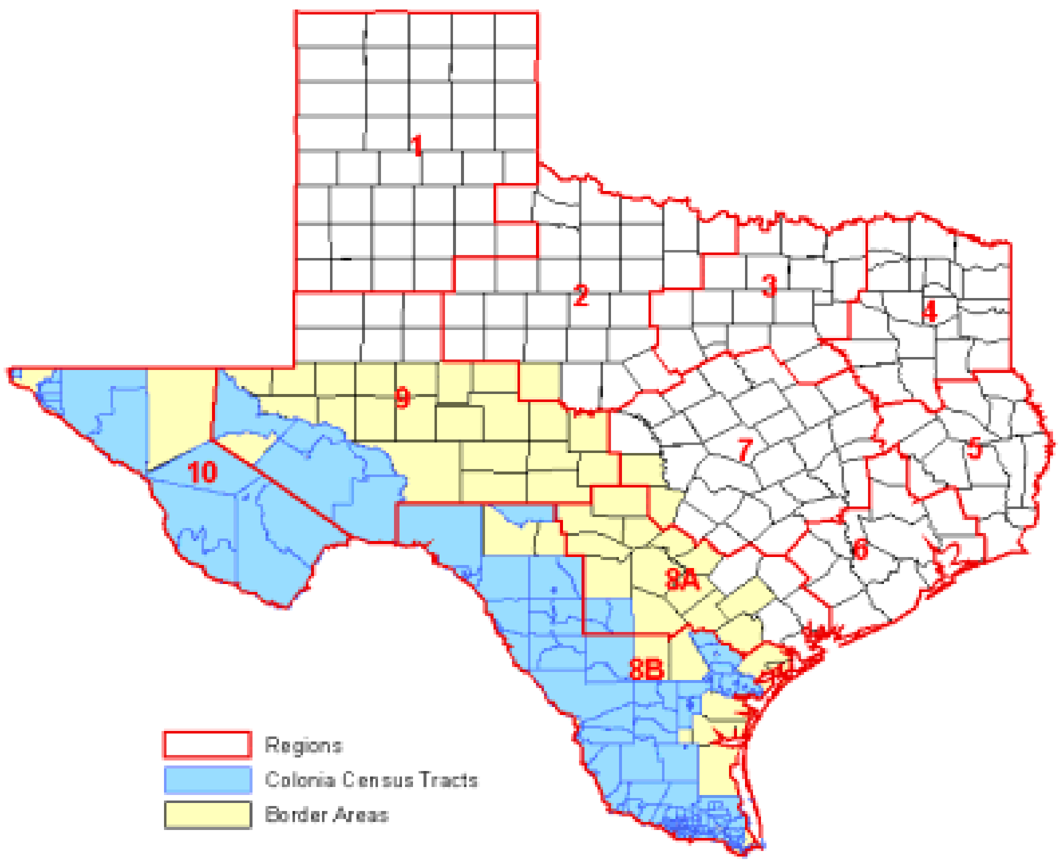
[6] El Paso has the highest percentage of subprime refinance loans in the country at 47.82 percent (Center for Community Change 2002, 28).

Based on December 2001 data, the percent of seriously delinquent prime loans (90+ days or in foreclosure) in Texas is between 0.95 percent and 1.15 percent; the national average is 1 percent. The delinquency rate for subprime loans is between 7.09 percent and 7.7 percent; the national average is 7.69 percent (Loan Performance, 2002).

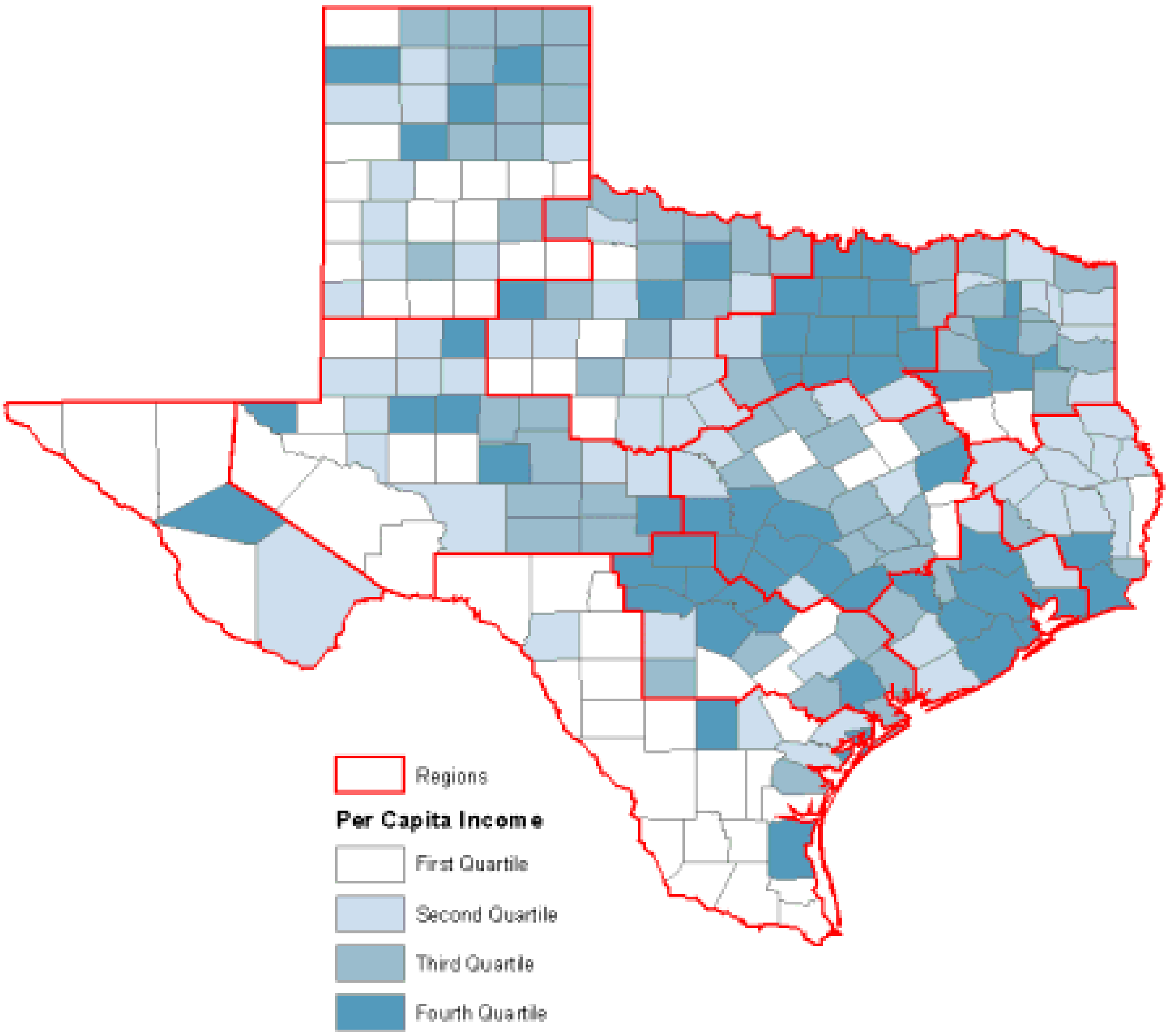
Uniform State Service Regions

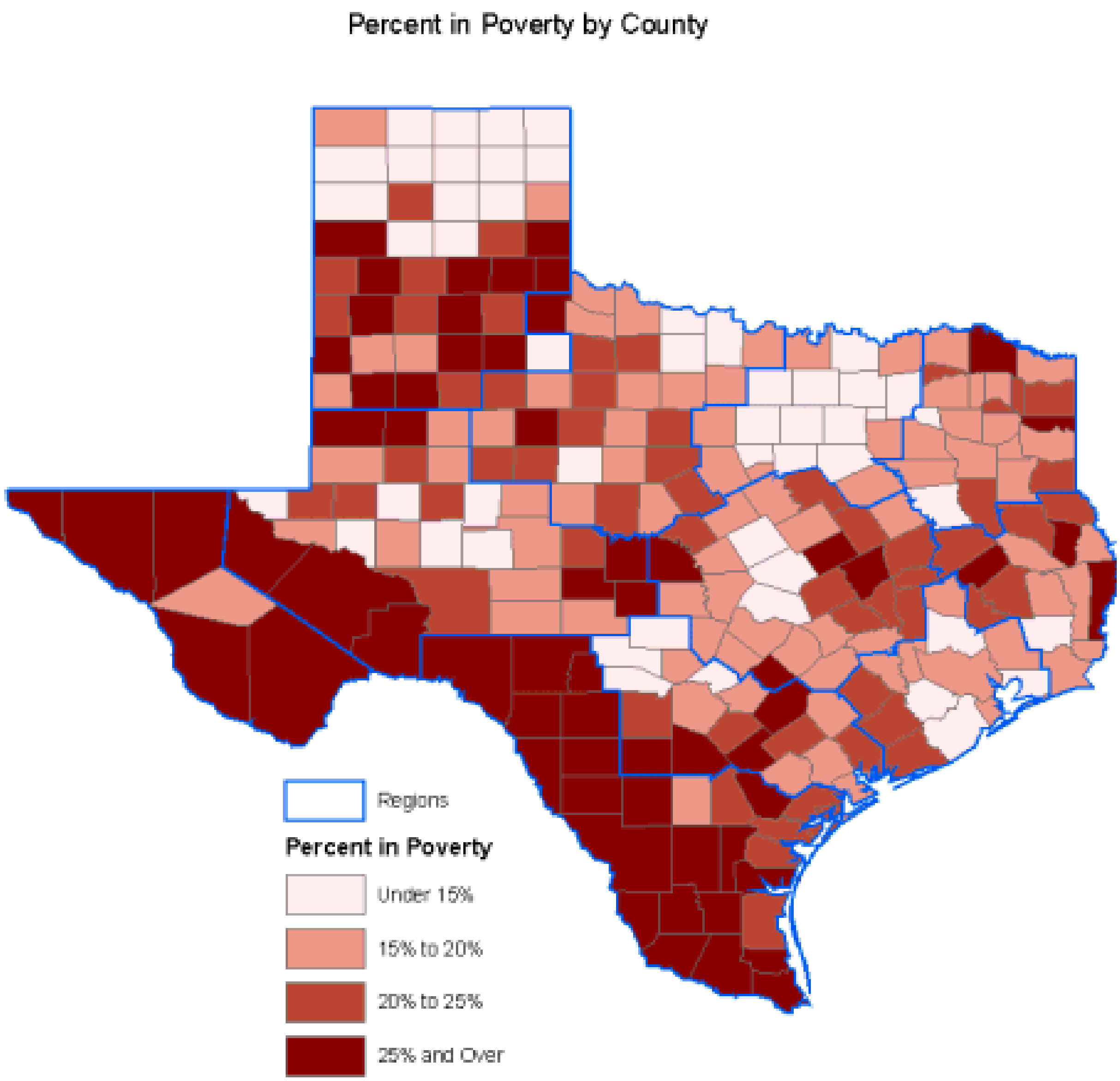


Border Areas and Colonia Census Tracts

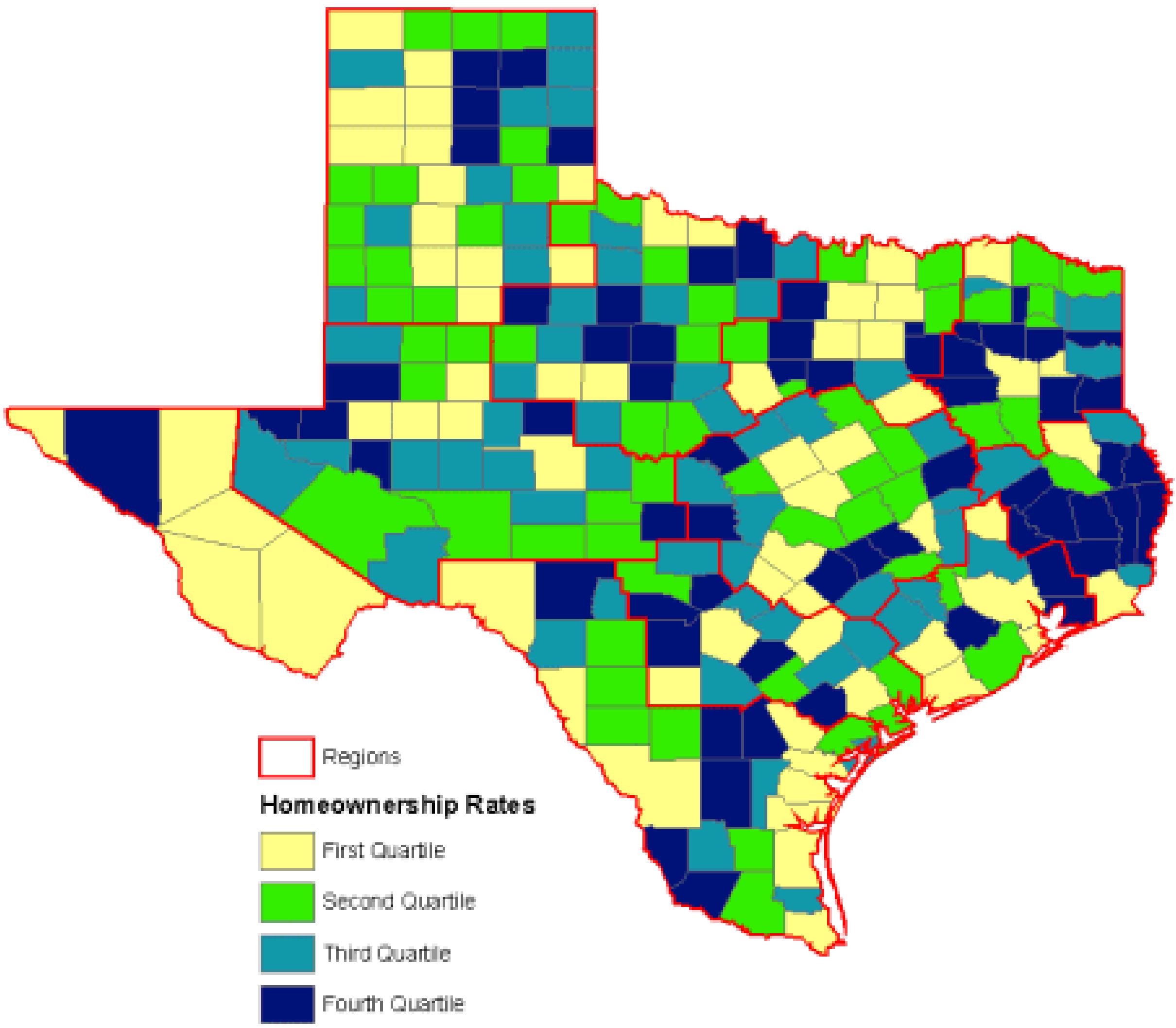


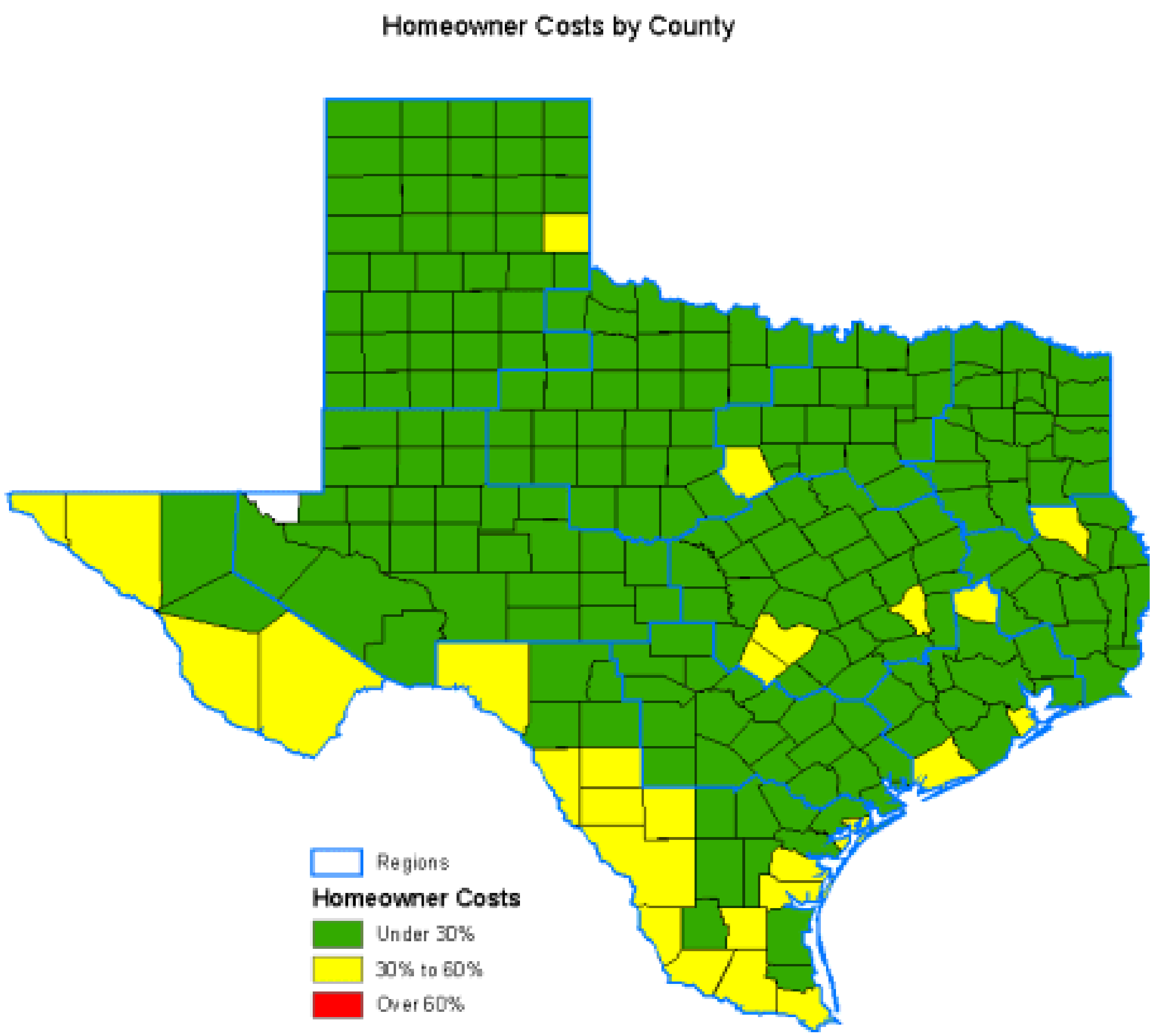
Per Capita Income by County

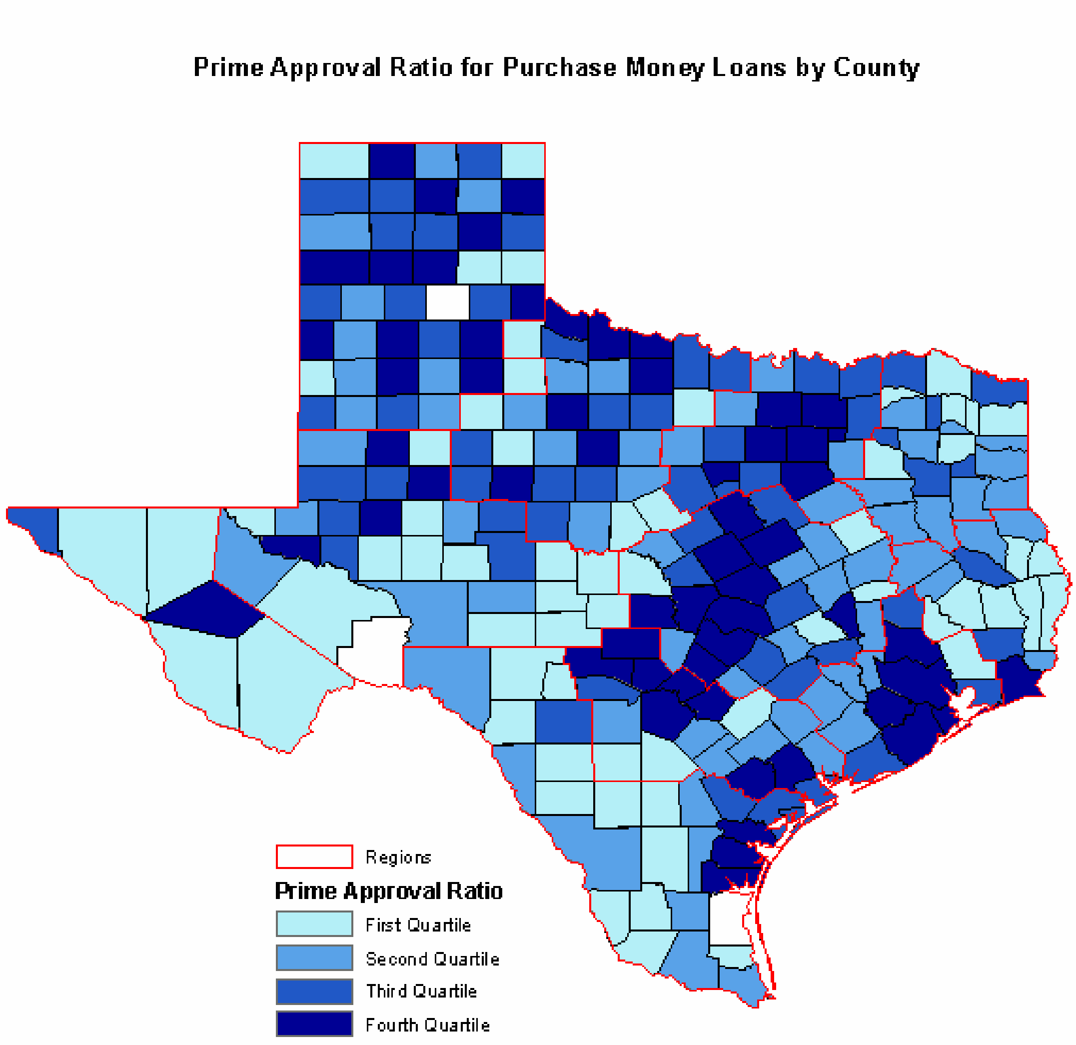



Percent in Poverty by County
Regions
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

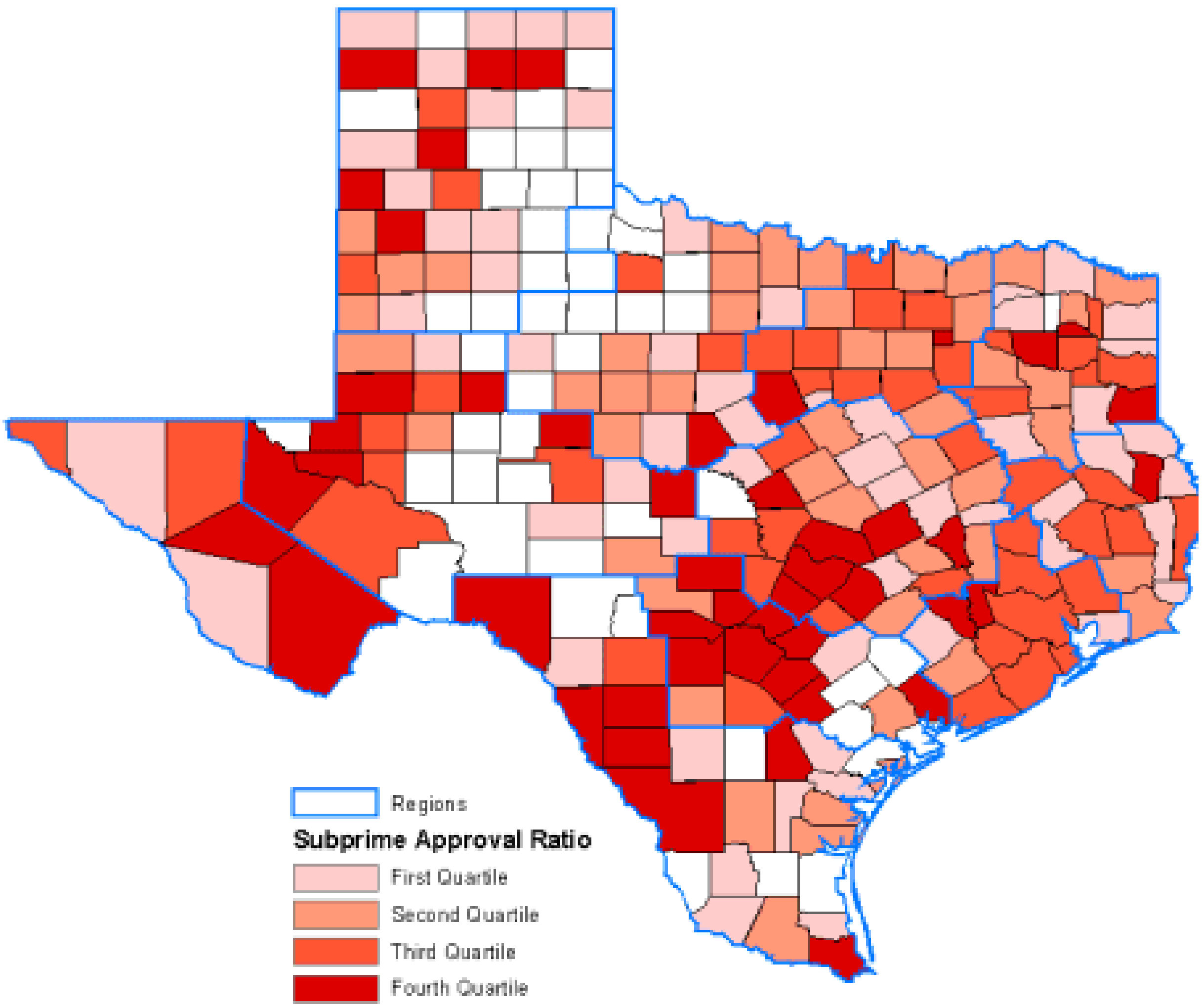
Homeownership Rates by County



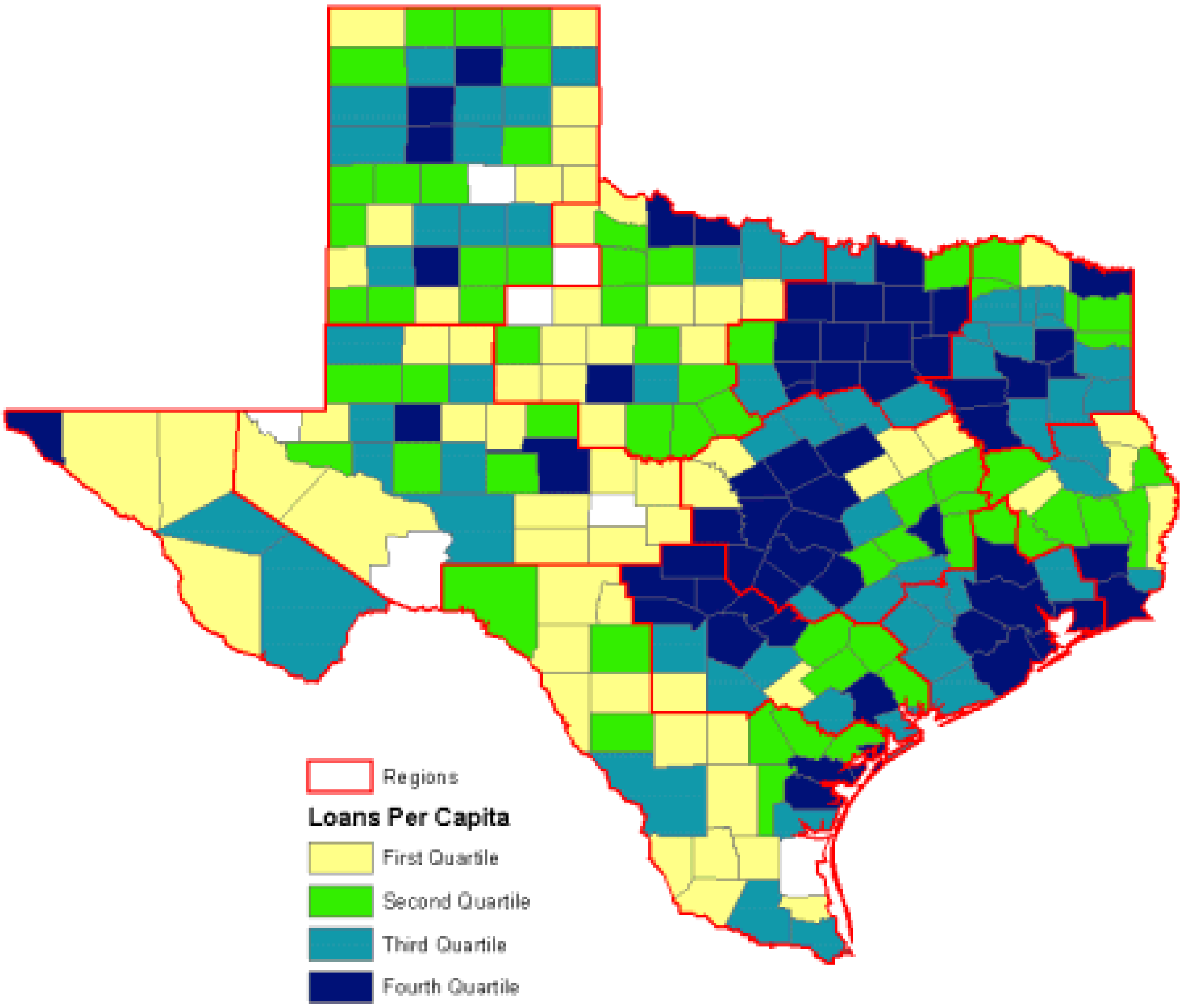

Homeowner Costs by County
Regions
Homeowner Costs
Under 30%
30% to 60%
Over 60%

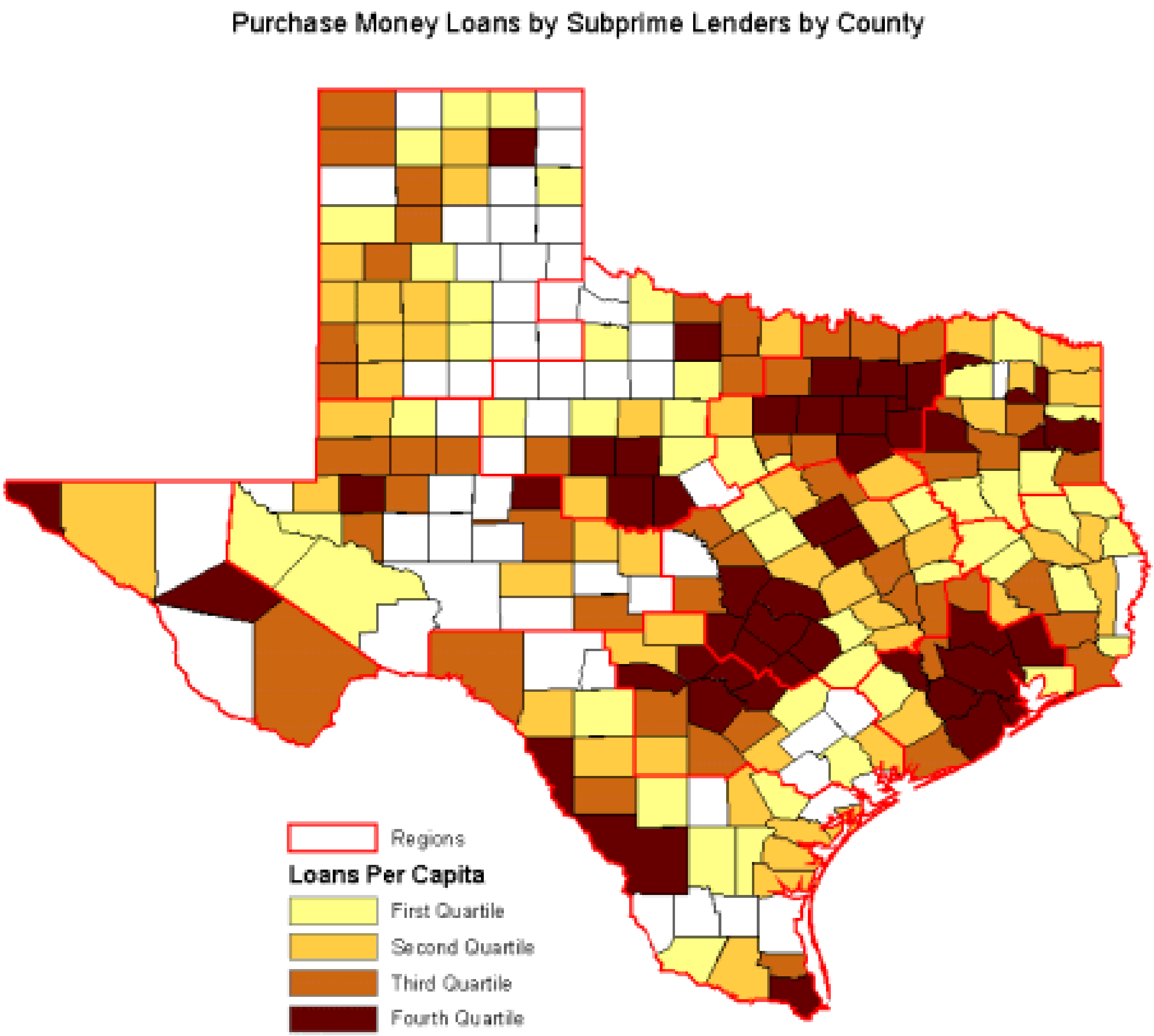

Prime Approval Ratio for Purchase Money Loans by County
Regions
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

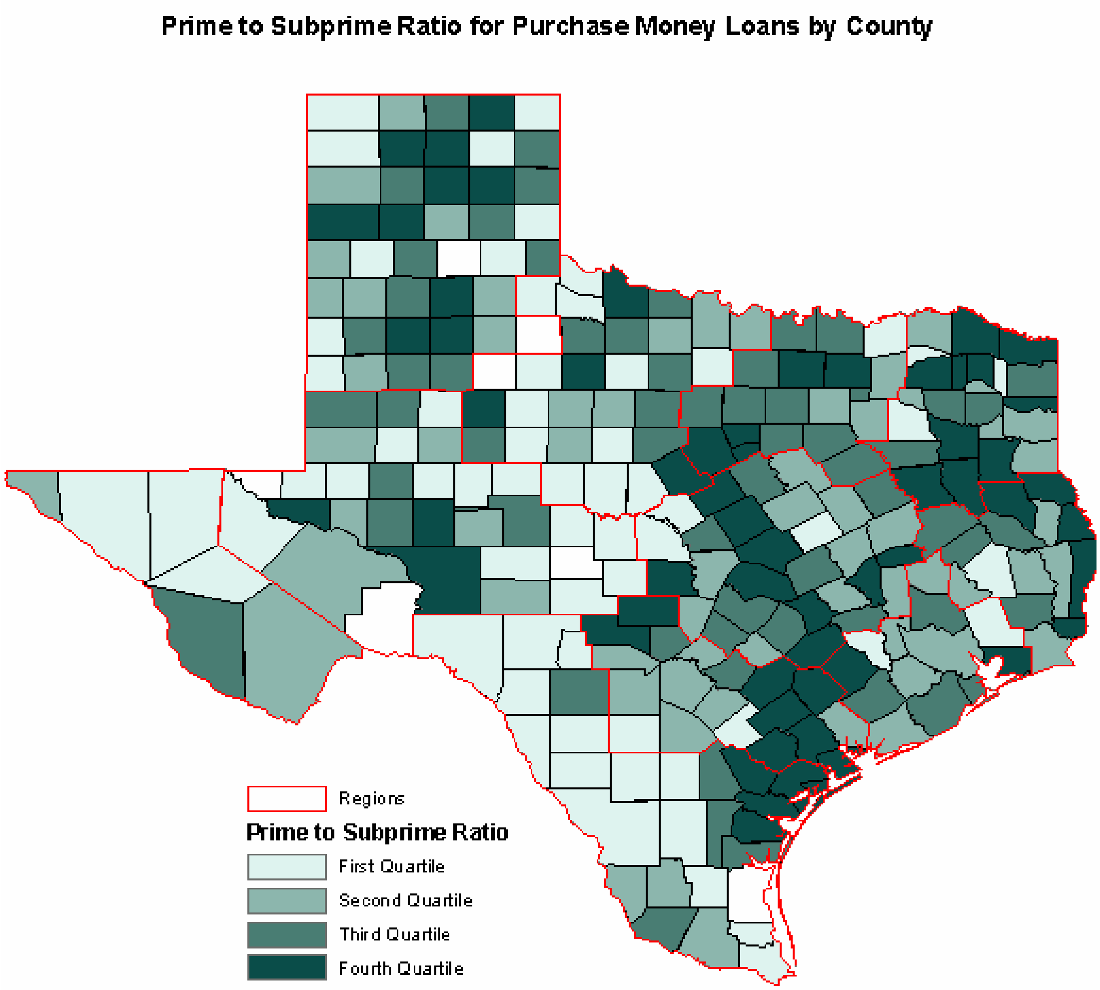
Subprime Approval Ratio for Purchase Money Loans by County

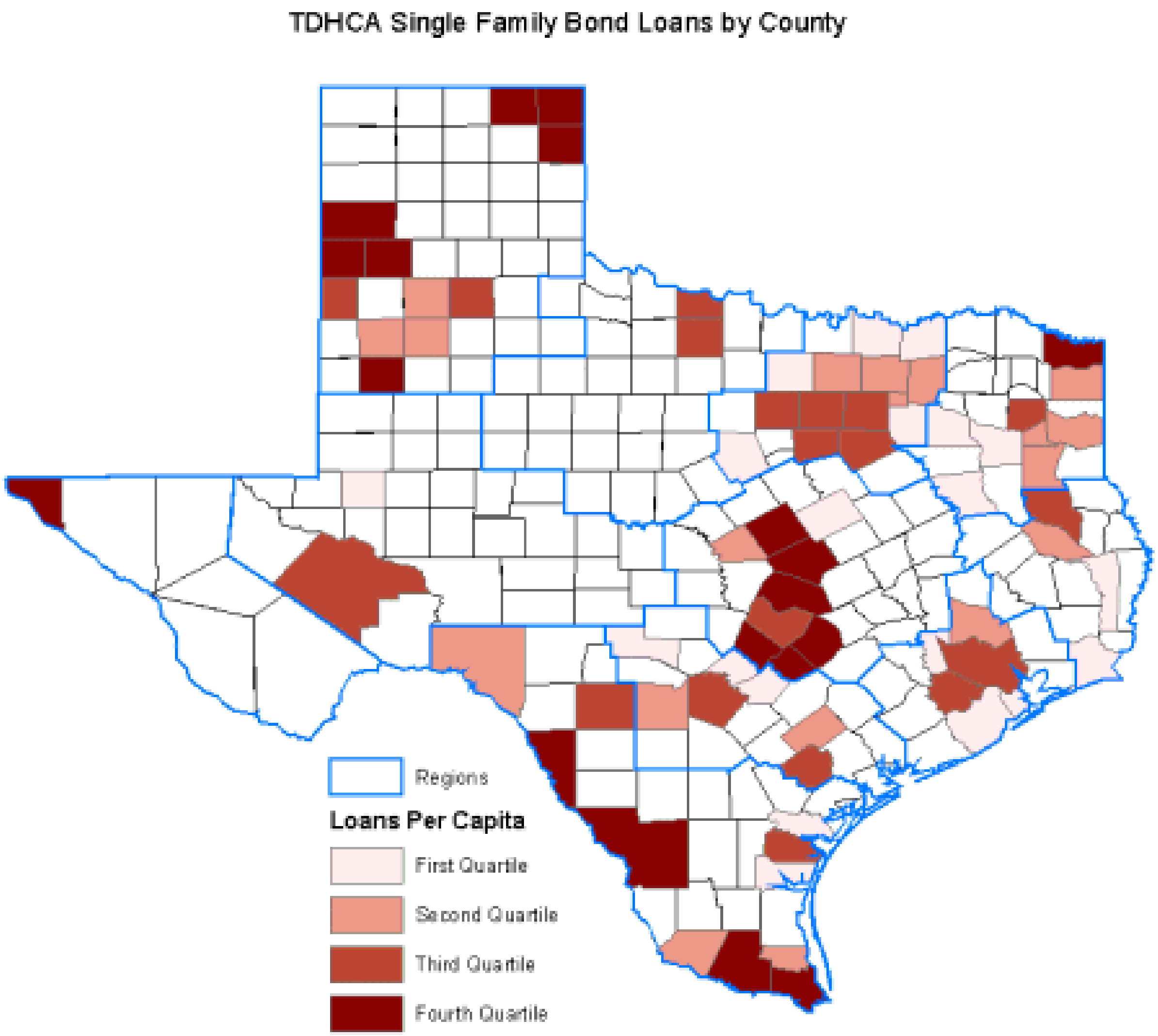


Purchase Money Loans from Prime Lenders by County



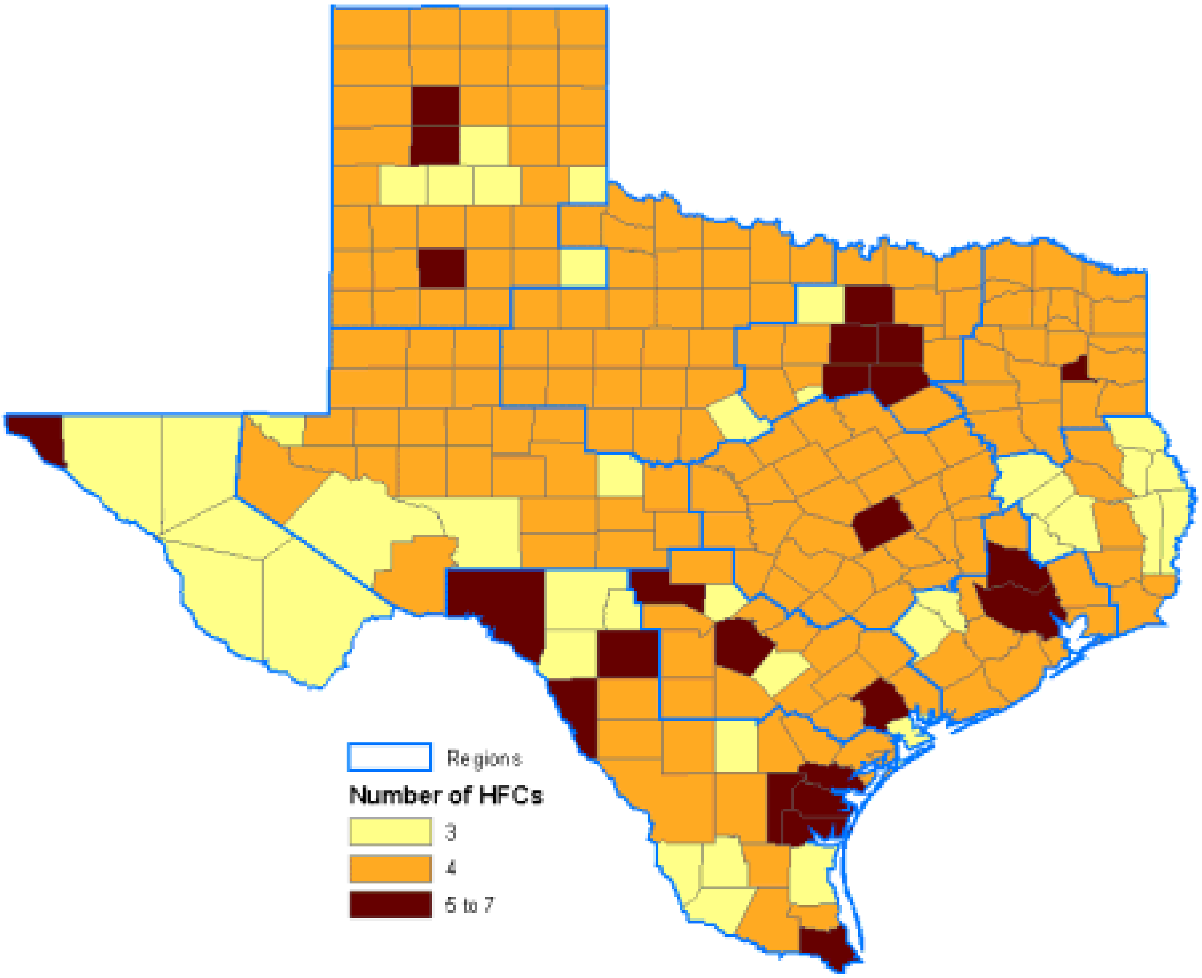

Purchase Money Loans by Subprime Lenders by County
Regions
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Prime to Subprime Ratio for Purchase Money Loans by County
Regions
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile



Includes Bootstrap and Contract for Deed Conversion products

Housing Finance Corporation Coverage by County



UNIFORM STATE SERVICE REGION 1

Region 1 consists of 41 counties and two MSAs: Lubbock and Amarillo. There are 38 rural counties and 3 urban counties. Within the two MSAs there are 60 low-income census tracts (under 80 percent AMI). Refer to the map at the end of this section for the study areas included.

The total population of Region 1 is 780,733. Over 76 percent of the population in Region 1 is white; 5.5 percent is black; 1 percent is Asian or Pacific Islander; 14 percent is some other race; and 2 percent is more than one race. Twenty-eight percent have Hispanic or Latino heritage.

The average homeownership rate for the region is 66 percent, slightly higher than the state average of 64 percent. The urban homeownership rate is 62 percent and the average rural rate is 73 percent. Among the low-income census tracts in the urban counties, the homeownership rate is 50 percent.

RURAL AREAS

There are over 320,000 people living in the rural counties of Region 1. The county median family income ranges from $27,325 to $50,000. In the rural areas of Region 1, 17 percent of the population lives in poverty, a total of 52,710 people. Almost 76 percent of the population is white; 3.6 percent is black; 1 percent is American Indian, Asian or Pacific Islander; 19 percent is some other race or two or more races. Over one-third of the population, or 35 percent, is Hispanic.

The homeownership rate for the rural areas of Region 1 is 73 percent. The average homeowner family spends 24 percent of their income on housing costs, including utilities. A family earning the median income can afford to purchase a home worth 2.2 times the median value.

Almost 82 percent of the 133,591 housing units is one-unit; 6 percent is 2 to 19 units, 1 percent is more than 20 units; 11 percent is mobile homes; and less than 1 percent is boats, RVs, etc. In the rural counties, the average age of the housing ranges from 22 years to 40 years old. Approximately 0.5 percent of the housing units lack complete plumbing facilities; and 0.6 percent lack complete kitchen facilities.

Mortgage Lending

There are 147 lenders that reported making loans in the rural areas of the region; 29 of them are subprime lenders, and 10 are manufactured home lenders. Forty-eight lenders reported making non-conventional loans (VA, FHA or FSA/RHS). There are 143 branches of FDIC-insured institutions in rural Region 1. There are 3 branches of lenders participating in the TDHCA bond program, since 2000 they have originated 53 loans, or $2.15 million. There are 3 to 4 HFCs that serve the rural counties in Region 1, depending on the county. See MAP for their coverage, including TDHCA loans and branches. See table for a complete listing.

The approval to denial ratio for prime, owner-occupied purchase money applications for the area was 4.7 for the year 2000. The ratio for subprime loans was 1.1; just over one loan approved for each loan denied. The main reasons for prime denial were credit history (61 percent) and debt to income (17 percent). The main reasons for subprime denial were credit history (52 percent), debt to income (21 percent), and collateral (14 percent).

Lending institutions originated over 2,400 purchase and refinance loans to owner-occupants, or $133 million, in the rural areas of Region 1. Three-quarters of those loans were purchase money mortgages. Prime lenders originated 83 percent of these owner-occupied home purchase loans.

The total number of loans originated by prime lenders was almost 1,800, or $106.4 million. That represents $330 per person. The total number of loans by subprime lenders was 353, $15 million, or $50 per person. Almost 78 percent of these subprime loans were refinances. Manufactured home lenders originated 288 loans, or $11.5 million. There were 19 home purchase loans originated by prime lenders for each one by a subprime lender.

Prime lenders reported borrower race in 90 percent of the cases, subprime lenders reported race 73 percent of the time. Almost 79 percent of the rural originations by prime lenders went to white borrowers; 19 percent went to Hispanic borrowers; 0.8 percent went to black borrowers; 0.4 percent went to American Indian borrowers; 0.4 percent to Asian borrowers; and 0.3 percent to people of some other race. Subprime lenders closed 59 percent of their mortgages with white borrowers; 36 percent with Hispanic borrowers; 5 percent with black borrowers; and 0.4 percent went to American Indian borrowers.

Urban Low-income Census Tracts

There are 60 low-income census tracts in the urban areas of Region 1. Amarillo has three extremely-low income tracts (30 percent AMI and under); 16 very low-income tracts (between 30 percent and 60 percent AMI); and 14 low-income tracts (between 60 percent and 80 percent AMI). Lubbock also has three extremely low-income tracts; 17 very low-income tracts; and 7 low-income tracts. See map.

The total population of the urban low-income tracts is 190,000. Almost 70 percent of the population is white; 12 percent is black; 2 percent is American Indian or Asian; and 17 percent is some other race. Over 29 percent of the population is of Hispanic or Latino heritage.

The homeownership rate for the urban low-income census tracts of Region 1 is 50 percent. Average homeowner costs represent between 52 percent and 96 percent of the income for households in the extremely low-income tracts. A family making the median income could afford to buy a house worth 80 percent of the value of a median priced home. Average household costs represent between 21 percent and 71 percent of the income for households in the very low-income tracts. For households in low-income tracts, housing costs represent between 18 percent and 38 percent of their income.

There are 79,000 housing units in the urban low-income census tracts of Region 1. More than 63 percent are one-unit; 13 percent are 2 to 9 units; 18 percent are 10 units and more; 4 percent are some other category (mobile home, RV, boat). The average age of housing units is 32 years old. Approximately 1.9 percent of the housing units lack a complete kitchen; and 0.7 percent lack complete plumbing facilities.

Mortgage Lending

There were 129 lenders that reported making loans in the low-income tracts of Region 1 during 2000. Thirty-three of the institutions are subprime lenders and 9 are manufactured home lenders. Thirty-seven lenders reported making non-conventional (FHA, VA, FSA/RHS) loans. There are 113 FDIC-insured financial institution branches in the area. The participating TDHCA lender has originated 4 loans or $159,816 since 2000. There are 5 HFCs that service the area.

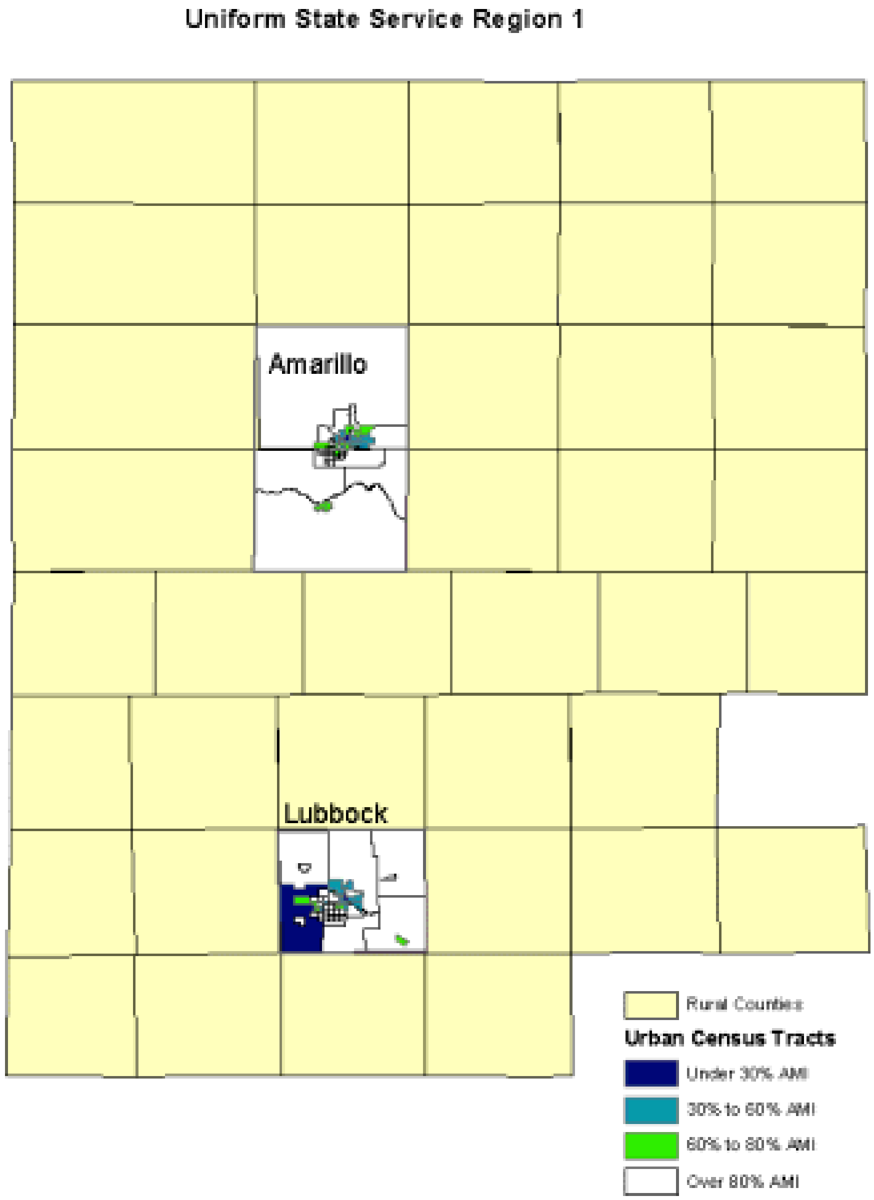
The approval: denial ratio for prime purchase money loans was 4.7 for the low-income tracts, compared to a ratio of 8.2 for all urban tracts. The approval ratio for subprime loans was 1.5; for all of the urban tracts the ratio was 2.1. The main reasons for prime denial were credit history with 61 percent and debt to income with 19 percent. There were not enough reasons for application denial from subprime lenders to analyze, only 15 cases.

Lending institutions originated over 2,077 purchase and refinance owner-occupied mortgages in the area, or $118 million. Almost three-quarters of the loans were purchase money mortgages. More than 83 percent of the owner-occupied home purchase loans were originated by prime lenders.

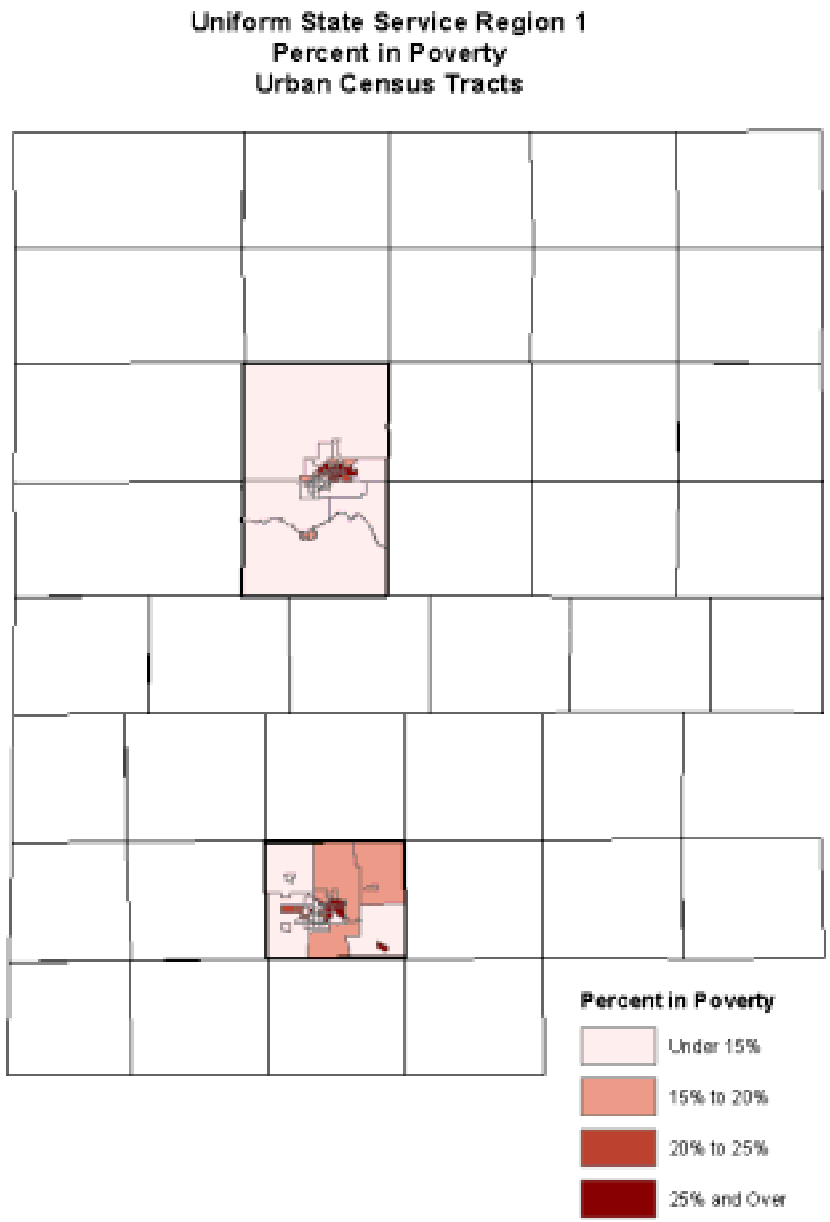
Prime lenders originated over 1,500 purchase and refinance loans, or $97.2 million. It represents $560 per person. Subprime lenders originated over 300 loans in the area, or $12.2 million. In other words, subprime lenders closed $70 in loans per person. Manufactured home lenders originated 233 loans. Almost 80 percent of the originations by subprime lenders were refinances. There were 20 home purchase loans originated by prime lenders for each one originated by a subprime lender.

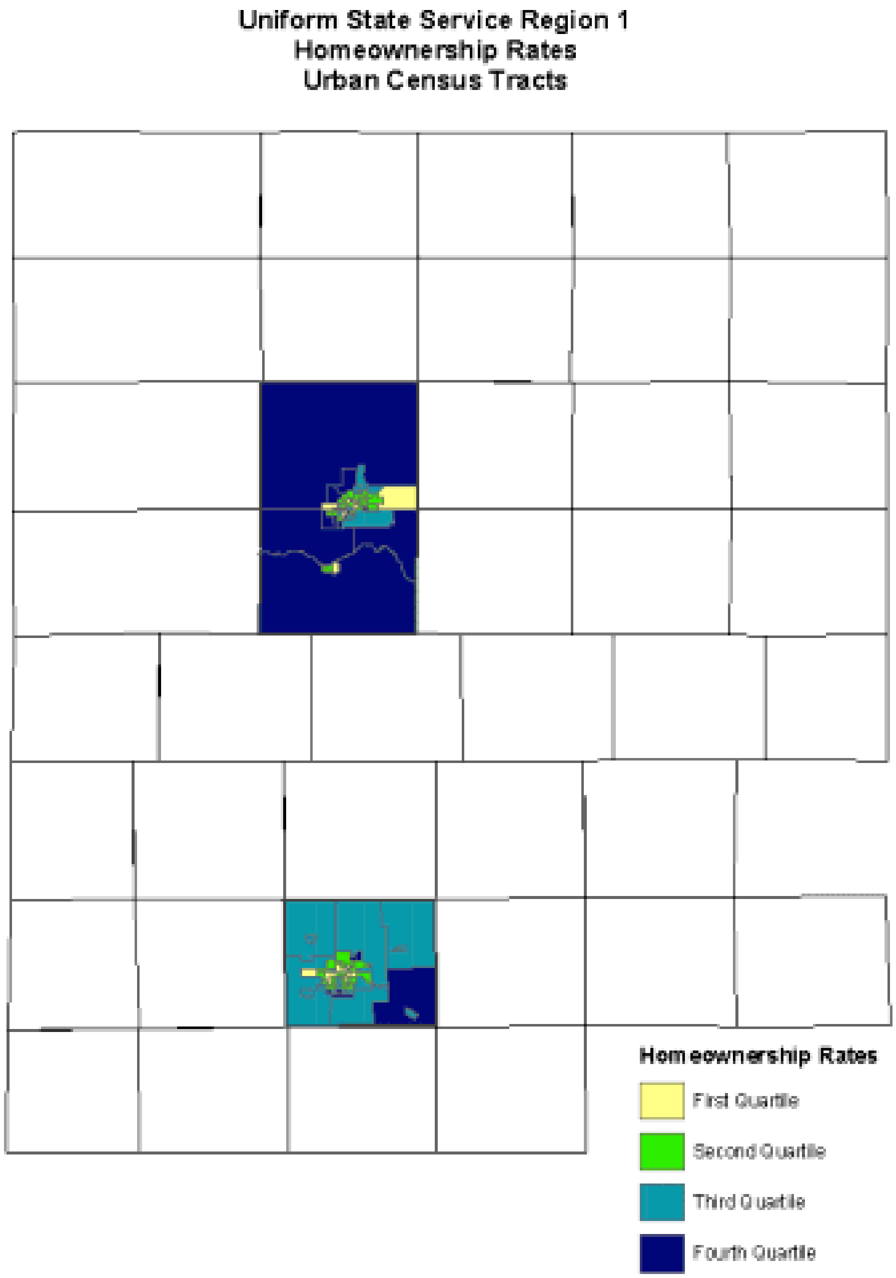
Prime lenders originated 69 percent of their urban low-income purchase money loans in low-income tracts (between 60 percent and 80 percent AMI); almost 30 percent of their loans in very low-income census tracts; and only 0.9 percent of the loans came from extremely low-income tracts. Subprime lenders originated 60 percent of their loans in low-income tracts; more than 40 percent of their loans in very low-income tracts; and none came from the extremely low-income tracts.

Prime lenders reported borrower race in 93 percent of the cases; and subprime lenders reported race in 77 percent of the cases. Almost 72 percent of the loans from prime lenders went to white borrowers; for subprime lenders the rate was 56 percent. Hispanic borrowers received 23 percent of the loans from prime lenders and 32 percent of the loans from subprime lenders. Black borrowers received 4 percent of the loans from prime lenders compared to 12 percent of the loans from subprime lenders. Prime lenders closed 0.5 percent of their loans with American Indian borrowers, 1.1 percent with Asian borrowers; and 0.3 percent with people of some other race.

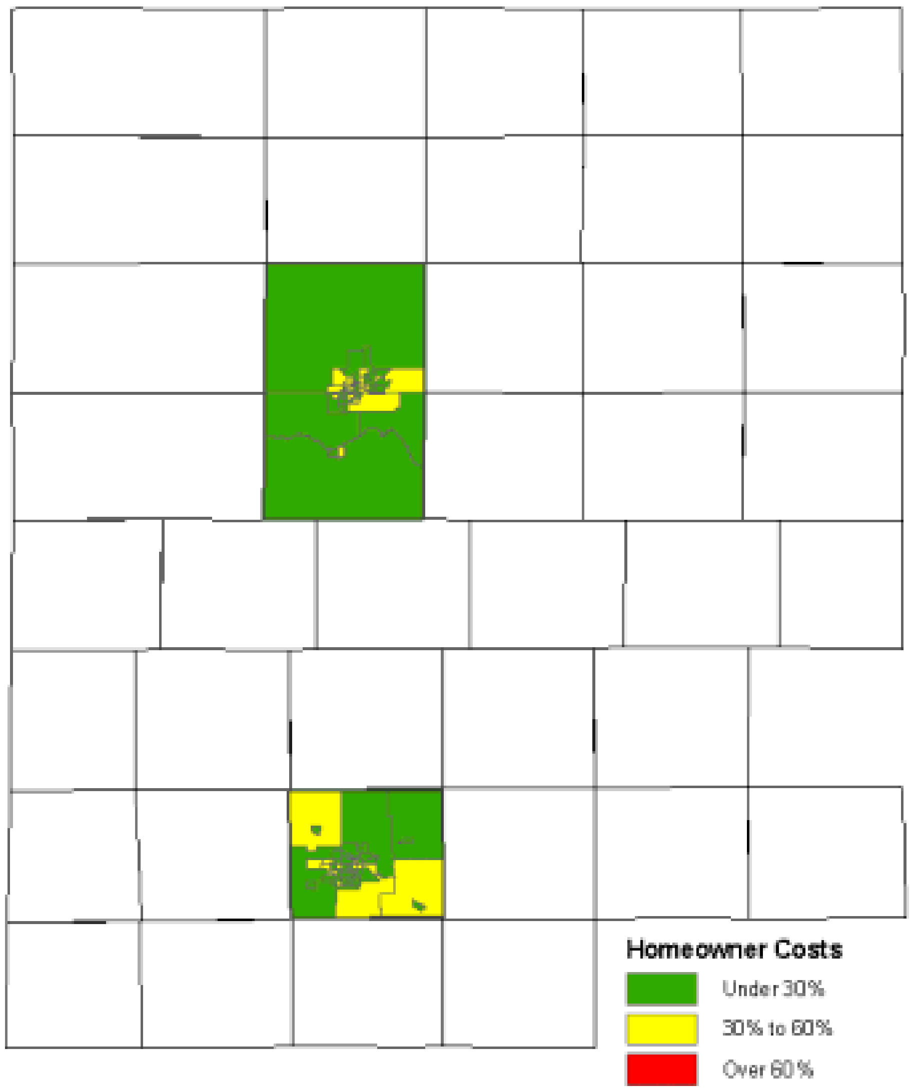

Uniform State Service Region 1
Amarillo
Lubbock
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

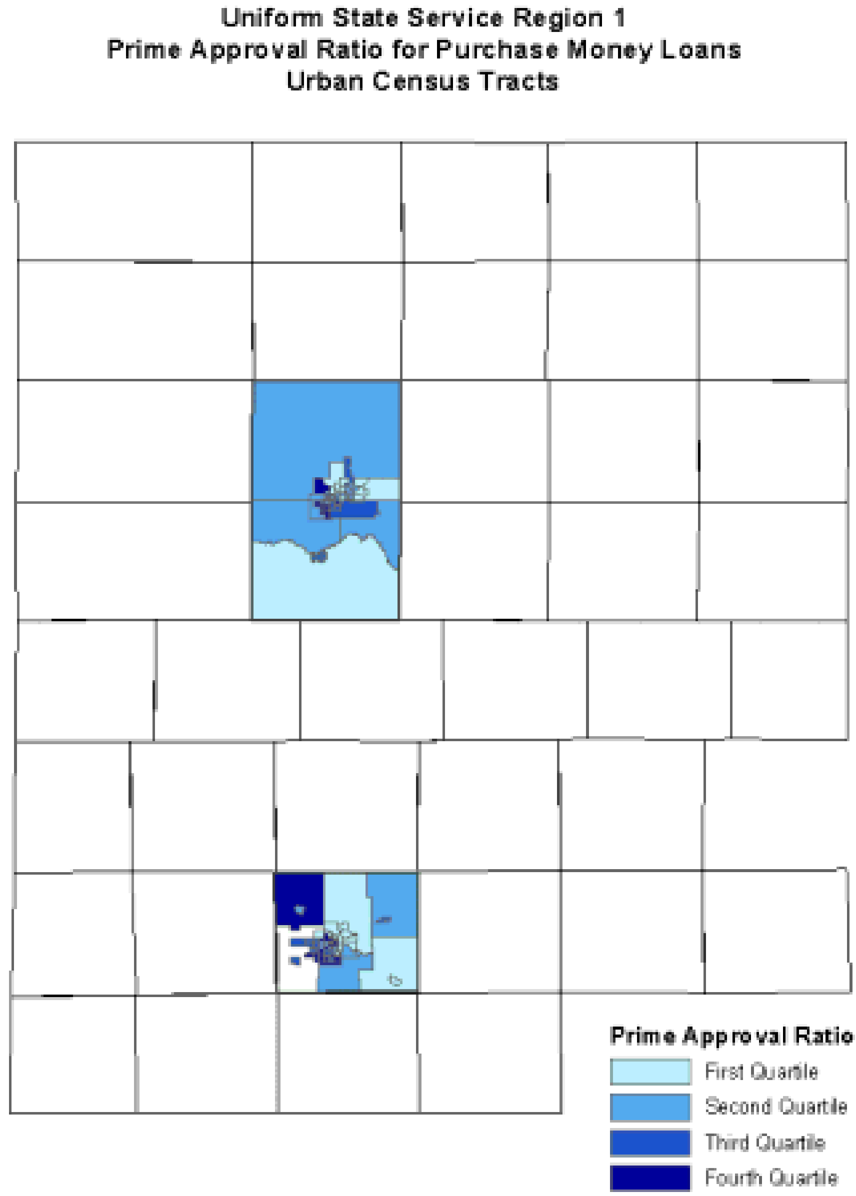

Uniform State Service Region 1
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 1
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

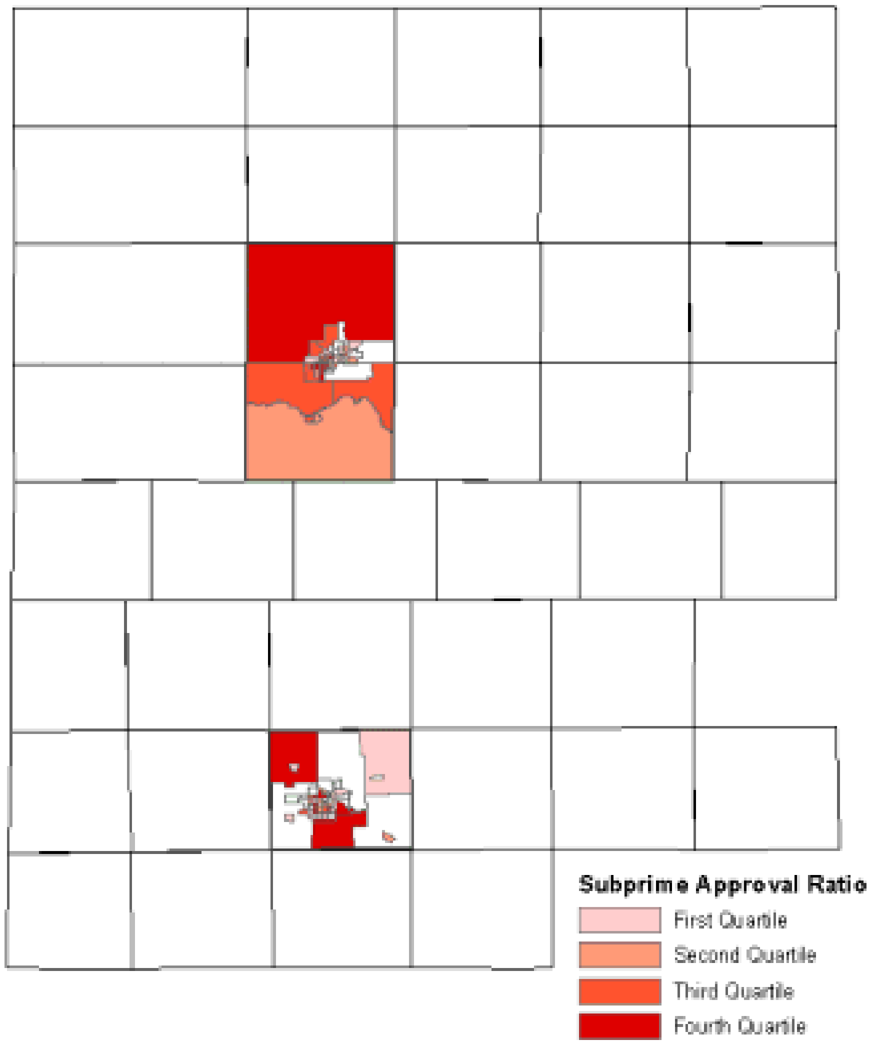

Uniform State Service Region 1
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

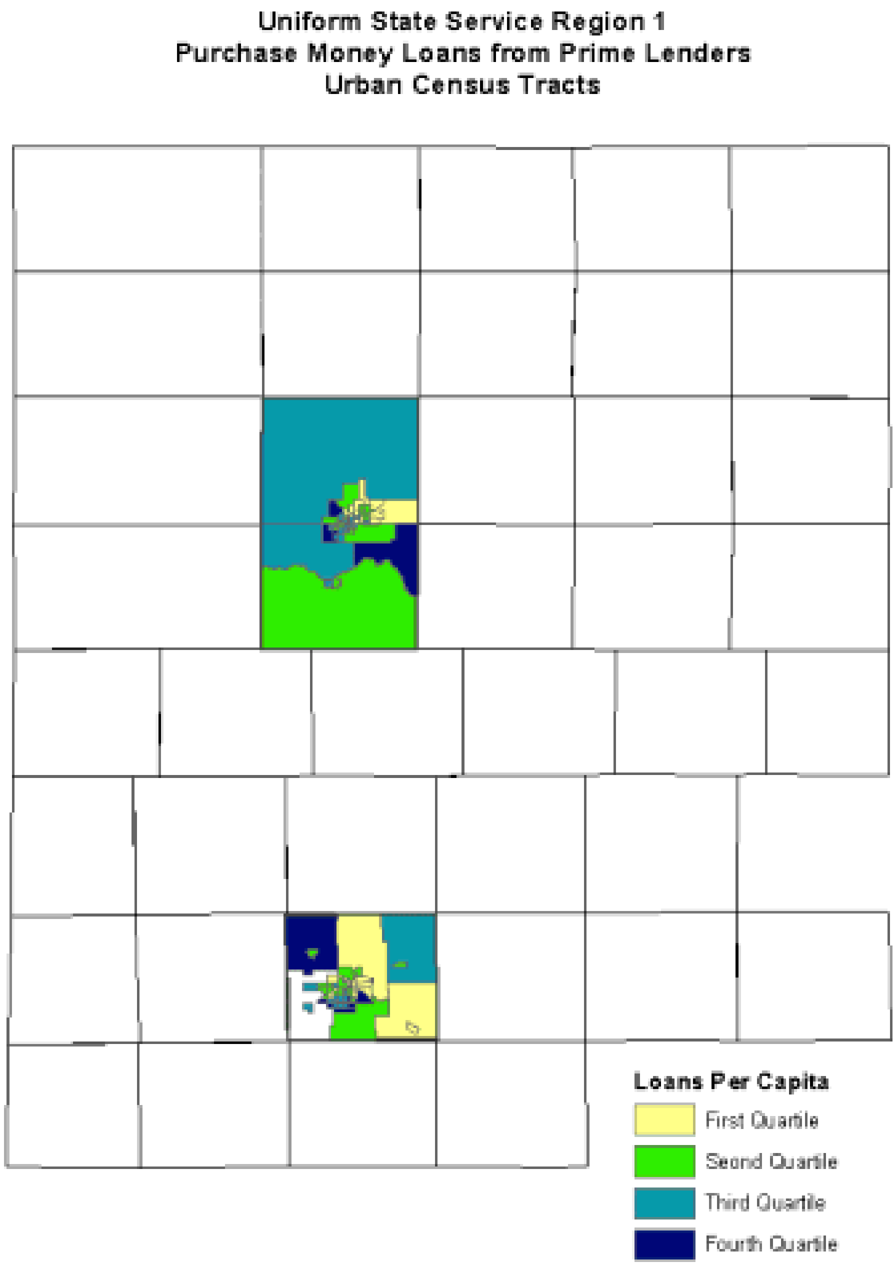
Uniform State Service Region 1
Homeowner Costs
Urban Census Tracts

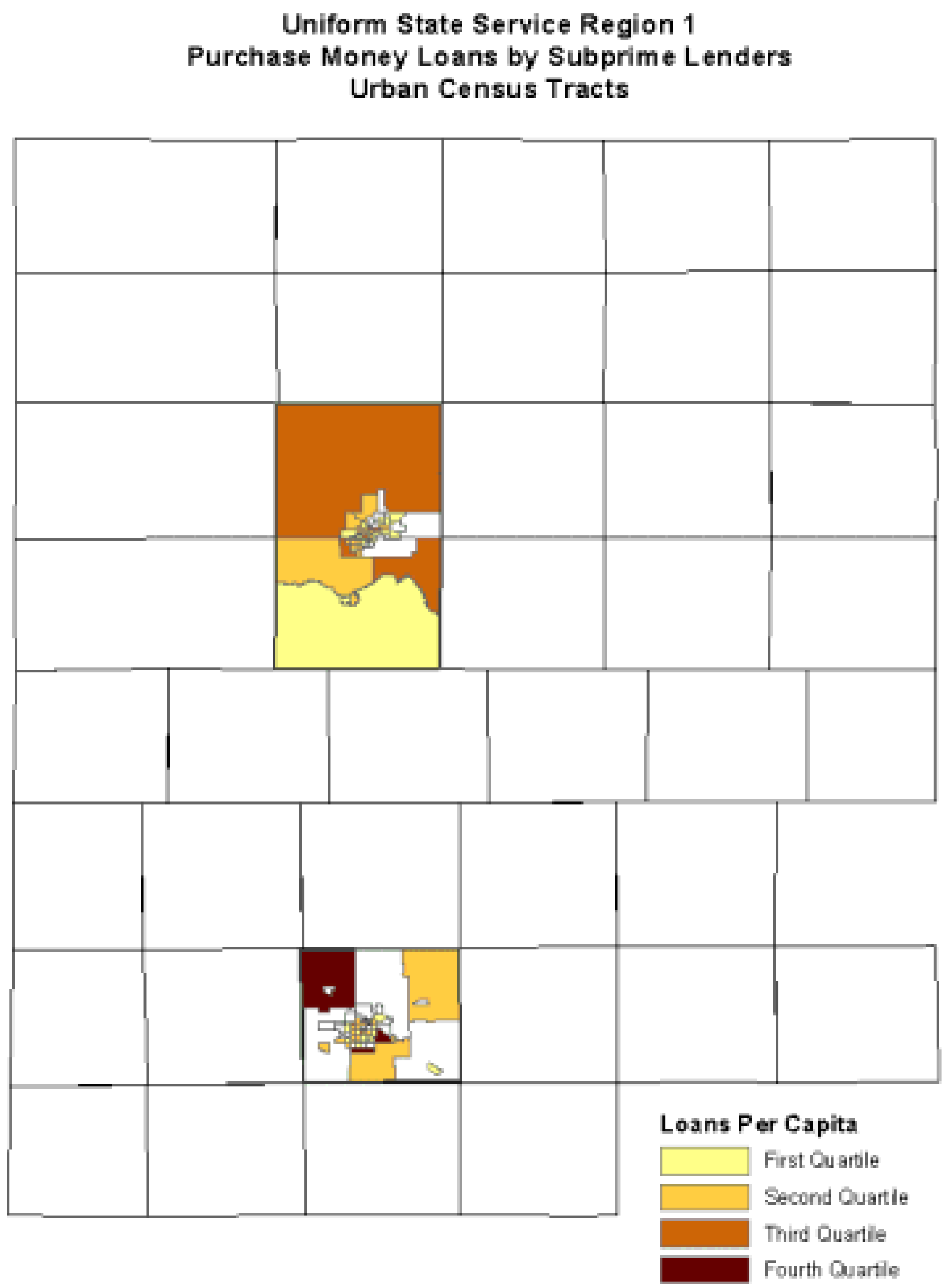


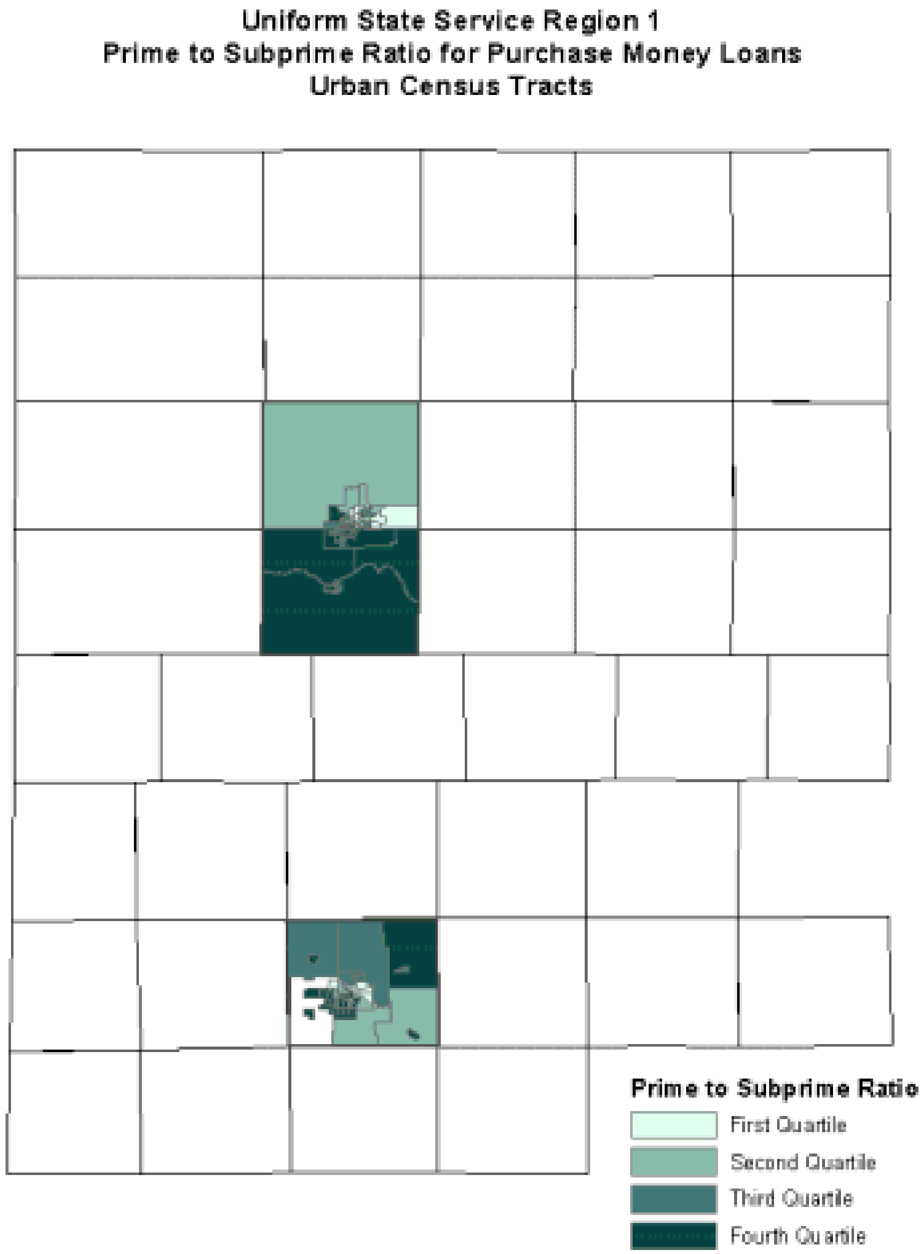

Uniform State Service Region 1
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

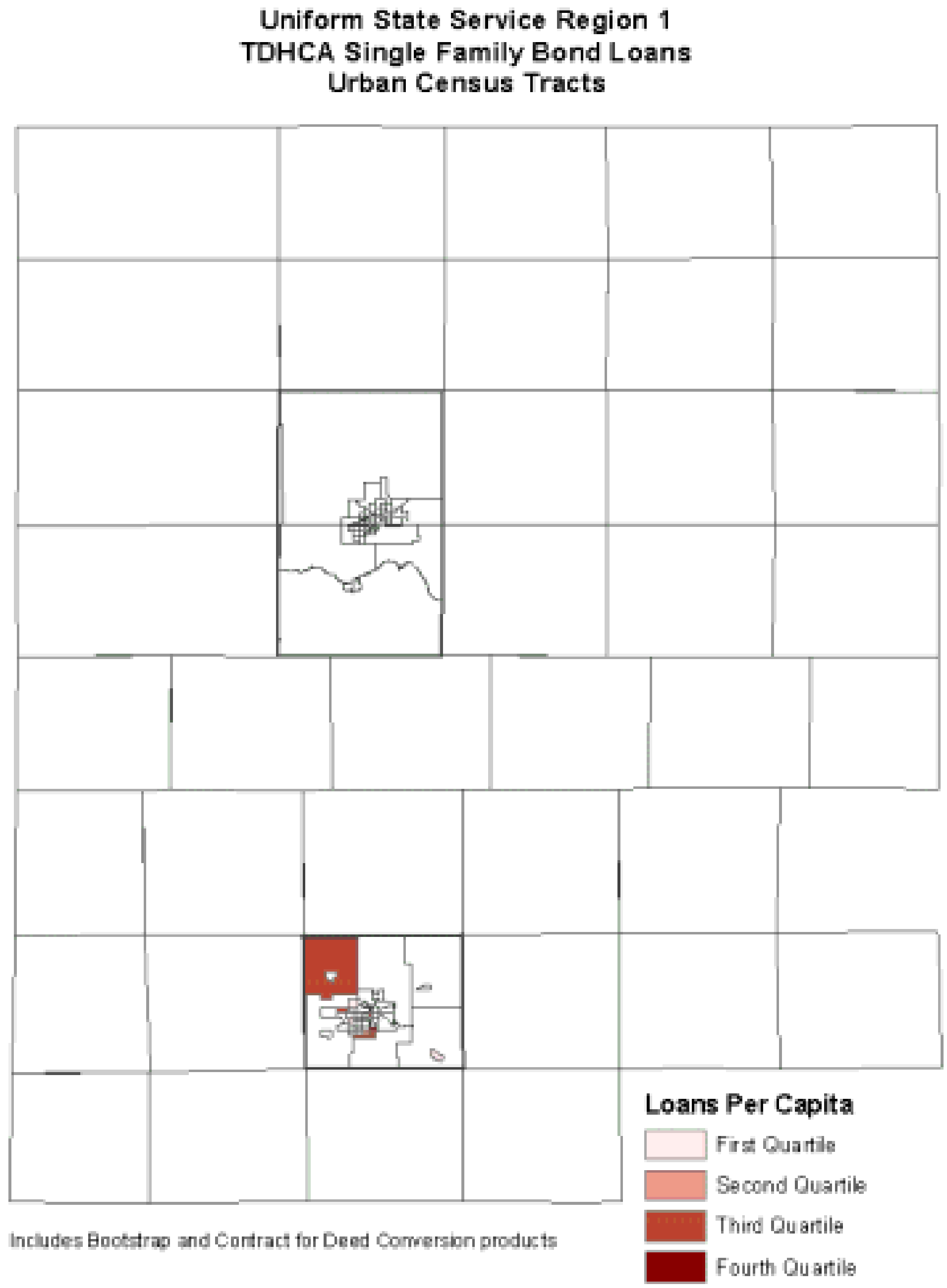
Uniform State Service Region 1
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts




Uniform State Service Region 1
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 1
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 1
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 1
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 2

Two MSAs and 26 rural counties make up Region 2. Within the two MSAs, Wichita Falls and Abilene, there are 44 low-income census tracts, see MAP. There is one border area county in the region, Runnels County.

There are 549, 267 people in Region 2. Over 83 percent of the population is white; 6 percent is black; 1.6 percent is Asian, Pacific Islander or American Indian; 7 percent is some other race; and 2 percent is two or more races. Less than 16 percent are of Hispanic or Latino heritage.

The homeownership rate for the region is 66 percent. Urban homeownership rate is slightly lower at 62 percent and the average rural rate is 73 percent. Among the urban low-income tracts in the region, the homeownership rate is 56 percent.

RURAL AREAS

More than half of the population lives in rural counties. The total number of people living in the rural counties, including the one border county is 282,194. The county median family income ranges between $29,500 and $41,500. More than 15 percent of the population lives in poverty. Over 86 percent of the population is white; 4 percent is black; less than 1 percent is Asian or American Indian; 7 percent is some other race; and 1.6 percent is two or more races. Almost 17 percent of the population is of Hispanic origin.

The homeownership rate for the rural areas of Region 2 is 75 percent. The average homeowner household spends more than one-quarter of their income on housing costs. A family earning the median income for the area can afford to buy a home worth 2.4 times the median value.

Slightly more than 77 percent of the over 134,000 dwellings are one-unit; 6 percent are 2 to 19 units; 1.6 percent are more than 20 units; almost 14 percent are mobile homes; and more than 1 percent are RVs, boats, etc. The average age of the homes ranges from 19 to 46 years. Slightly less than one-half of one percent lack complete plumbing and the same amount lack complete kitchen facilities.

Mortgage Lending

There are 154 mortgage lenders that reported making loans in the rural areas of Region 2. Thirty-three of the lenders are subprime lenders and 10 are manufactured home lenders. Forty-six lenders reported making non-conventional loans in 2000. There are 133 FDIC-insured branches in the area. There are 3 to 4 HFCs serving each rural county.

The approval to denial ratio for the rural area was 3.7 for prime, owner-occupied purchase money applications. The subprime approval ratio was 1.4. The main reasons for prime denial were credit history

(60 percent) and debt to income (15 percent). The main reasons for subprime denial were credit history (31 percent); other (17 percent); and collateral and insufficient cash to close (each 14 percent).

The total number of purchase and refinance originations by prime, subprime, and manufactured home lenders was 1,835, or over $101 million. More than three-quarters of those were purchase money loans. More than 69 percent of the purchase money loans came from prime lenders.

Prime lenders originated 1,198 loans in rural Region 2, or $67.3 million. Prime lenders originated $240 in loans per person. Subprime lenders originated 258 loans, or $18.9 million; or $70 per person. Manufactured home lenders originated 379 loans, or $15 million. Almost 57 percent of the subprime loans were refinances. There were 8.6 purchase money loans originated by prime lenders for each one by subprime lenders in the rural area of Region 2.

Prime lenders reported race 91 percent of the time; subprime lenders 67 percent of the time. More than 88 percent of the loans from prime lenders went to white borrowers; 84 percent of the loans from subprime lenders went to white borrowers. Hispanic borrowers received 9 percent of the loans from prime lenders and 11 percent of the loans from subprime lenders. Black borrowers received 1 percent of the loans from prime lenders and 4 percent of the loans from subprime lenders. American Indian borrowers received 0.6 percent of the loans of prime lenders and 0.6 percent of the loans of subprime lenders. Asian borrowers received 0.2 percent of the loans of prime lenders. People of some other race received 0.8 percent of the loans of prime lenders and 0.6 percent of the loans of subprime lenders.

Urban Low-Income Census Tracts

There are 44 urban low-income census tracts in Region 2. Abilene has 10 very low-income tracts and 13 low-income tracts. Wichita Falls has 2 extremely low-income tracts; 11 very low-income tracts and 8 low-income tracts. See map.

The total population of the urban low-income tracts in Region 2 is 119,450. Approximately 77 percent of the population is white; 11 percent is black; 17 percent is some other race; 2 percent is Asian or American Indian. More than 17 percent of the population is of Hispanic heritage.

The homeownership rate is 56 percent in the urban low-income tracts. Homeowner families in the extremely low-income tracts have to spend between 47 percent and 51 percent of their income on housing costs. Families in the very low-income tracts spend between 26 percent and 63 percent of their income on housing costs. Homeowner families in the low-income tracts spend between 23 percent and 43 percent of their income on housing. A family in the extremely low-income tracts earning the median income can afford to purchase a home worth 80 percent of the median priced home; a family in a very low-income or low-income tract can purchase a home worth 1.4 times the median price.

There are over 53,600 housing units in the urban low-income census tracts. Most are one-unit (70 percent); 14 percent are 2 to 9 units; 9 percent are 10 units and above; 6 percent are some other category. The average age of the housing units is 36 years old. Less than 0.9 percent of the units are lacking complete kitchen facilities and 0.6 percent lack complete plumbing.

Mortgage Lending

There were 108 lenders originating loans in urban low-income tracts in 2000, according to HMDA reports. Twenty-five were subprime lenders and 9 were manufactured home lenders. Thirty-five lenders reported making non-conventional loans. There are 117 branches of FDIC-insured financial institutions in the area. There are 4 branches of TDHCA participating lenders in the low-income tracts. Since 2000 they have originated 7 loans, or $287,949. There are 4 HFCs that service the area.

The approval: denial ratio for prime lenders was 4.9 for purchase money mortgages, for subprime lenders it was 1.4. The main reasons for prime denial were credit history (58 percent) and debt to income (20 percent). There were not enough reasons for denial provided in the 2000 HMDA data to analyze.

Prime, subprime, and manufactured home lenders originated over 1,180 loans in the urban low-income tracts of Region 2, or $62.8 million. Around 79 percent of the loans were purchase money mortgages. Prime lenders originated more than 78 percent of the home purchase loans.

Prime lenders closed 872 purchase and refinance loans, or $49.6 million. Prime lenders originated $410 in loans per person. Subprime lenders originated 175 loans in the area, $7.5 million, or $60 per person. Manufactured lenders closed 139 loans for a total of $5.6 million. More than half (52 percent) of the loans by subprime lenders were refinances. There were 8.7 purchase money loans originated by a prime lender for each loan by a subprime lender.

Prime lenders originated 26 percent of their urban low-income purchase money loans in very low-income census tracts; and 1.2 percent in extremely low-income census tracts. The rest came from low-income tracts. Subprime lenders originated 39 percent of their loans in very low-income tracts and 0 in extremely low-income tracts. Subprime lenders closed 61 percent of their loans in low-income tracts.

Prime lenders reported race in 94 percent of the cases, subprime lenders reported race 74 percent of the time. Prime lenders originated 83 percent of their loans to whites; 13 percent to Hispanics; 3 percent to blacks; and 1 percent to Asians or American Indians. White borrowers received 79 percent of the loans from subprime lenders, Hispanic borrowers 16 percent; black borrowers 4 percent and the rest went to Asians or American Indians.

Border Areas

There is one border county in Region 2, Runnels County. The population of the county is 11,495. The county median family income is $32,920. Almost 19 percent of the population lives in poverty. Approximately 81 percent of the population is white; 1 percent is black; 0.5 percent is American Indian; 0.3 percent is Asian; 14 percent is some other race; and 2 percent is two or more races. Of the total population, 29 percent is Hispanic or Latino.

The homeownership rate in the region is 77 percent. The average homeowner family spends 24 percent of their income on housing costs. A family earning the median income can afford to purchase a home worth 2.2 times the median value. Almost 86 percent of the 5,400 housing units are one-unit; 5 percent are 2 to 19 units; 0.1 percent are over 20 units; 8.5 percent are mobile homes; and 0.7 percent are RVs, etc. About 1.2 percent of the units lack complete plumbing facilities and 0.9 percent lack complete kitchen facilities. The median age of the houses is 36 years old.

Mortgage Lending

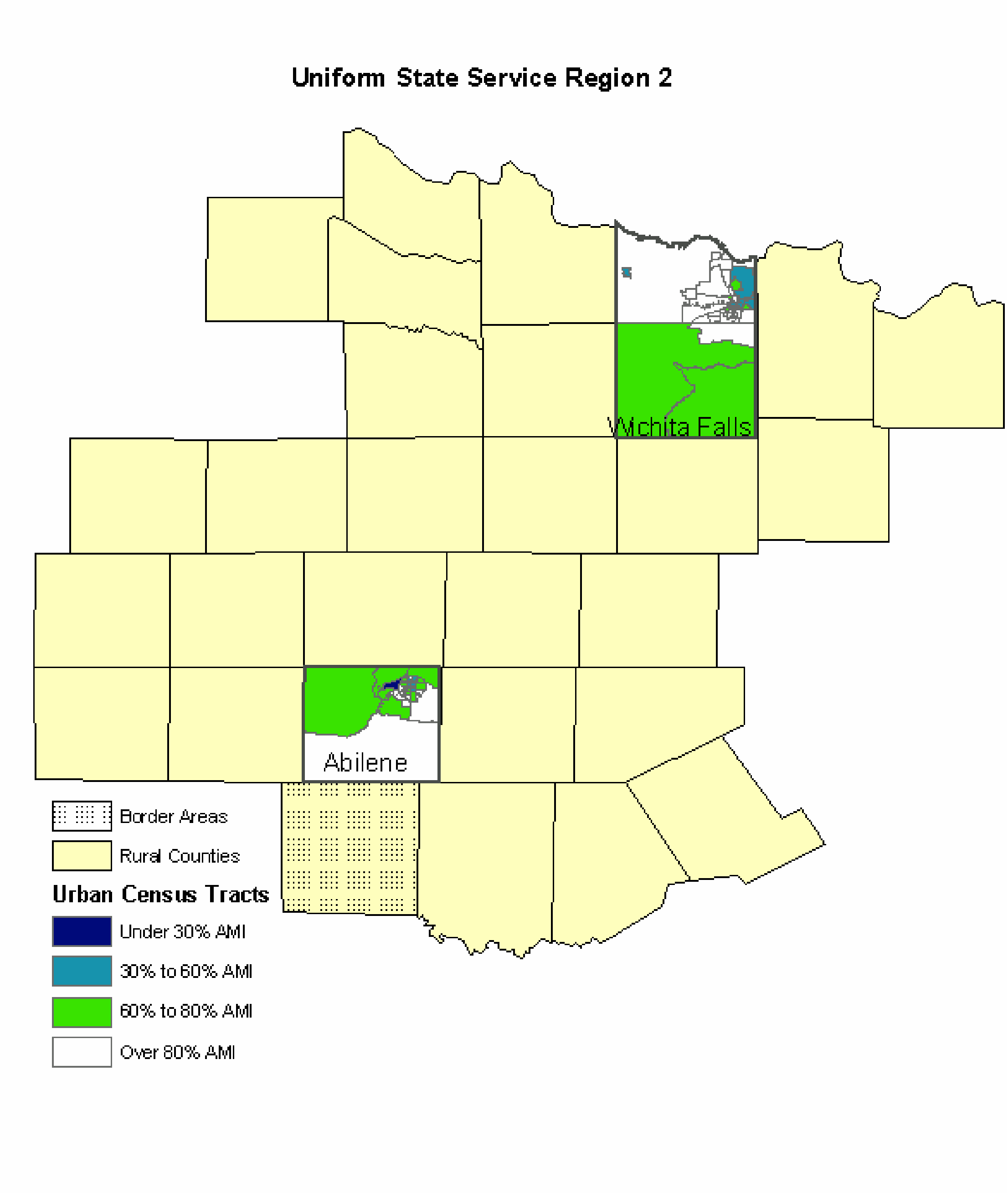
There are 27 lenders that reported making loans in the area, 9 are subprime lenders and 3 are manufactured home lenders. There are 5 lenders that reported making non-conventional loans in 2000. There are 4 HFCs that service the area.

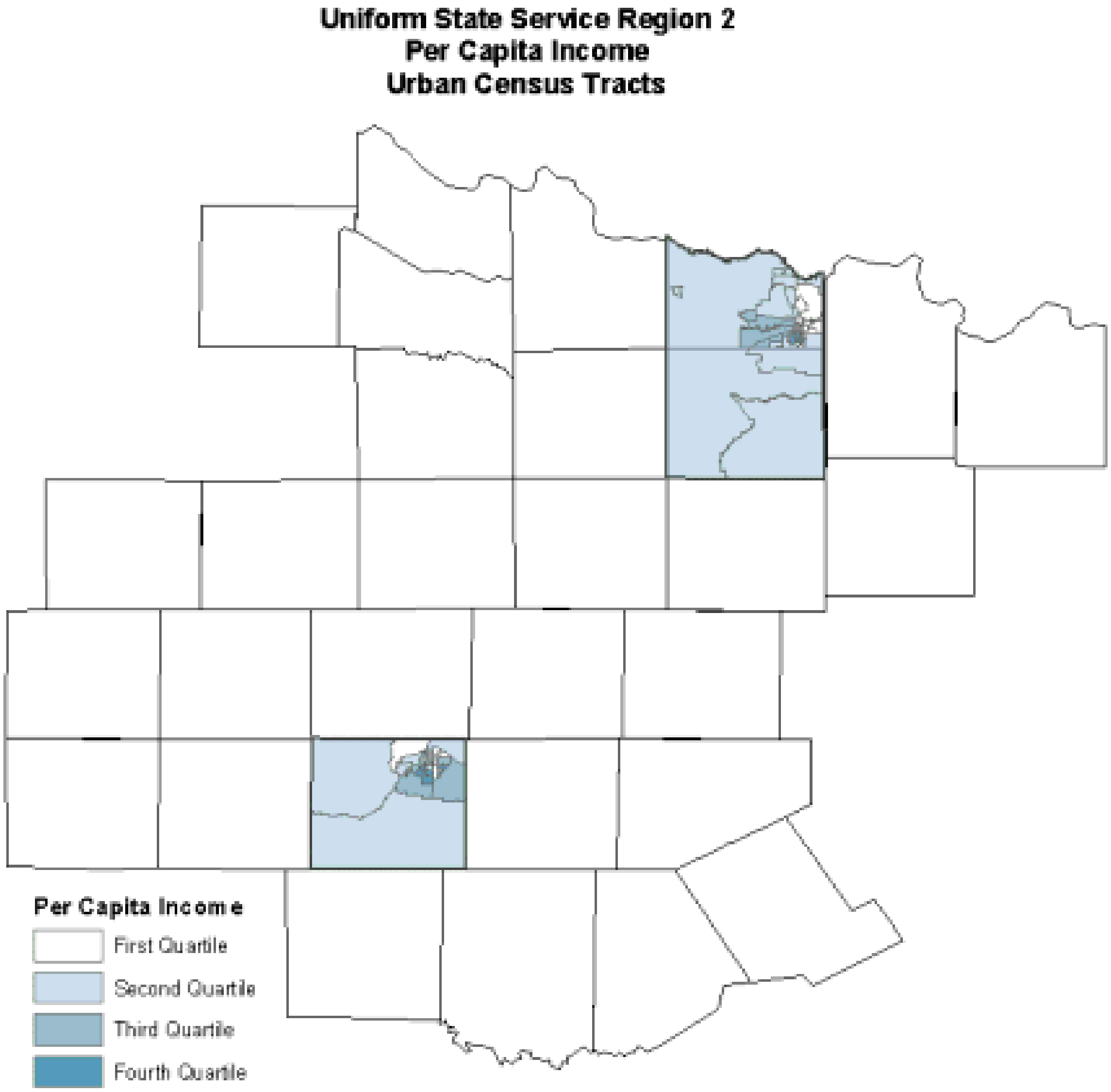
The approval ratio for purchase money applications to prime lenders in 2000 was 4.1, for subprime lenders the ratio was 1.2. There are not enough reasons for denial for analysis.

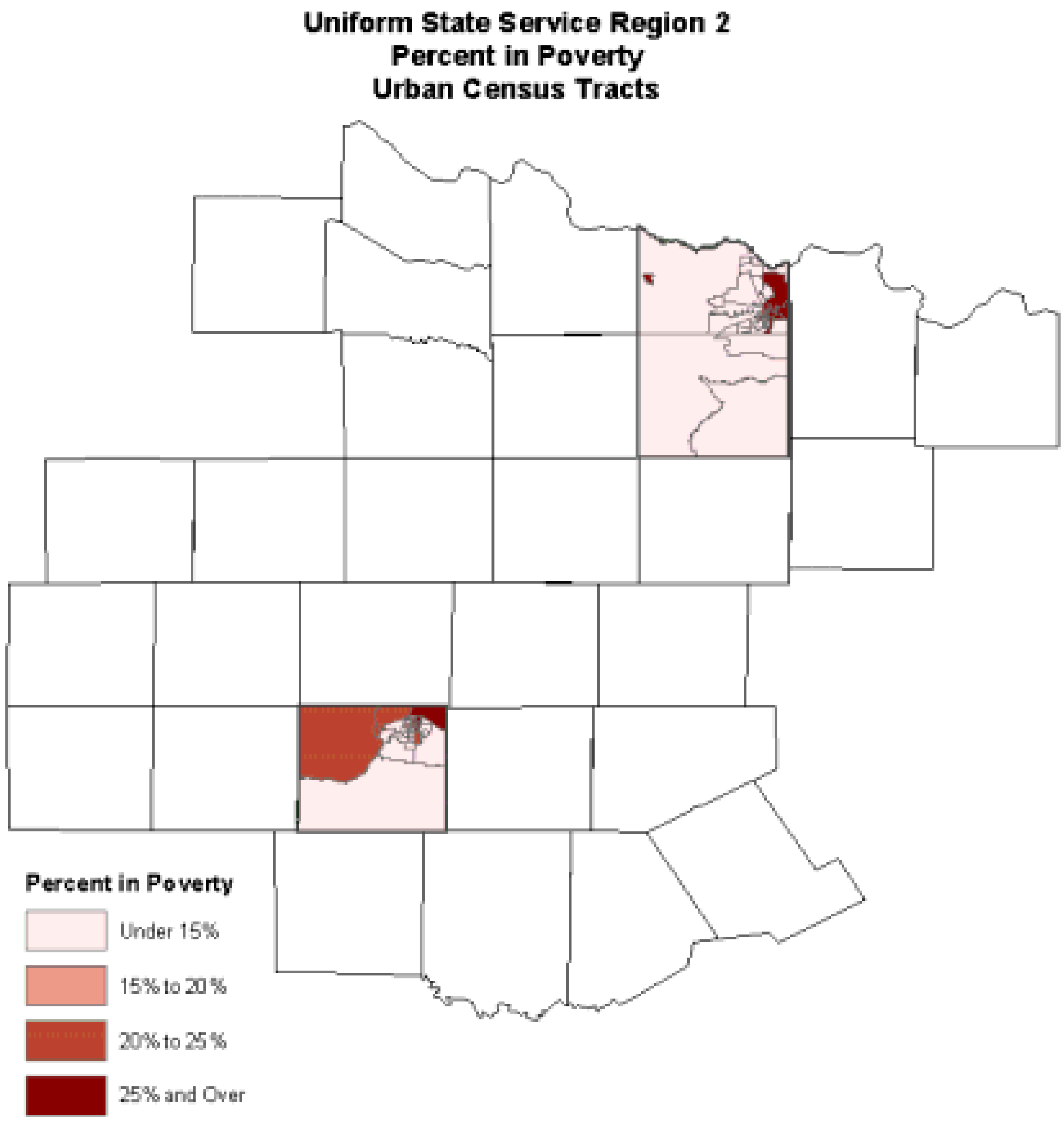
Lending institutions originated 58 purchase and refinance loans for a total of $2.5 million. Thirty six of the loans were purchase money mortgages. Prime lenders originated 27 of those purchase loans.

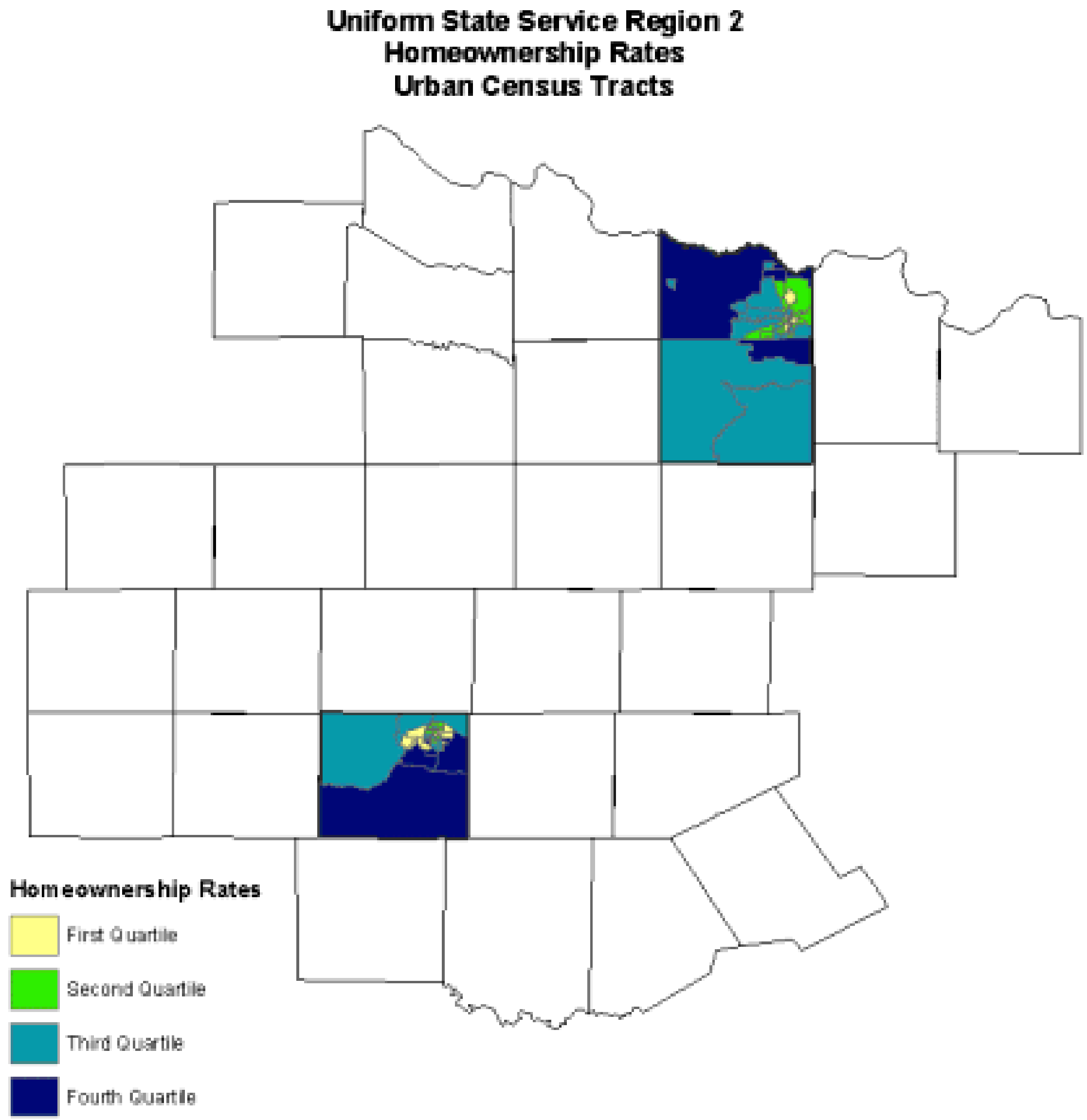
The total number of purchase and refinance loans originated by prime lenders was 38 loans, or $1.7 million. That represents a total of $150 per person. Subprime lenders originated 15 loans, $585,000; or $50 per person. Manufactured home lenders originated 5 loans, or $253,000.

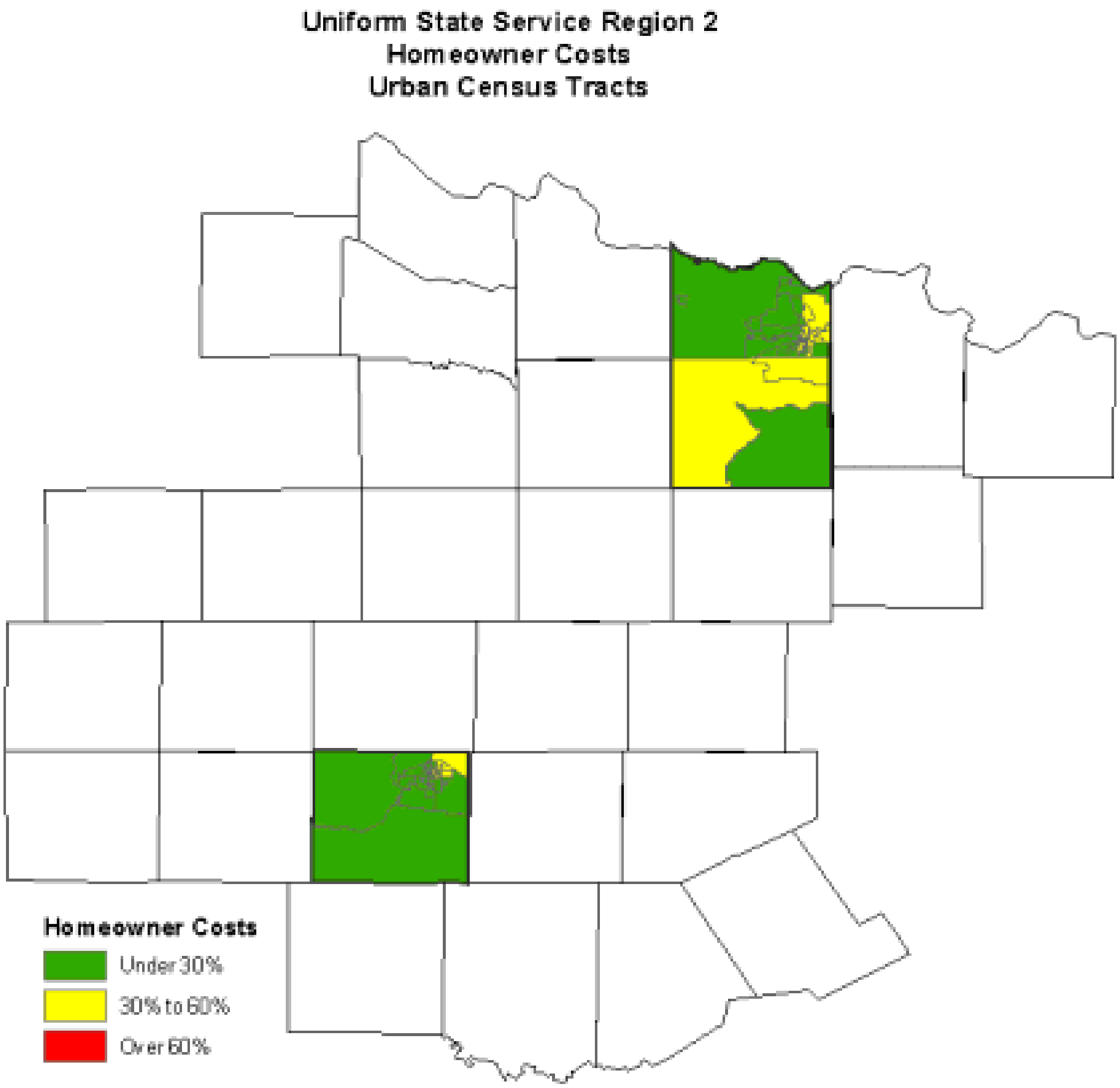
Prime lenders reported race in 88 percent of the cases, subprime lenders 64 percent. Of the 34 purchase and refinance loans from prime lenders, 27 went to white borrowers and 7 to Hispanic borrowers. Subprime lenders provided race data on 11 borrowers, 9 borrowers were white; one was Hispanic; and one was American Indian.

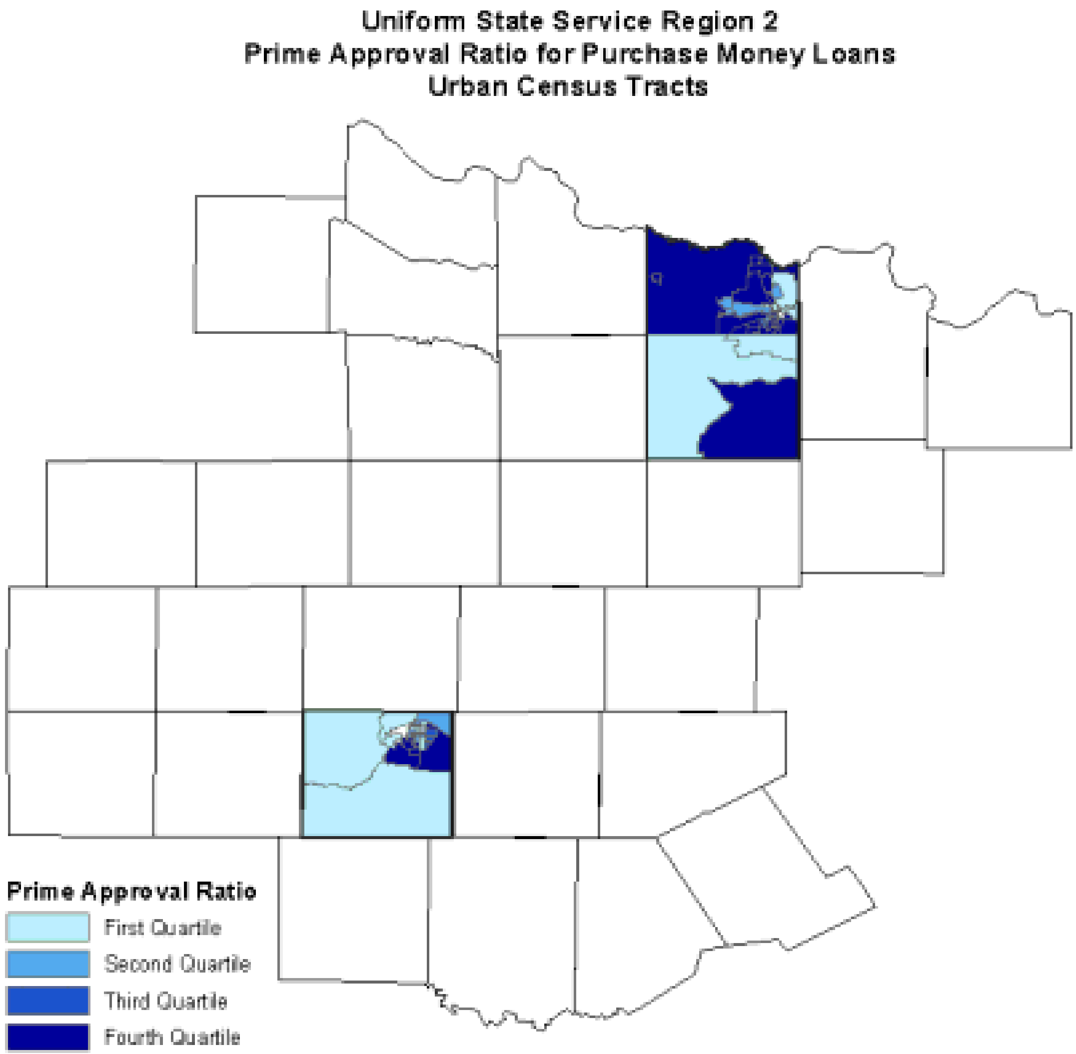

Uniform State Service Region 2
Wichita Falls
Abilene
Border Areas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

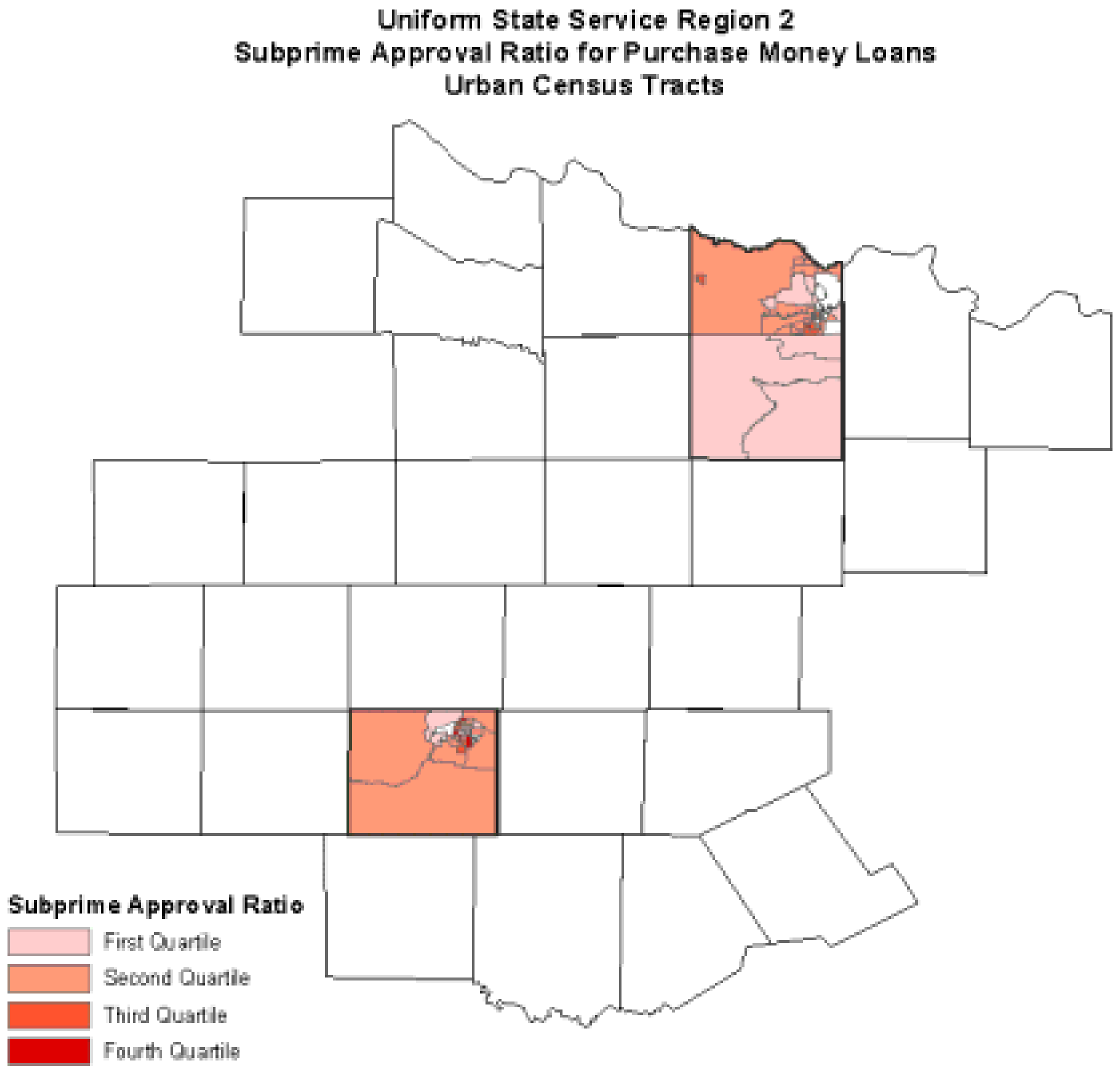

Uniform State Service Region 2
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 2
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

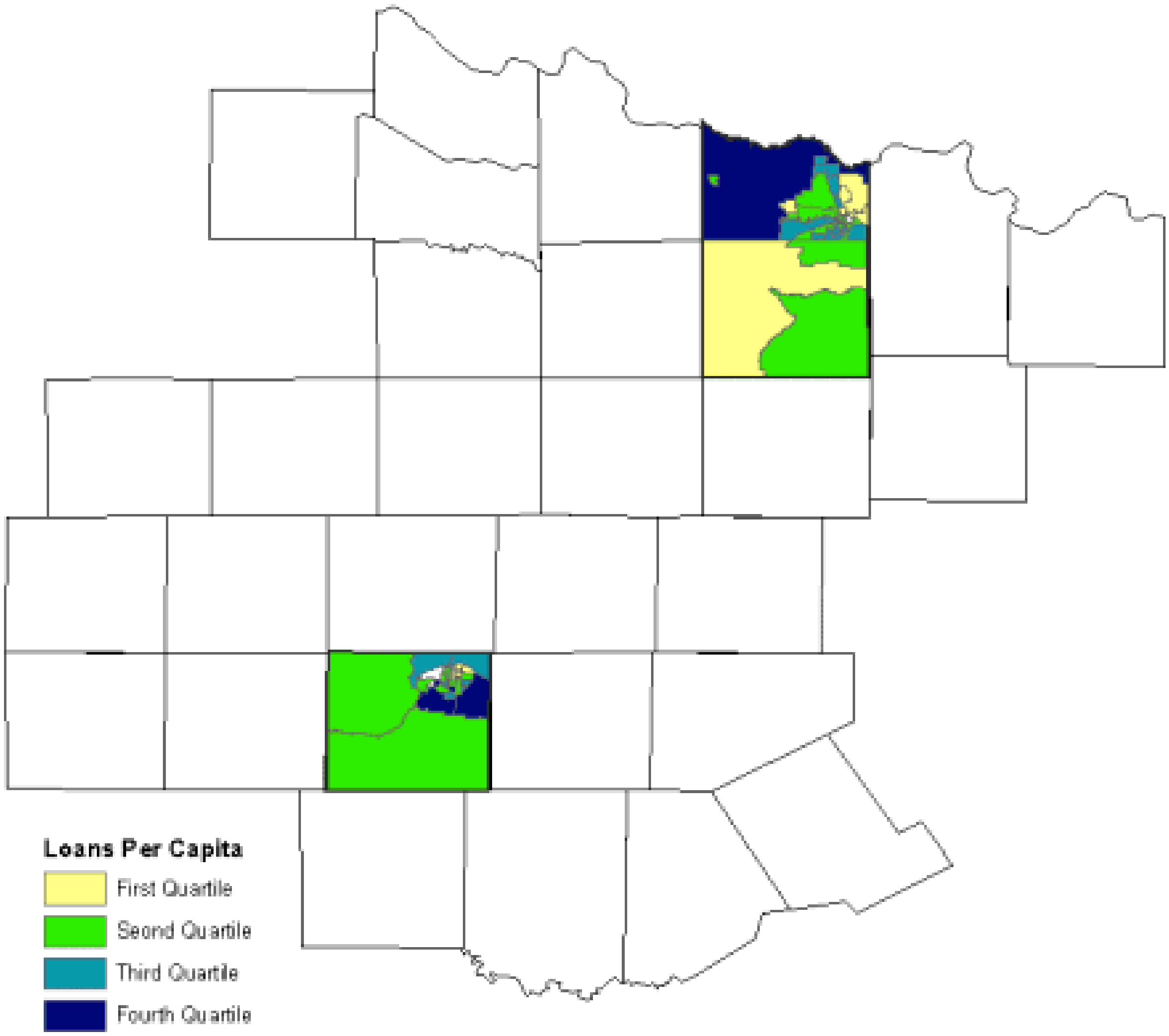

Uniform State Service Region 2
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

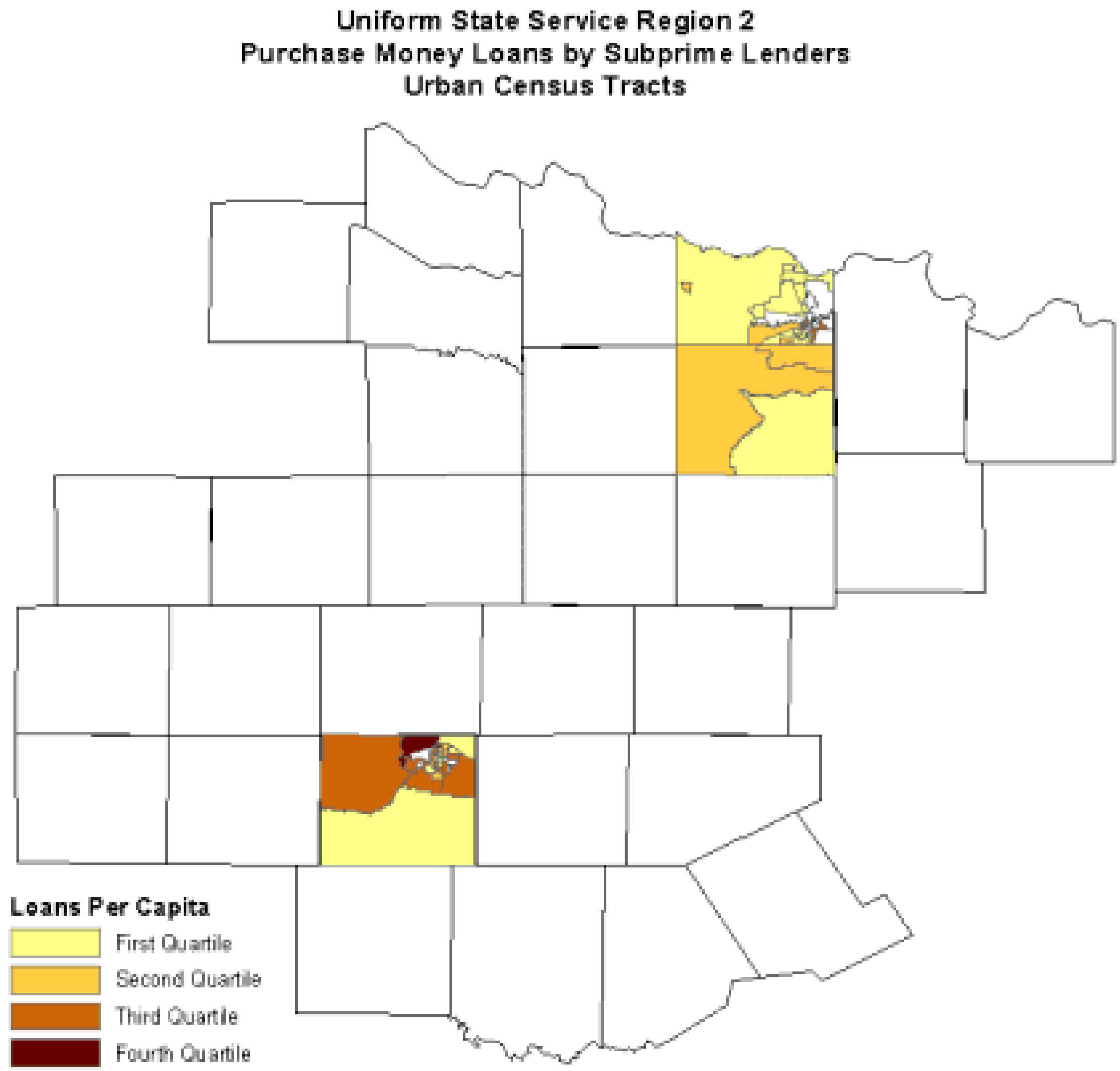

Uniform State Service Region 2
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%


Uniform State Service Region 2
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

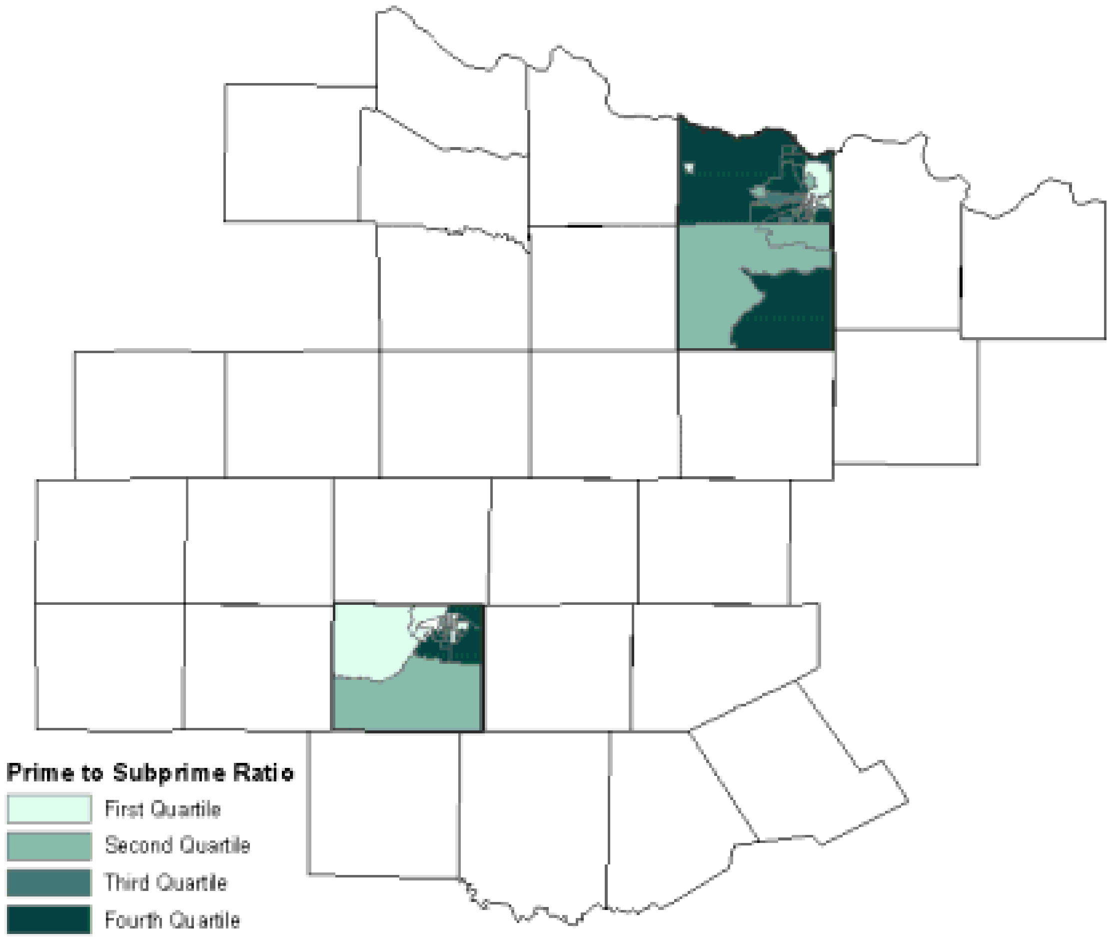

Uniform State Service Region 2
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

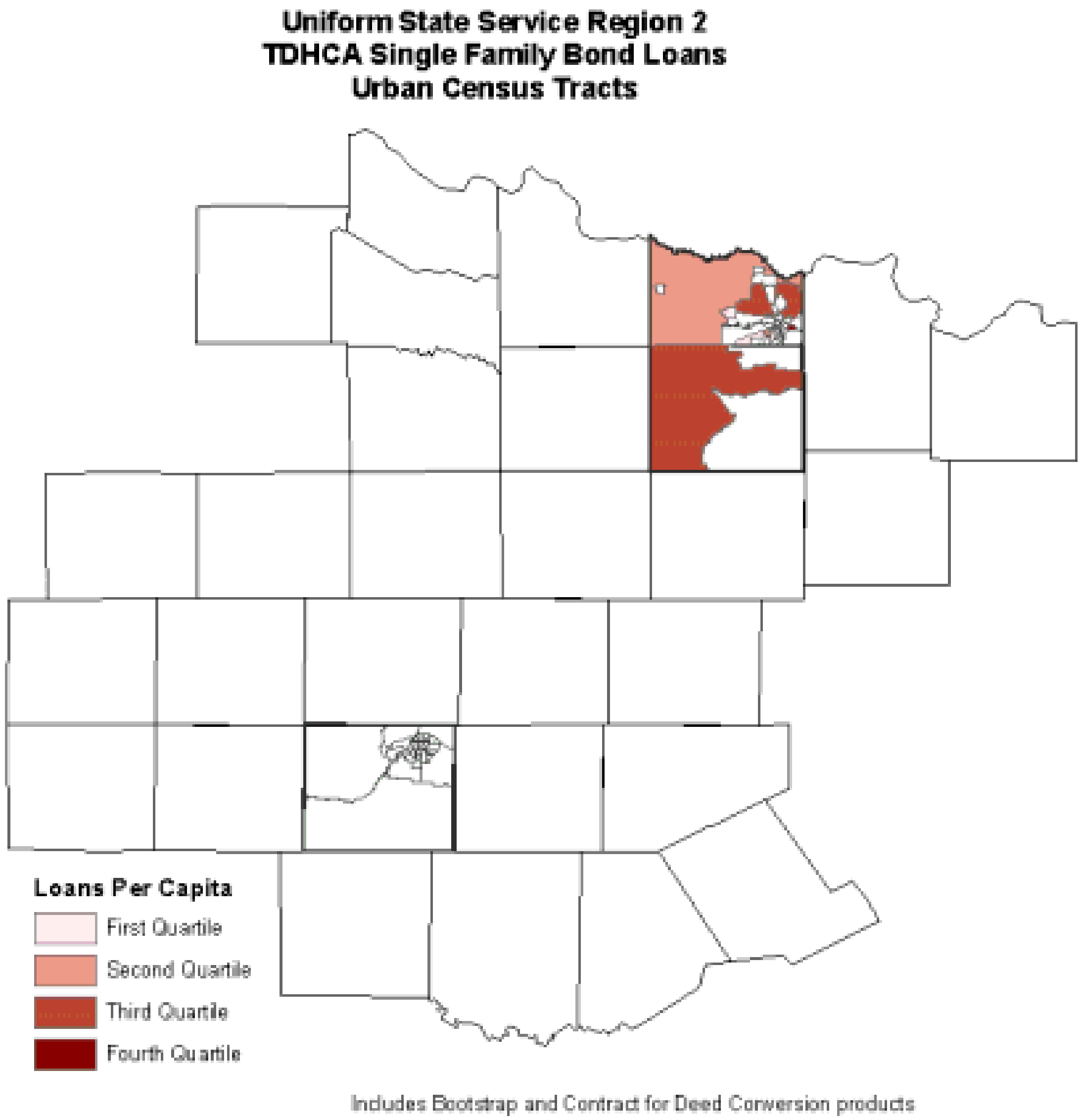
Uniform State Service Region 2
Purchase Money Loans from Prime Lenders
Urban Census Tracts




Uniform State Service Region 2
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

Uniform State Service Region 2
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts




Uniform State Service Region 2
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 3

Of the 19 counties in Region 3, seven are rural and 12 are urban. There are 430 low-income census tracts in the Dallas, Fort Worth-Arlington, and Sherman-Denison MSAs.

The total population of Region 3 is 5,487,477. More than 70 percent of the population is white; over 13 percent is black; 3.7 percent is Asian or Pacific Islander; 0.6 percent is American Indian; 10 percent is some other race; and 2.4 percent is two or more races. Approximately 21 percent of the population is Hispanic of any race.

The average homeownership rate for the region is 61 percent, lower than the state average of 63 percent. The urban homeownership rate is 60 percent; and the rural rate is 73 percent. The homeownership rate among the low-income census tracts is 44 percent.

RURAL AREAS

The total rural population of Region 3 is 228,358. The county median family income ranges between $37,000 and $48,000. Almost 14 percent of the population lives in poverty. Less than 86 percent of the population is white; 6 percent is black; 0.5 percent is Asian or Pacific Islander; 0.7 percent is American Indian; 6 percent is some other race and 1.6 percent is two or more races. Almost 12 percent of the population is of Hispanic or Latino heritage.

The rural homeownership rate for the region is 73 percent. The average homeowner household spends 27 percent of their income on housing costs. A family earning the median income can afford a home worth 1.6 times the median priced home.

There are 96,913 housing units in rural Region 3. About 70 percent of the housing units are one-unit; 7 percent are 2 to 19 units; 2.3 percent are more than 20 units; 21 percent are mobile homes; and 0.6 percent are RVs, etc. The average age of the housing is 20 years old. Almost 0.6 percent of the housing units lack complete plumbing facilities; 0.7 percent lack complete kitchen facilities.

Mortgage Lending

There are 220 lenders that reported making loans in the rural areas of Region 3. Thirty-six of the lenders are subprime and 10 are manufactured home lenders. More than 28 percent, or 62 lenders, reported making non-conventional loans in the year 2000. There are 92 branches of FDIC-insured institutions in the area. There are 2 branches of TDHCA participating lenders in the rural areas of Region 3. They have originated three loans since 2000, or $90,610. There are 3 to 4 housing finance corporations that service the rural counties of Region 3.

The approval: denial ratio for purchase money loans by prime lenders was 3.6; for subprime lenders it was 1.7. The main reasons for prime denial include credit history (50 percent) and debt to income (20 percent). The main reasons for subprime denial include credit history (56 percent), collateral and some other reason (16 percent each), and credit application incomplete (9 percent).

Lending institutions originated more than 3,200 purchase and refinance owner-occupied home loans in the year 2000. Three-quarters of the loans were purchase money mortgages. Among these originations prime lenders closed 64 percent. There were 15 purchase money loans by prime lenders for each loan by a subprime lender.

Prime lenders originated 2,090 loans, $181.4 million, or $790 in loans per person. Subprime lenders originated 310 mortgages, $21.3 million, or $90 per person. More than 67 percent of these subprime loans were refinances. Manufactured home lenders originated 823 purchase and refinance loans.

Prime lenders reported race in 92 percent of the cases, subprime lenders reported race in 67 percent of the cases. White borrowers received 91 percent of the loans of prime lenders and 87 percent of the loans of subprime lenders. Black borrowers received 1.6 percent of the loans of prime lenders and 3.4 percent of the loans of subprime lenders. Hispanic borrowers in the rural counties of Region 3 received 6.4 percent of the loans of prime lenders and 7.2 percent of the loans of subprime lenders. Prime lenders originated 1.3 percent of their loans to Asians, American Indians or people of some other race; subprime lenders originated 2.4 percent of their loans to these groups.

Urban Low-Income Census Tracts

There are 430 urban low-income census tracts in Region 3. Of the 277 low-income tracts in the Dallas MSA, 9 percent are extremely low-income, 45 percent are very low-income, and 46 percent are low-income. Fort Worth-Arlington has 144 low-income tracts; 8 percent are extremely low-income, 41 percent are very low-income, and 51 percent are low-income. The Sherman-Denison MSA has 9 low-income census tracts, 44 percent are very low-income and 56 percent are low-income.

The total population of the urban low-income census tracts is 1,923,259. Almost 62 percent of the population is white; 23 percent is black; 2.7 percent is Asian or American Indian; 12.6 percent is some other race; and 21 percent is of Hispanic heritage.

The homeownership rate in the urban low-income census tracts is 44 percent. For an average family in the extremely low-income tracts, median homeowner costs represent 75 percent of their income. A family in the very low-income tracts would have to pay 37 percent of their income towards housing costs; and a family in the low-income tracts would pay 32 percent of their income towards housing costs.

Of the approximately 806,000 units in the urban low-income tracts of Region 3, 49 percent are one-unit; 17 percent are 2 to 29 units; 27 percent are 10 units and more; and 5 percent are mobile homes, RVs, etc. The average housing unit is 26 years old. Less than 0.9 percent of the housing units lack complete kitchen facilities and 0.7 percent lack complete plumbing facilities.

Mortgage Lending

There were 393 lending institutions that originated loans in the area according to HMDA data. Fifty-four lenders are subprime lenders (14 percent) and 12 are manufactured home lenders. Over 35 percent, or 138 lenders, reported making non-conventional loans (VA, FHA, FSA/RHS). There are approximately 480 branches of FDIC-insured branches in the area. There are 16 branches of lenders participating in the TDHCA single-family bond program. Together they originated 250 loans, or $19,175,370 worth of mortgages. There are 4 to 7 HFCs that service the area, depending on the county.

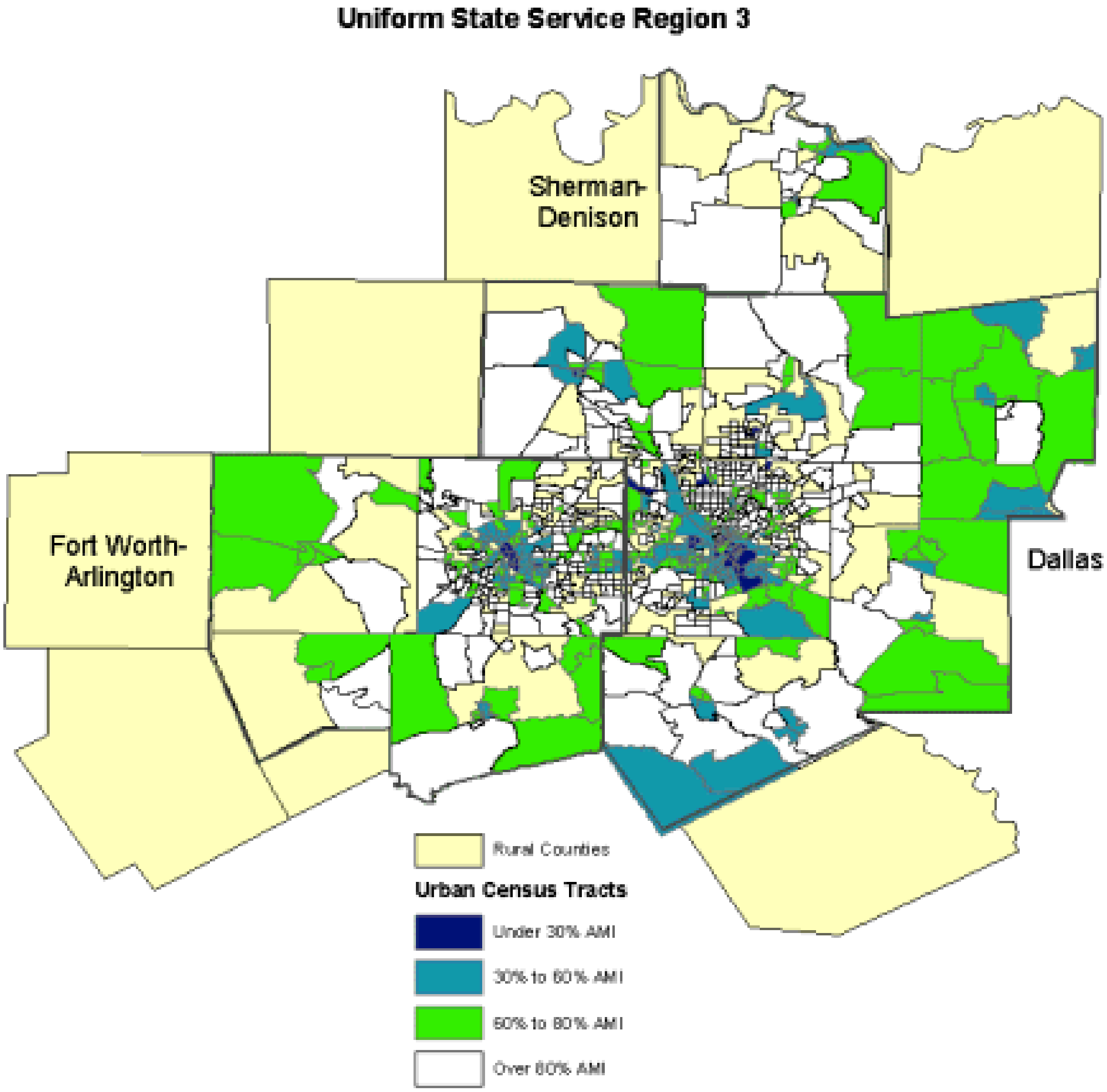
The approval to denial ratio for purchase money loans by prime lenders was 5.9 approvals for each denial in the urban low-income census tracts; for subprime lenders it was 1.4. The main reasons for prime denial were credit history (48 percent) and debt to income (19 percent). The main reasons for subprime denial include credit history (37 percent), other (24 percent), collateral and debt to income (11 percent each), and insufficient cash (7 percent).

Lending institutions originated over 30,700 purchase and refinance loans in the area, or a total of $2.5 billion worth of mortgages. More than 80 percent of the loans were purchase money mortgages. Prime lenders originated 81 percent of the owner-occupied home purchase loans.

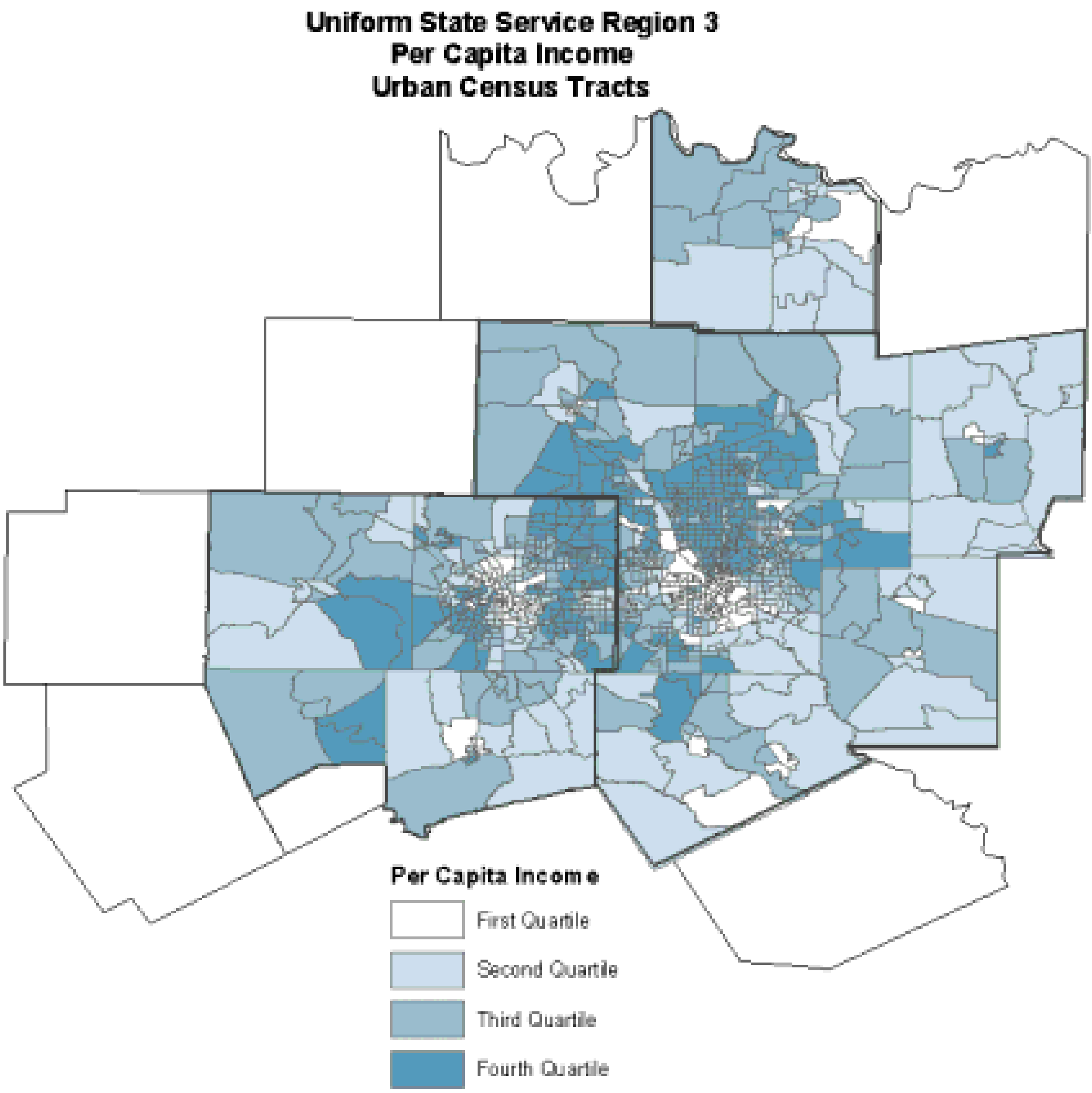
Prime lenders originated over 23,350 purchase and refinance loans or $2.1 billion in 2000, or $1,160 per person. Subprime lenders originated almost 3,900 loans in the urban low-income tracts, $257.6 million or $140 per person. Manufactured home lenders originated $140.6 million, or 3,493 loans. Almost 59 percent of the loans by subprime lenders were refinances. Prime lenders originated 12.4 purchase money loans for each one by subprime lenders.

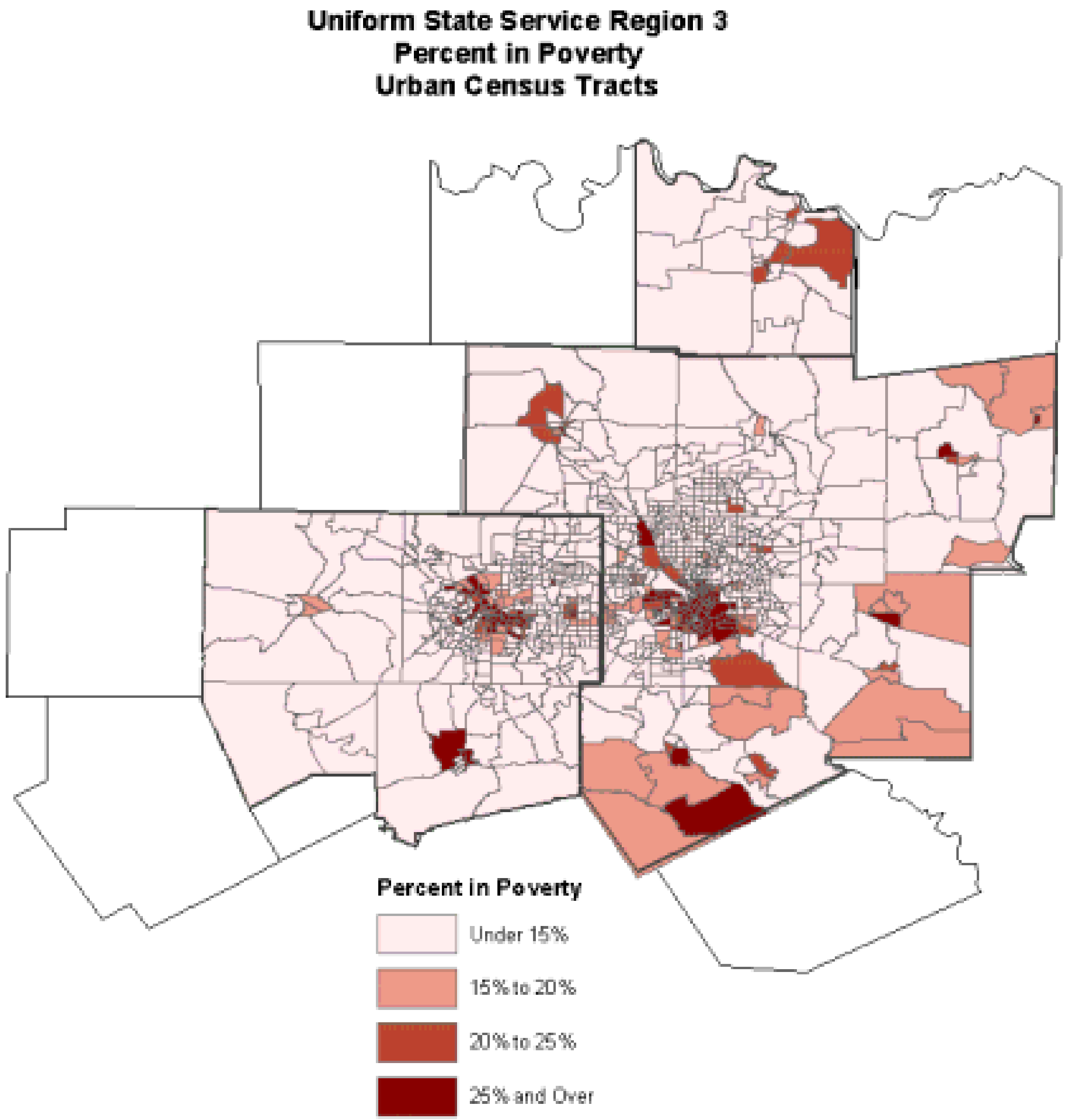
Prime lenders originated 78 percent of their urban low-income purchase money loans in low-income tracts, subprime lenders 73 percent. In the very low-income tracts, prime lenders originated 21 percent of their loans and subprime lenders 26 percent of their loans. The extremely low-income tracts received 1.3 percent of the loans from prime lenders and 1.5 percent of the loans from subprime lenders.

Prime lenders reported race in 92 percent of the cases, subprime lenders 74 percent. Of the reported cases, prime lenders originated 61 percent of their loans to whites; 26 percent to Hispanics; 8 percent to Blacks; 3 percent to Asian; and the rest to some other race. Subprime lenders originated 50 percent of their loans to whites; 20 percent to Hispanics; 26 percent to Blacks; 1.1 percent to American Indians; 1.4 percent to Asian or Pacific Islander borrowers; and the rest to some other race.

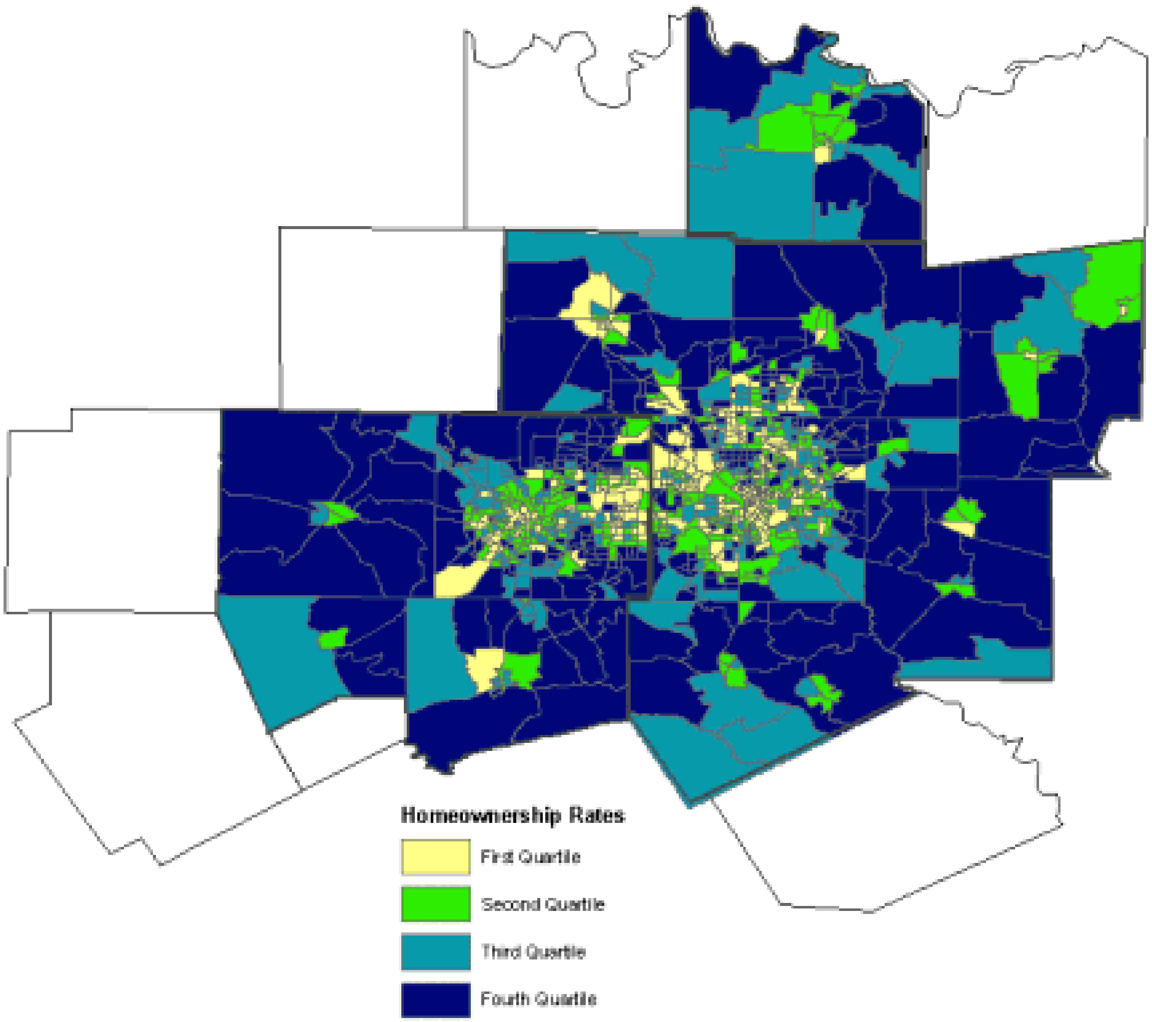


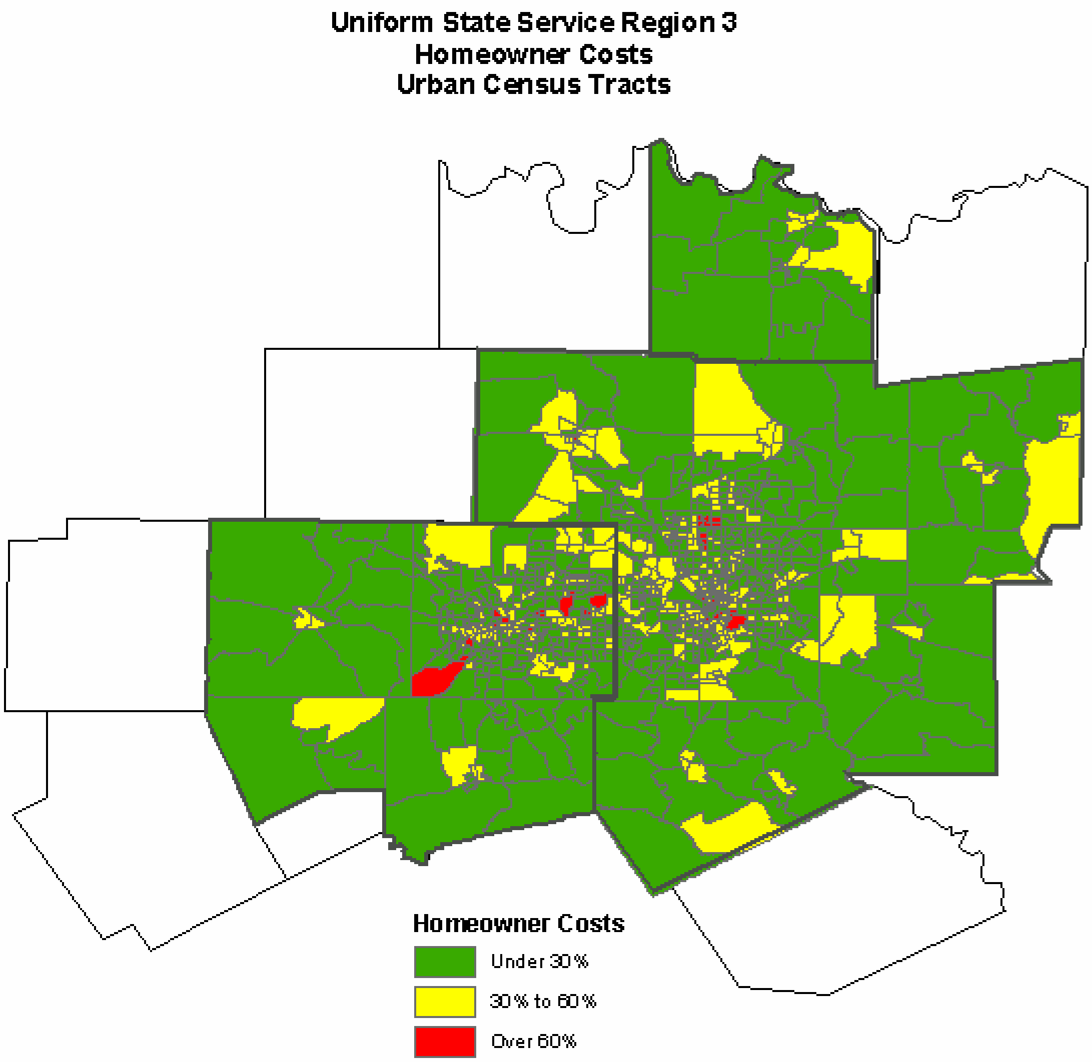
Uniform State Service Region 3
Sherman-Denison
Fort Worth-Arlington
Dallas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI


Uniform State Service Region 3
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

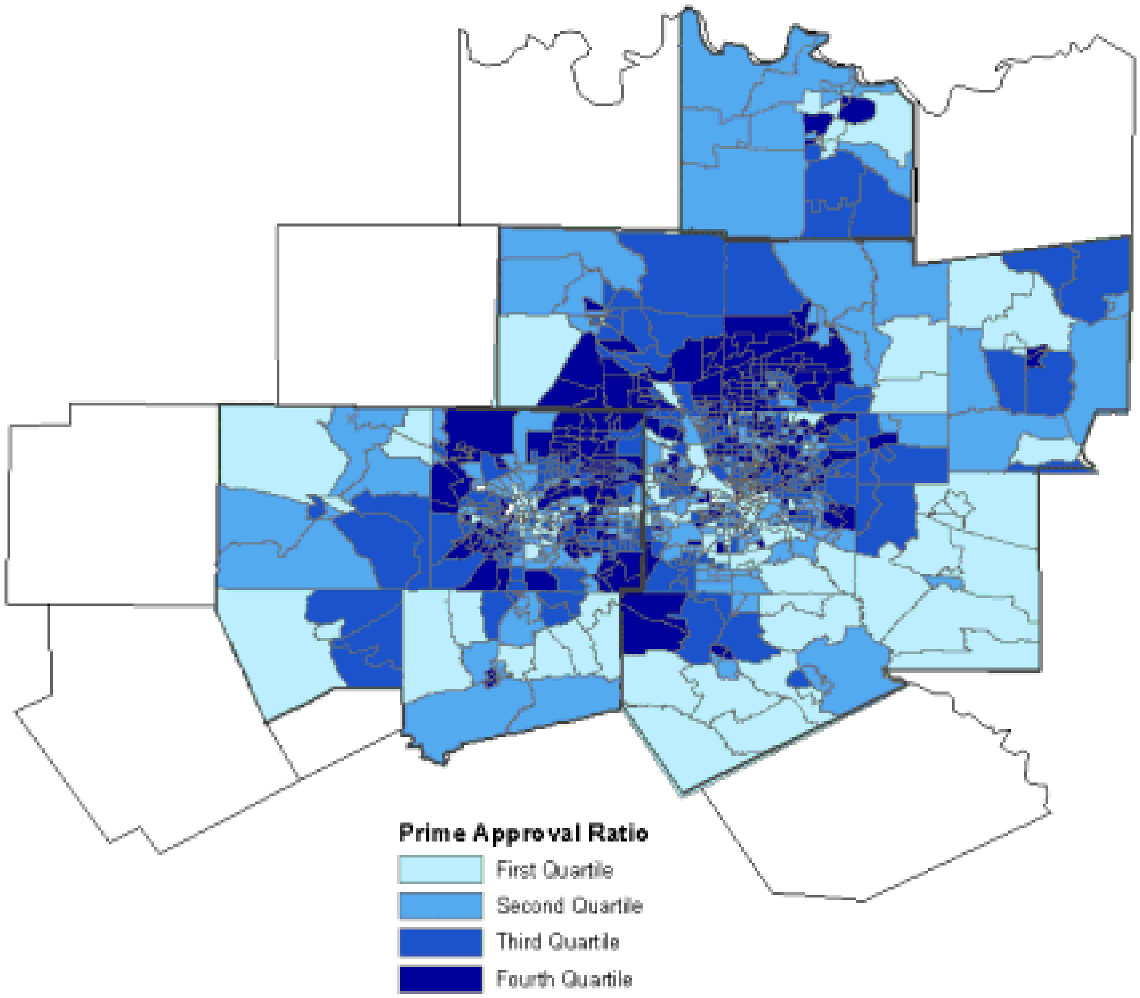

Uniform State Service Region 3
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

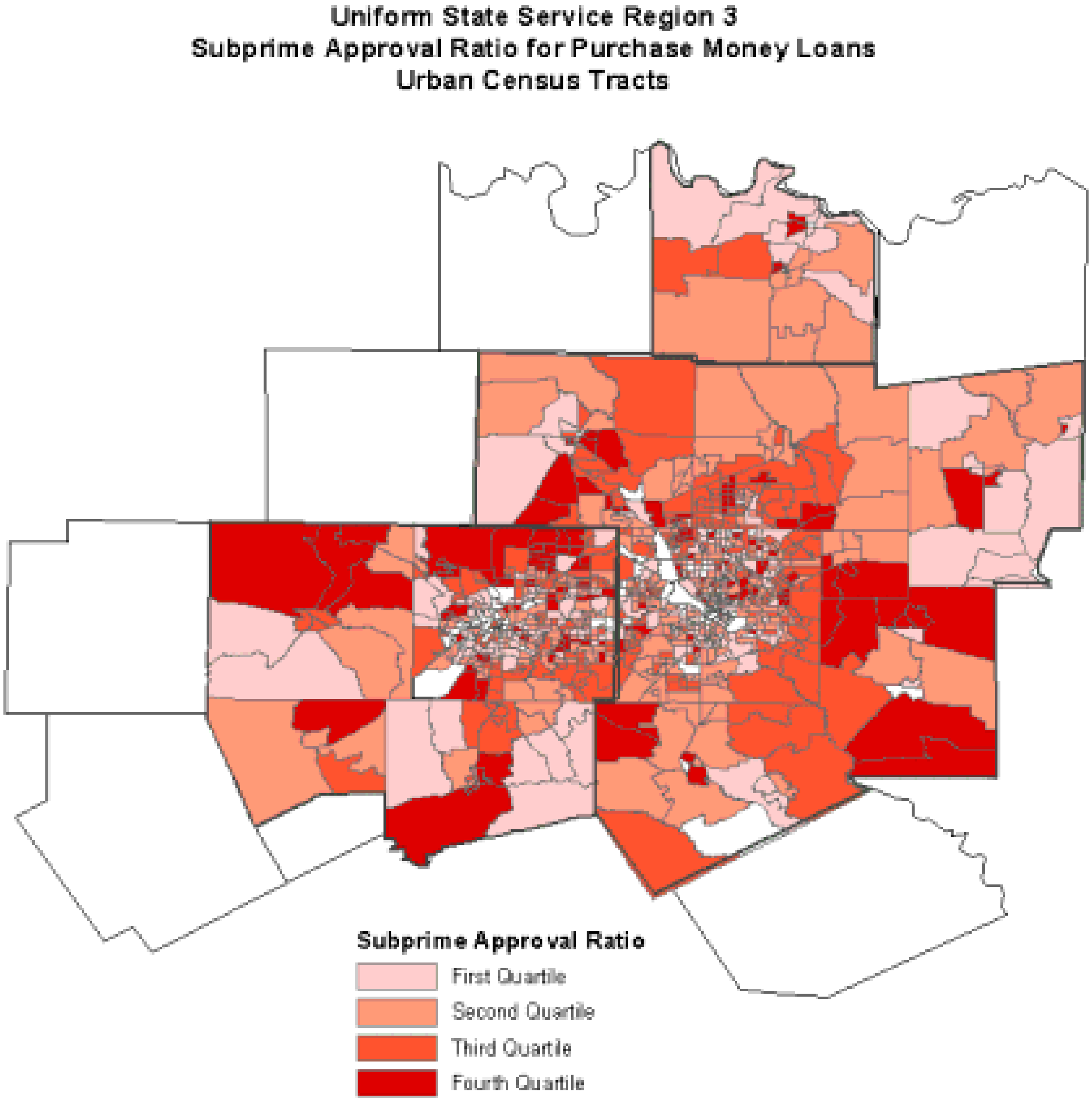
Uniform State Service Region 3
Homeownership Rates
Urban Census Tracts



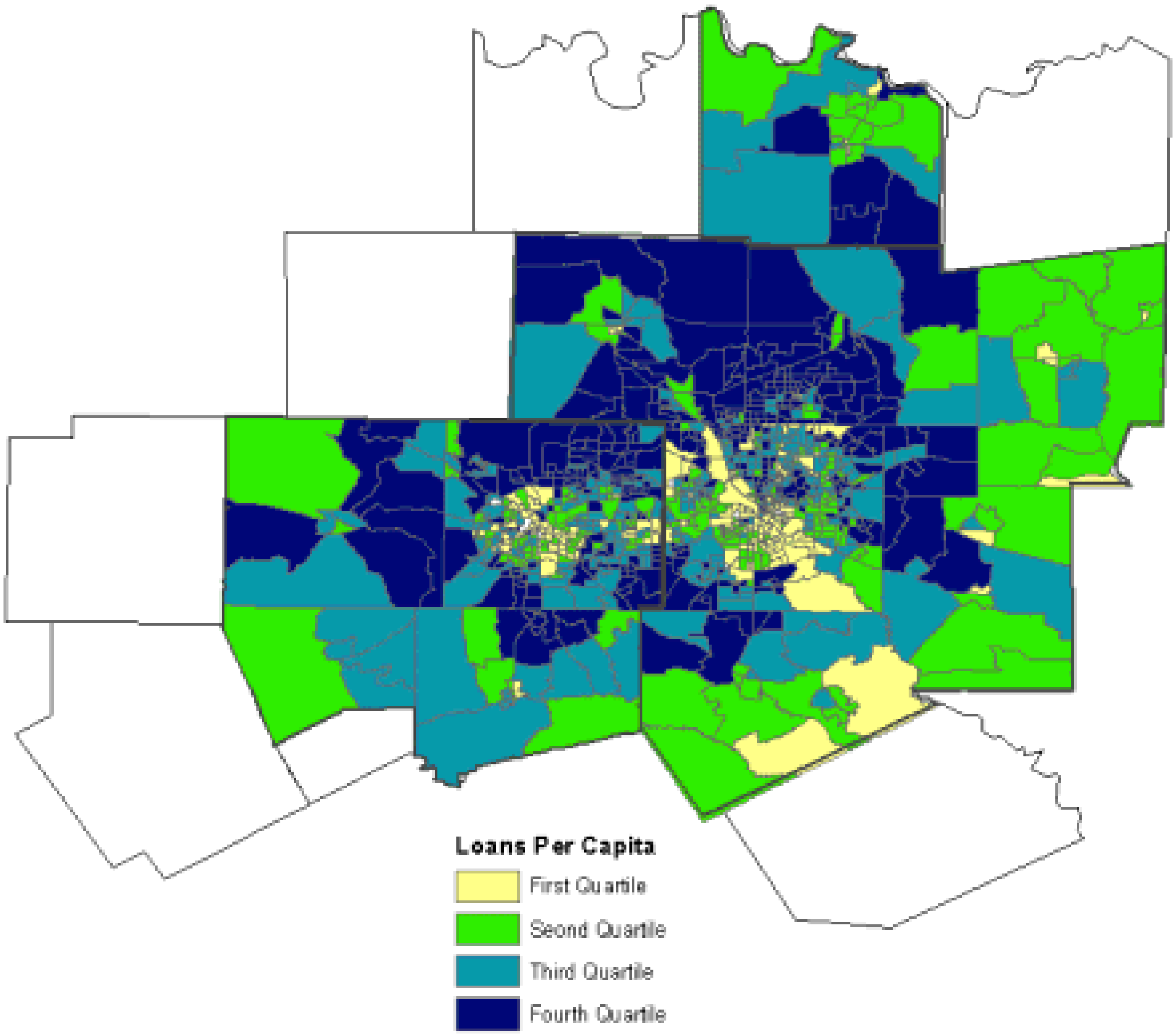

Uniform State Service Region 3
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

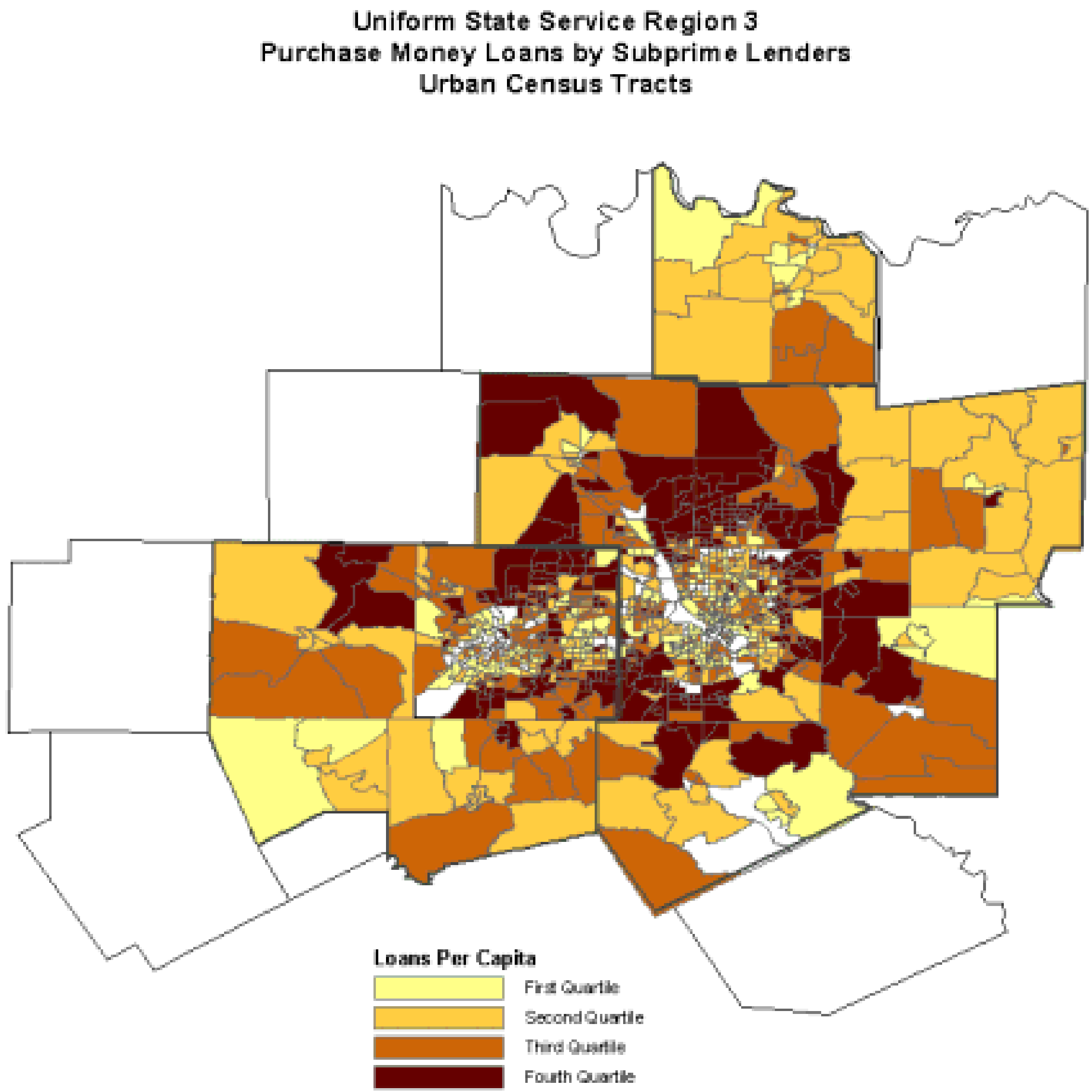
Uniform State Service Region 3
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts

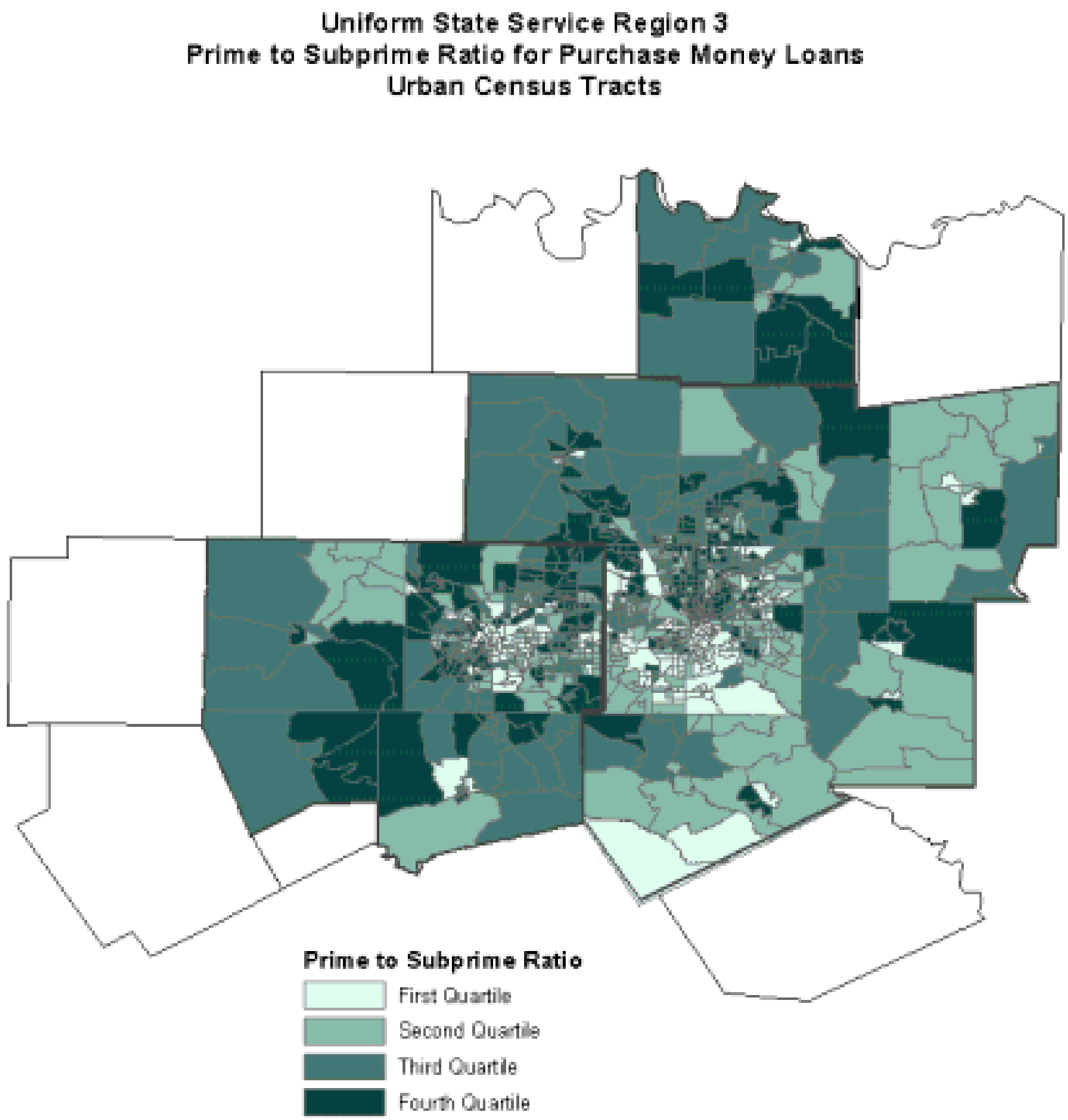


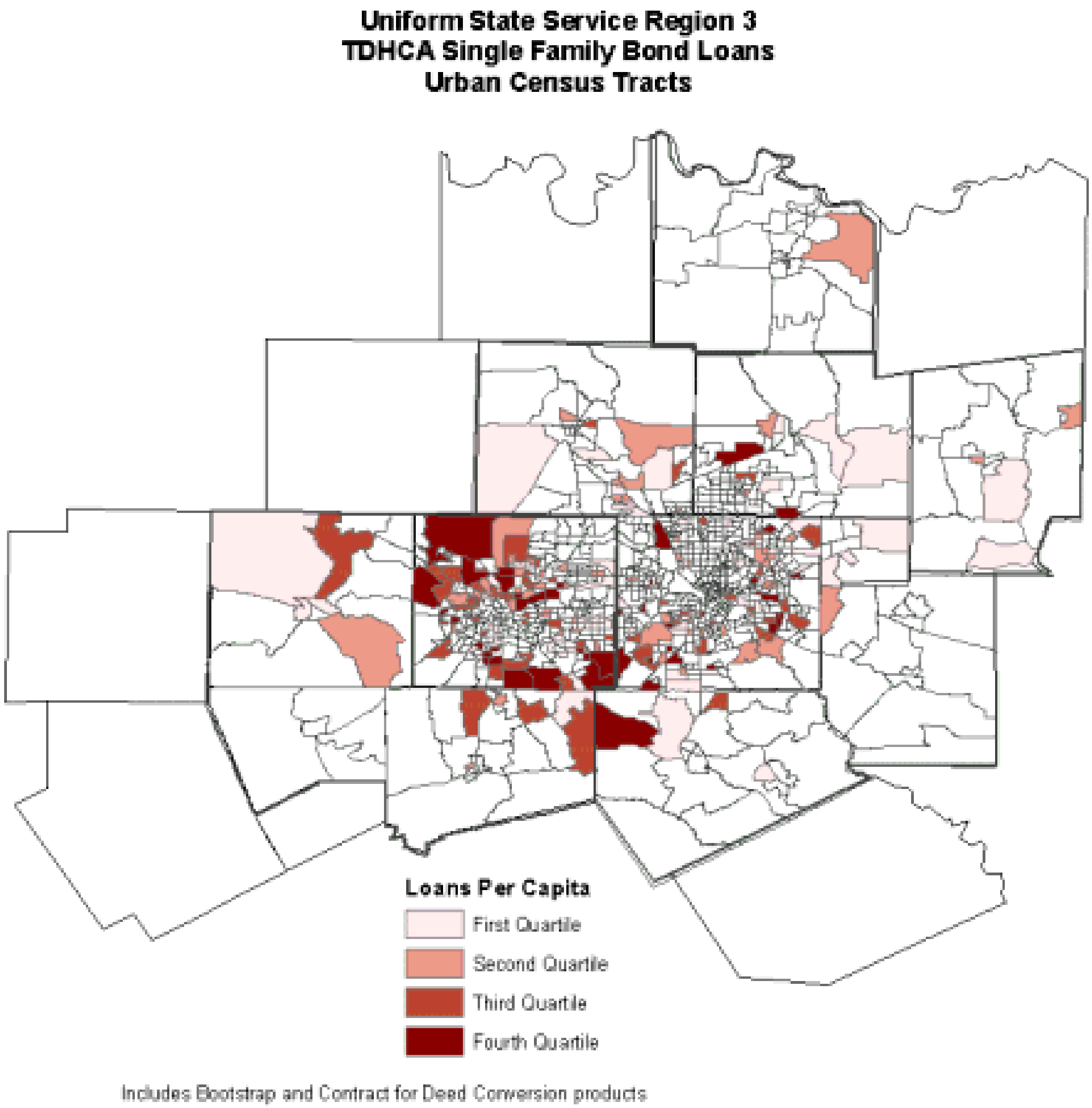

Uniform State Service Region 3
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

Uniform State Service Region 3
Purchase Money Loans from Prime Lenders
Urban Census Tracts




Uniform State Service Region 3
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 3
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 3
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 4

There are 17 rural counties and six urban counties in Region 4. In the Dallas, Longview-Marshall, Texarkana, and Tyler MSA counties there are 61 low-income census tracts.

The total population of the region is 1,105,648. Over 77 percent of the population is white; 16 percent is black; 1 percent is Asian or American Indian; 4 percent is some other race; and 1.3 percent is two or more races. Over 8 percent of the population have Hispanic or Latino heritage.

The average homeownership rate for the region is 74 percent; the urban rate is 72 percent and the rural rate is 76 percent. Among the low-income census tracts, the homeownership rate is 69 percent.

RURAL AREAS

The population of the rural counties of Region 4 is 469,579. The county median family income ranges between $32,000 and $41,200. More than 15 percent of the population lives in poverty. Almost 80 percent of the rural population is white; 14 percent is black; 1 percent is American Indian or Asian; 5 percent is some other race and 1 percent reported two or more races. Less than 9 percent of the population is of Hispanic or Latino origin.

The homeownership rate is 76 percent; the average homeowner household spends 26 percent of their income on housing costs, including utilities. A family earning the median income can afford a home worth 1.7 times the median priced home.

Of the 203,143 housing units in rural Region 4, 73 percent are one-unit; 5 percent are 2 to 19 units; 2 percent are more than 20 units; 19 percent are mobile homes; and the rest are RVs, etc. The average age of the housing stock ranges from 14 to 24 years depending on the county. Less than 0.9 percent of the units lack complete plumbing facilities and 0.8 percent lack complete kitchen facilities.

Mortgage Lending

Of the 211 lenders that reported making loans in the area, 18 percent, or 38, are subprime lenders. There are 11 manufactured home lenders in the area. Sixty-one of the lenders reported making non-conventional loans. There are 164 branches of FDIC-insured financial institutions in rural Region 4. TDHCA participating lenders originated 5 loans in the area, or $246,023. There are 4 HFCs that service the area.

The prime approval ratio for the rural counties of Region 4 was 3.1 for purchase money loans; for subprime lenders the ratio was 1.3. The main reasons for prime denial were credit history (58 percent), debt to income (21 percent), and other (7 percent). The main reasons for subprime denial were some other reason not listed (53 percent), credit history (26 percent), collateral (9 percent), and insufficient cash (7 percent).

The total number of purchase and refinance originations for rural Region 4 in 2000 was 5,074 loans, or $307 million. Eighty-one percent of the loans were purchase money mortgages. Prime lenders originated 65 percent of the purchase money mortgages.

Prime lenders originated over 3,200 loans, or $229 million. Prime lenders closed $490 in loans per person. Subprime lenders originated almost 500 loans, $26.1 million or $60 per person; around 67 percent of those loans were refinances. Manufactured home lenders originated 1,363 loans, or $52.2 million. There were 16 purchase loans by prime lenders for each one by a subprime lender.

Prime lenders reported race in 89 percent of the cases, subprime lenders in 60 percent of the cases. White borrowers received 85 percent of the loans of prime lenders; and 76 percent of the loans of subprime lenders. Black borrowers received 6 percent of the loans of prime lenders and 16 percent of the loans of subprime lenders. More than 6 percent of the loans of prime lenders went to Hispanic borrowers; and 7 percent of the loans of subprime lenders went to Hispanic borrowers. Prime lenders originated 1.3 percent of their loans to Asian and American Indian borrowers and 0.6 percent to some other race. Subprime institutions closed 1.3 percent of their loans with Asian and American Indian borrowers and 1.3 percent with some other race.

Urban Low-Income Census Tracts

Of the 60 low-income tracts in urban Region 4, three are extremely low-income (2 in Longview-Marshall and 1 in Texarkana). Six of Tyler's low-income tracts are very low-income, and 9 are above 60 percent AMI and under 80 percent AMI. Fourteen out of fifteen low-income tracts in Henderson County section of the Dallas MSA are very low-income; the other census tract is low-income. Eight out of 22 tracts in Longview-Marshall are very low-income, 12 are low-income. Four out of nine Texarkana tracts are very low-income and 4 are low-income.

The total population of the urban low-income tracts is 249,775. Almost 68 percent of the population is white; 28 percent is black, less than 1 percent is American Indian or Asian; 3 percent is some other race; and 5 percent is of Hispanic heritage.

The homeownership rate is 69 percent. An average homeowner family in the extremely low-income tracts would spend 85 percent of their income on housing costs. A family in the very low-income tracts would spend 34 percent of their income; and a family in the low-income tracts would spend 29 percent of their income on housing costs.

Of the 107,900 housing units in the urban low-income tracts, 69 percent are one-unit; 8 percent are 2 to 9 units; 5 percent are 10 units and more; and 17 percent are mobile homes, RVs, etc. The average housing unit is 25 years old. Over 1.6 percent of the units lack complete kitchen facilities, and 1.5 percent lack complete plumbing facilities.

Mortgage Lending

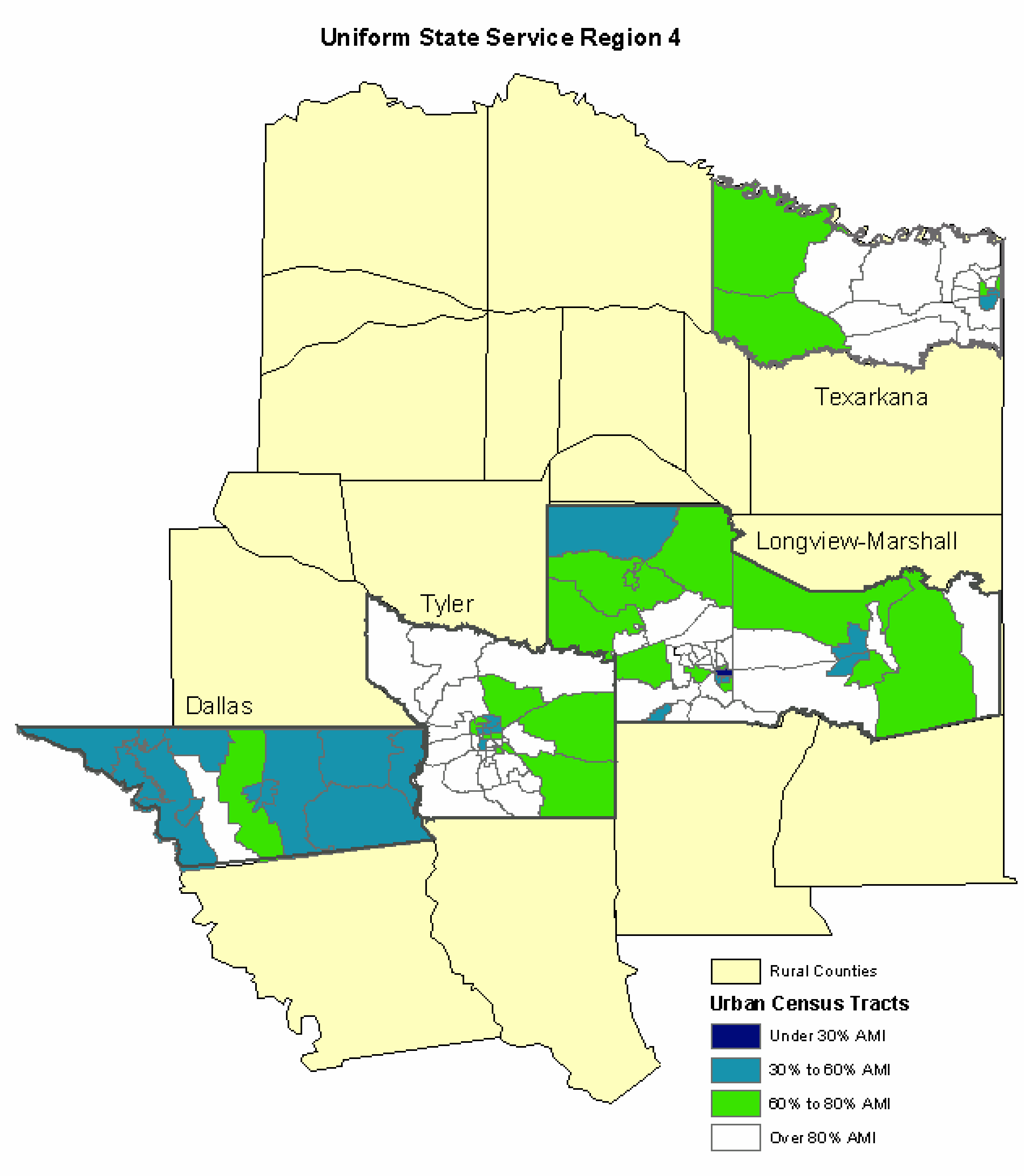
Of the 228 lending institutions that reported making loans in the area, 16 percent are subprime lenders and 5 percent are manufactured home lenders. Fifty-one lenders reported making non-conventional loans (FHA, VA, FSA/RHS). There are 168 branches of FDIC-insured institutions in the area. There are 2 branches of TDHCA participating lenders; they have originated $1.1 million dollars worth of loans since 2000, or 24 loans. There are 4 or 5 HFCs servicing the area, depending on the county.

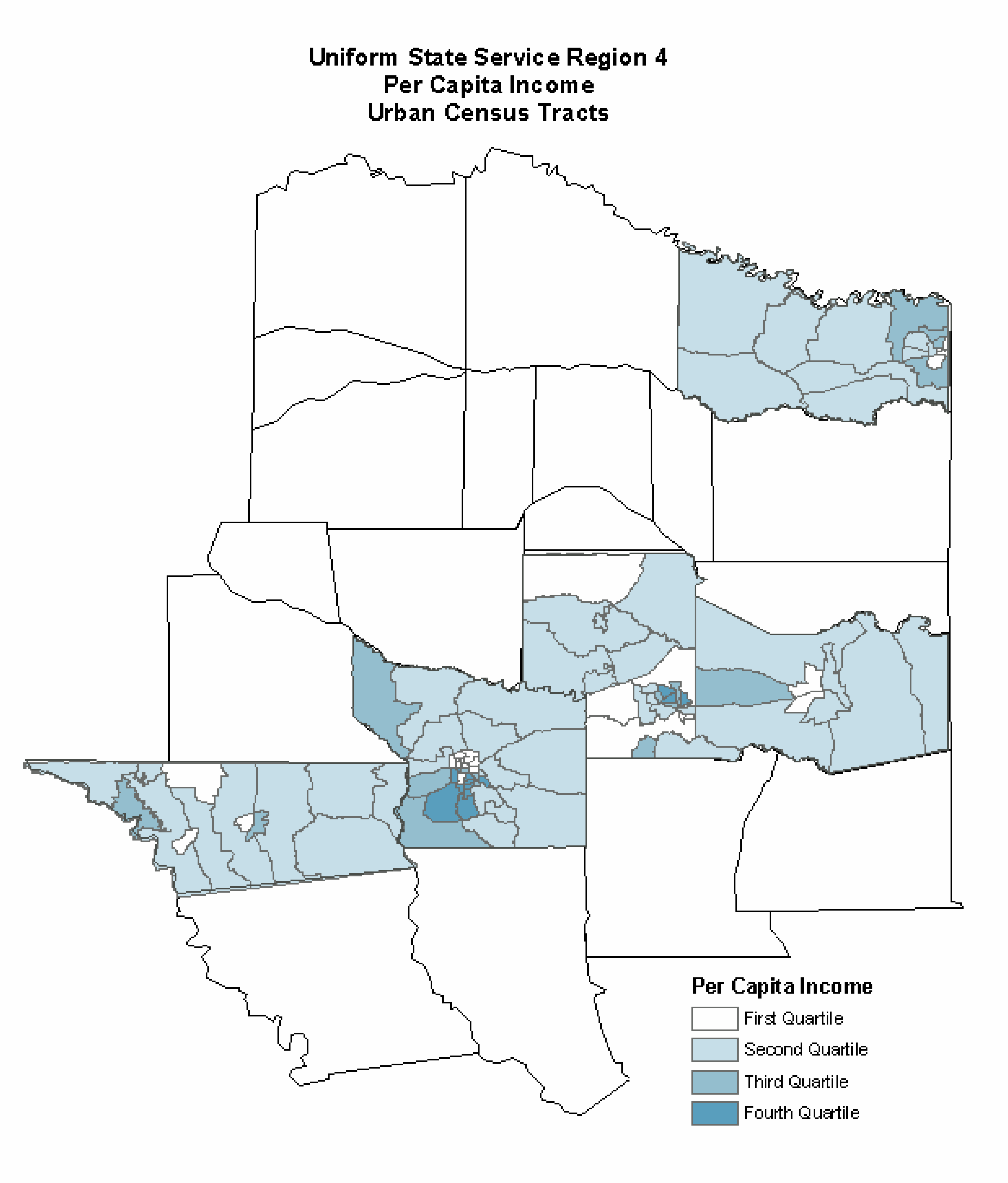
The approval: denial ratio for purchase loans by prime lenders in 2000 was 3.1 and for subprime lenders it was 1.7. The main reasons for prime denial were credit history (57 percent), debt to income (22 percent), and other (7 percent). The main reasons for subprime denial include other (53 percent), credit history (29 percent), and collateral (8 percent).

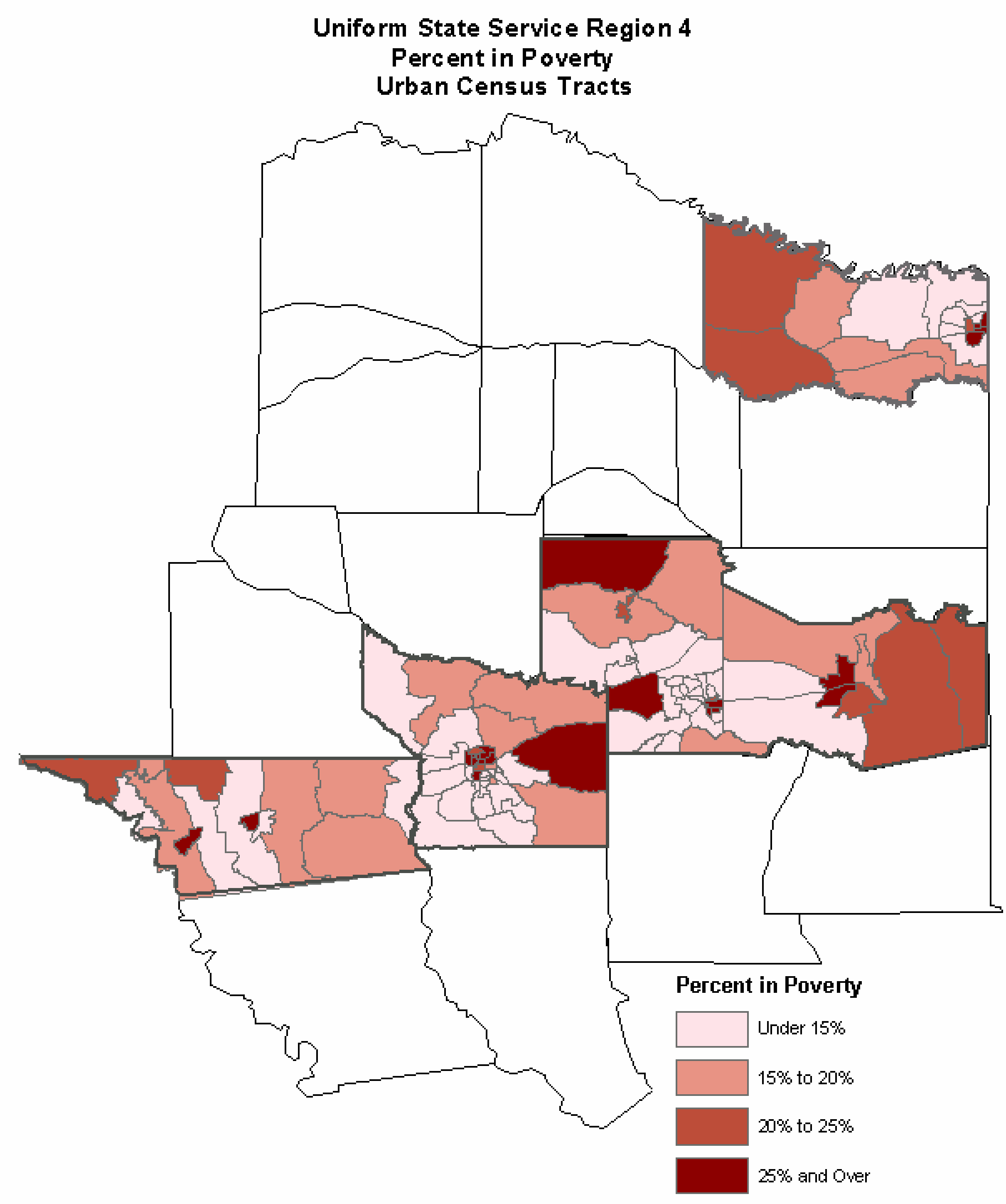
Lending institutions originated 3,782 loans in the area, or $273.2 million. Almost 80 percent of the loans were purchase money mortgages. About 64 percent of the owner-occupied home purchase loans came from prime lenders. Prime lenders originated over 2,350 purchase and refinance loans, $172.9 million or $730 per person. Subprime lenders originated 483 loans, $64.6 million or $270 per person, in the urban low-income tracts of Region 4. More than 59 percent of the loans originated by subprime lenders were refinance loans. Prime lenders originated 9.8 purchase money loans for each one by a subprime lender. Manufactured home lenders originated 942 loans, or $35.7 million.

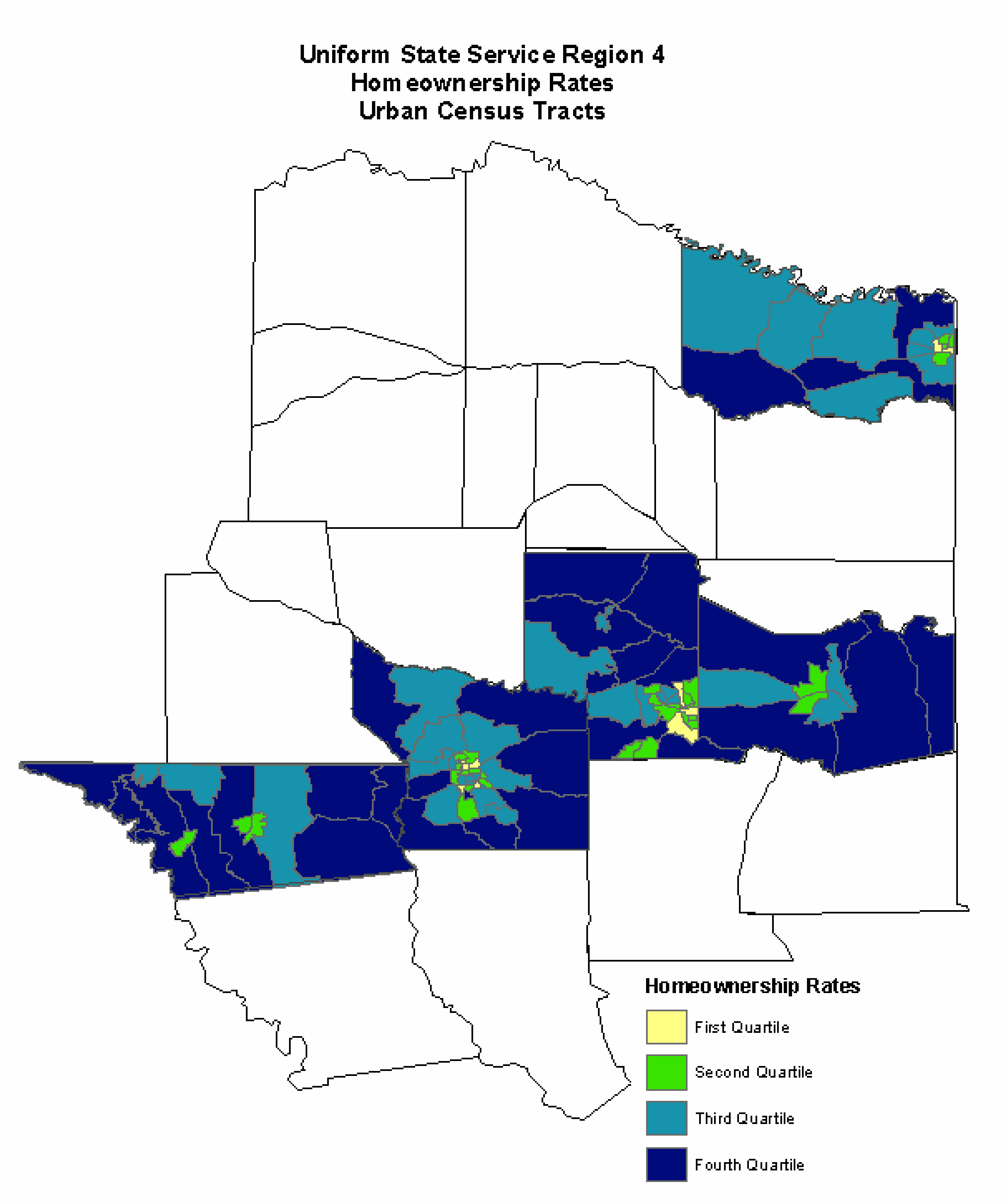
Prime lenders originated 56 percent of their loans in low-income tracts (60 percent to 80 percent AMI), subprime lenders 51 percent. In the very low-income tracts (30 percent to 60 percent AMI), prime lenders originated 44 percent of their loans and subprime lenders 49 percent. Prime lenders closed 0.2 percent of their loans in extremely low-income census tracts (30 percent AMI and under) and subprime lenders zero.

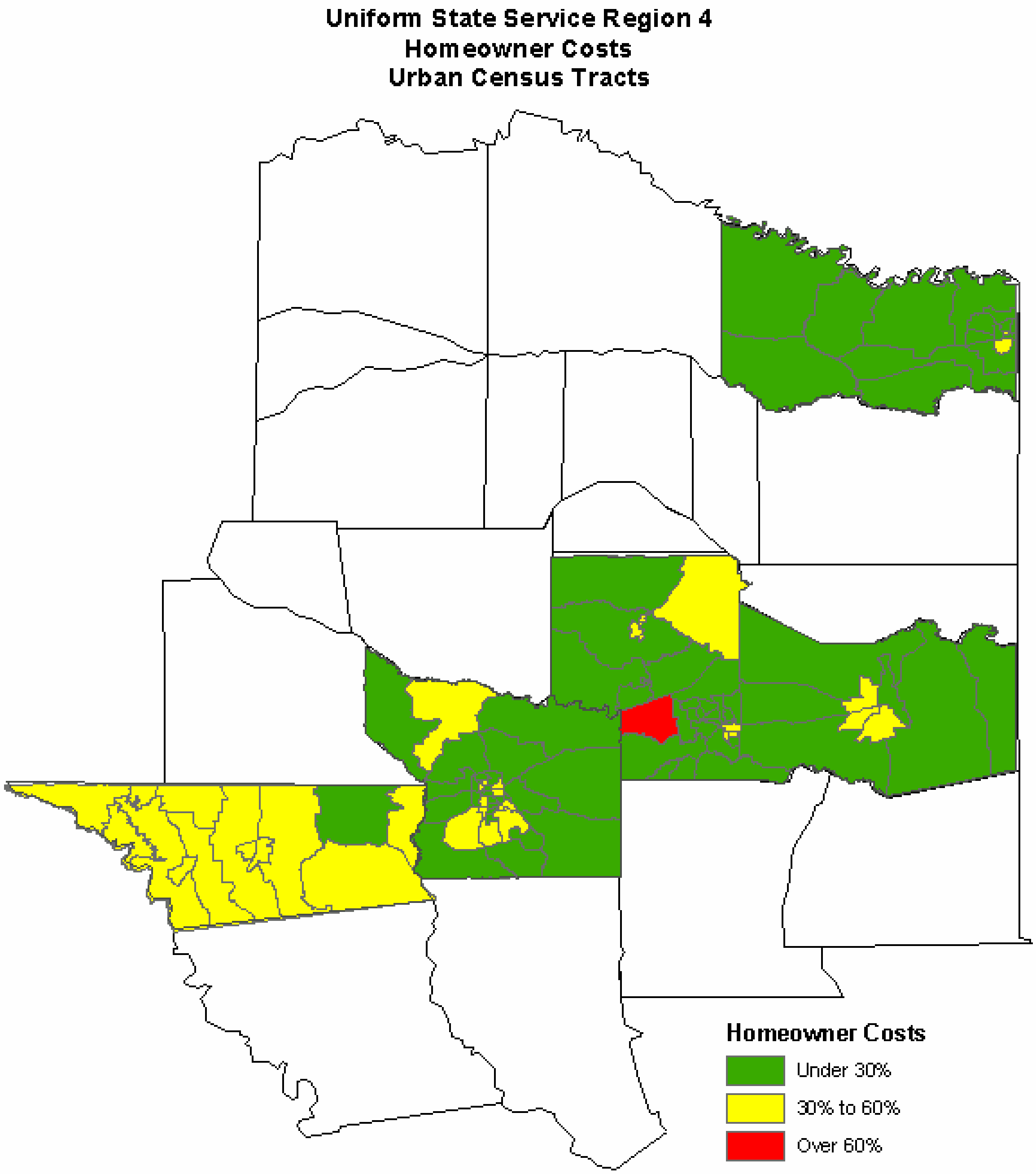
Prime lenders reported race in 93 percent of the cases and subprime lenders reported race in 60 percent of the cases. Approximately 81 percent of the loans from prime lenders went to white borrowers; 9 percent to black borrowers; 8.5 percent to Hispanics; 0.7 percent to American Indian or Asians; and 0.8 percent to some other race. Subprime lenders closed 59 percent of their loans with whites; 33 percent with blacks; 5.5 percent with Hispanics; 1.4 percent with American Indians; and the rest to Asians and some other race.

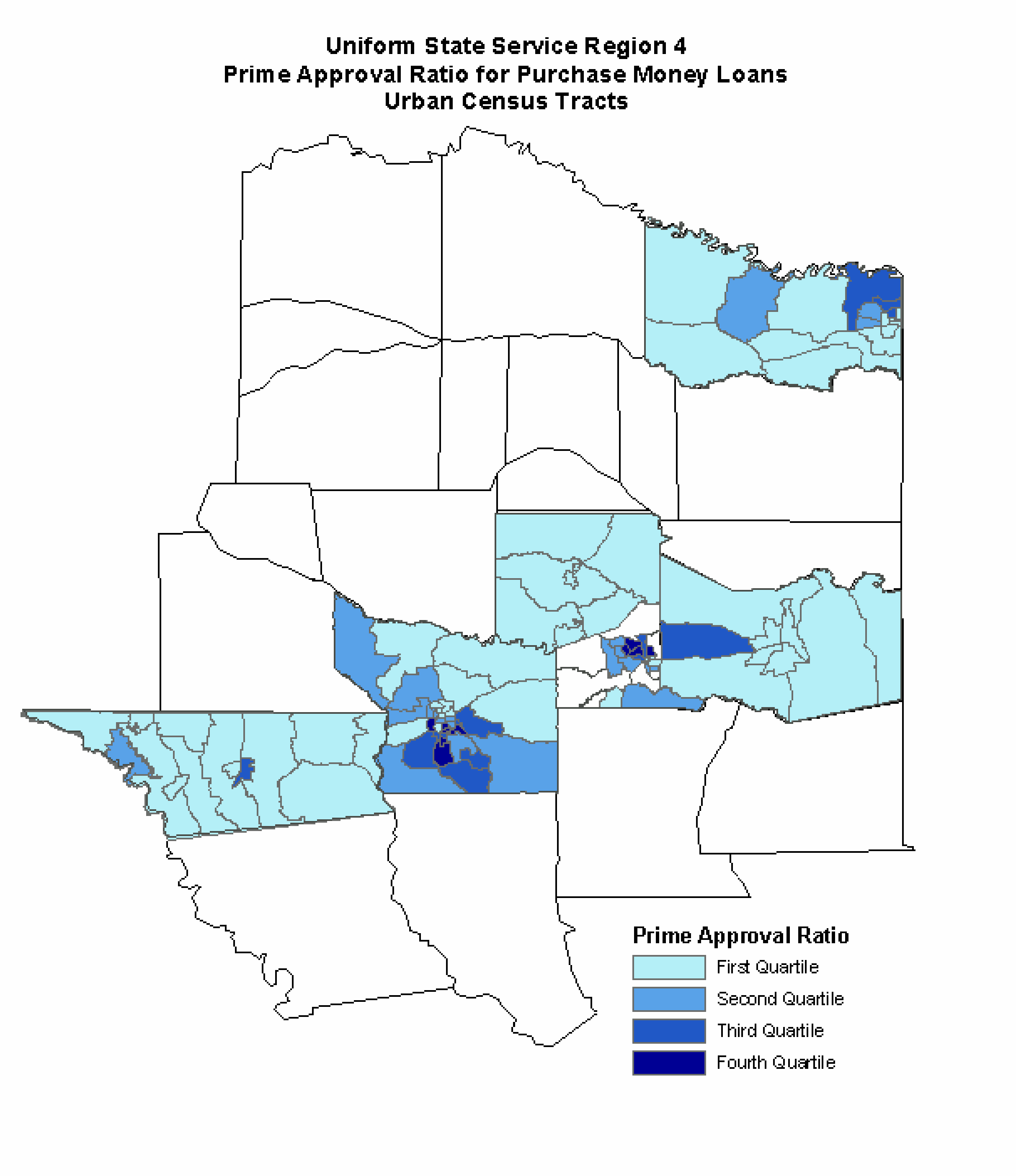

Uniform State Service Region 4
Texarkana
Longview-Marshall
Tyler
Dallas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

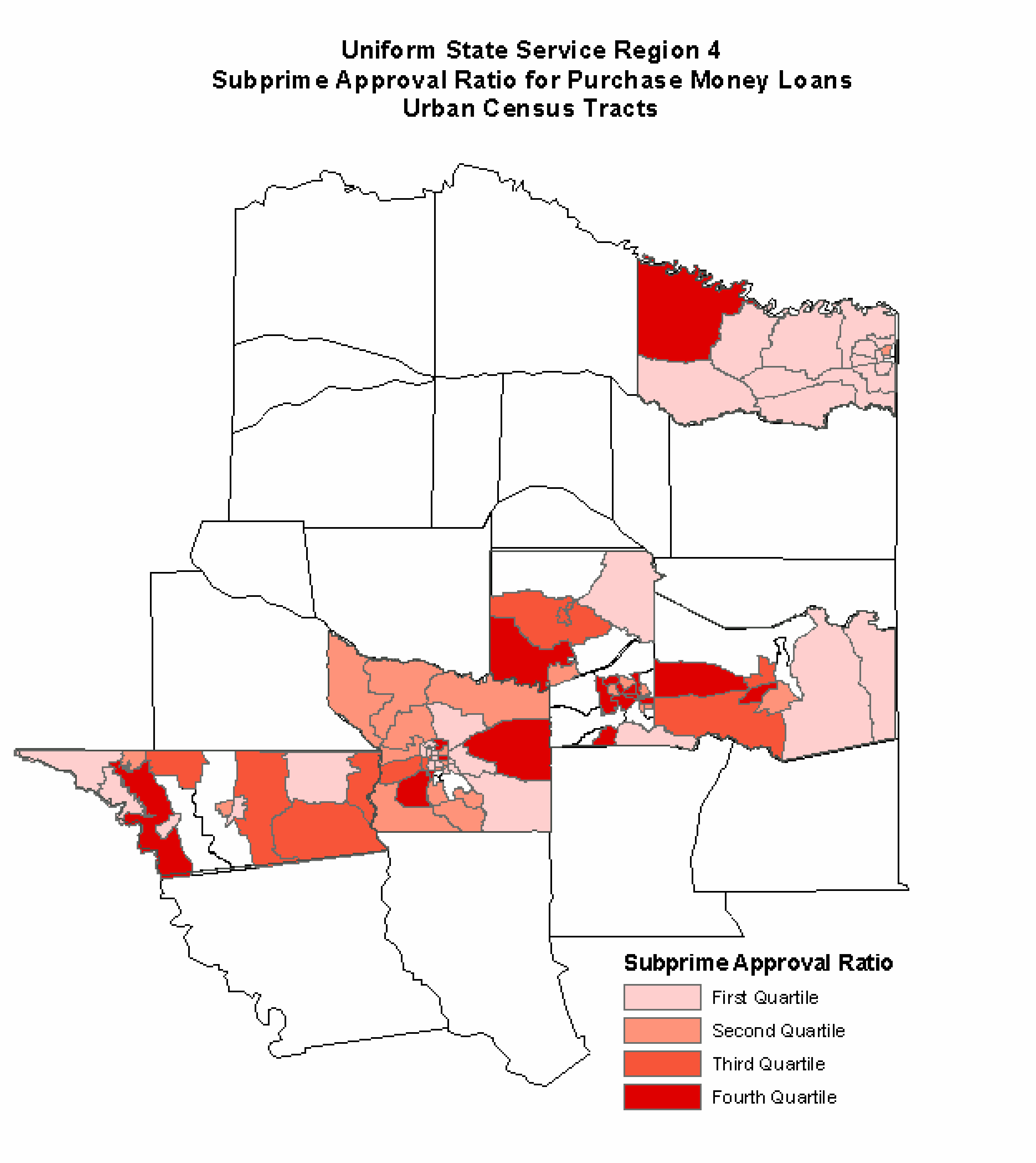

Uniform State Service Region 4
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

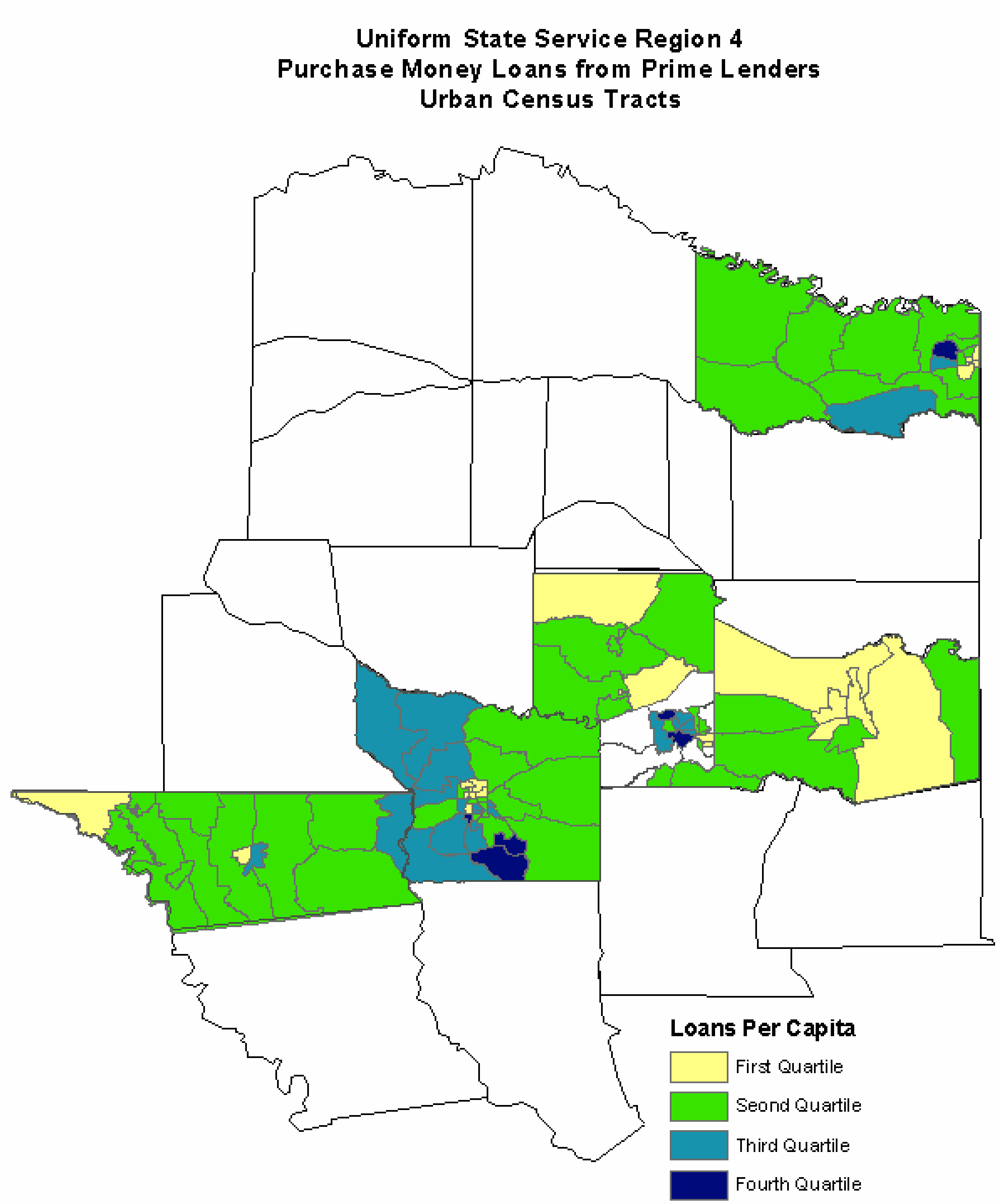

Uniform State Service Region 4
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

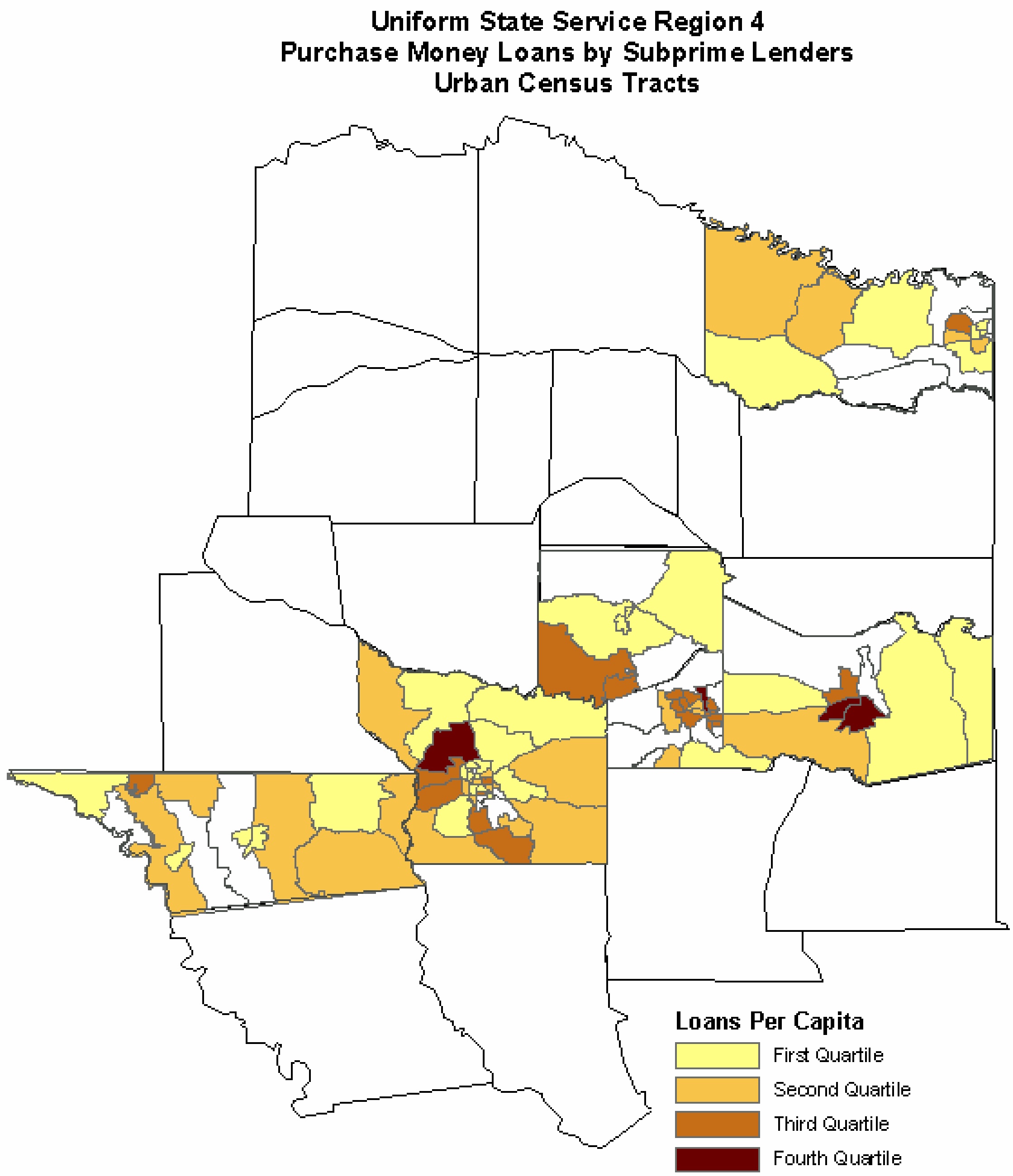

Uniform State Service Region 4
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

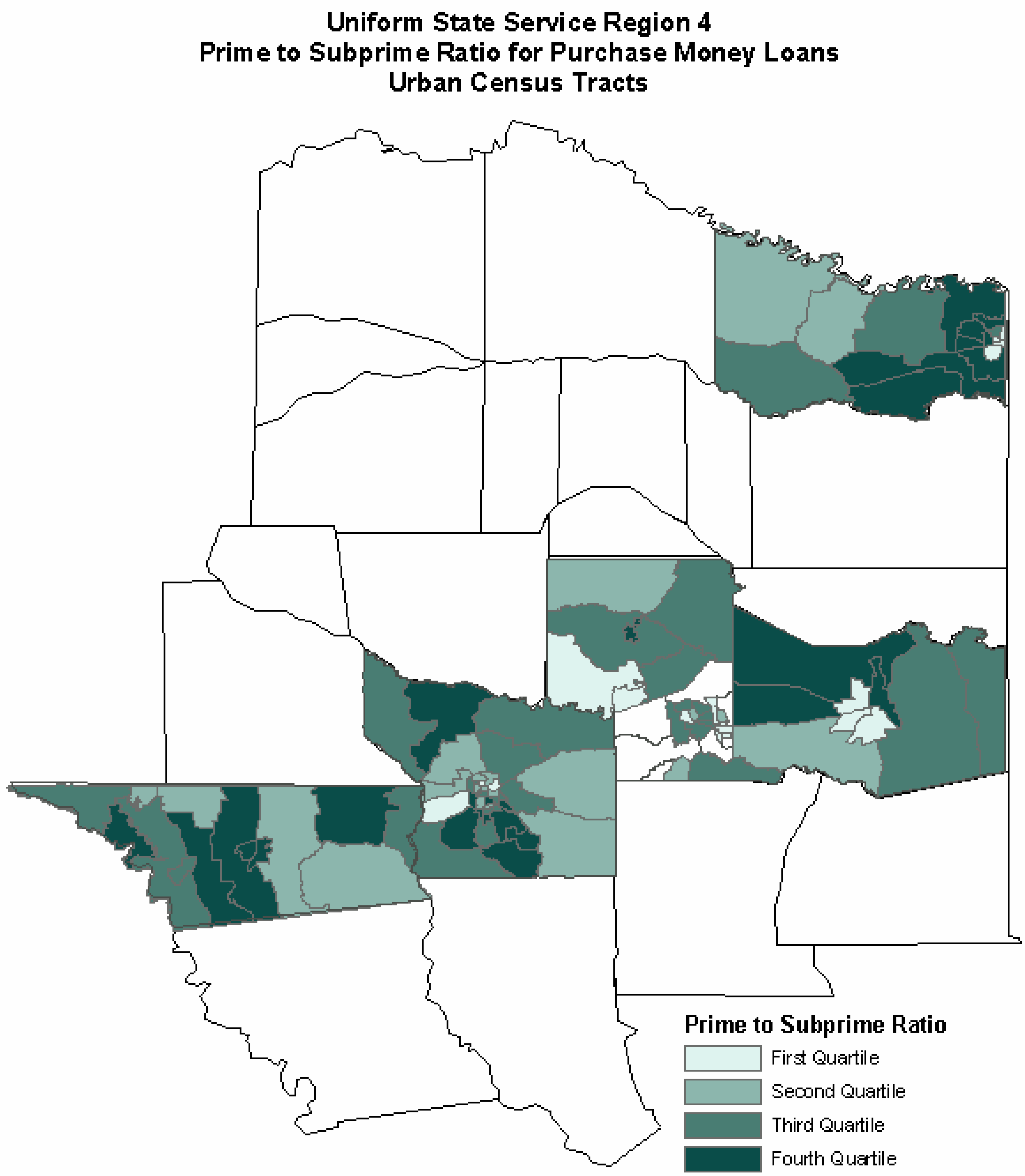

Uniform State Service Region 4
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

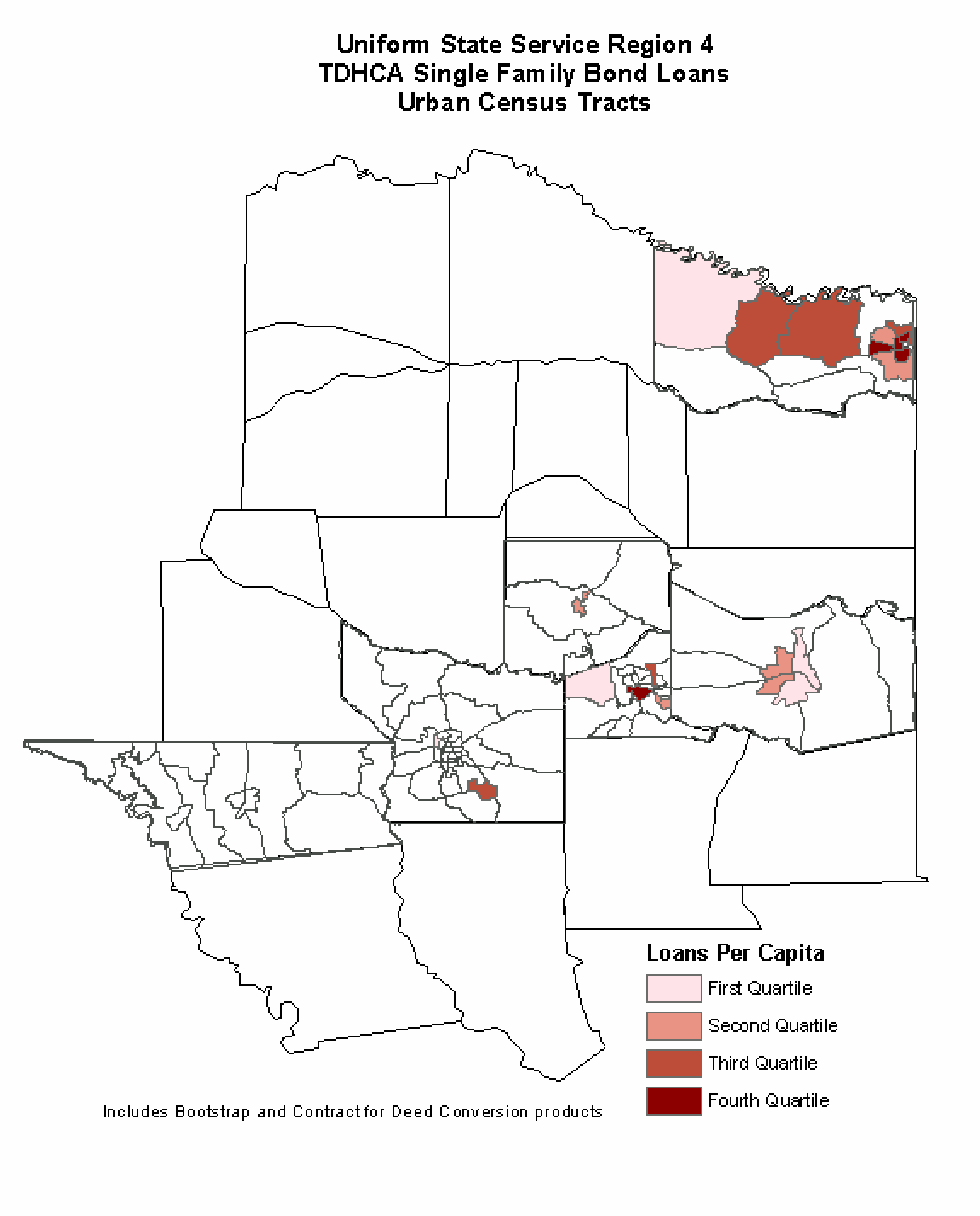

Uniform State Service Region 4
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 4
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 4
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 4
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 4
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 4
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 5

Region 5 consists of 15 counties; three of the counties are part of the Beaumont-Port Arthur MSA. Within the MSA there are 56 low-income census tracts, see MAP.

The total population of the region is 740,952. Over 72 percent is white; 21 percent is black; 1.3 percent is Asian; 0.5 percent is American Indian; and 3.7 percent is some other race. Over 8 percent of the population reported Hispanic or Latino heritage.

The average homeownership rate for the region is 73 percent; the urban homeownership rate is 71 percent. The rural rate is 76 percent and the homeownership rate in the urban low-income census tracts is 63 percent.

RURAL AREAS

The total population in the rural counties is 355,862 or 48 percent of the region's population. The county median family income ranges from $32,300 to $39,500. Almost 18 percent of the rural population lives in poverty. About 77 percent of the population is white; 16 percent is black; 4.4 percent is some other race; less than 1 percent is Asian or American Islander; and the rest reported some other race. Almost 9 percent of the population is of Hispanic or Latino heritage.

The rural homeownership rate is 76 percent. The average homeowner family spends 27 percent of their income on housing costs. A family earning the median income can afford to purchase a home worth 1.6 times the median priced home.

About 65 percent of the 168,350 housing units are one-unit; 5 percent are 2 to 19 units; 2 percent are more than 20 units; 26 percent are mobile homes; and 1.4 percent are RVs, boats etc. The average age of the housing stock is 17 years old. Almost 0.8 percent of the units lack complete plumbing facilities and 0.7 percent lack complete kitchen facilities.

Mortgage Lending

There are 181 lending institutions that reported making loans in the rural areas of Region 5. Thirty-six are subprime lenders and 11 are manufactured home lenders. There are 37 lenders that make non-conventional loans in the area. There are 110 branches of FDIC-insured institutions in the area. TDHCA participating lender branches have originated 13 loans or $672,108 since 2000. There are 3 or 4 HFCs that service the area, depending on the county.

The approval: denial ratio for purchase loans from prime lenders was 2.9, for subprime lenders it was 1.4. The main reasons for prime denial include credit history with 61 percent and debt to income with 21 percent. The main reasons for subprime denial were other (39 percent), credit history (21 percent), and collateral and credit application incomplete (both 14 percent).

Lending institutions reported making more than 3,600 owner-occupied purchase and refinance mortgages, a total of $239.2 million. About 82 percent of the loans were purchase money mortgages. Prime lenders originated 55 percent of the purchase money loans.

Prime lenders originated 1,913 purchase and refinance loans, or $141.8 million. Prime lenders closed a total of $400 in loans per person. Subprime lenders closed 402 loans or $22.2 million in the year 2000, about $60 per person. Almost 77 percent of these loans were refinances. Manufactured home lenders originated 1,300 loans, or $48.7 million. There were 17 purchase money loans closed by a prime lender for each one closed by a subprime lender.

Prime lenders reported race in 88 percent of the cases, subprime lenders in 66 percent of the cases. Almost 87 percent of the mortgages from prime lenders went to white borrowers; for subprime lenders the white percentage was 78 percent. Black borrowers received 6 percent of the loans of prime lenders and 13 percent of the loans of subprime institutions. Prime lenders closed 5 percent of their loans with Hispanic borrowers and subprime lenders also 5 percent. American Indian borrowers received 0.4 percent of the loans of prime lenders and 1.5 percent of the loans of subprime lenders. Asian borrowers received 0.8 percent of the loans of both prime lenders and subprime lenders.

Urban Low-Income Census Tracts

There are 56 low-income census tracts in the Beaumont-Port Arthur MSA. Less than 13 percent of the tracts are extremely low-income; 45 percent are very low-income; and 43 percent are low-income.

The total population of the urban low-income tracts is 158,922. Over 49 percent is white; 46 percent black; 2.5 percent American Indian; 2.3 percent some other race; and 0.2 percent Asian; 5 percent of the population is Hispanic or Latino.

The homeownership rate is 63 percent. An average family in the extremely low-income census tracts would have to spend 68 percent of their income on housing costs in order to be a homeowner. The average homeowner family in the very low-income tracts spends 37 percent of their income on housing costs. For a family in the low-income tracts, the percentage is 27 percent.

Of the 69,464 dwelling units, 74 percent are one-unit; 10 percent are 2 to 9 units; 8 percent are 10 units and up; and 6 percent are mobile homes, RVs, etc. The average age of the housing units is 34 years. More than 0.9 percent of the units lack complete kitchen facilities and 1 percent lack complete plumbing facilities.

Mortgage Lending

There were 123 lending institutions originating loans in 2000; 38 are subprime lenders and 10 are manufactured home lenders. Twenty-seven lenders reported making non-conventional loans. There are 74 branches of FDIC-insured financial institutions in the area. The 2 branches of TDHCA participating lenders have originated 1 loan since 2000. There are 4 housing finance corporations that service the area.

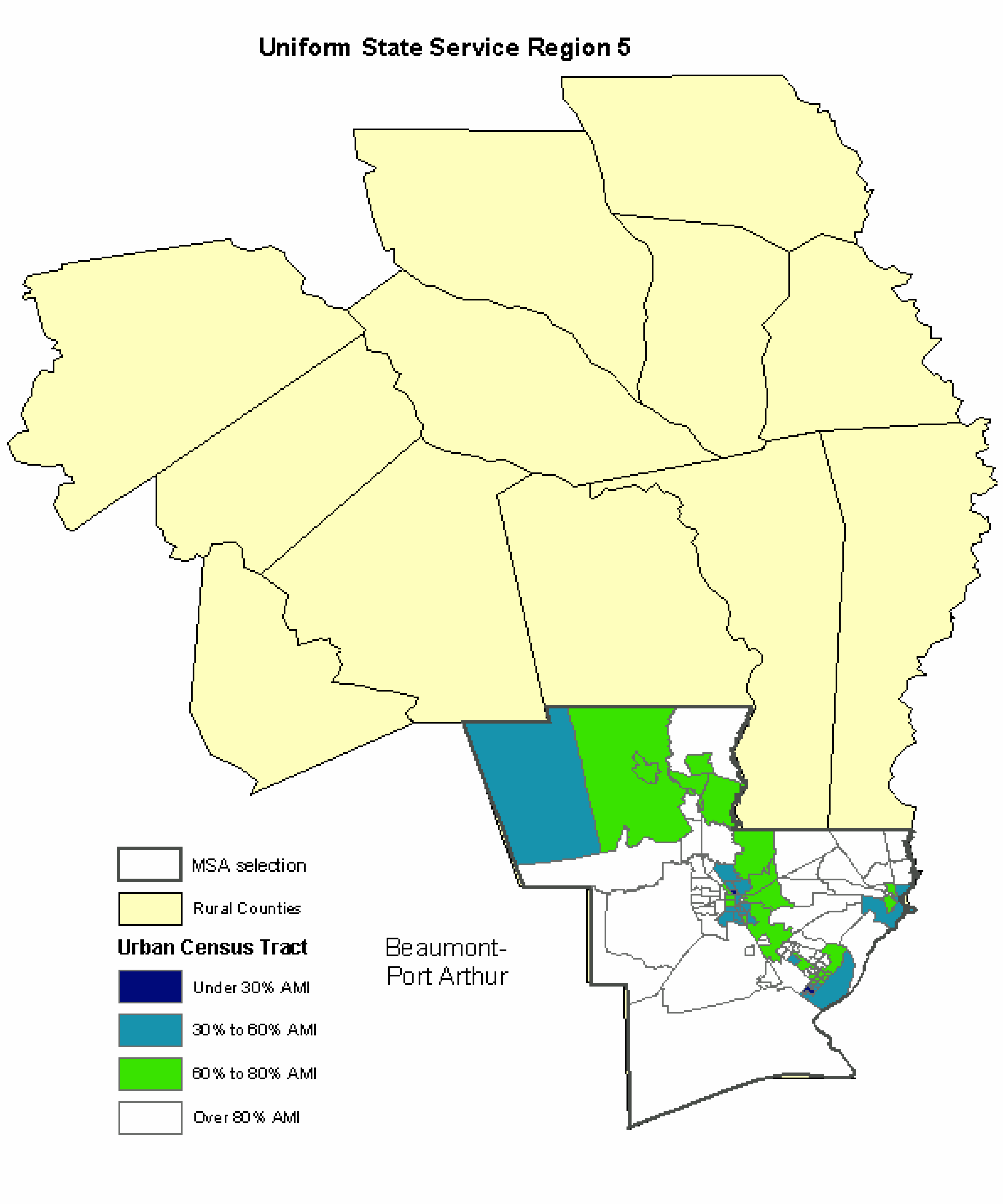
The prime approval: denial ratio was 4 purchase money approvals for each denial; for subprime lenders the ratio was 0.9. The main reasons for prime denial were credit history (62 percent), debt to income (19 percent), and other (7 percent). The main reasons for subprime denial include credit history (37 percent), other (31 percent), and credit application incomplete (6 percent).

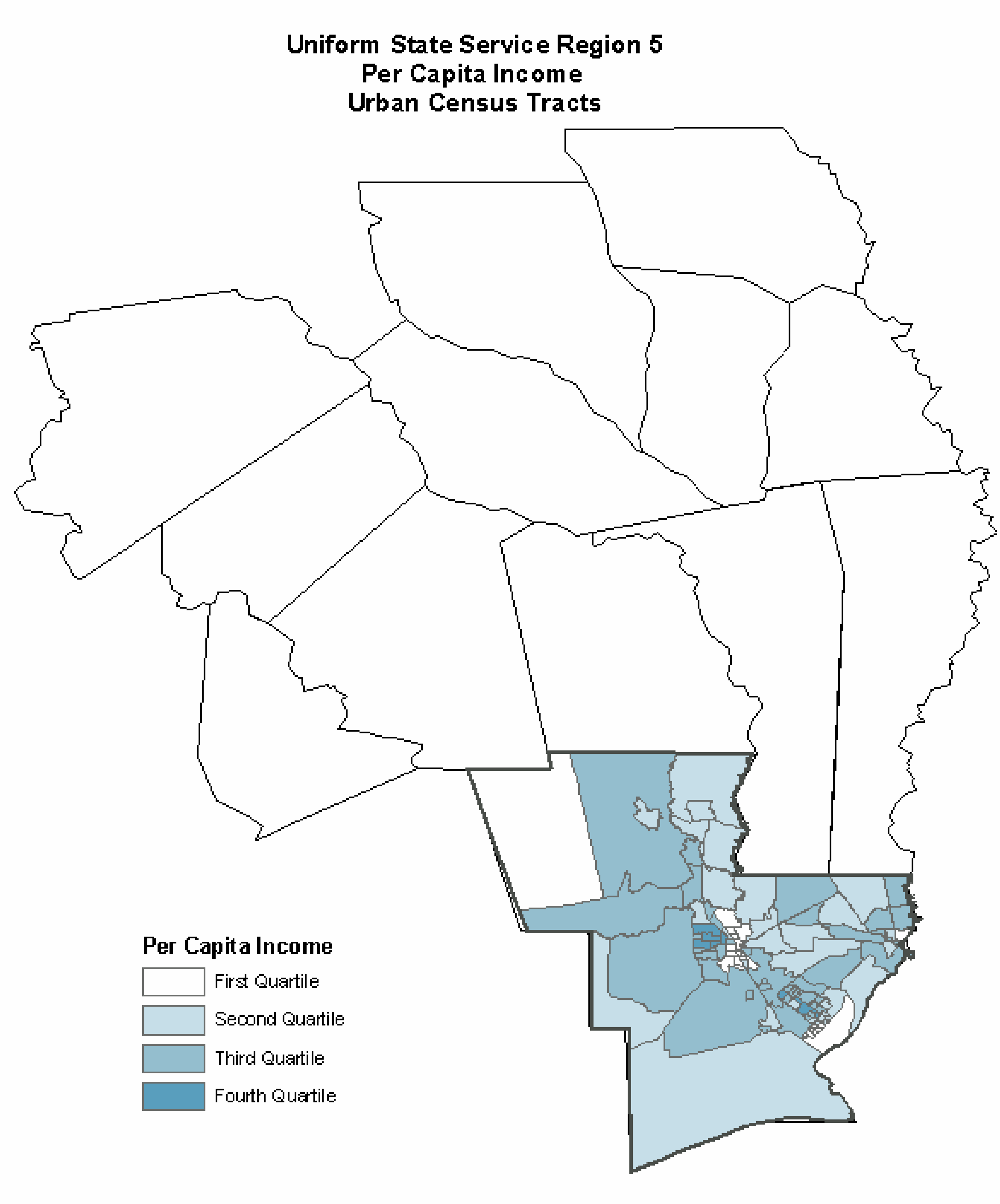
Lending institutions originated over 1,300 purchase and refinance mortgages in the area, or $66.3 million. Almost 68 percent were purchase money mortgages. Prime lenders originated almost 72 percent of the purchase money mortgages.

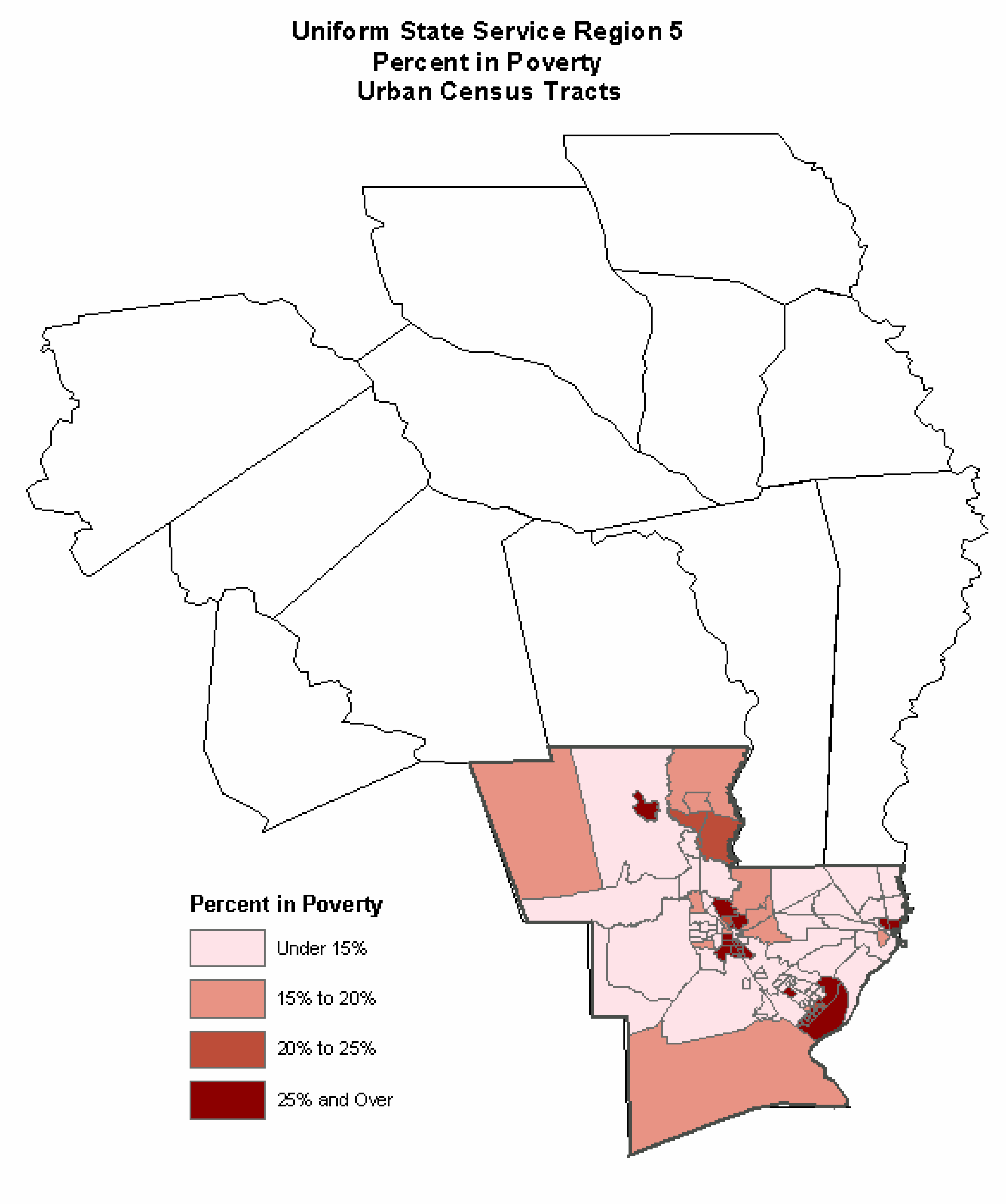
Prime lenders originated 783 purchase and refinance loans, $45.8 million or $290 per person. Subprime lenders closed $12.7 million worth of loans, 316 mortgages or $80 per person. Almost 72 percent were refinances. Prime lenders originated 7.2 purchase money loans for each one loan by a subprime lender. Manufactured home lenders originated 213 loans.

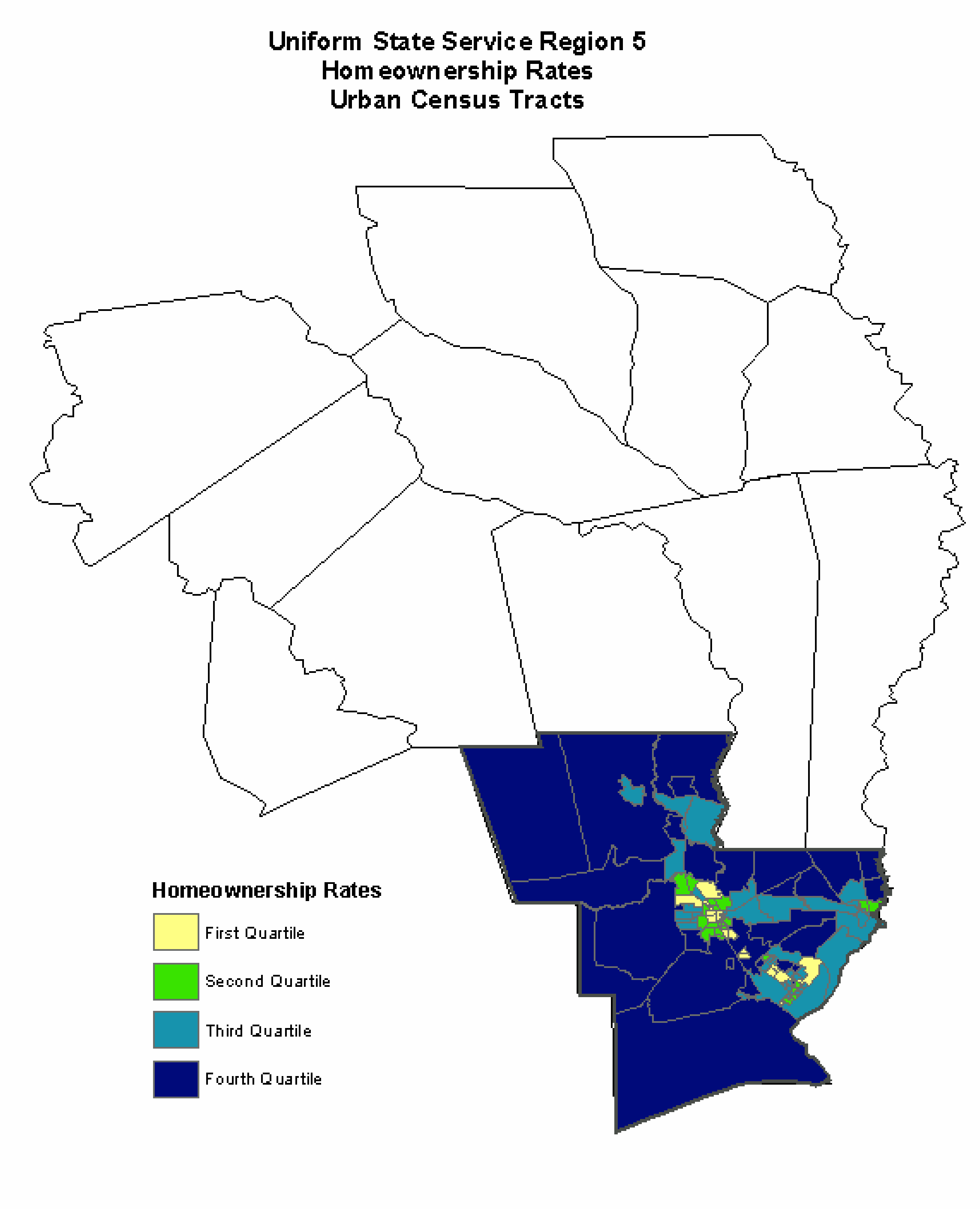
Prime lenders originated 67 percent of their urban low-income loans in low-income census tracts, subprime lenders 65 percent. Very low-income census tracts received 32 percent of the loans of prime lenders and 29 percent of the loans of subprime lenders. Prime lenders closed 0.9 percent of their loans in extremely low-income tracts and subprime lenders closed 5.6 percent in the same census tracts.

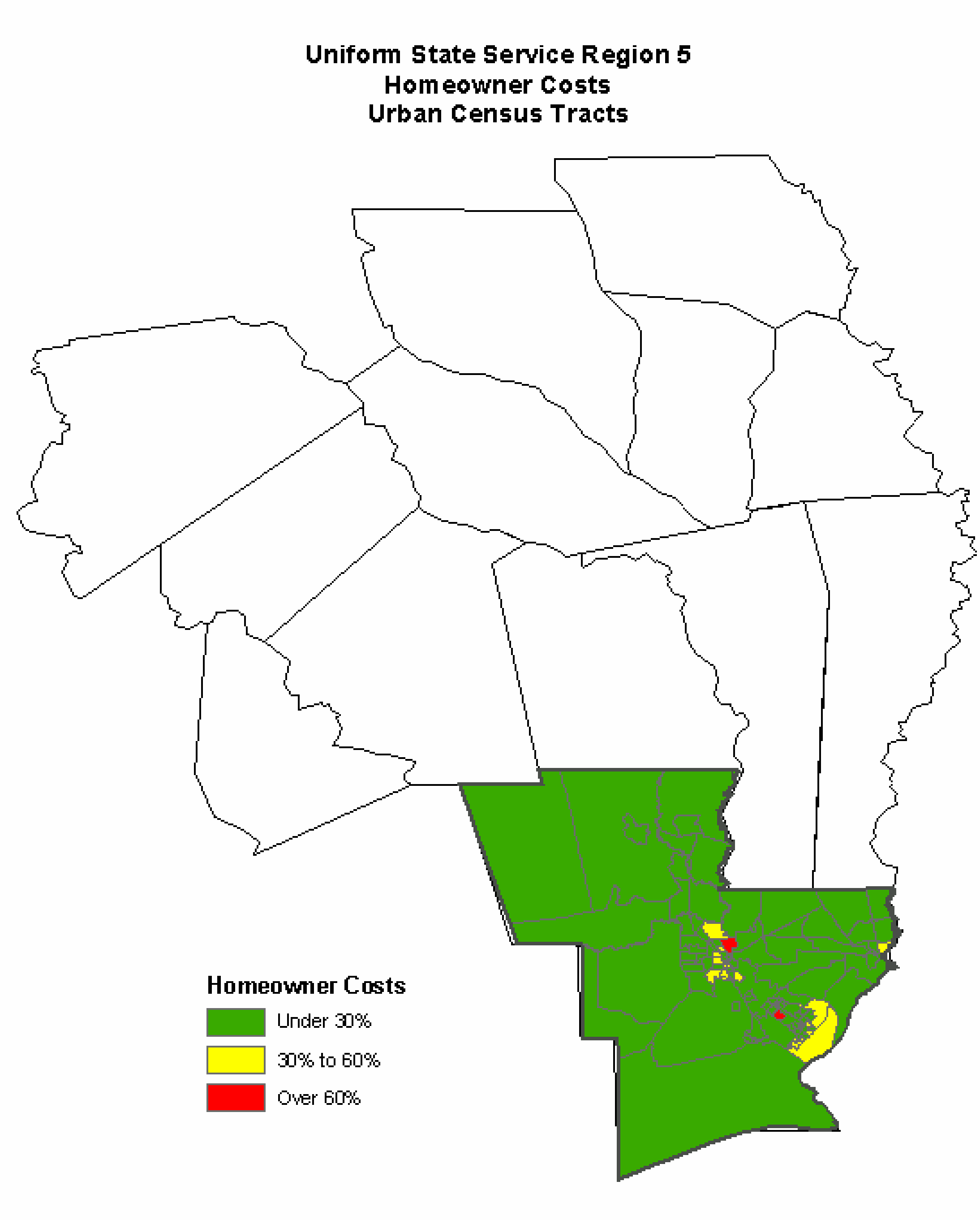
Prime lenders reported race in 94 percent of the cases, subprime lenders 69 percent of the time. For prime lenders, 59 percent went to white borrowers; 31 percent to black borrowers; 6 percent to Hispanic borrowers; 3.3 percent to Asian or Pacific Islander borrowers; 0.1 percent to American Indian borrowers; 0.8 percent to people of another race. For subprime lenders, 35 percent went to white borrowers; 59 percent to black borrowers; 4 percent to Hispanic borrowers; 0.9 percent each to American Indian and Asian borrowers; and 0.5 percent to other races.

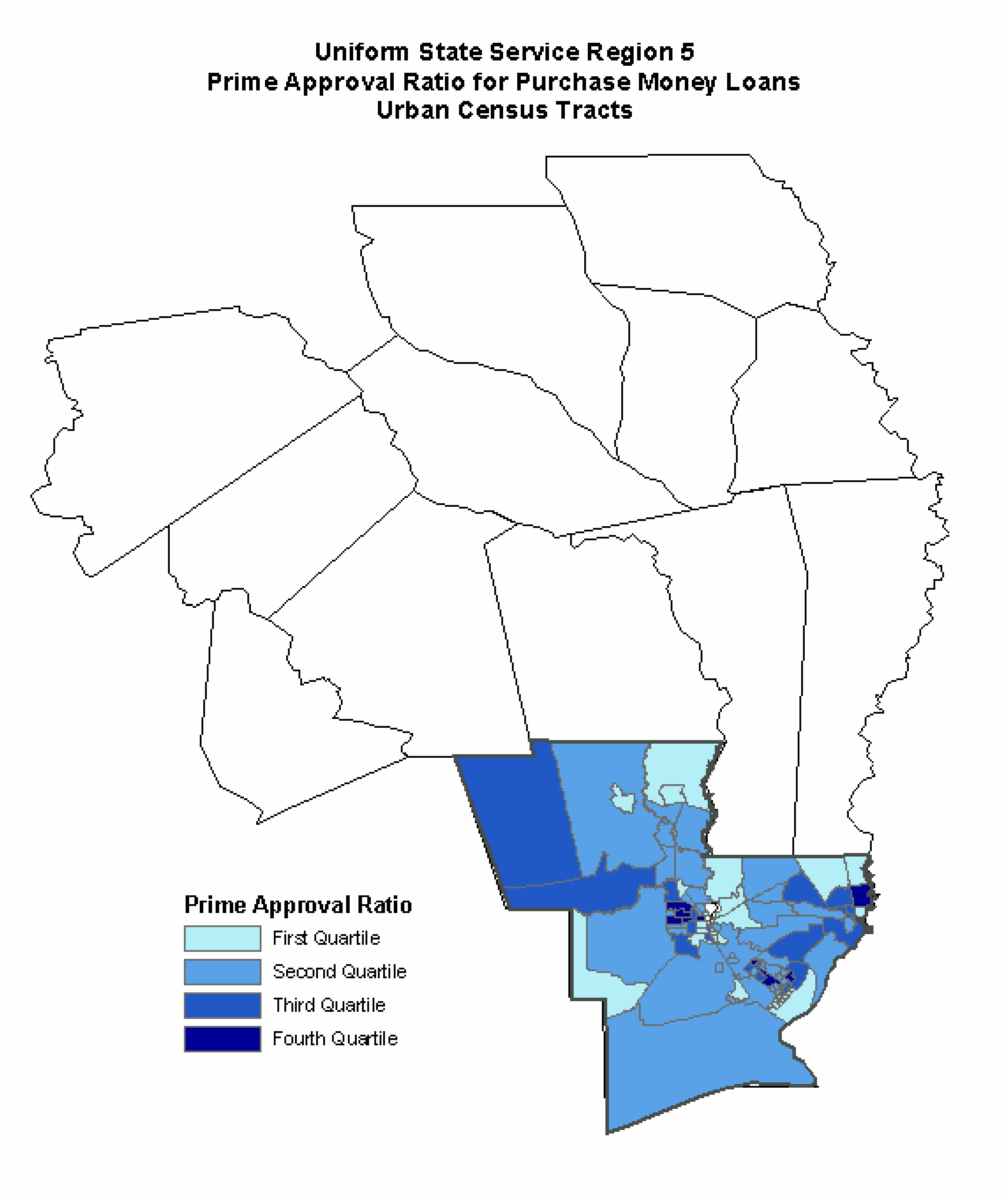

Uniform State Service Region 5
MSA selection
Rural Counties
Urban Census Tract
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI
Beaumont-
Port Arthur

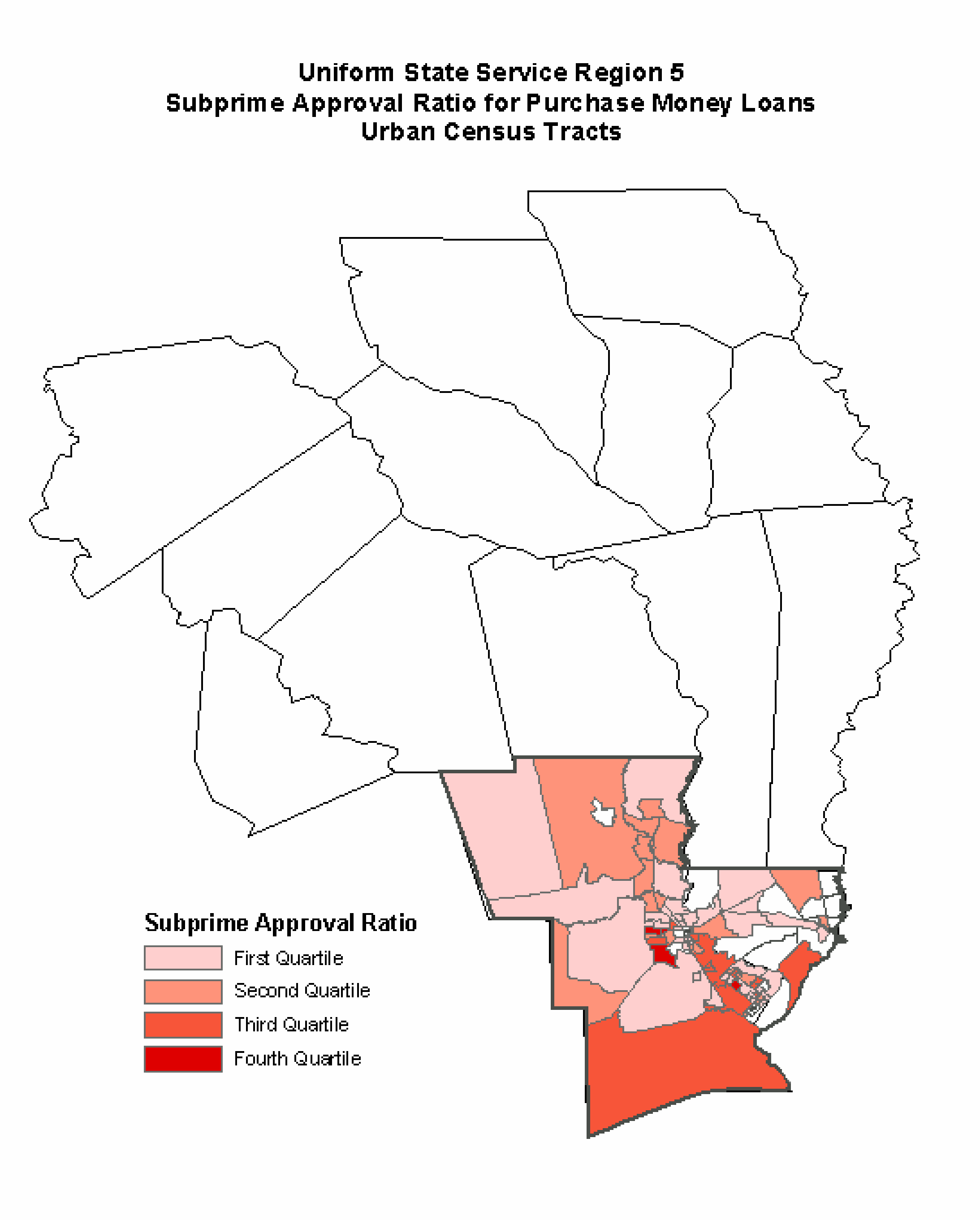

Uniform State Service Region 5
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

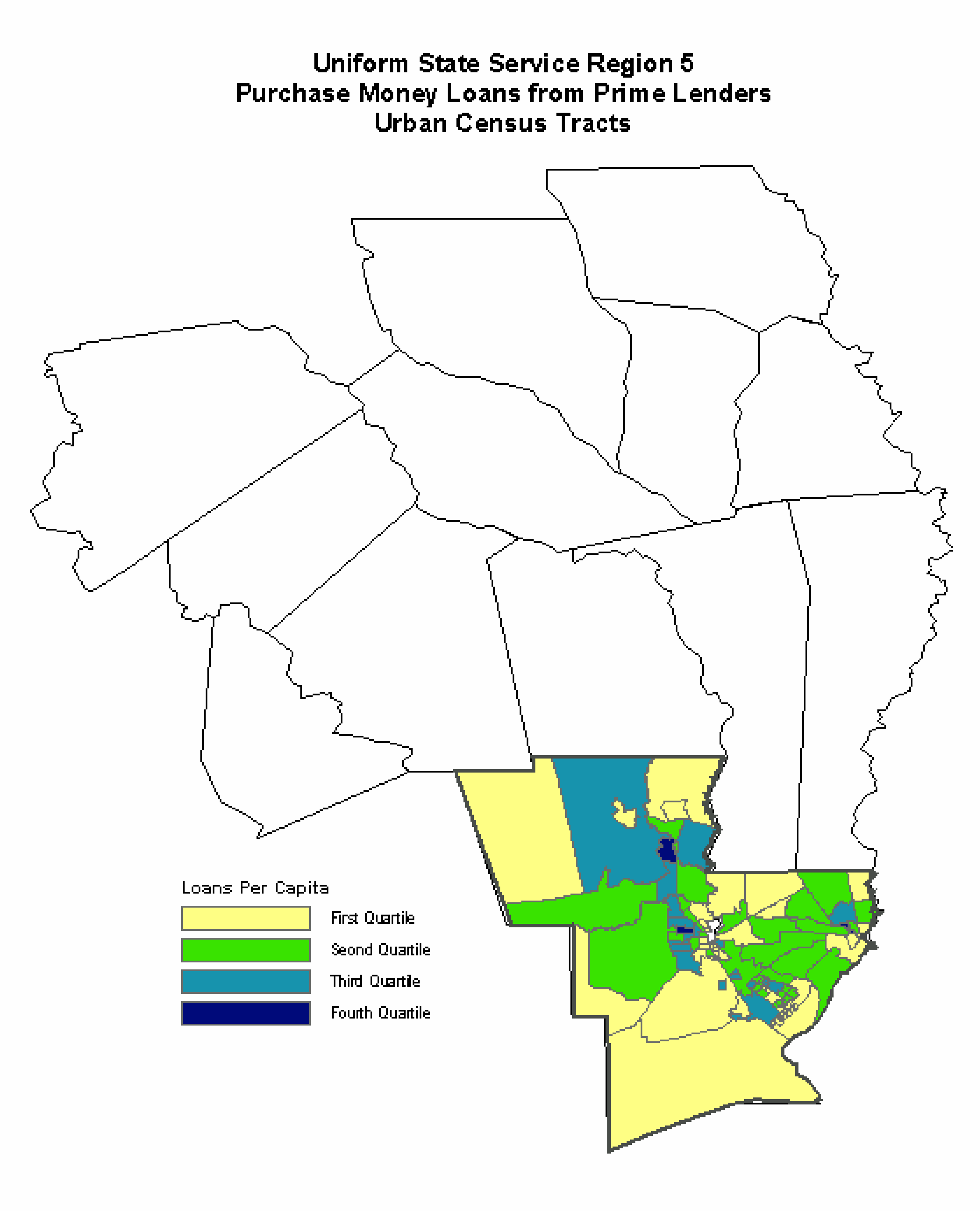

Uniform State Service Region 5
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

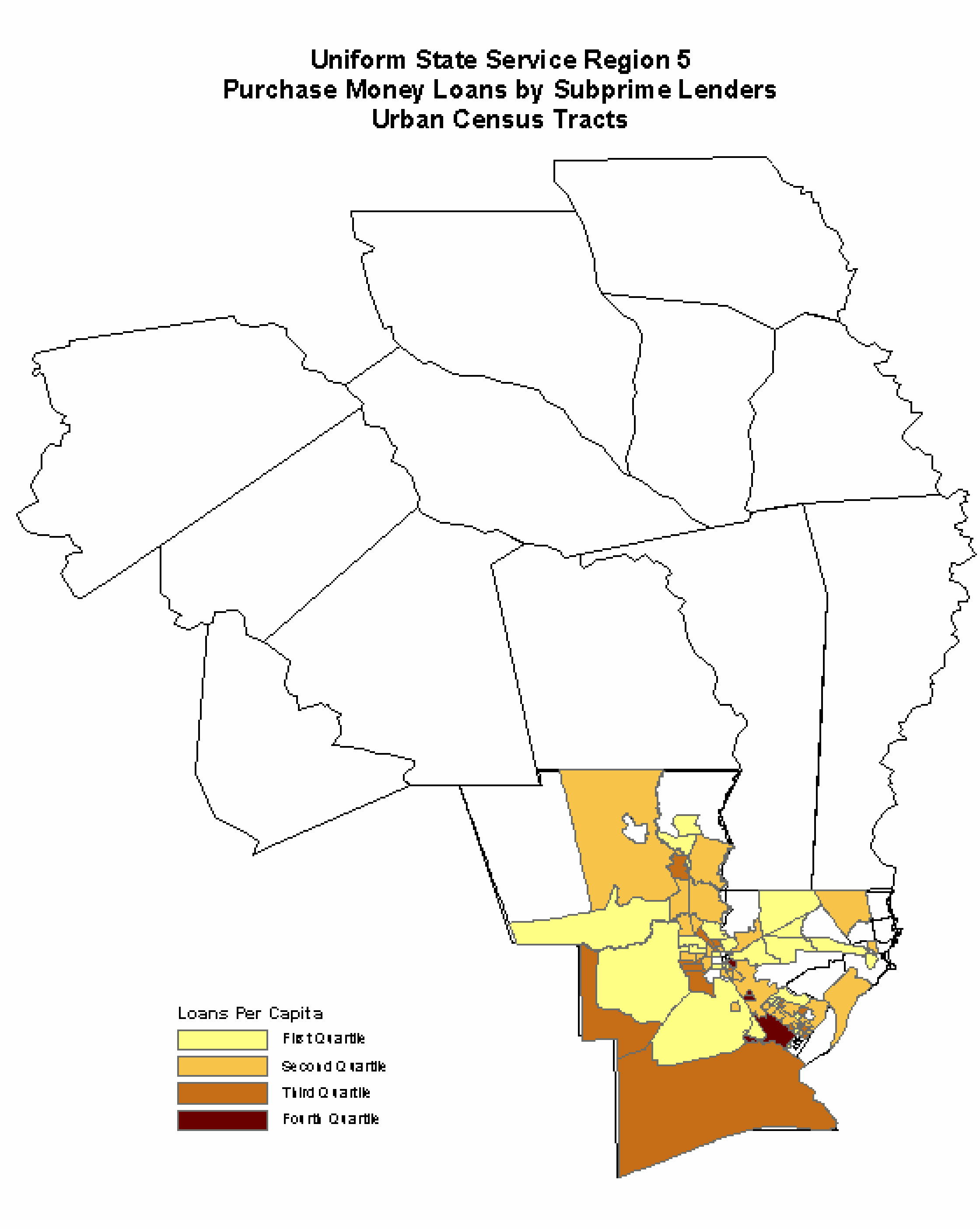

Uniform State Service Region 5
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

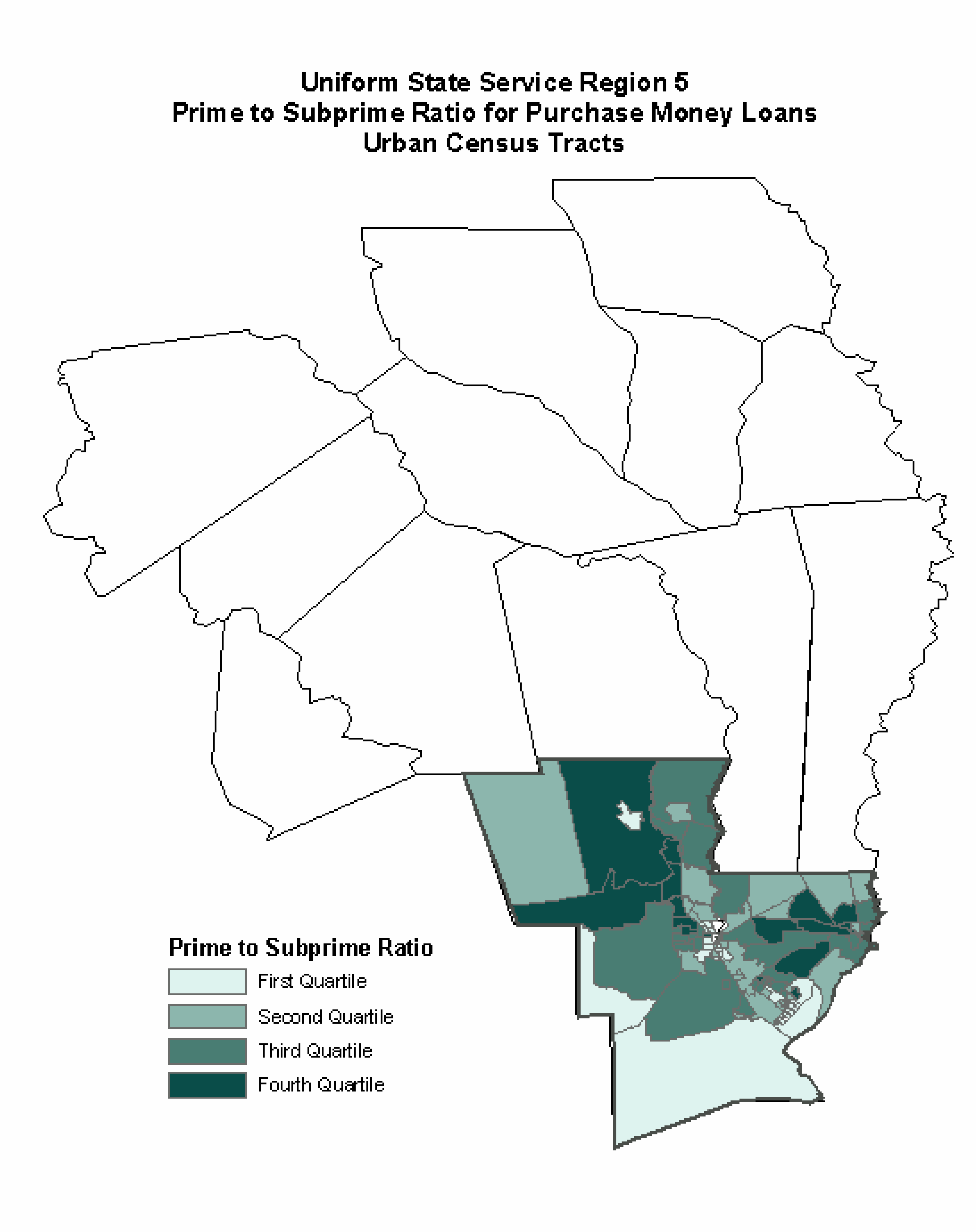

Uniform State Service Region 5
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

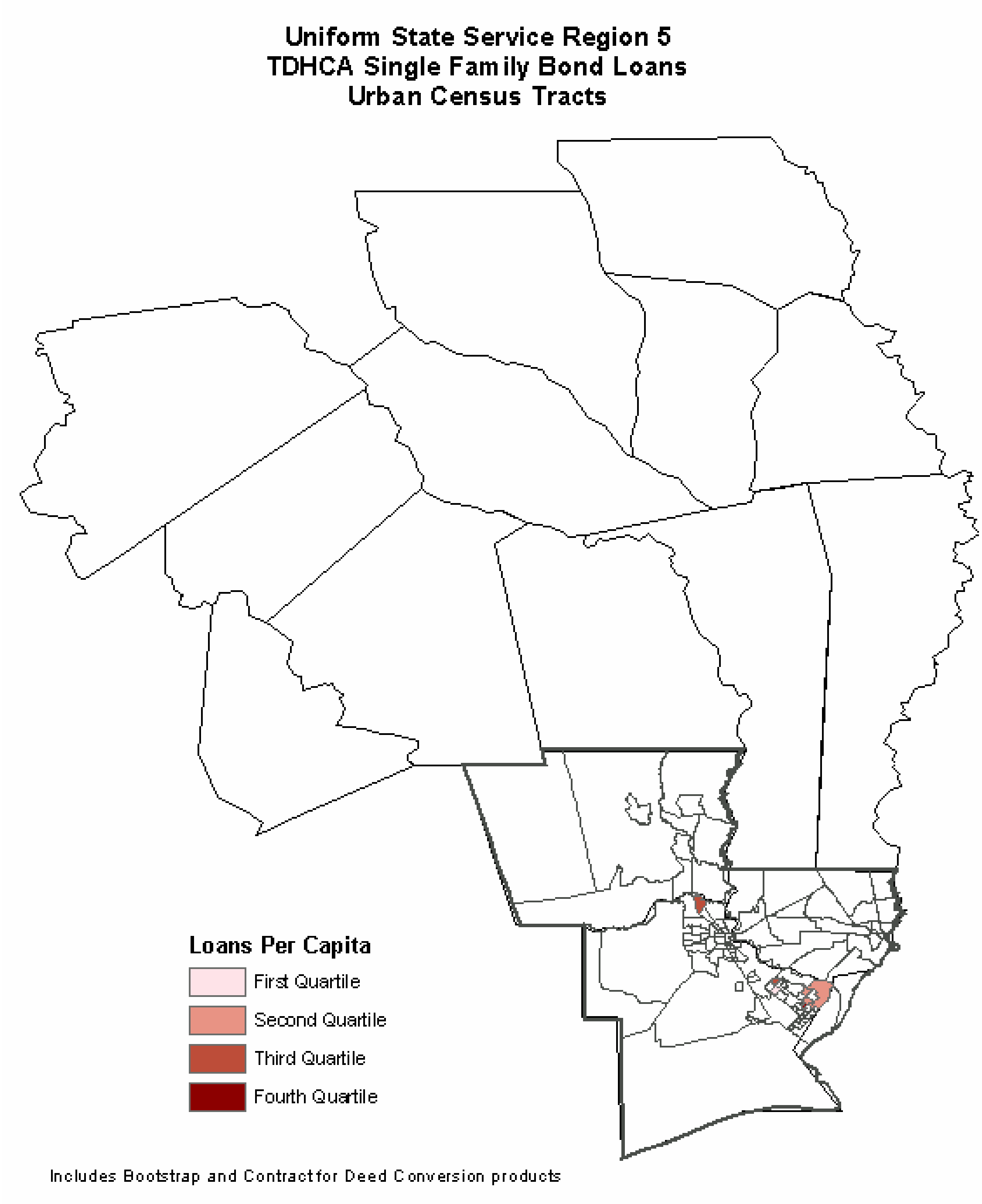

Uniform State Service Region 5
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 5
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 5
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fouth Quartile


Uniform State Service Region 5
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 5
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 5
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 6

Five of the 13 counties in Region 6 are rural; the other eight counties are located in the MSAs of Houston, Brazoria, or Galveston-Texas City. Within the urban counties of Galveston, Waller, Montgomery, Harris, Fort Bend, Chambers, Brazoria and Liberty, there are 399 low-income census tracts.

The total population of the region is 4,854,454, the second highest in the state. Almost 63 percent of the population is white; 17 percent is black; 0.4 percent is American Indian; 4.7 percent is Asian; 12 percent is some other race; and the rest reported 2 or more races. Almost 29 percent of the population is of Hispanic or Latino heritage.

The average homeownership rate for the region is 60.9 percent, the urban rate is slightly lower at 60.7 percent; and the rural homeownership rate is 68 percent.

RURAL AREAS

The total population in the rural counties is 184,883. The county median family income ranges between $39,920 and $46,340. More than 15 percent of the rural population lives in poverty. Almost 71 percent of the population is white; 17 percent is black; 0.9 percent is Asian; 0.4 percent is American Indian; and the rest is some other race or two or more races. Over 22 percent of the population is of Hispanic origin.

The rural homeownership rate is 68 percent. The average household spends 29 percent of their income on housing costs. A family earning the median income can afford to purchase a home worth 1.6 times the median priced home.

Of the 75,952 housing units in the rural areas, 67 percent are one-unit; 9 percent are 2 to 19 unit; 5 percent are 20 units and up; and 18 percent are mobile homes, RVs, etc. The average age of the housing units is 17 years. About 0.9 percent of the units lack complete plumbing facilities and 0.9 percent lack kitchen facilities.

Mortgage Lending

Of the 157 lending institutions that originated loans in 2000, 34 are subprime lenders and 10 are manufactured home lenders. Thirty-seven lenders reported originating non-conventional loans. There are a total of 60 FDIC-insured branches in the area. There is one branch of a TDHCA participating lender in the rural area, and 3 to 4 HFCs that service the area.

The prime approval: denial ratio was 3.8 for purchase money loans, for subprime lenders it was 2.1. The main reasons for prime denial were credit history (53 percent), debt to income (23 percent), and other (8 percent). The main reasons for subprime denial include credit history (46 percent), debt to income (15 percent), and other (15 percent).

Lending institutions originated more than 1,800 loans for home purchases and refinances, a total of $124.7 million. Prime lenders originated 66 percent of the purchase money mortgages. There were 10.2 purchase money loans by prime lenders for each one by a subprime lender.

Prime lenders originated 1,165 purchase and refinance loans, $94.2 million or $510 per person. Subprime lenders closed 234 loans for a total of $13.6 million or $70 per person. Over 60 percent of these loans were refinances. Manufactured home lenders originated 416 loans, or $17 million.

Prime lenders reported race in 92 percent of the cases, subprime lenders 73 percent of the cases. Prime lenders originated 81 percent of their loans to whites; subprime lenders 58 percent. Prime lenders closed 4 percent of their loans to blacks and subprime lenders closed 21 percent of their loans to blacks. Almost 14 percent of the loans from prime lenders and 19 percent of the loans from subprime lenders went to Hispanic borrowers. Prime lenders originated 0.2 percent of their loans to American Indian borrowers, compared to 1.8 percent by subprime lenders. Both provided roughly the same percentage to people of other races (0.7 percent and 0.6 percent).

Urban Low-Income Census Tracts

There are 399 low-income tracts in the urban areas of Region 6. Of the 345 low-income tracts in Houston, 8 percent are extremely low-income; 45 percent are very low-income; and 48 percent are low-income. In Galveston-Texas City there are 36 low-income census tracts. More than 11 percent are extremely low-income; 44 percent are very low-income; and 44 percent are low-income. Of the 18 low-income tracts in the Brazoria MSA, 22 percent are very low-income and 78 percent are low-income.

The total population of the urban low-income tracts is 1,774,914. More than 52 percent of the population is white; 28 percent is black; 2 percent is American Indian; 0.3 percent is Asian or Pacific Islander; 17 percent is some other race; 31 percent is of Hispanic or Latino origin.

The homeownership rate is 44 percent. An average family in the extremely low-income tracts would have to spend 64 percent of their income towards the costs of homeownership. An average family in the very low-income tracts would spend 36 percent of their income. For a family in the low-income tracts, housing costs represent 30 percent of their total income.

There are approximately 711,740 housing units in the urban low-income tracts of Region 6. More than half (51 percent) are one-unit; 13 percent are 2 to 9 units; 30 percent are 10 units and up; 5 percent are mobile homes, RVs, etc. The average age of the housing is 27 years old. Almost 1.2 percent of the units lack complete plumbing facilities and 1.3 percent lack complete kitchen facilities.

Mortgage Lending

In 2000, 363 lending institutions originated loans in the area. Fifteen percent were subprime lenders (54) and 3 percent were manufactured home lenders (12). Ninety-four lenders reported making non-conventional loans in the area. There are 345 branches of FDIC-insured financial institutions. There are 7 branches of TDHCA participating lenders in the area. Together they have originated over $6.77 million worth of loans, or 101 mortgages. There are 4 to 5 HFCs that service the area, depending on the county.

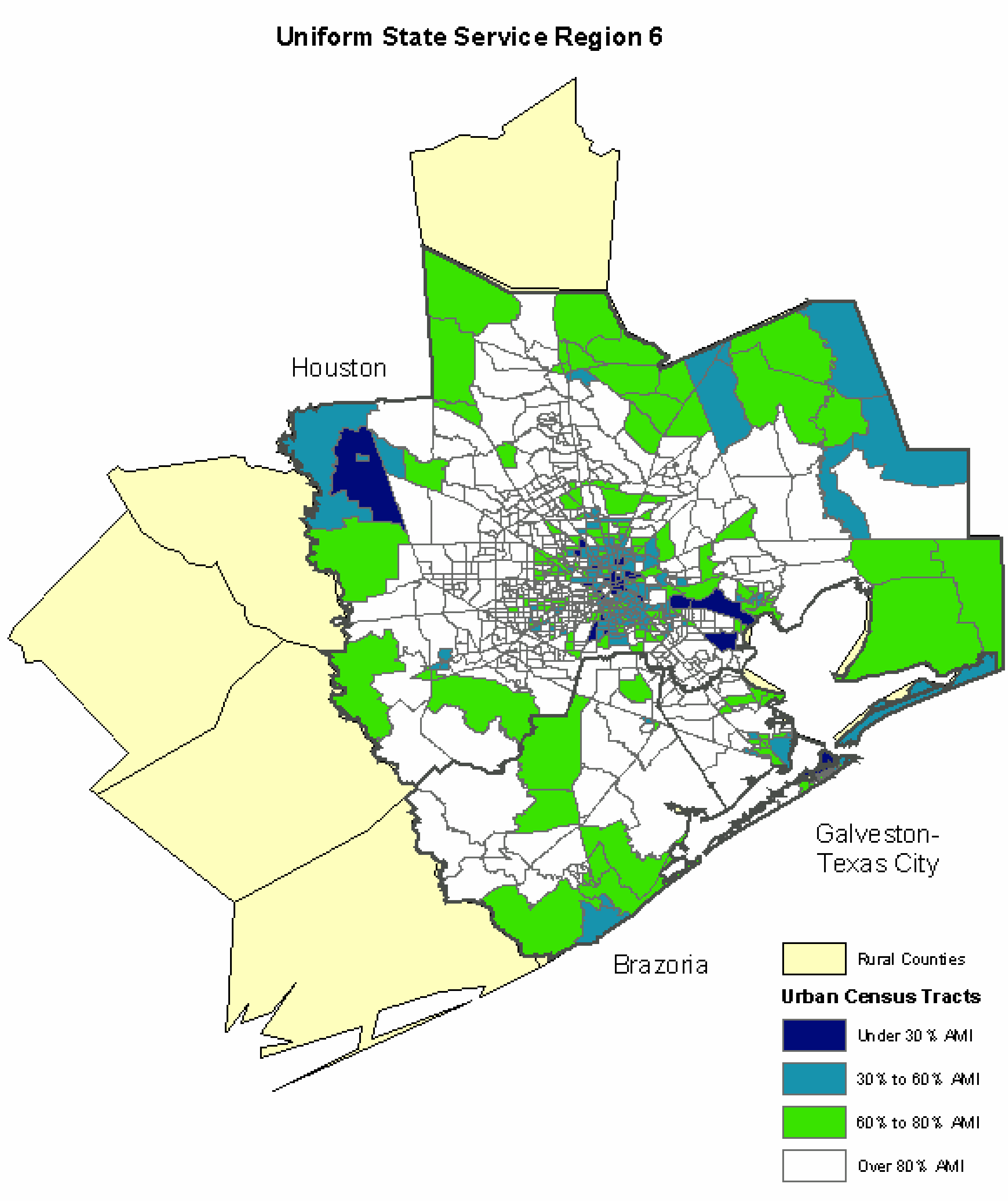
The prime approval: denial ratio for purchase loans was 4.5, for subprime lenders it was 1.7. The main reasons for prime denial include credit history (46 percent), debt to income (20 percent), and collateral (11 percent). The main reasons for subprime denial include credit history (38 percent), debt to income (14 percent), and collateral and credit application incomplete (12 percent each).

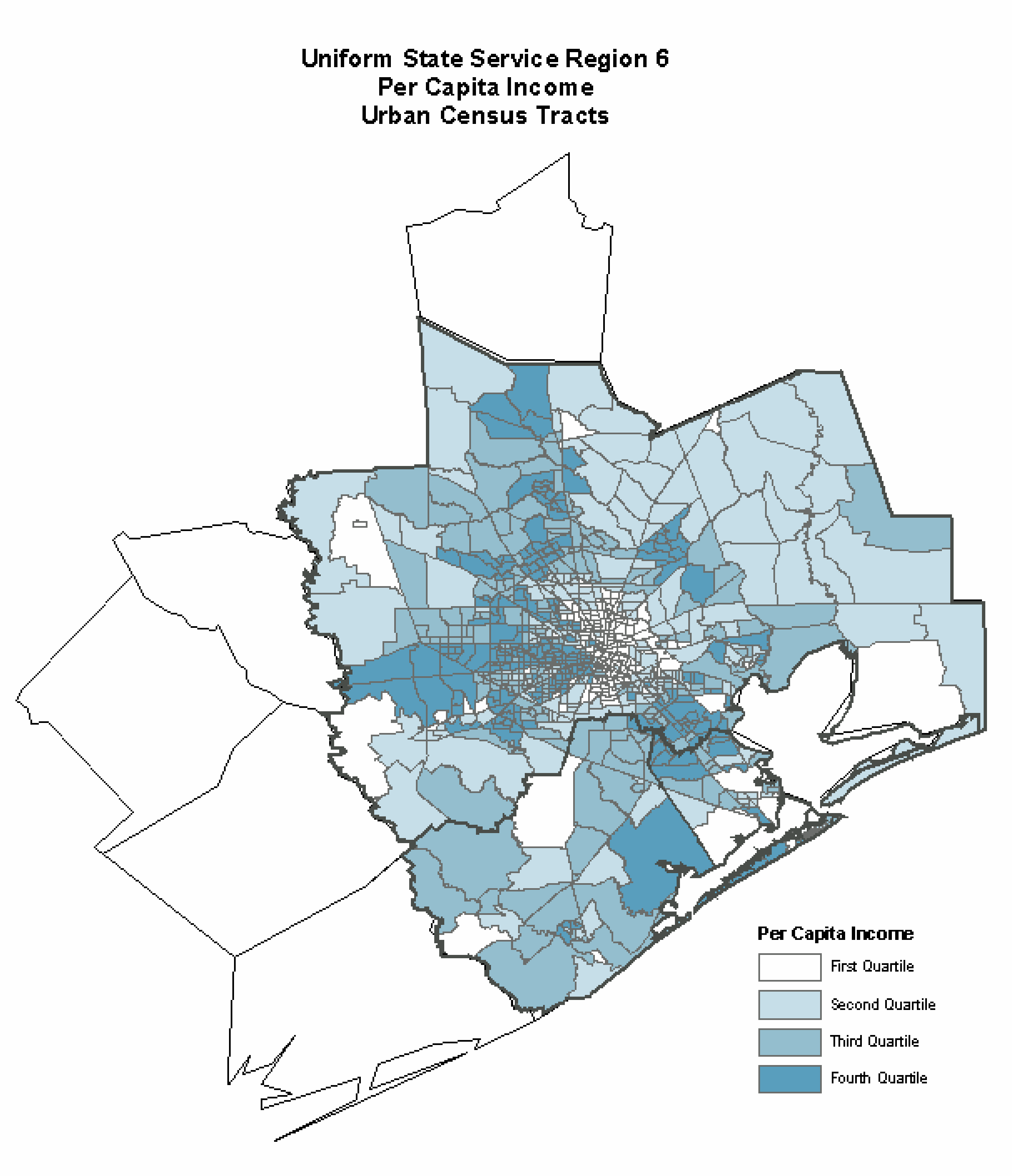
Lending institutions originated over $1.53 billion, or 20,137 owner-occupied purchase and refinance mortgages. Almost 77 percent of the loans were purchase money loans, and 77 percent of those were from prime lenders.

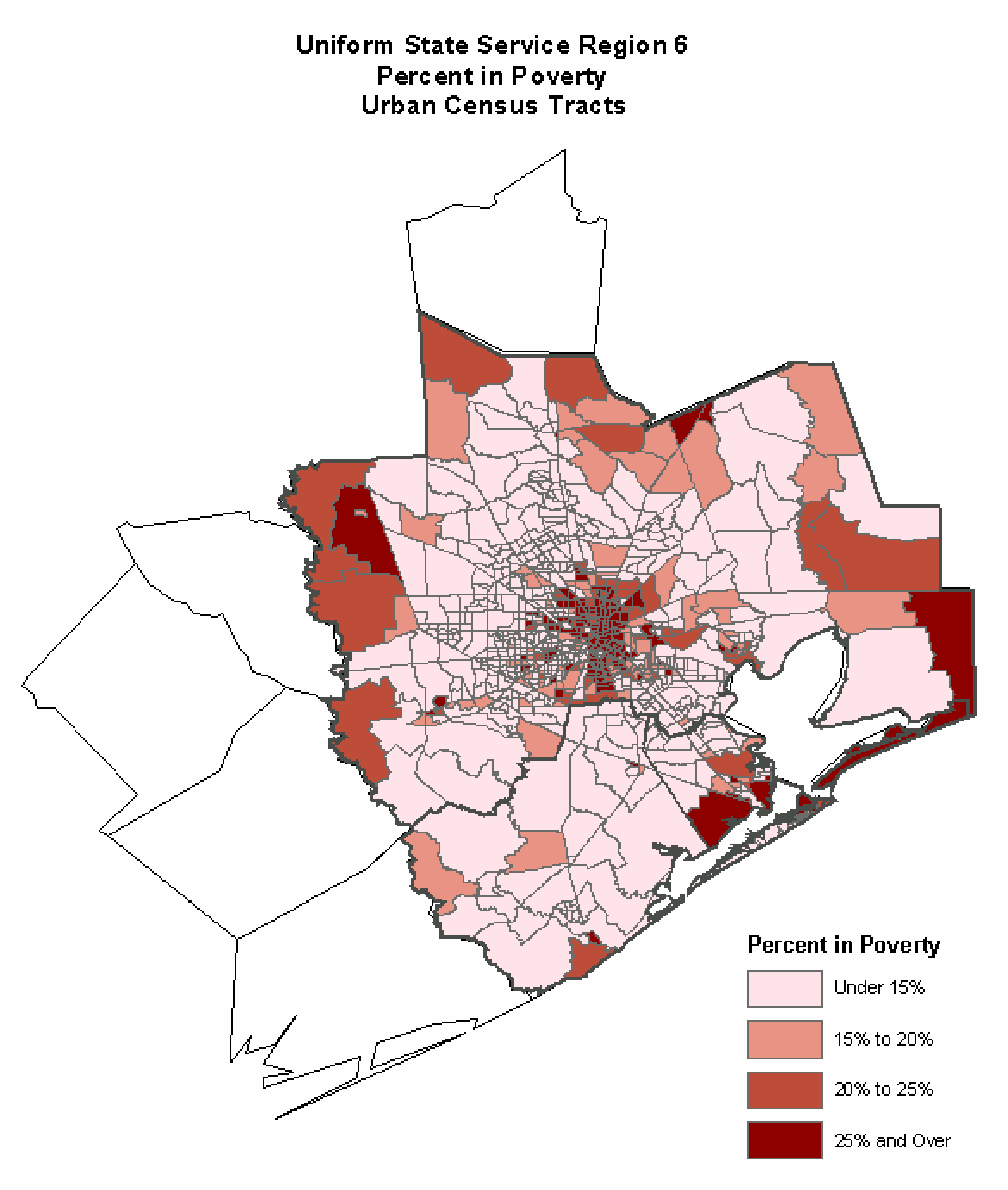
Prime lenders originated a total of $1.22 billion, 14,135 purchase and refinance loans or $750 per person. Subprime lenders originated 3,462 loans or $204.6 million in 2000, approximately $120 per person. Almost 63 percent of those were refinances. The remainder of the owner-occupied purchase and refinance loans were originated by manufactured home lenders, a total of 2,540 loans. Prime lender originated 9.2 purchase money loans for each one by a subprime lender.

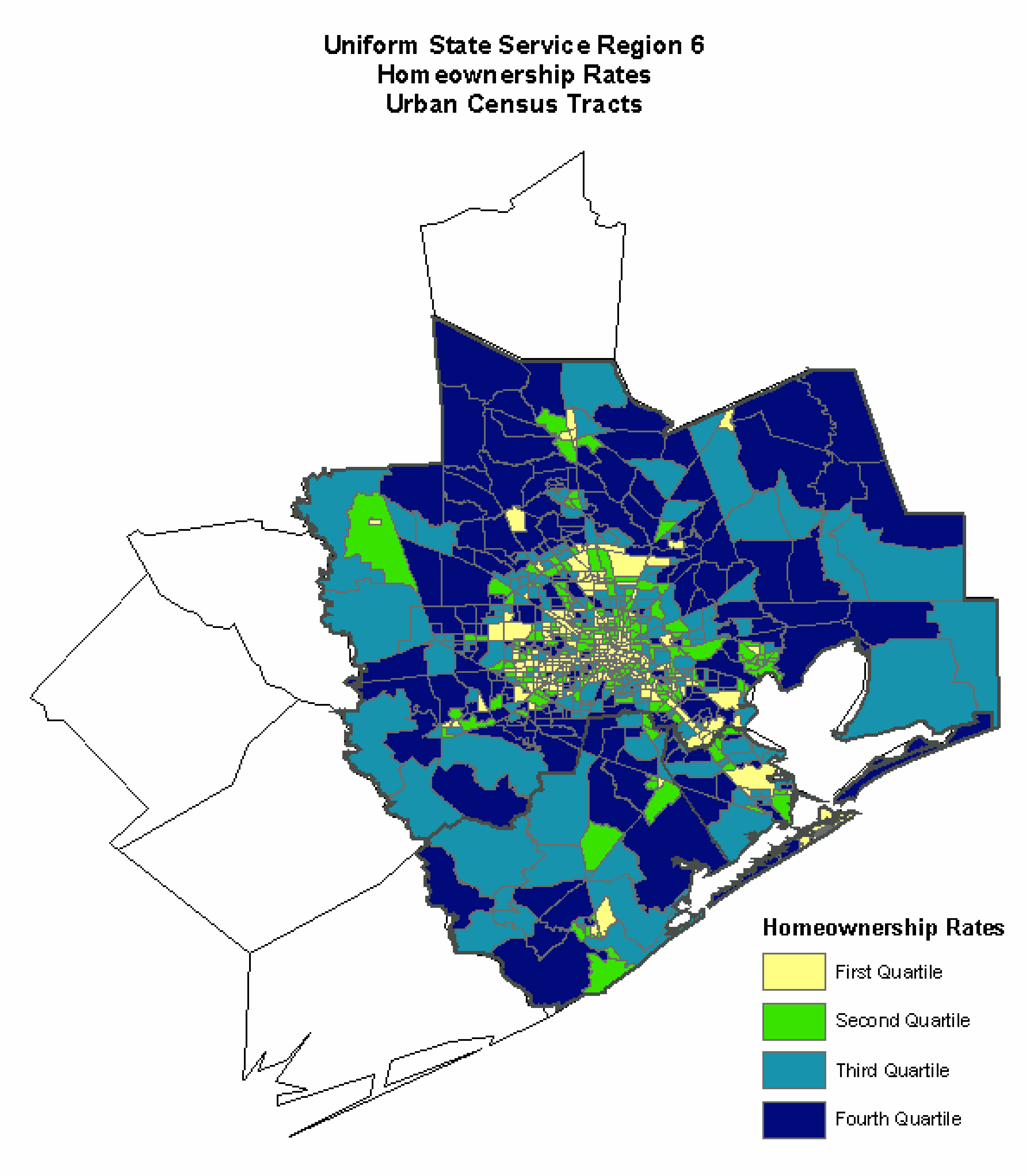
Prime lenders closed 65 percent of their urban low-income purchase money loans in tracts that are between 60 percent and 80 percent AMI, subprime lenders 66 percent. Prime lenders originated 32 percent of their loans in very low-income tracts and subprime lenders originated 33 percent. Prime lenders originated 3 percent of their loans in extremely low-income tracts and subprime lenders 1.4 percent.

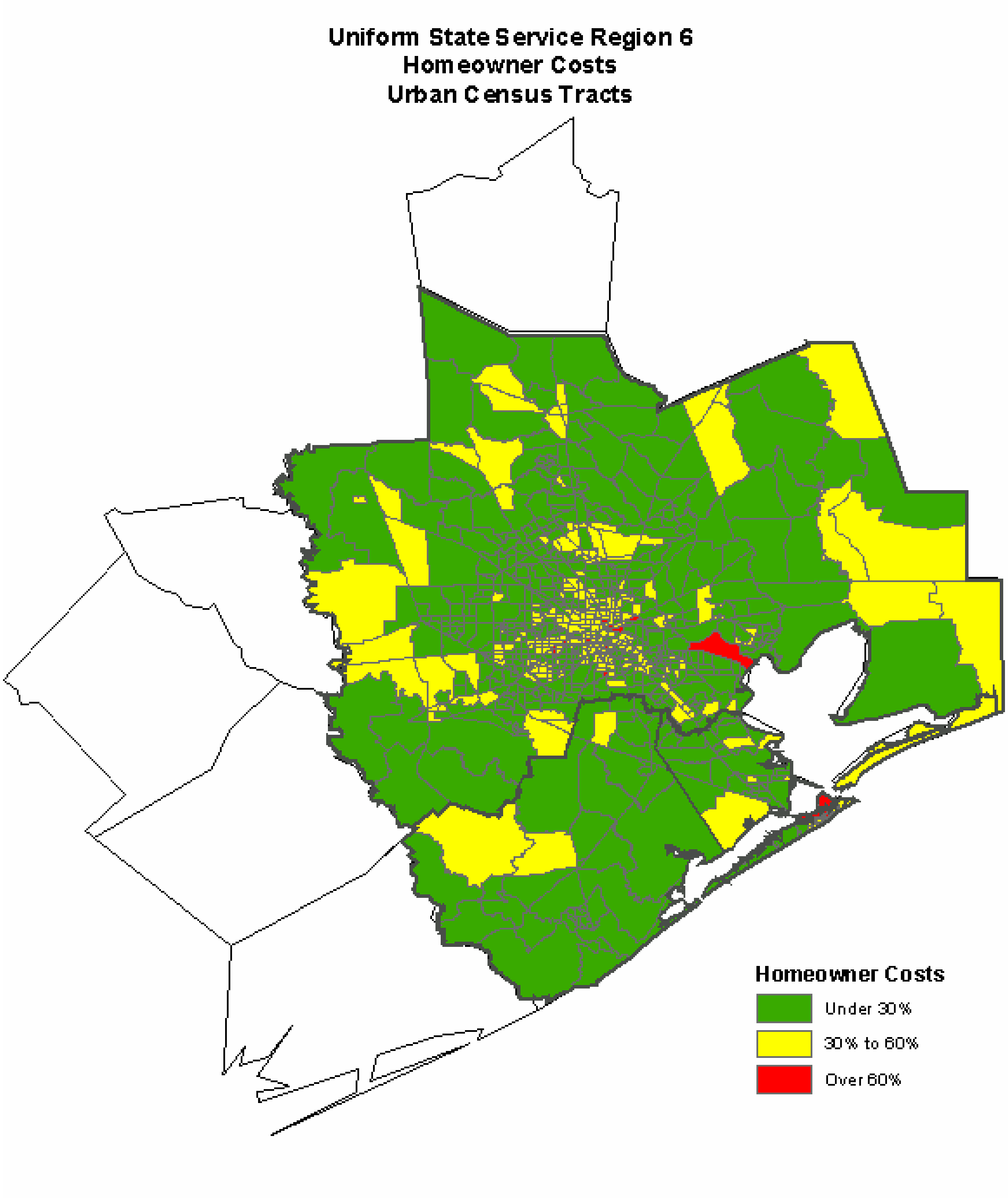
Prime lenders reported race in 92 percent of the cases, subprime lenders 81 percent. White borrowers received 52 percent of the loans of prime lenders and 36 percent of the loans of subprime institutions. Black borrowers received 10 percent of the loans of prime lenders and 34 percent of the loans of subprime lenders. Hispanic borrowers received 33 percent of the urban low-income loans of prime lenders and 28 percent from subprime lenders. Asian borrowers received 4 percent of the loans of prime lenders, and 1.4 percent from subprime lenders. American Indian borrowers and those of another race received 1.5 percent of the loans of prime lenders and 0.9 percent from subprime lenders.

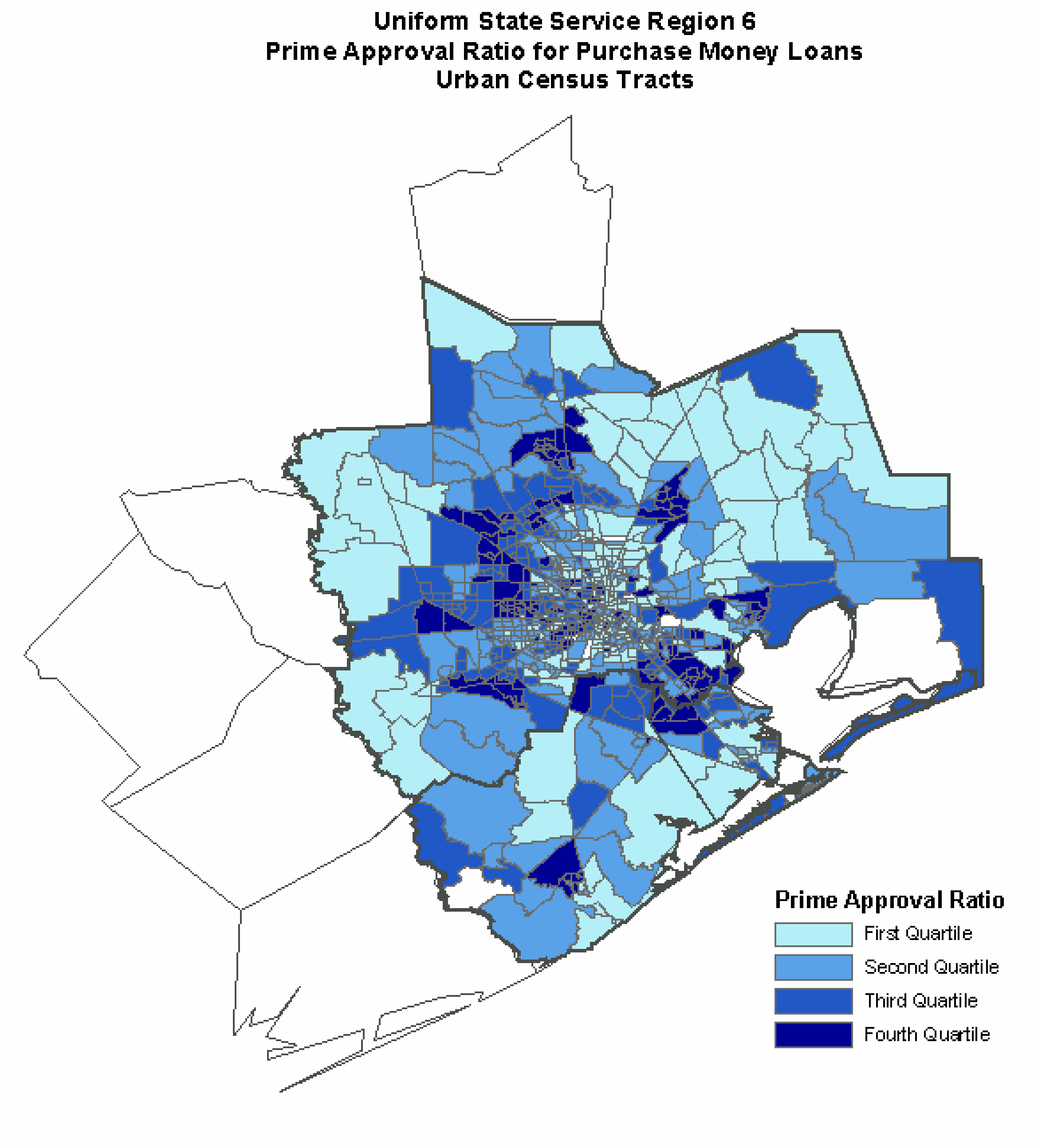

Uniform State Service Region 6
Houston
Galveston-
Texas City
Brazoria
Rural Counties
Urban Census Tracts
Under 30 % AMI
30 % to 60 % AMI
60 % to 80 % AMI
Over 80 % AMI

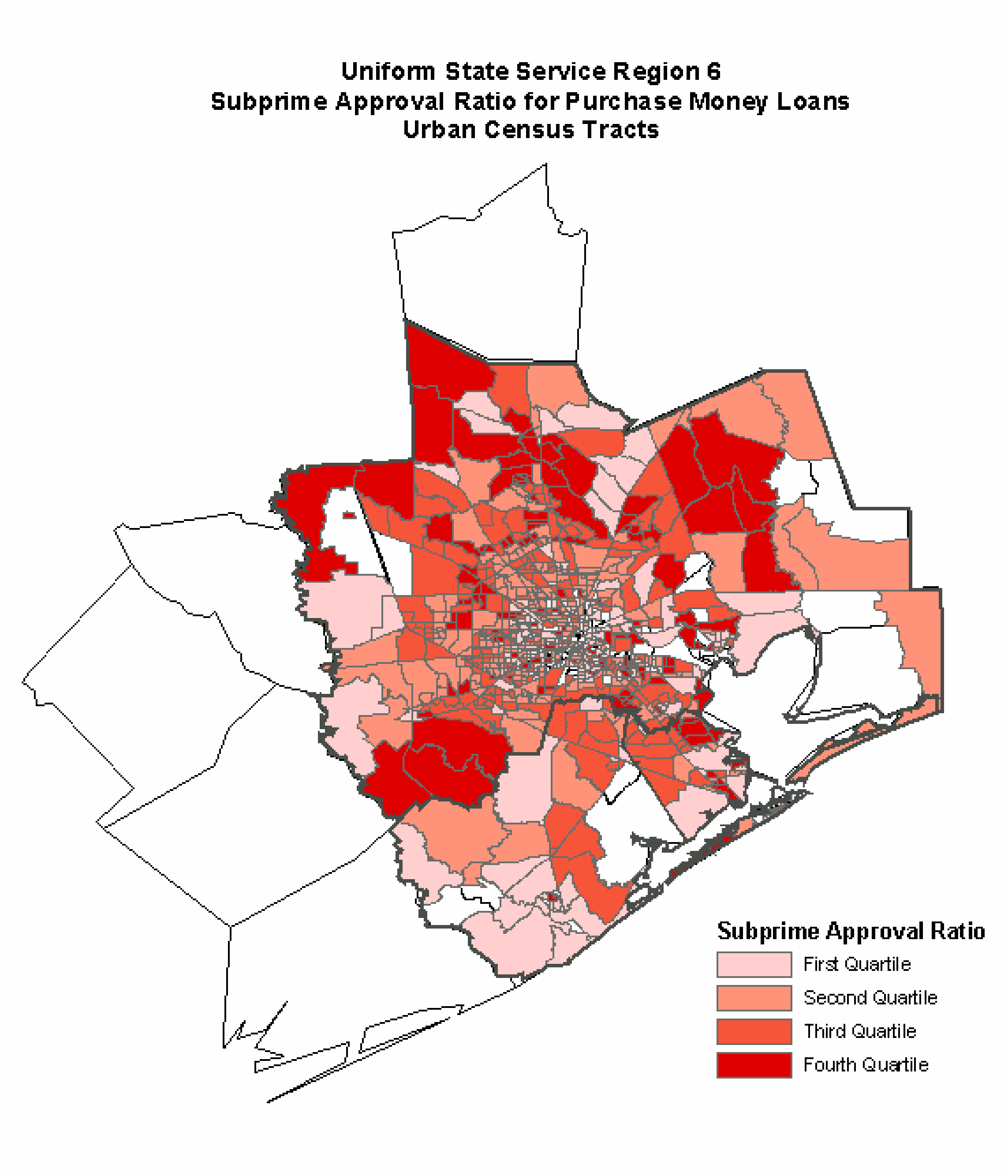

Uniform State Service Region 6
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

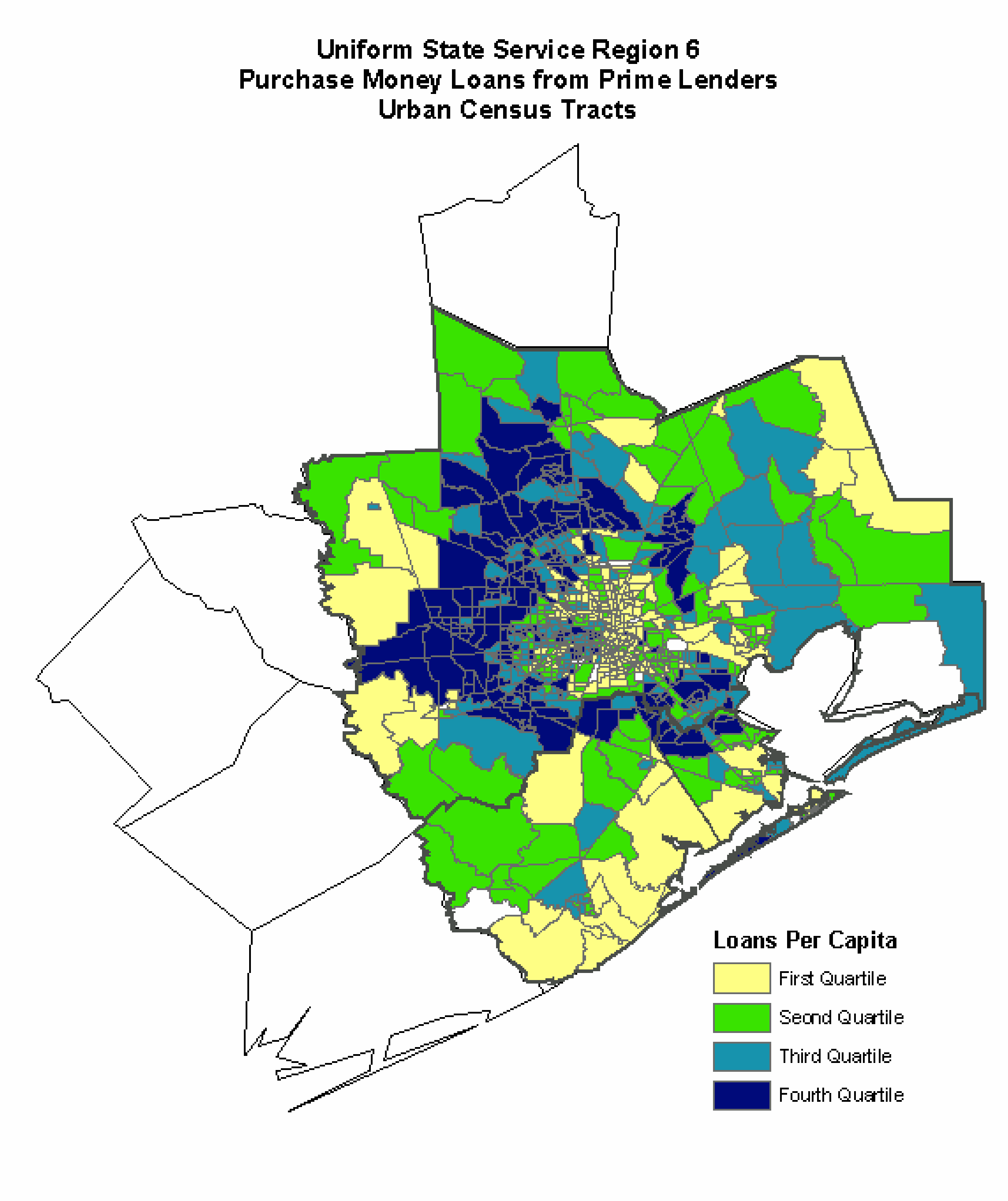

Uniform State Service Region 6
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

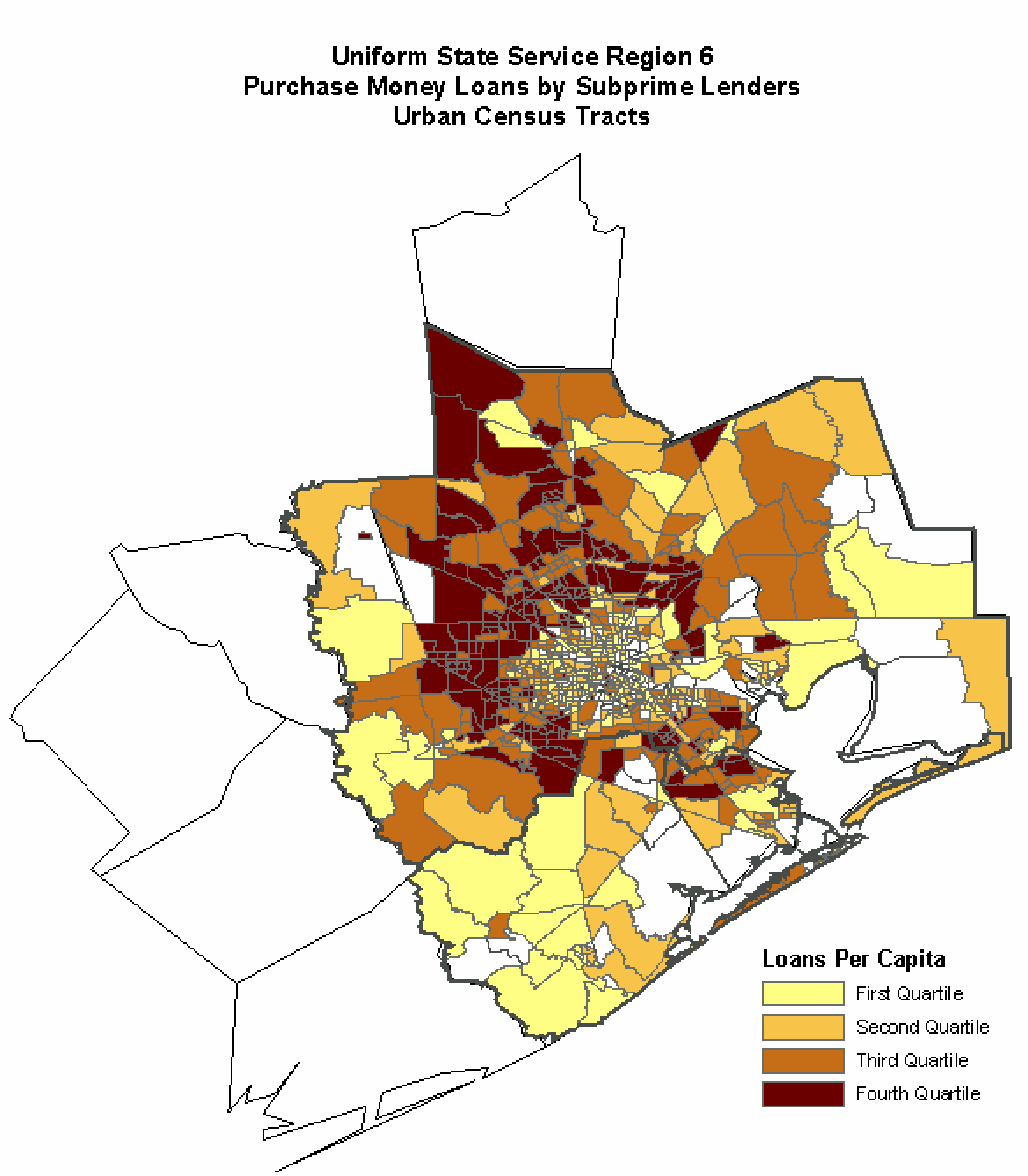

Uniform State Service Region 6
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

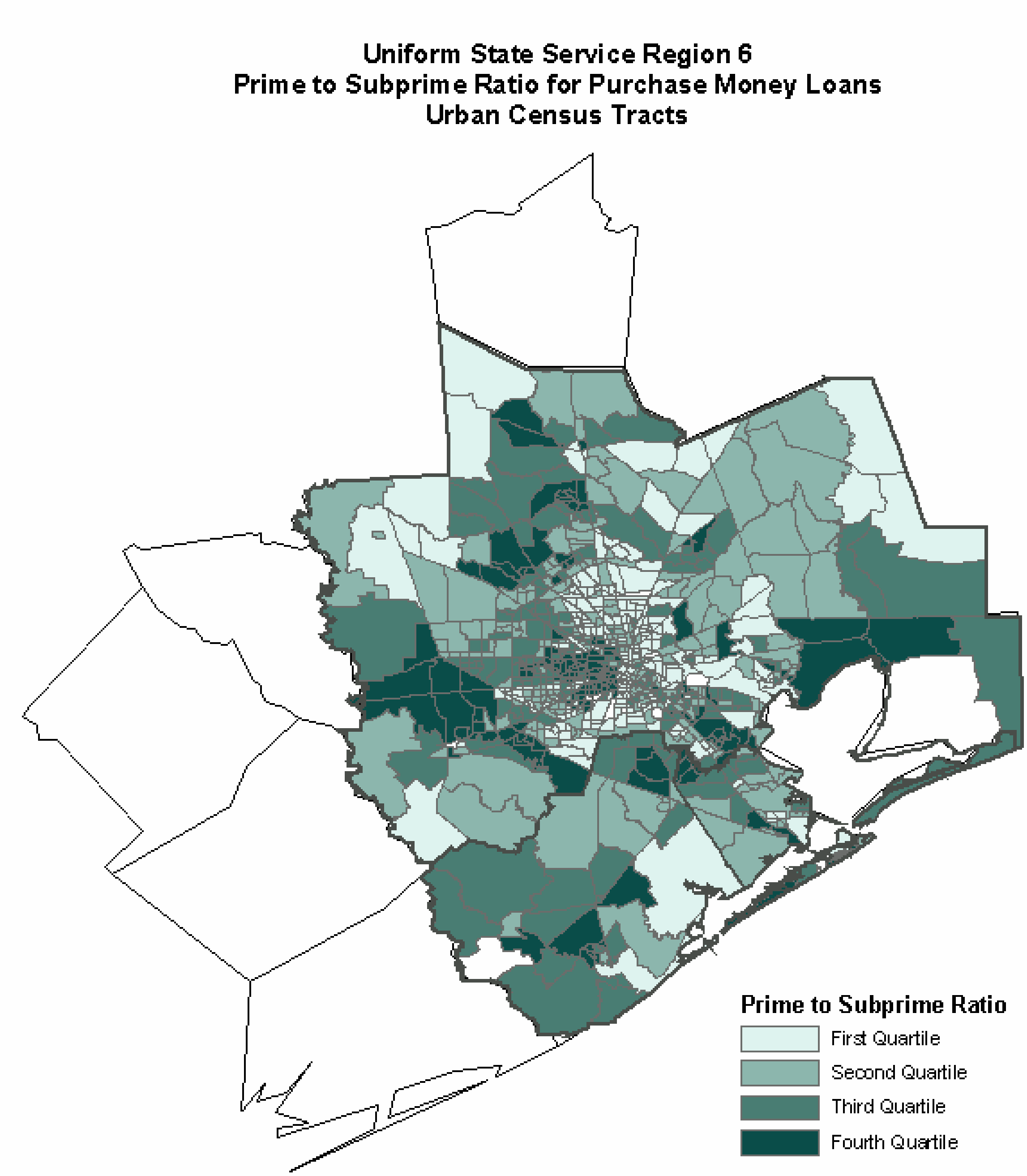

Uniform State Service Region 6
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

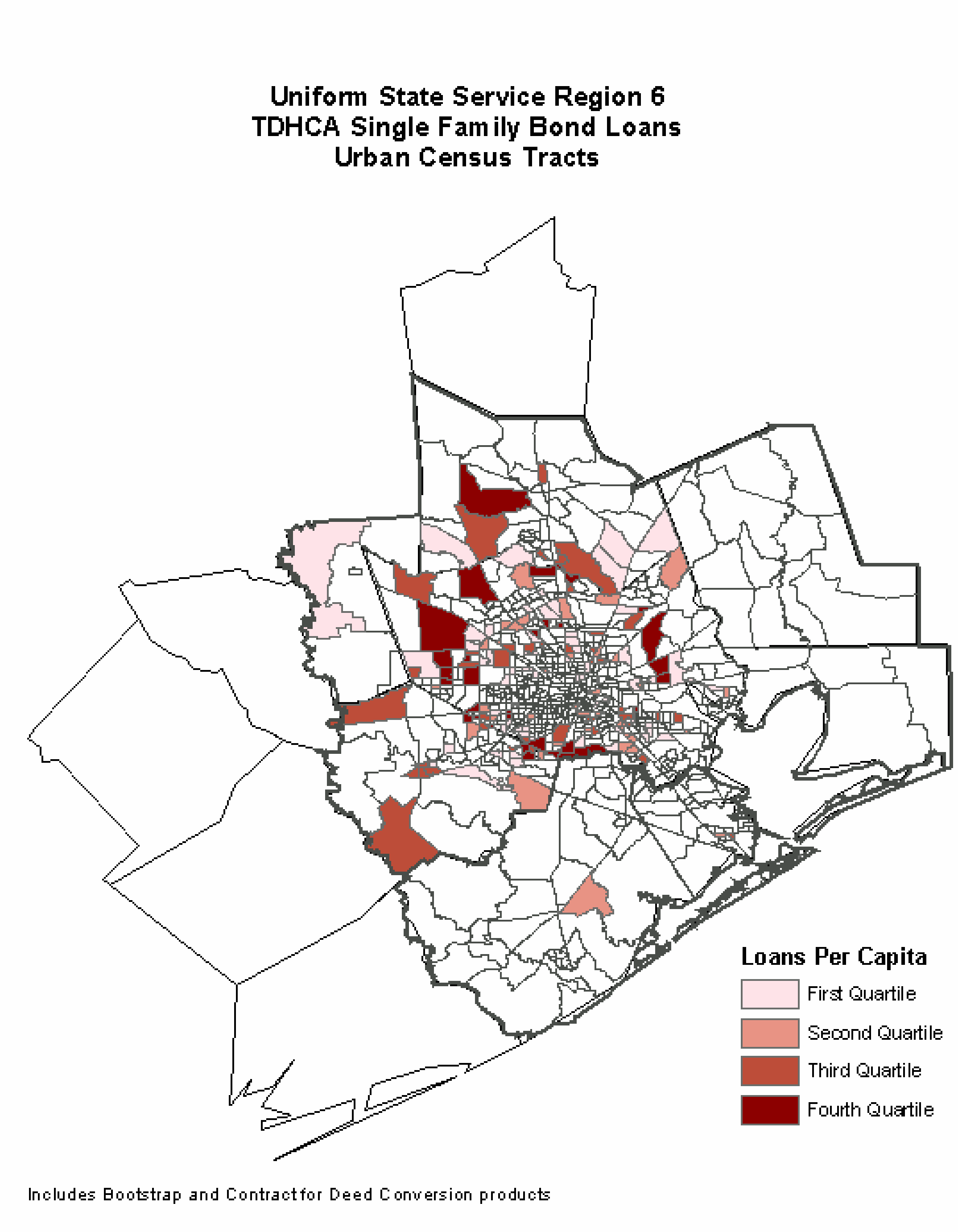

Uniform State Service Region 6
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 6
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 6
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 6
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 6
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 6
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 7

Region 7 is made up of two border counties, Llano and Blanco; nine urban counties in the Austin-San Marcos, Bryan-College Station, Killeen-Temple, and Waco MSAs; and 19 rural counties. There are 176 low-income census tracts in the urban areas.

The total population of Region 7 is 2,252,584. Almost 73 percent is white; 11 percent is black; 0.6 percent is American Indian; 2.7 percent is Asian or Pacific Islander; 10 percent is some other race; and 2.5 percent of the population claimed more than one race. More than 21 percent is of Hispanic origin.

The regional homeownership rate is 60 percent. The urban rate is 57 percent and the rural rate is 77 percent. In the low-income census tracts the homeownership rate is 39 percent.

RURAL AREAS

There are two border counties in the rural areas of Region 7, Llano and Blanco counties. They are included in this analysis. The total population of the rural areas of Region 7 is 381,325. The county median family income ranges from $32,700 to $45,380. Approximately 14 percent of the population lives in poverty. Almost 80 percent of the total rural population of Region 7 is white; 12 percent is black; 0.5 percent is American Indian; 0.3 percent is Asian; 6.3 percent is some other race; and 1.5 percent is two or more races. More than 13 percent of the population is of Hispanic or Latino heritage.

The homeownership rate is 77 percent. The average homeowner spends 26 percent of their income on housing costs. A family earning the median family income can afford to purchase a home worth 1.6 times the median value.

Almost 74 percent of the 179,008 total housing units are one-unit; 5 percent are 2 to 19 units; 1 percent are 20 units and above; 19 percent are mobile homes; and 1 percent are RVs, boats, etc. In the rural counties, the average age of the housing units is 21 years. Almost 0.8 percent of the units lack complete plumbing facilities and 0.7 percent lack complete kitchen facilities.

Mortgage Lending

There are 237 lenders that reported making loans in the rural areas of Region 7; thirty-seven are subprime lenders and 11 are manufactured home lenders. Seventy-two lenders reported making non-conventional loans. There are 174 branches of FDIC-insured financial institutions. One branch participates in the TDHCA bond program; it has originated one loan for $94,350. There are between 4 and 5 housing finance corporations that service the area, depending on the county.

The approval to denial ratio for prime, owner-occupied home purchase mortgages in 2000 was 4.3; for subprime lenders the ratio was 1.5. The main reasons for prime denial include credit history (48 percent), debt to income (25 percent), and other (10 percent). The main reasons for subprime denial include credit history (32 percent), collateral (27 percent), and debt to income (14 percent).

Lending institutions originated almost 4,600 purchase and refinance loans, or $364.9 million in 2000. Seventy-six percent were purchase money mortgages. Almost 66 percent of these purchase money mortgages were originated by prime lenders.

Prime lenders originated a total of 3,032 purchase and refinance loans, $287.4 million or $750 per person. Subprime lenders originated 479 loans, $31.4 million or $80 per person. Almost 65 percent of these were refinances. There were 14 purchase loans originated by prime lenders for each one by a subprime lender. Manufactured home lenders originated 1,082 loans, or $46.1 million.

Prime lenders reported race in 86 percent of the cases, subprime lenders 73 percent. Almost 89 percent of the loans from prime lenders went to white borrowers; 2.6 percent to black borrowers; 7 percent to Hispanic borrowers; 0.5 percent to Asian borrowers; and 0.6 percent to both American Indian borrowers and borrowers of some other race. Almost 75 percent of the loans from subprime lenders went to white borrowers; 13 percent to black borrowers; 10 percent to Hispanic borrowers; 0.9 percent to Asian borrowers; 0.6 percent to American Indian borrowers; and the rest were to borrowers of some other race.

Urban Low-Income Census Tracts

There are a total of 176 low-income tracts in urban Region 7. Of the 117 low-income tracts in the Austin-San Marcos MSA, 6 percent are extremely low-income; 48 percent are very low-income; and 46 percent are low-income. Bryan-Collage Station has 15 low-income tracts, 1 is extremely low-income; 12 are very low-income; and 2 are low-income. Of the 17 low-income tracts in Killeen-Temple, 8 are very low-income and 9 are low-income. Waco has 27 low-income tracts, 11 percent are extremely low-income; 44 percent are very low income; and 44 percent are low-income.

The total population of the urban low-income tracts is 792,830. More than 66 percent is white; 17 percent is black; 2.5 percent is American Indian; 0.4 percent is Asian; 14 percent is some other race; and 25 percent of the population is Hispanic.

The homeownership rate is only 39 percent. Average housing costs for a homeowner represent 128 percent of the median income in the extremely low-income tracts. A family making the median income could only afford to purchase a home worth 40 percent the median value. In the very low-income tracts, homeowner costs represent 45 percent of the median family income. A family making the median income could afford to purchase a home worth 90 percent of the median value. In the low-income tracts, the average housing costs represent 32 percent of the median income. A family making the median income could afford to purchase a home worth 110 percent of the median value.

There are 299,330 housing units in the urban low-income tracts of Region 7. Forty-nine percent are one-unit; 18 percent are 2 to 9 units; 26 percent are 10 units and up; and 6 percent are mobile homes, etc. The average age of the housing units is 23 years old. More than 1.1 percent of the units lack complete kitchen facilities and 0.9 percent lack complete plumbing facilities.

Mortgage Lending

There are 304 lending institutions that reported making loans in 2000. Forty-seven of the lenders are subprime and 12 are manufactured home lenders. Ninety-five lenders reported making non-conventional loans. There are 4 branches of TDHCA participating lenders in the area, they have originated 121 loans, or $9.8 million since 2000. There are 4 HFCs that service the area.

The approval: denial ratio for prime lenders was 9.3, for subprime lenders it was 2.5. The main reasons for prime denial were credit history (50 percent), debt to income (22 percent), and other (10 percent). The main reasons for denial for purchase money loans from subprime lenders was credit history (33 percent), debt to income (19 percent), other (18 percent), and credit application incomplete (11 percent).

Lending institutions originated over 12,600 purchase and refinance loans, or $1.1 billion. Almost 83 percent were purchase money mortgages. Almost 76 percent of the owner-occupied home purchase loans were originated by prime lenders.

Prime lenders originated over 9,084 purchase and refinance loans, $899 million or $1,310 per person. Subprime lenders originated over 1,500 loans, $112.4 million or $160 per person. Almost 57 percent of the originations by subprime lenders were refinances. The rest of the owner-occupied purchase and refinance loans were originated by manufactured home lenders, $87.9 million or 2,020 loans. There were 12 purchase money loans by prime lenders for each one by a subprime lender.

Prime lenders originated 1.6 percent of their purchase money loans in extremely low-income tracts; 36 percent in very low-income tracts; and 63 percent in low-income tracts. Subprime lenders originated 1.8 percent of their loans in extremely low-income tracts; 36 percent in very low-income tracts; and 62 percent in low-income tracts.

Prime lenders reported race in 91 percent of the cases, subprime lenders 72 percent. Prime lenders originated 73 percent of their loans to white borrowers, for subprime lenders the percentage was 51 percent. Black borrowers received 5 percent of the loans of prime lenders and 19 percent of the loans of subprime lenders. Hispanic borrowers received 19 percent of the loans of prime lenders and 27 percent of the loans of subprime lenders. Asian borrowers received 2.3 percent of the loans from prime lenders and 0.9 percent of the loans of subprime lenders. American Indian borrows received 0.5 percent of the loans of prime lenders and 0.9 percent of the loans of subprime lenders. People of some other race received 1.3 percent of the loans of prime lenders and 0.6 percent of the loans of subprime lenders.

BORDER AREAS

The population of the two counties that are border areas is 25,462. The county median family income ranges between $40,600 and $45,380. More than 10 percent of the population lives in poverty. Approximately 95 percent of the population is white; 0.5 percent is American Indian; 0.3 percent is Asian; 3 percent is some other race; and 1 percent is two or more races. About 9 percent of the population is of Hispanic or Latino heritage.

The homeownership rate is 80 percent. The average homeowner household spends 27 percent of their income on housing costs. A family earning the average income can afford to buy a home worth 1.1 times the value of the median priced home.

Less than 76 percent of the 15,860 dwelling units are one-unit; 5 percent are 2 to 19 units; 0.3 percent are over 20 units; 18 percent are mobile homes; and 1.2 percent are RVs, etc. About 0.6 percent of the units lack complete plumbing facilities and 0.5 percent lack complete kitchen facilities. The average age of the houses is 17 years old.

Mortgage Lending

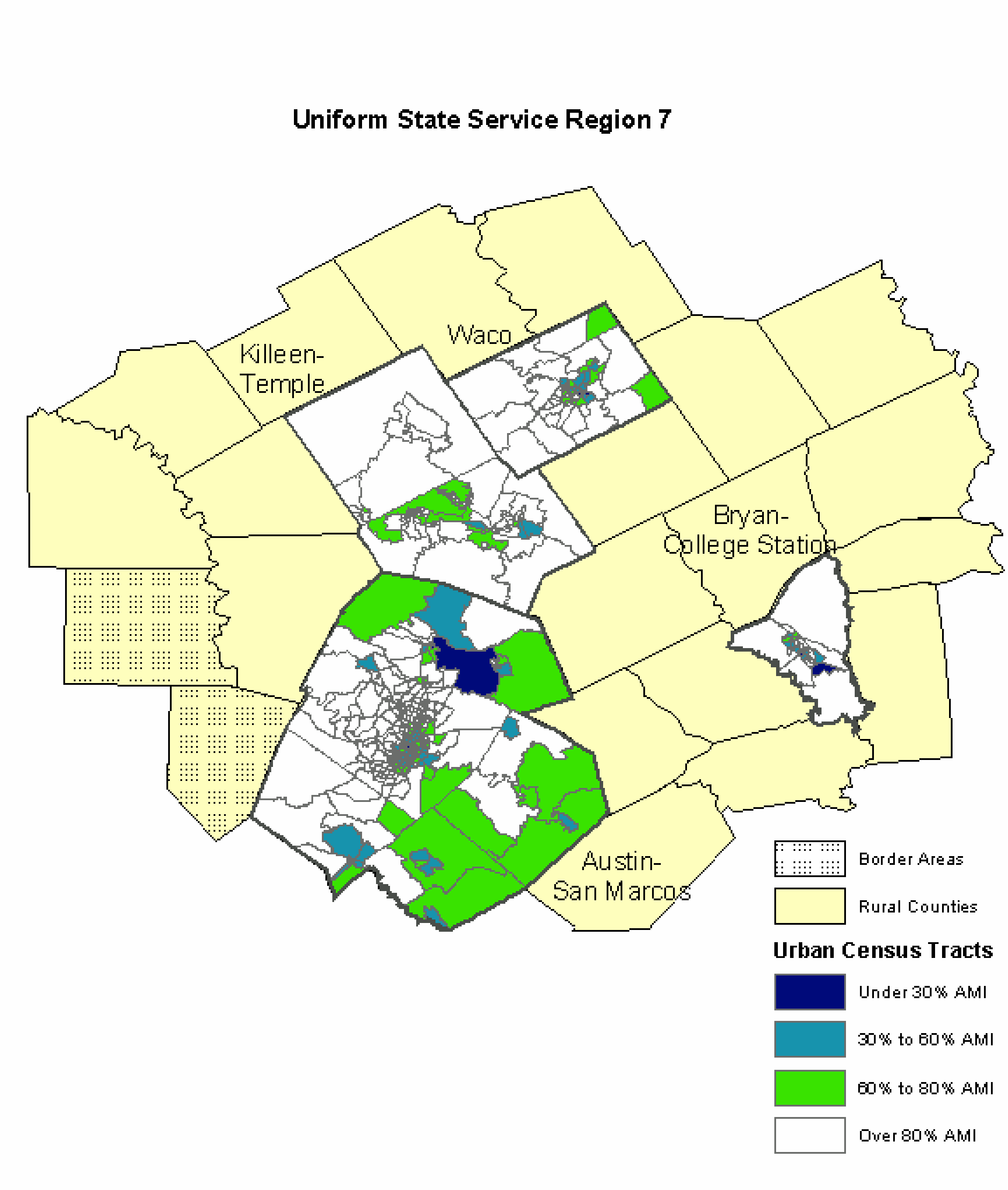
There are 95 HMDA reporters that made loans in the border areas of Region 7. Sixteen are subprime lenders and 8 are manufactured home lenders. Fifteen lenders reported making non-conventional loans. There are 4 HFCs that service the area.

The approval ratio for prime lenders in 2000 was 6.3, for subprime lenders it was 2. Of the 42 cases with reported reasons for prime denial, 45 percent were credit history and 33 percent were debt to income. There is not enough data to analyze subprime reasons for denial.

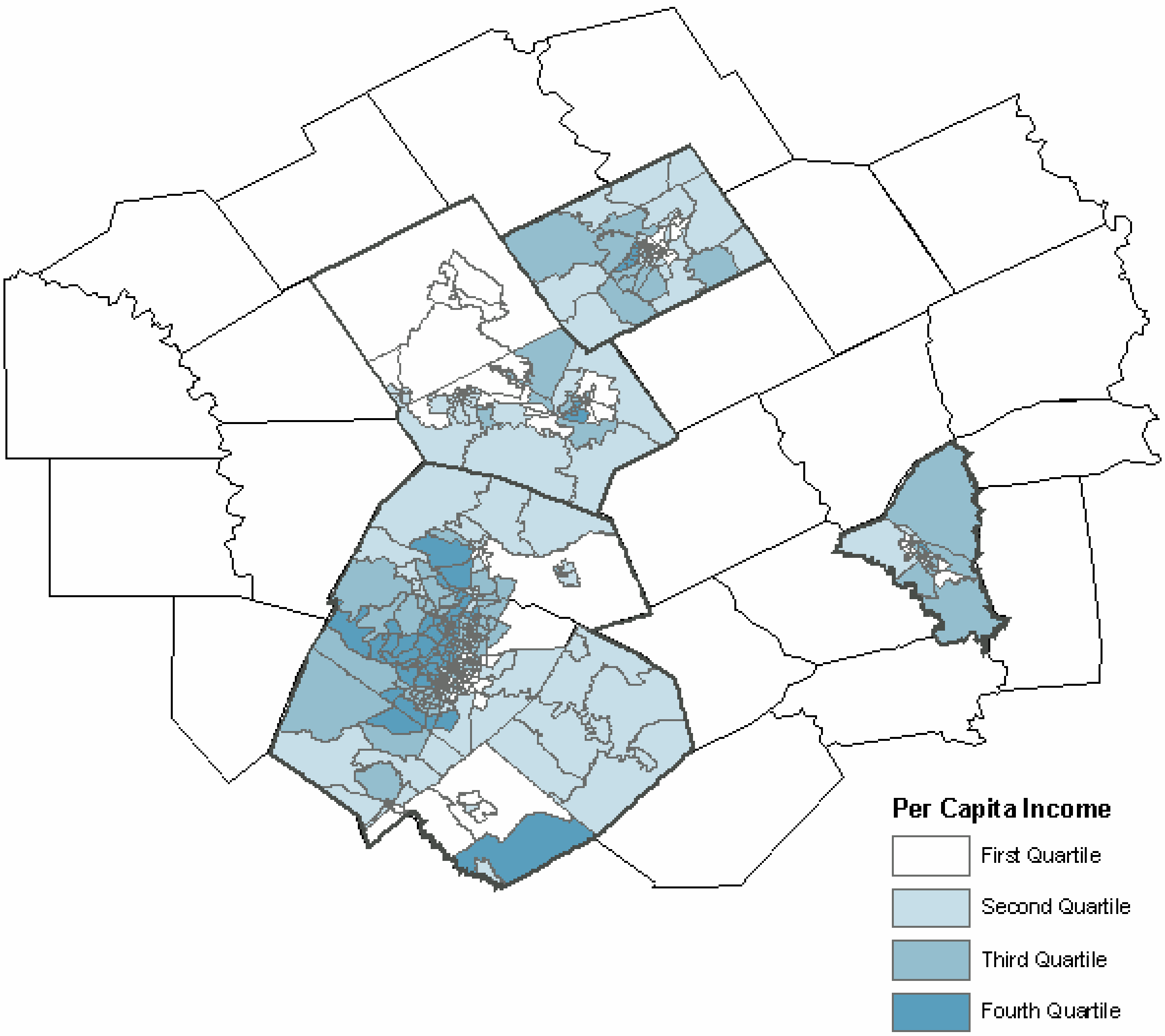
The total number of purchase and refinance originations in the area was 539 loans, or $62.4 million. Three-quarters of those loans were purchase money originations and prime lenders closed 77 percent of those loans.

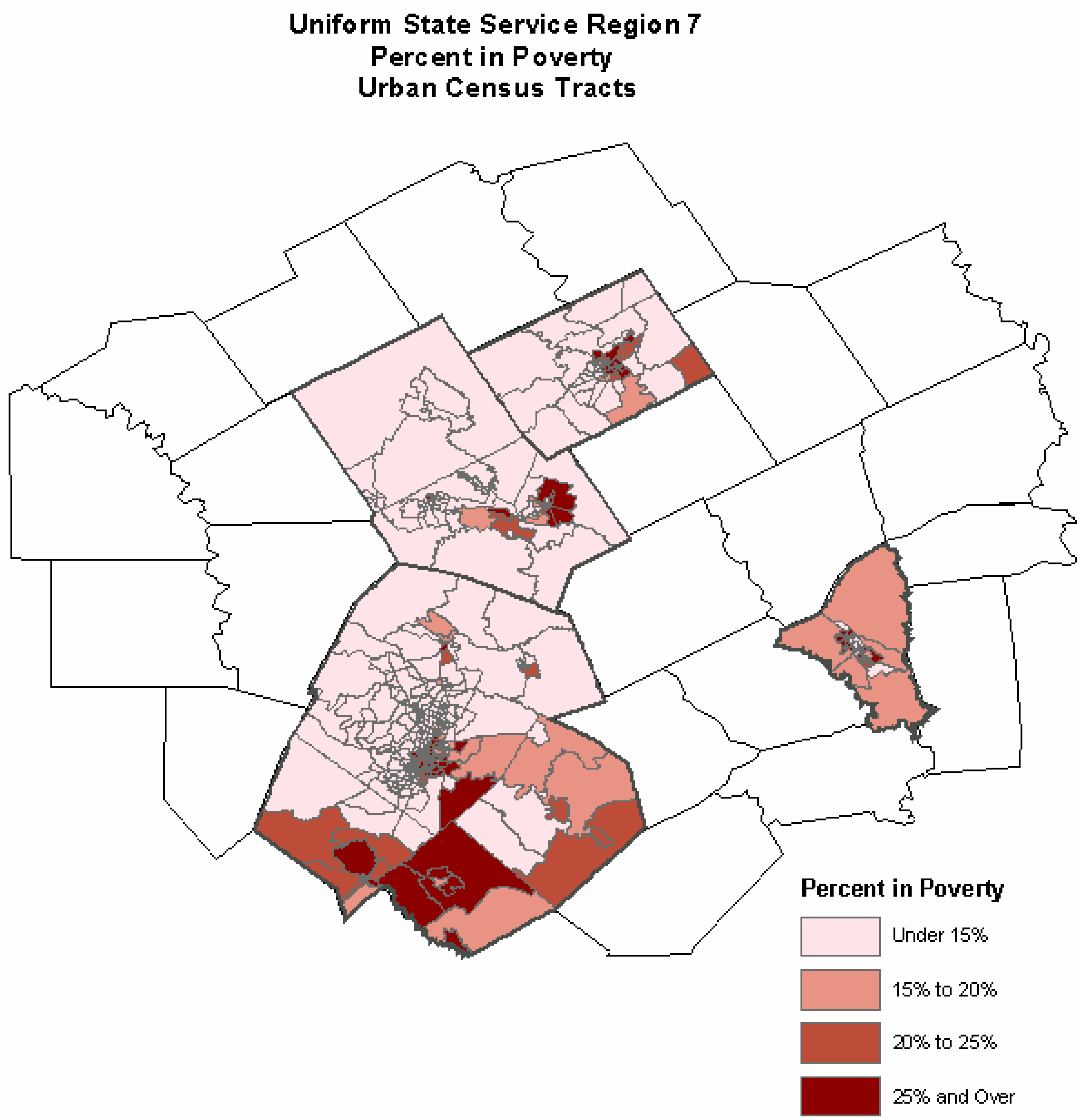
Prime lenders originated 406 loans, $54.1 million of purchase and refinance loans, or $2,120 per person. Subprime lenders closed 56 loans, $4.7 million or $190 per persons. Manufactured home lenders closed 77 loans, or $3.6 million.

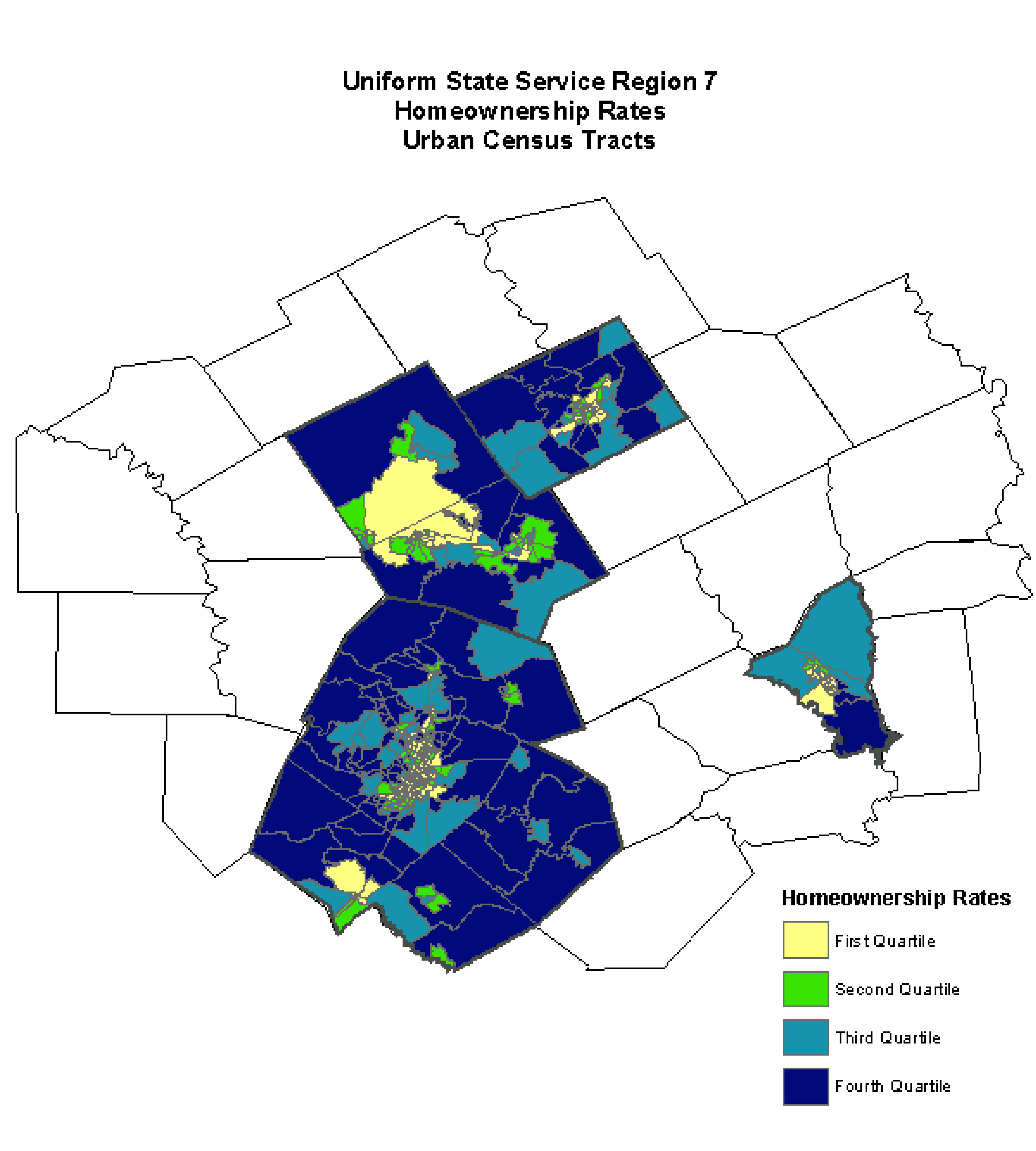
Prime lenders reported race in 88 percent of the cases, subprime lenders 67 percent. Prime lenders closed 94 percent of their loans with white borrowers; 0.8 percent with black borrowers; 4 percent with Hispanic borrowers; 0.3 percent with Asian borrowers; and 0.3 percent with American Indian borrowers; 0.8 percent of the loans went to borrowers of another race. Subprime lenders closed 88 percent of their loans with white borrowers; 10 percent with Hispanic; and 2.4 percent with people of some other race.

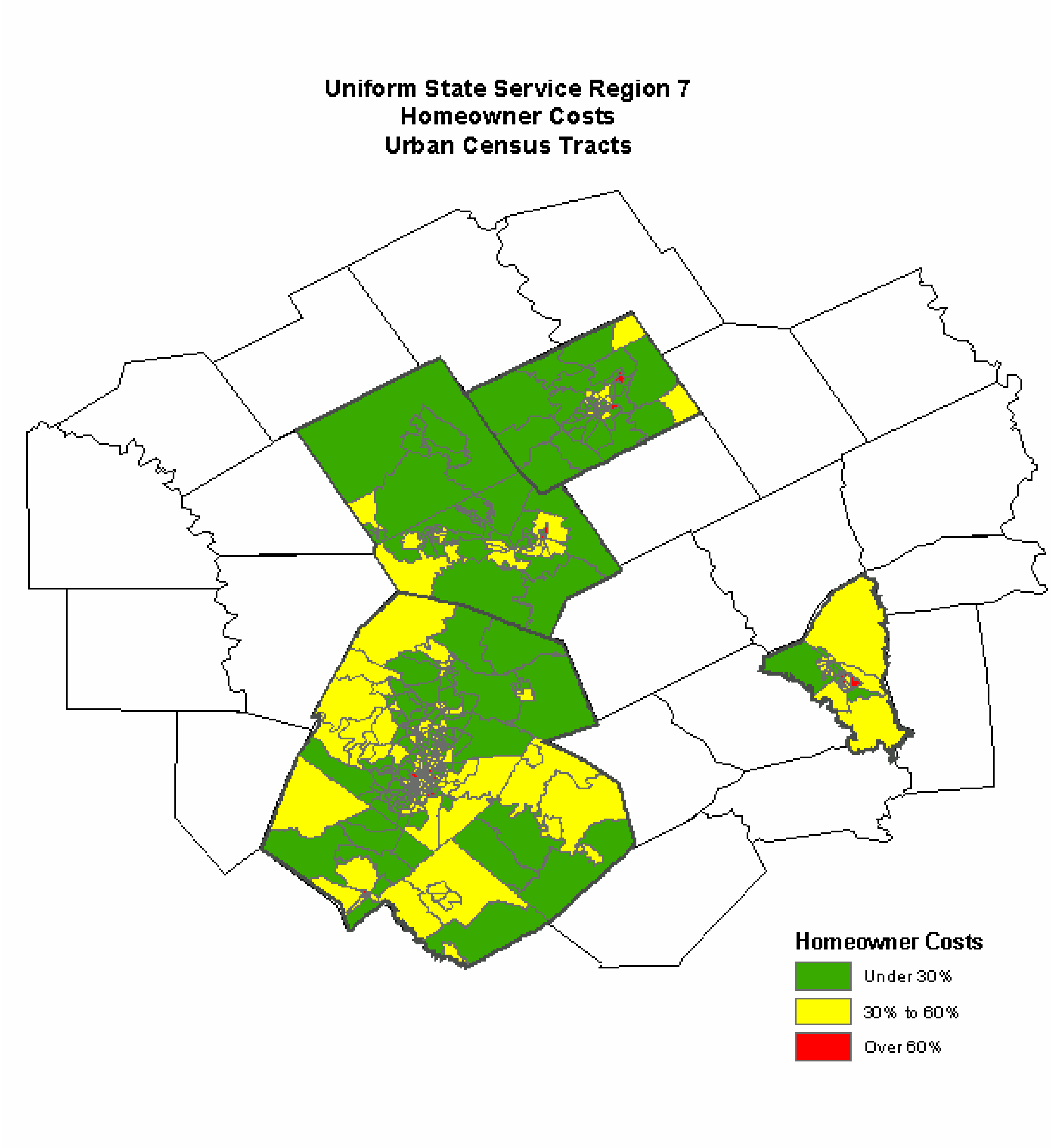

Uniform State Service Region 7
Killeen-Temple
Waco
Bryan-College Station
Austin-San Marcos
Border Areas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

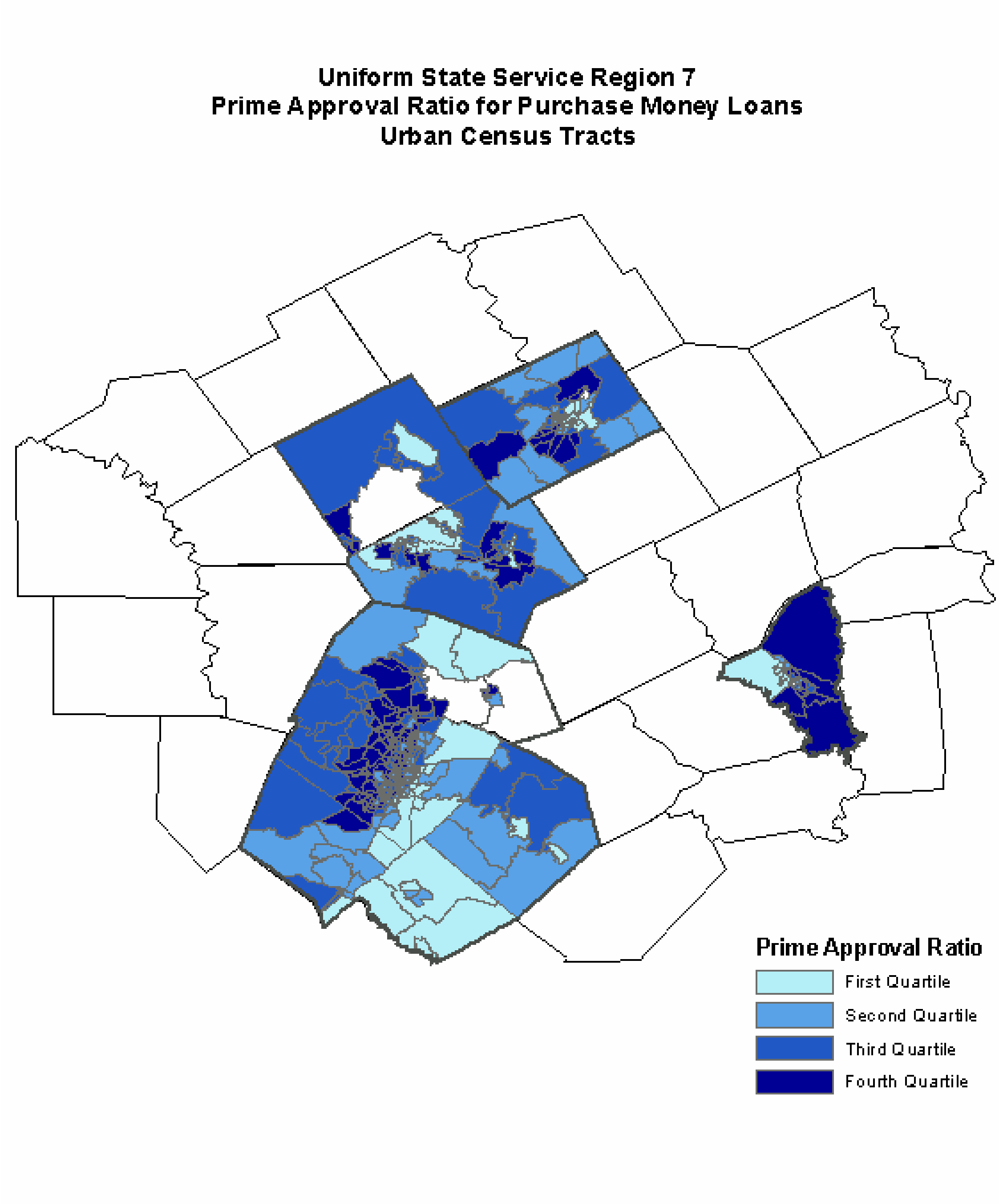
Uniform State Service Region 7
Per Capita Income
Urban Census Tracts

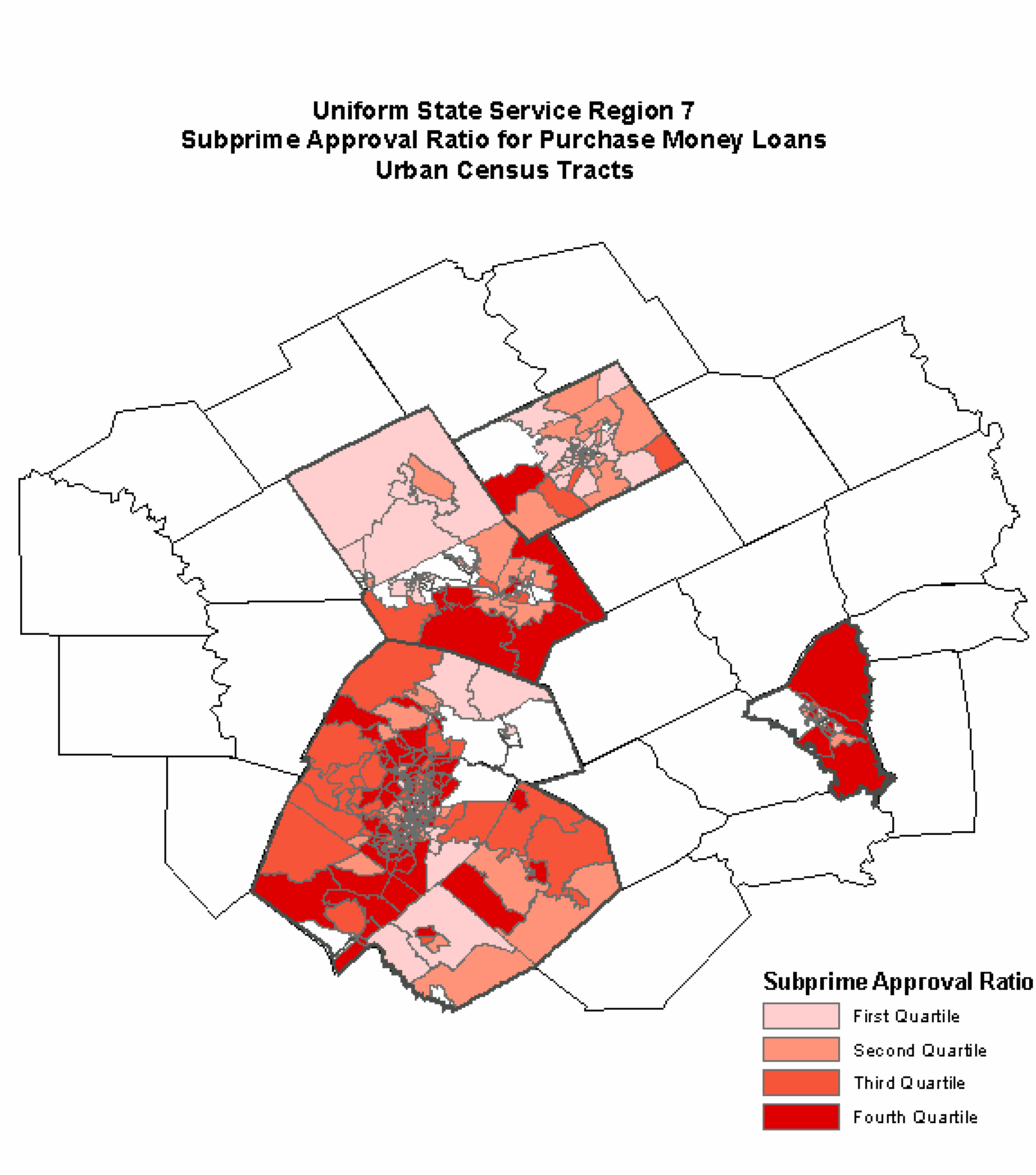


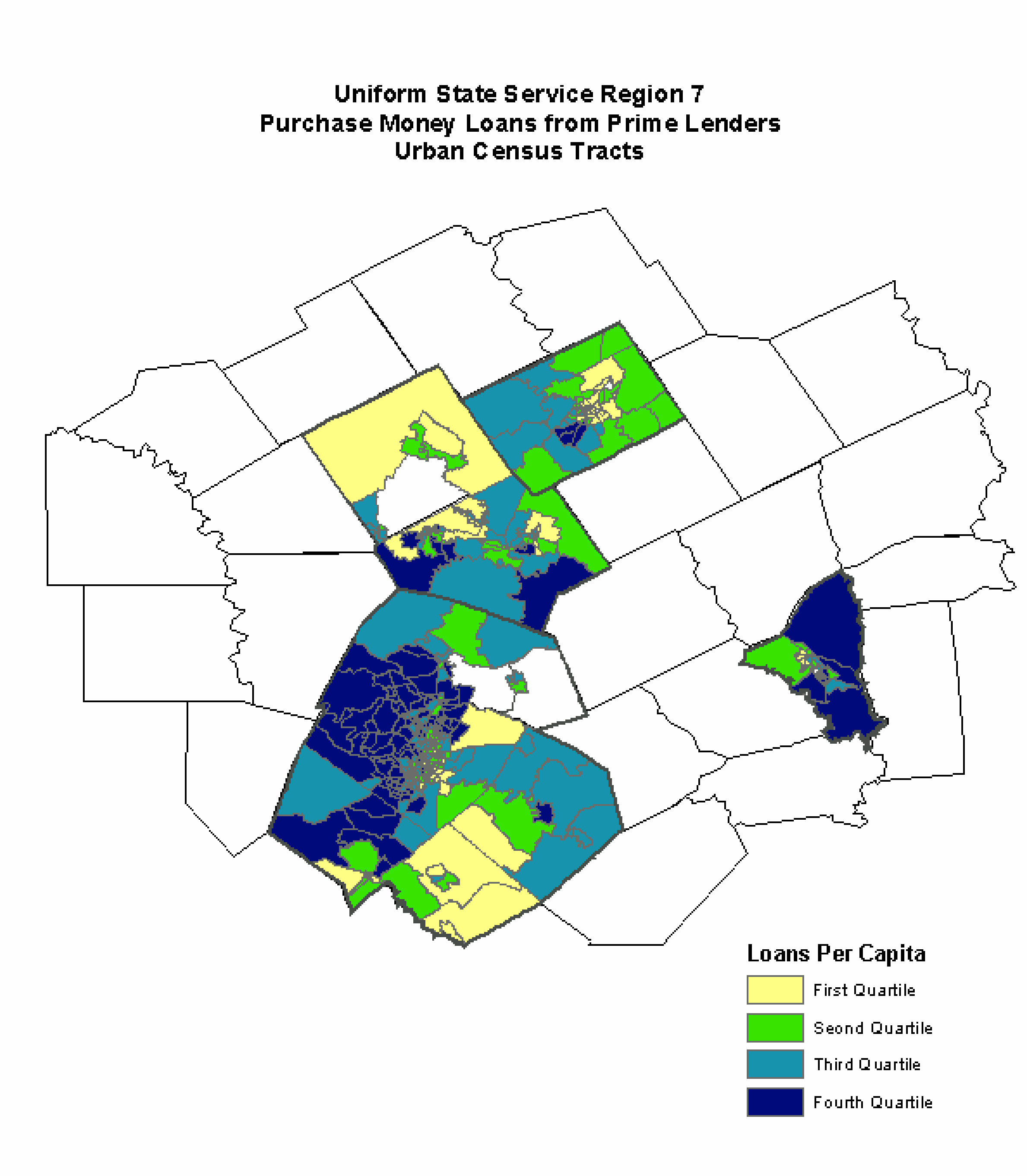

Uniform State Service Region 7
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

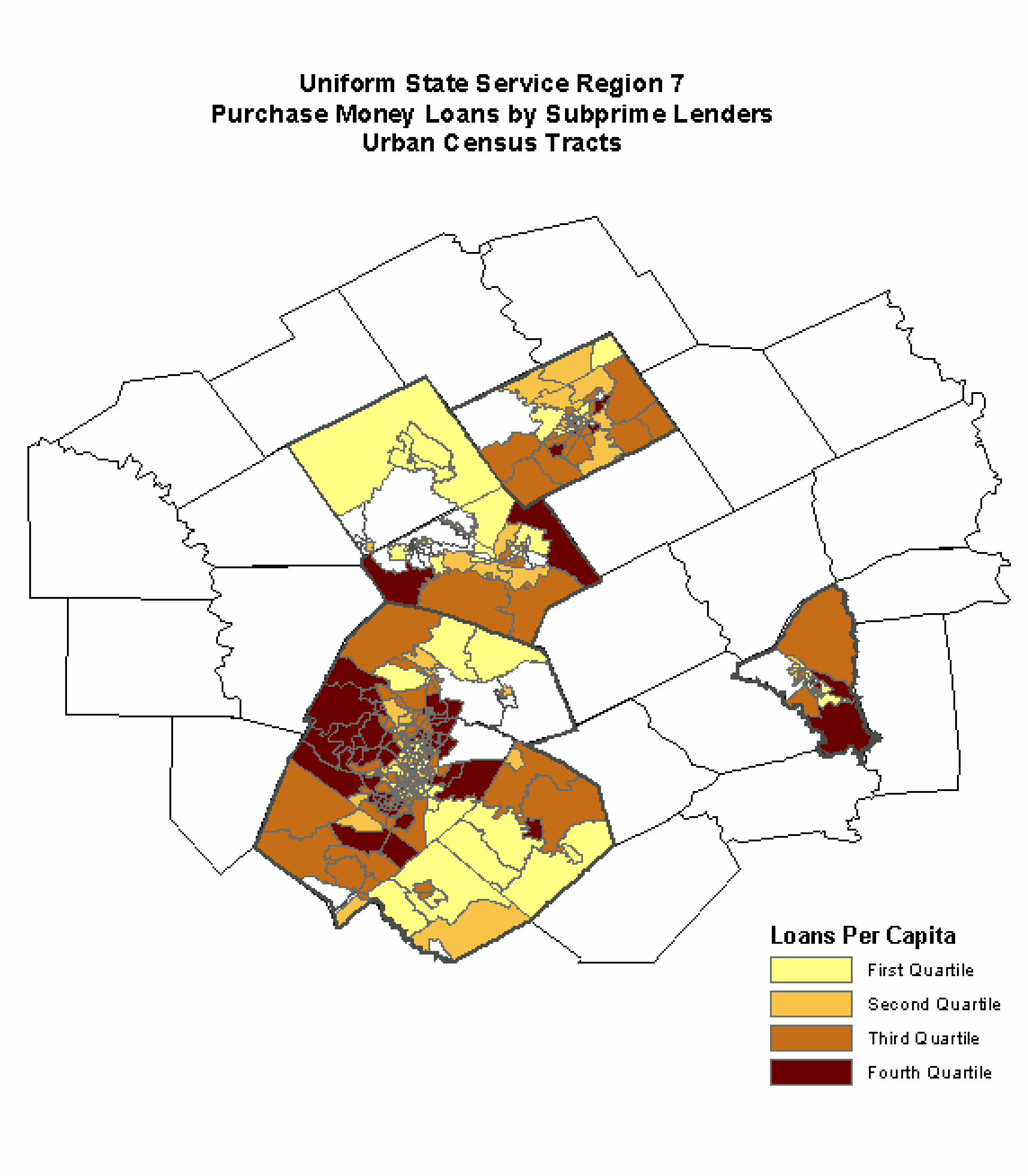

Uniform State Service Region 7
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 7
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

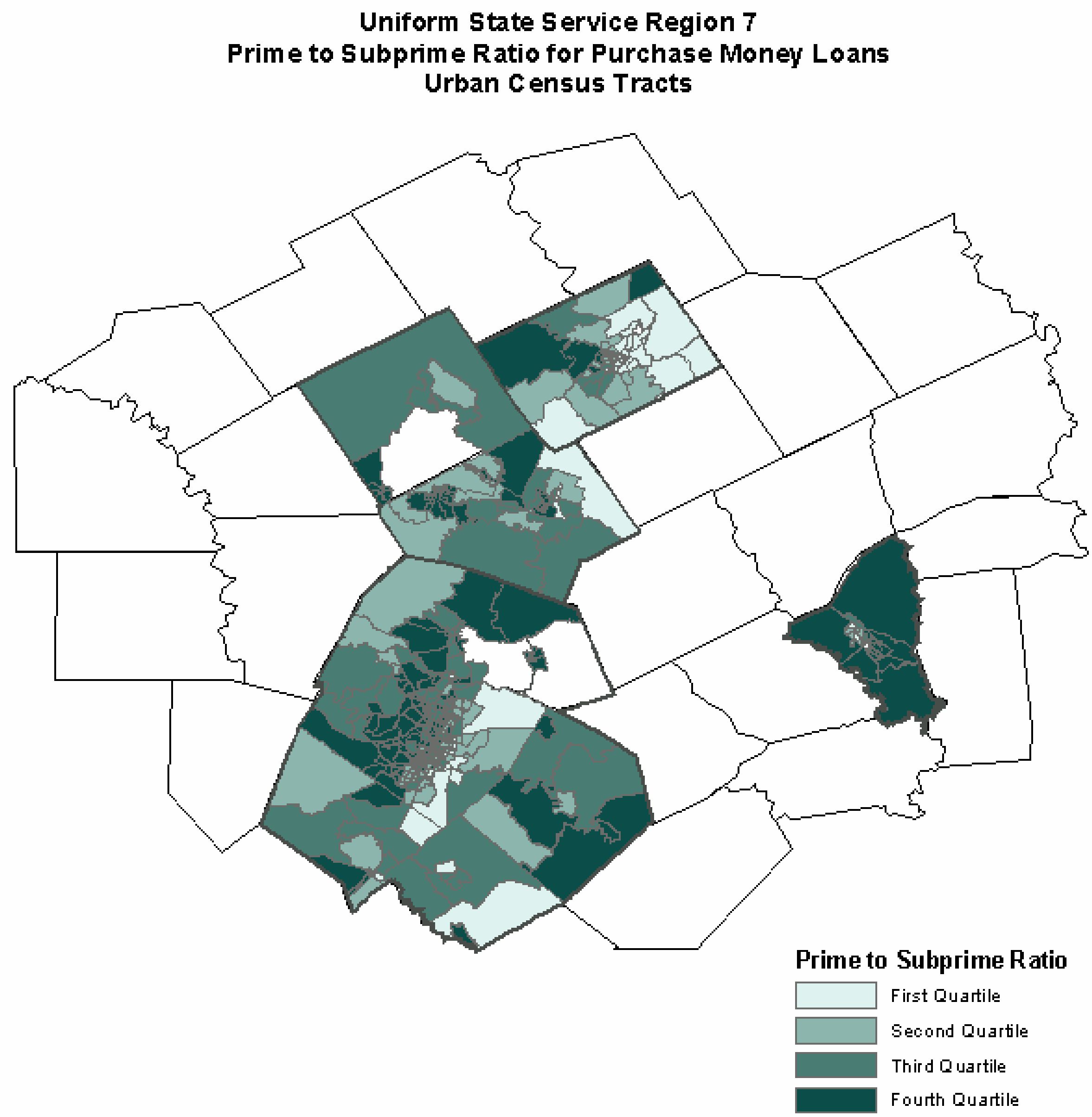

Uniform State Service Region 7
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

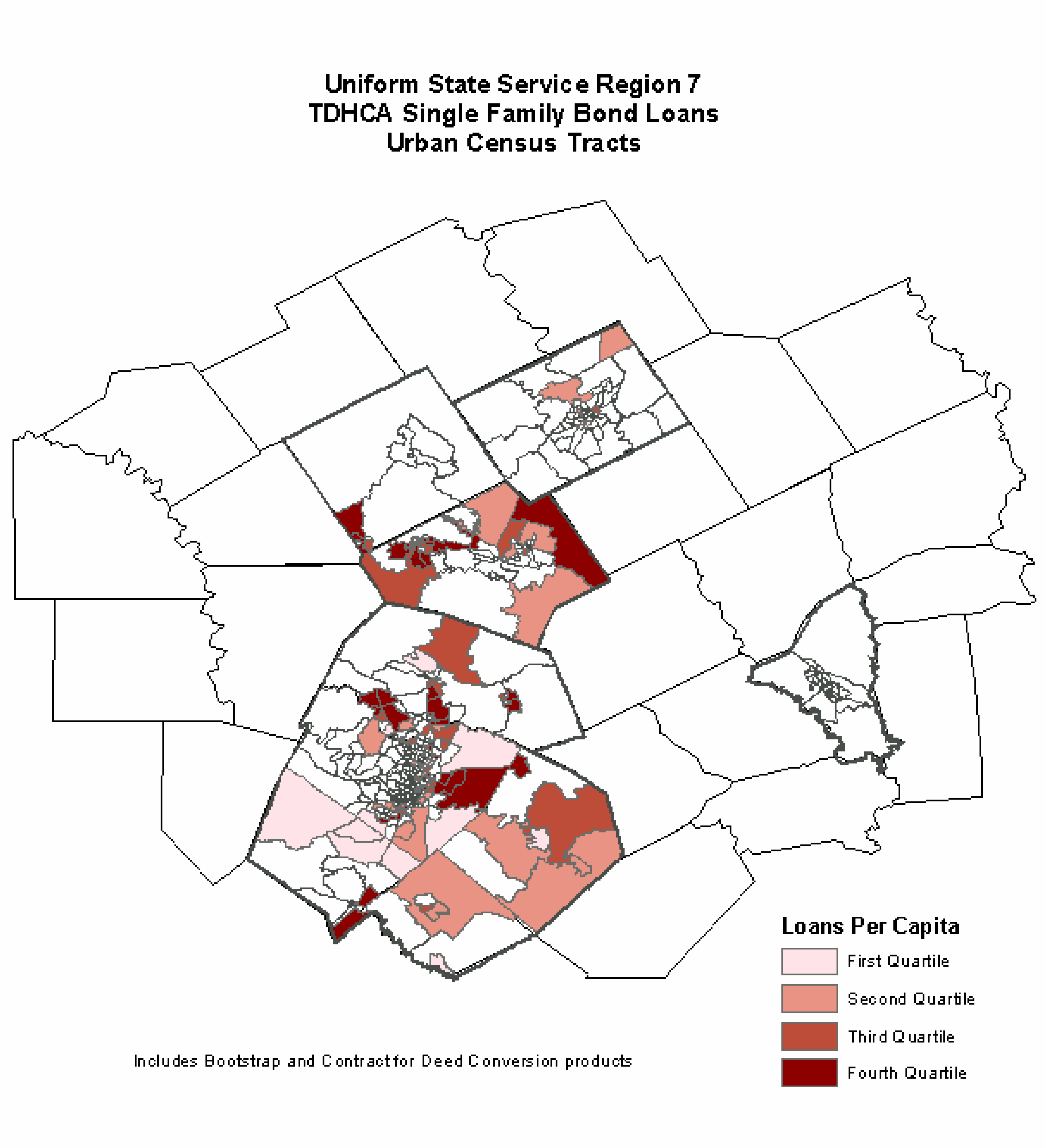

Uniform State Service Region 7
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 7
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile



Uniform State Service Region 7
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 7
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 7
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 8A

Of the 19 counties in Region 8A, 14 are border counties, including the four urban counties of San Antonio. Four counties are rural and one is an urban county outside of the border area, Victoria. There are 125 low-income census tracts within San Antonio, and 12 low-income census tracts in Victoria.

The total population of the region is 1,991,773. Almost 73 percent is white; 6 percent is black; 0.7 percent is American Indian; 1.4 percent is Asian or Pacific Islander; 16 percent is of some other race; and 3 percent reported more than one race. Forty-eight percent of the population reported Hispanic or Latino heritage.

The homeownership rate for the region is 66 percent, the urban rate is 64 percent, and the rural rate is 76 percent. Among the low-income census tracts, the homeownership rate is 54 percent. In the border counties, the rate is 65 percent.

RURAL AREAS

The total population of the rural areas is 315,302. The median family income ranges from $26,580 to $58,080. More than 15 percent of the population lives in poverty. More than 81 percent of the total rural population is white; 4 percent is black; 0.6 percent is American Indian; 0.5 percent is Asian; 12 percent is of some other race; and 2 percent is two or more races. Over 34 percent of the population is of Hispanic or Latino origin.

The homeownership rate for rural Region 8A is 76 percent. The average homeowner household spends 27 percent of their income on housing costs. A family earning the median family income can afford to purchase a home worth 1.6 times the median value.

There are 136,906 housing units in rural Region 8A; 71 percent are one-unit; 6 percent are 2 to 19 units; 1.6 percent are 20 units and up; 22 percent are mobile homes; and 1 percent is RVs, etc. The average age of the homes is 22 years old. Less than 1 percent of the units lack complete plumbing facilities and 0.8 percent lack complete kitchen facilities.

Mortgage Lending

There are 194 lenders that reported originating loans in rural Region 8A in 2000. Thirty-seven are subprime lenders and 11 are manufactured home lenders. Forty-six lenders reported making non-conventional loans. There are 115 branches of FDIC-insured institutions in the area. The 4 branches of TDHCA participating lenders originated five loans worth $268,674. There are 3 to 5 HFCs that service the area.

The approval: denial ratio for prime lenders was 4.4, for subprime lenders it was 2.2. The main reasons for prime denial were credit history (45 percent), debt to income (26 percent), and other (10 percent). The main reasons for subprime denial include other (30 percent), credit history (24 percent), credit application incomplete (18 percent), and collateral (15 percent).

The total number of purchase and refinance originations for 2000 was 4,055 loans, or $341.4 million. Three-quarters of those loans were purchase money mortgages. Of the purchase money mortgages, 66 percent came from prime lenders.

Prime lenders originated a total of $270.6 million, 2,705 purchase and refinance loans or $860 per person. Subprime lenders originated 396 loans, $28.2 million or $90 per person. Almost 72 percent of these loans by subprime lenders were refinances. There were 18 purchase money loans by prime lenders for each one by a subprime lender. Manufactured home lenders originated 954 loans, or $42.7 million.

Prime lenders reported race 87 percent of the time and subprime lenders reported 73 percent of the time. White borrowers received 81 percent of the loans of prime lenders and 64 percent of the loans of subprime lenders. Black borrowers received 0.8 percent of the loans of prime lenders and 4 percent of the loans of subprime lenders. Prime lenders originated 17 percent of their loans to Hispanic borrowers and subprime lenders originated 32 percent of their loans to Hispanic borrowers. American Indian borrowers received 0.5 percent of the loans of prime lenders and 1 percent of the loans of subprime lenders. Asian borrowers received 0.4 percent of the loans of prime lenders and borrowers of some other race received 0.7 percent.

URBAN LOW-INCOME CENSUS TRACTS

There are 137 low-income census tracts in urban Region 8A. Of the 125 low-income tracts in San Antonio, 5 percent are extremely low-income; 46 percent are very low-income; and 49 percent are low-income. Five of Victoria's 12 low-income tracts are very low-income and the rest are low-income.

The total population of the urban low-income tracts is 647,563. More than 66 percent of the population is white; 8 percent is black; 0.7 percent is American Indian; 0.3 percent is Asian; 25 percent is some other race; and 69 percent is Hispanic.

The homeownership rate is 54 percent. A homeowner family earning the average income in the extremely low-income tracts would have to spend an average of 75 percent of their income on housing costs. A family making the median income could afford to purchase a home worth 0.5 times the value of the median priced home. A family in the very low-income tracts would have to spend 35 percent of their income on housing costs. If they were making the median income, they could afford to purchase a home worth 1.1 times the median value. A family in the low-income tracts would have to spend 34 percent of their income on housing in order to become a homeowner. A family making the median income could afford to purchase a home worth 1.2 times the median value.

There are 240,897 housing units in the urban low-income tracts of Region 8A. Sixty-four percent are one-unit; 16 percent are 2 to 9 units; 14 percent are 10 units and up; and 4 percent are mobile homes, RVs, etc. The average housing unit is 32 years old. Over 1.2 percent of the units lack complete kitchen facilities and 1.3 percent lack complete plumbing.

Mortgage Lending

There were 212 lenders originating loans in the urban low-income tracts of Region 8A. Forty-five are subprime lenders and 12 are manufactured home lenders. Seventy-one lenders reported making non-conventional loans. There are 140 branches of FDIC-insured financial institutions in the area. The 18 branches of TDHCA participating lenders have originated 59 loans, or $3,298,684, since 2000. There are 3 to 6 HFCs that service the area, depending on the county.

The approval to denial ratio for purchase money loans from prime lenders was 8.6 according to 2000 HMDA data. For subprime lenders it was 2.9. The main reasons for prime denial were credit history (48 percent), debt to income (20 percent), and other (9 percent). The main reasons for subprime denial include credit history (45 percent), credit application incomplete (17 percent), and other (13 percent).

Lenders originated over 6,580 loans in the year 2000, or $371.5 million. Almost 71 percent of the loans were purchase money mortgages. Over 73 percent of the purchase loans were from prime lenders.

Prime lenders originated 4,188 purchase and refinance loans, $263.1 million or $410 per person. Subprime lenders originated almost 1,400 loans, $67.5 million or $100 per person. More than 76 percent were refinance loans. Manufactured home lenders originated 1,000 purchase and refinance loans. Prime lenders originated 10.4 purchase money loans for each loan by a subprime lender.

Prime lenders originated 71 percent of their purchase money loans in low-income tracts (60 percent to 80 percent AMI); and subprime lenders 68 percent. Prime lenders originated 28 percent of their loans to very low-income tracts and subprime lenders 32 percent. Extremely low-income tracts received 0.8 percent of the loans of prime lenders and 0.3 percent from subprime lenders.

Prime lenders reported race 90 percent of the time and subprime lenders reported race 73 percent of the time. White borrowers received 30 percent of the loans of prime lenders and 17 percent of the loans of subprime lenders. Prime lenders originated 65 percent of their loans to Hispanic borrowers and subprime lenders 75 percent. Prime lenders closed 3.5 percent of their loans with black borrowers and subprime lenders closed 6.7 percent with black borrowers. American Indian borrowers received 0.2 percent of the loans of prime lenders and 0.5 percent of the loans of subprime lenders. Asian borrowers received 1 percent of the loans of prime lenders and borrows of some other race received 0.6 percent of the loans.

BORDER AREAS

The total population of the border areas of Region 8A is 1,834,809. The county median family income ranges between $26,580 and $58,080. Almost 15 percent of the population lives in poverty. Approximately 72 percent of the population is white; 6 percent is black; 0.8 percent is American Indian; 1.4 percent is Asian or Pacific Islander; 16 percent is some other race; and 3 percent is two or more races. Almost half of the population is of Hispanic origin.

The homeownership rate is 65 percent. An average homeowner family spends 28 percent of their income on housing costs. A family earning the average income can purchase a home worth 1.4 times the value of the median priced home.

There are 702,044 housing units in the border areas of Region 8A. Over 62 percent are one-unit; 15 percent are 2 to 19 units; 7 percent are over 20 units; 9 percent are mobile homes; and 0.3 percent are RVs. Approximately 0.6 percent lack complete plumbing facilities and the same amount lack complete kitchen facilities.

Mortgage Lending

There are 344 lenders that reported making loans in the area; 52 are subprime lenders and 12 are manufactured home lenders. One hundred and three lenders reported making non-conventional loans. There are 360 branches of FDIC-insured branches in the border areas. The 35 branches of TDHCA participating lenders have closed 211 loans or $14.8 million since 2000. There are between 3 and 6 HFCs that service the area, depending on the county.

The approval ratio for purchase money loans from prime lenders was 7.9, for subprime lenders it was 2.9. The main reasons for prime denial were credit history (4 percent) and debt to income (23 percent). The main reasons for subprime denial include credit history (43 percent), credit application incomplete (17 percent), and other (10 percent).

Lending institutions originated 34,295 purchase and refinance loans in 2000, or $3.25 billion. About 81 percent of those loans were purchase money loans and prime lenders originated 82 percent of the purchase money loans.

Prime lenders originated 26,586 purchase and refinance loans, $2.76 billion or $1,510 per person. Subprime lenders originated 4,415 loans, $340 million or $190 per person. Manufactured home lenders originated 3,294 loans, or $143 billion.

Prime lenders reported race in 86 percent of the cases, subprime lenders 59 percent. White borrowers received 59 percent of the loans of prime lenders; black borrowers received 5 percent; American Indian borrowers received 0.4 percent; Asian borrowers received 1.5 percent; Hispanic borrowers received 33 percent of the loans; and people of some other race received 1.2 percent. Subprime lenders closed 41 percent of their loans with white borrowers; 50 percent with Hispanic borrowers; 7 percent with black borrowers; 0.6 percent with American Indian borrowers; 0.9 percent with Asian borrowers; and 0.9 percent with people of some other race.

Colonia Census Tracts

There are 3 colonia census tracts in Region 8A, all are in Frio County. The median family income in 1990 was $14,000. The total population of the colonia tracts is almost 16,000. Almost 68 percent of the population is white; 1.4 percent is black; 0.5 percent is American Indian or Asian; 31 percent is some other race. Over 72 percent of the population is of Hispanic or Latino heritage.

The homeownership rate is 68 percent. The median value of the homes in 1990 was $26,866. A family making the median income could afford to purchase a home worth 1.3 times the median value.

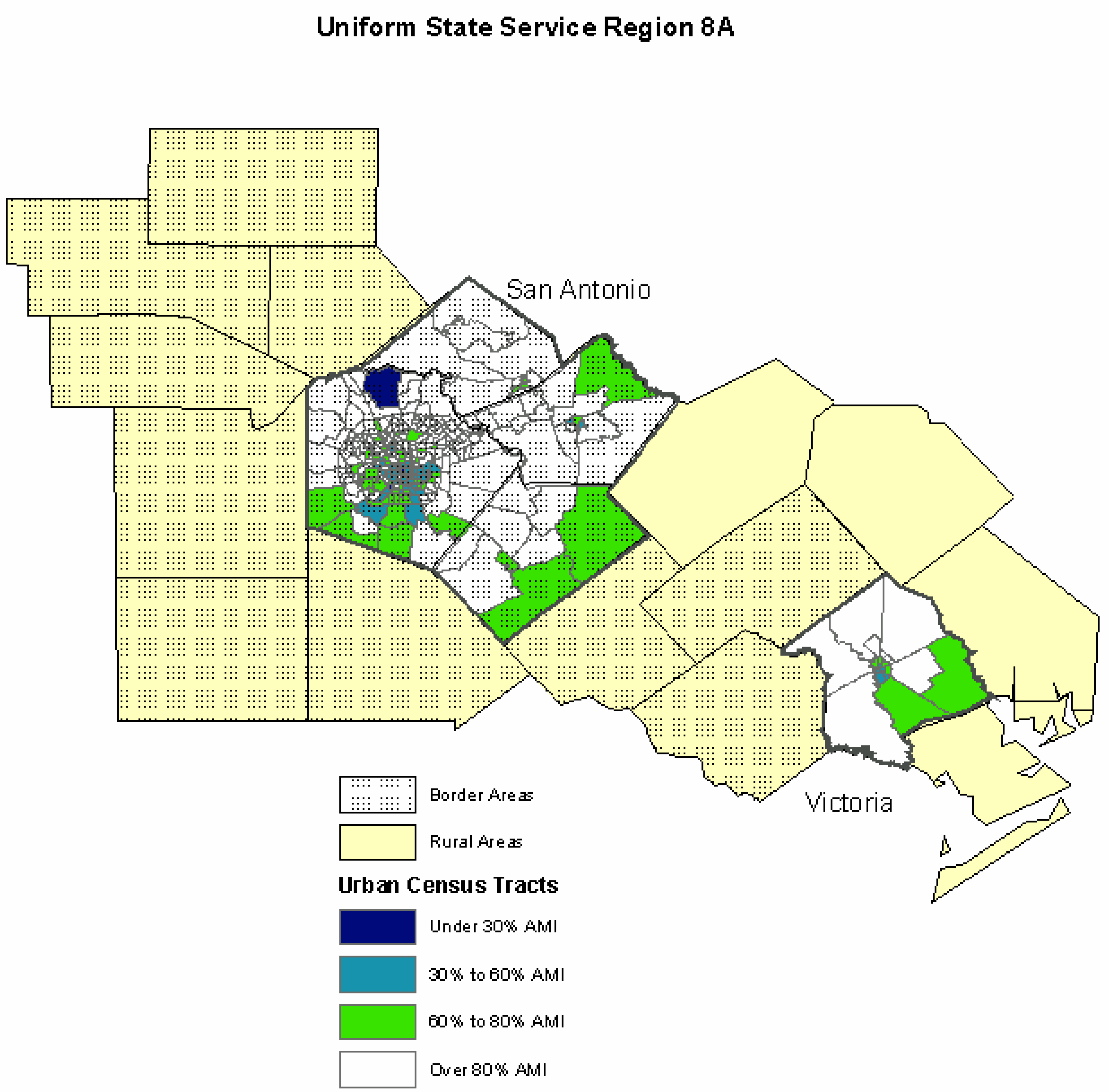
There are almost 4,900 housing units in the colonia tracts. More than 74 percent are one-unit; 6 percent are 2 to 9 units; 1 percent are over 10 units; and 16 percent are mobile homes, RVs, etc. The average age of the housing units is 19 years old. More than 4.6 percent lack complete kitchen facilities and 4.7 percent lack complete plumbing facilities.

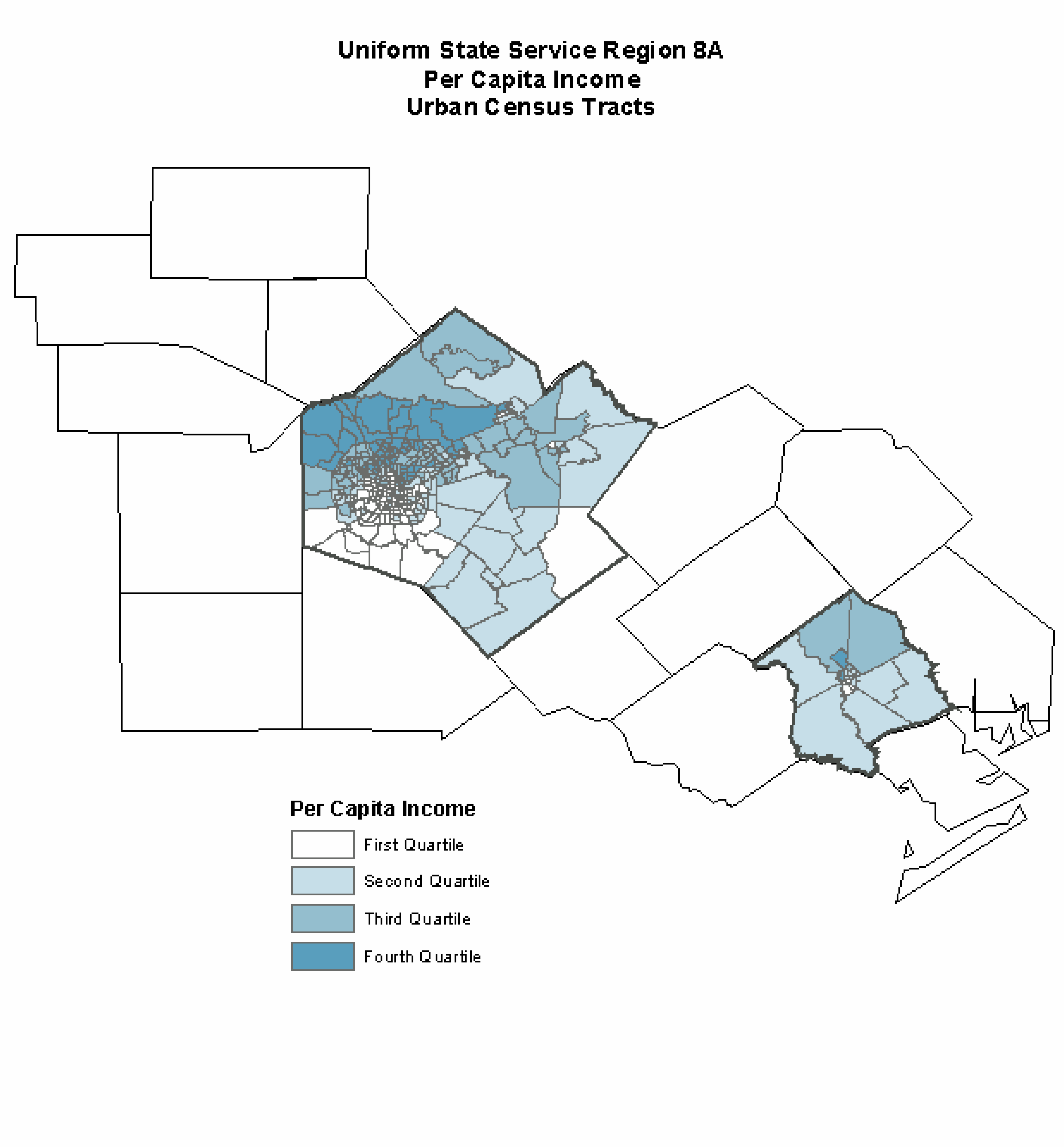
Mortgage Lending

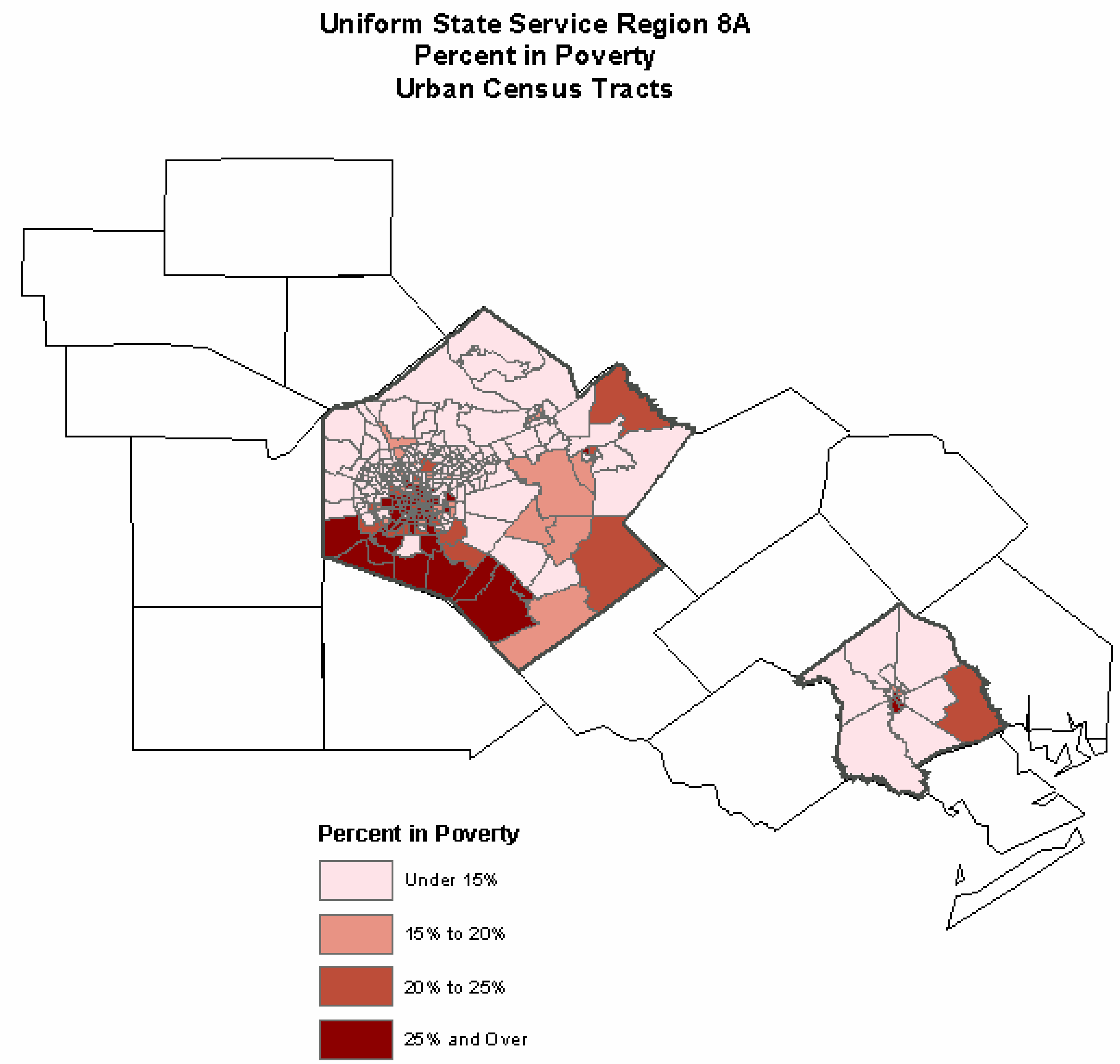
There are 33 lenders that reported making loans in 2000, eight are subprime lenders and nine are manufactured home lenders. Only five lenders reported making non-conventional loans in the colonia census tracts of Region 8A. There are three branches of FDIC-insured financial institutions in the area. There are 4 HFCs that service the area.

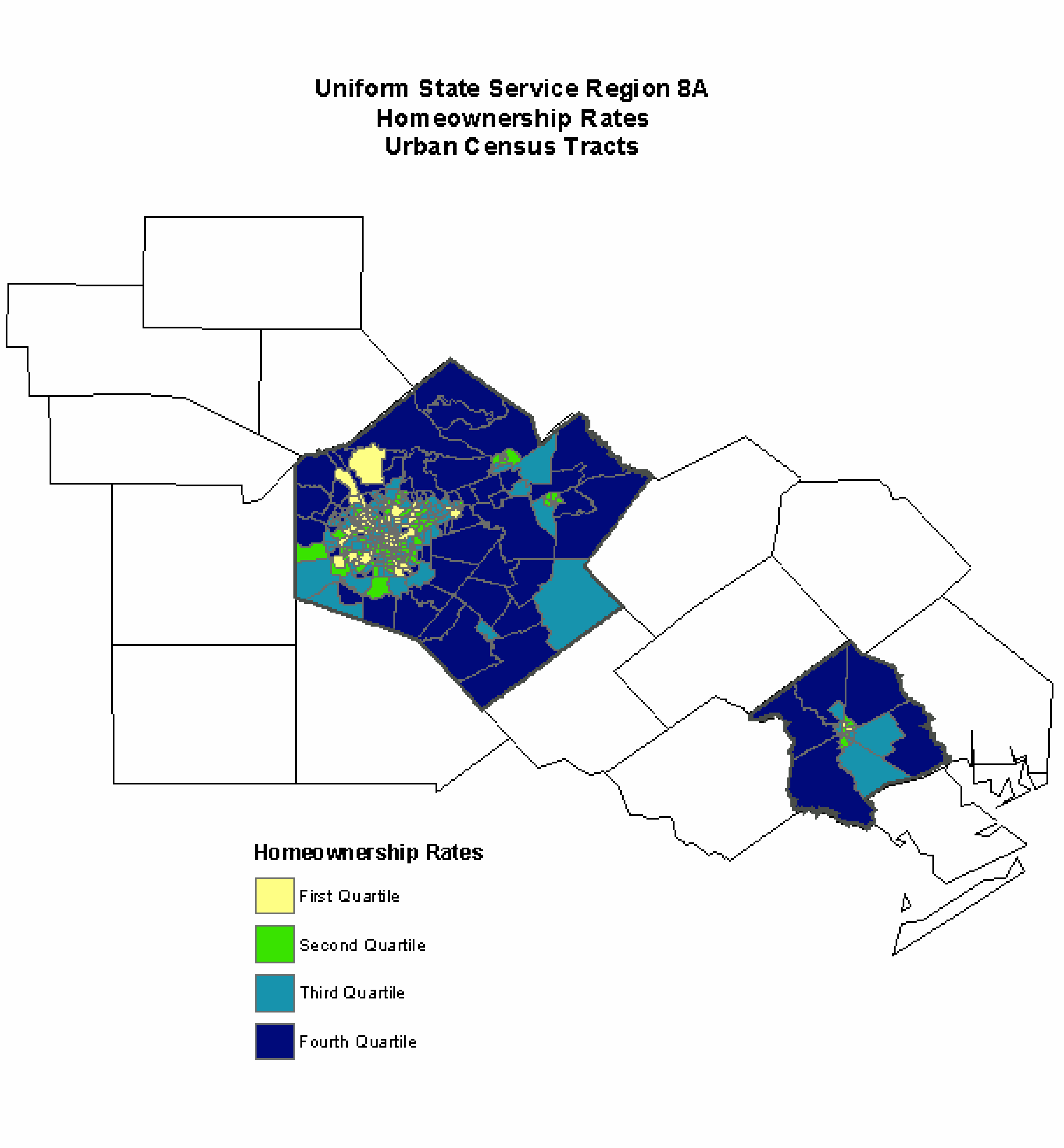
The approval: denial ratio for purchase money loans from prime lenders was 1.9, for subprime lenders it was 1.2. There is not enough data to analyze the reasons for denial.

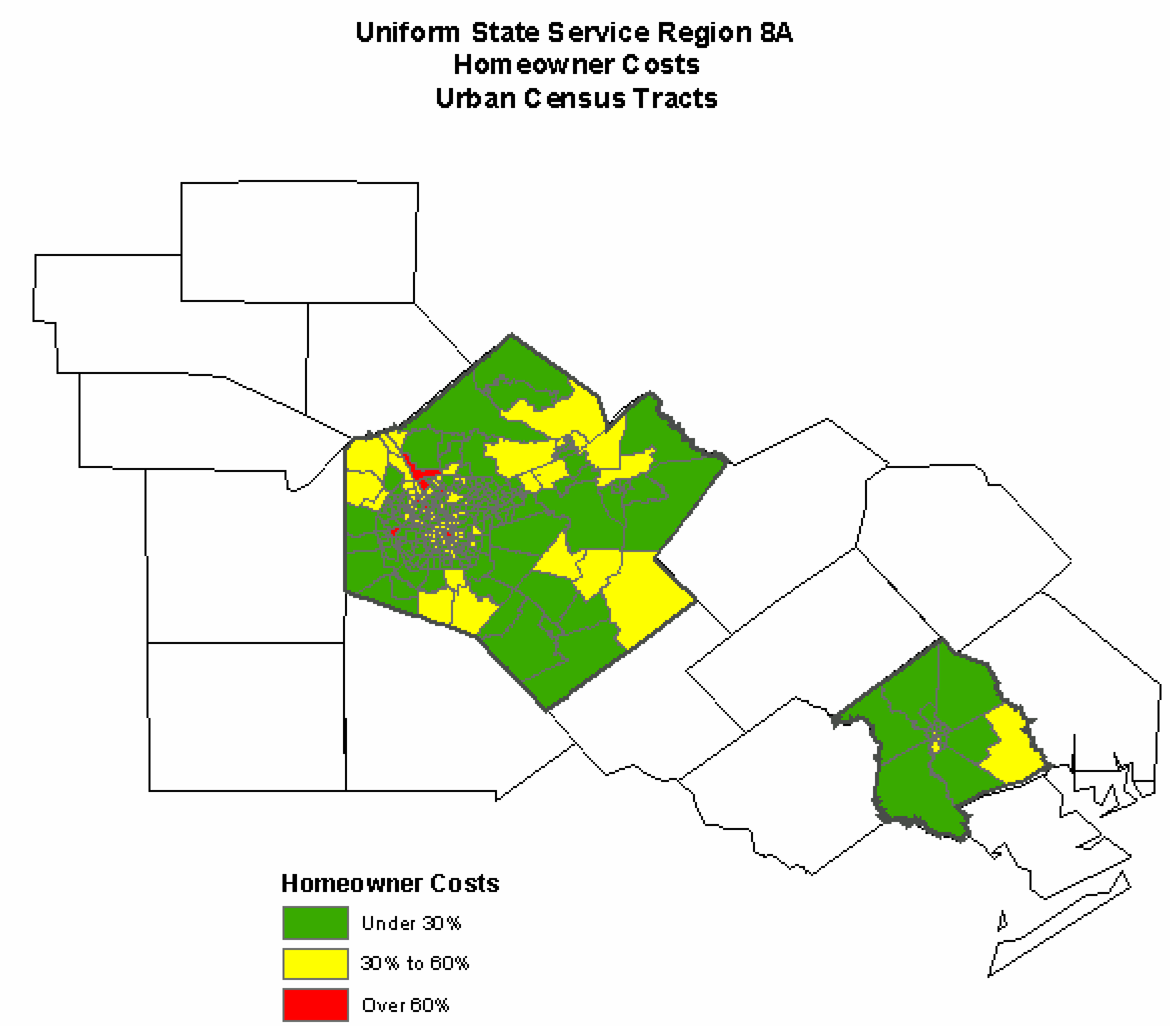
There were 74 owner-occupied purchase and refinance loans originated in the area in 2000, or $3.6 million. More than 78 percent were purchase money mortgages. Prime lenders originated 41 percent of the purchase money loans. Prime lenders originated a total of 28 purchase and refinance loans, $1.8 million, or $130 per person. Subprime lenders originated 17 loans, $818,000 or $60 per person. Almost 65 percent of those loans were refinances. Manufactured home lenders originated 29 loans, or $957,000.

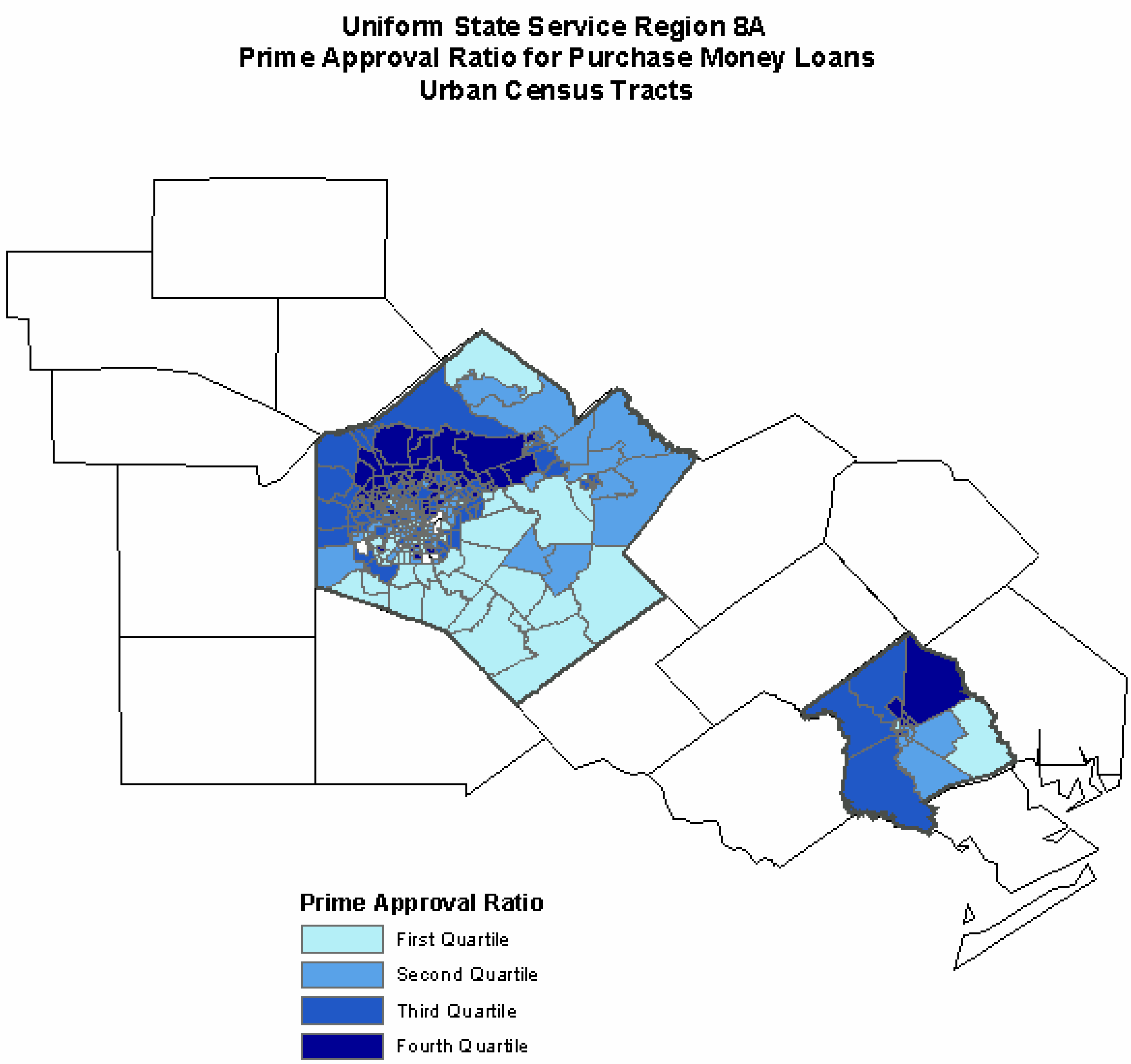

Uniform State Service Region 8A
San Antonio
Victoria
Border Areas
Rural Areas
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

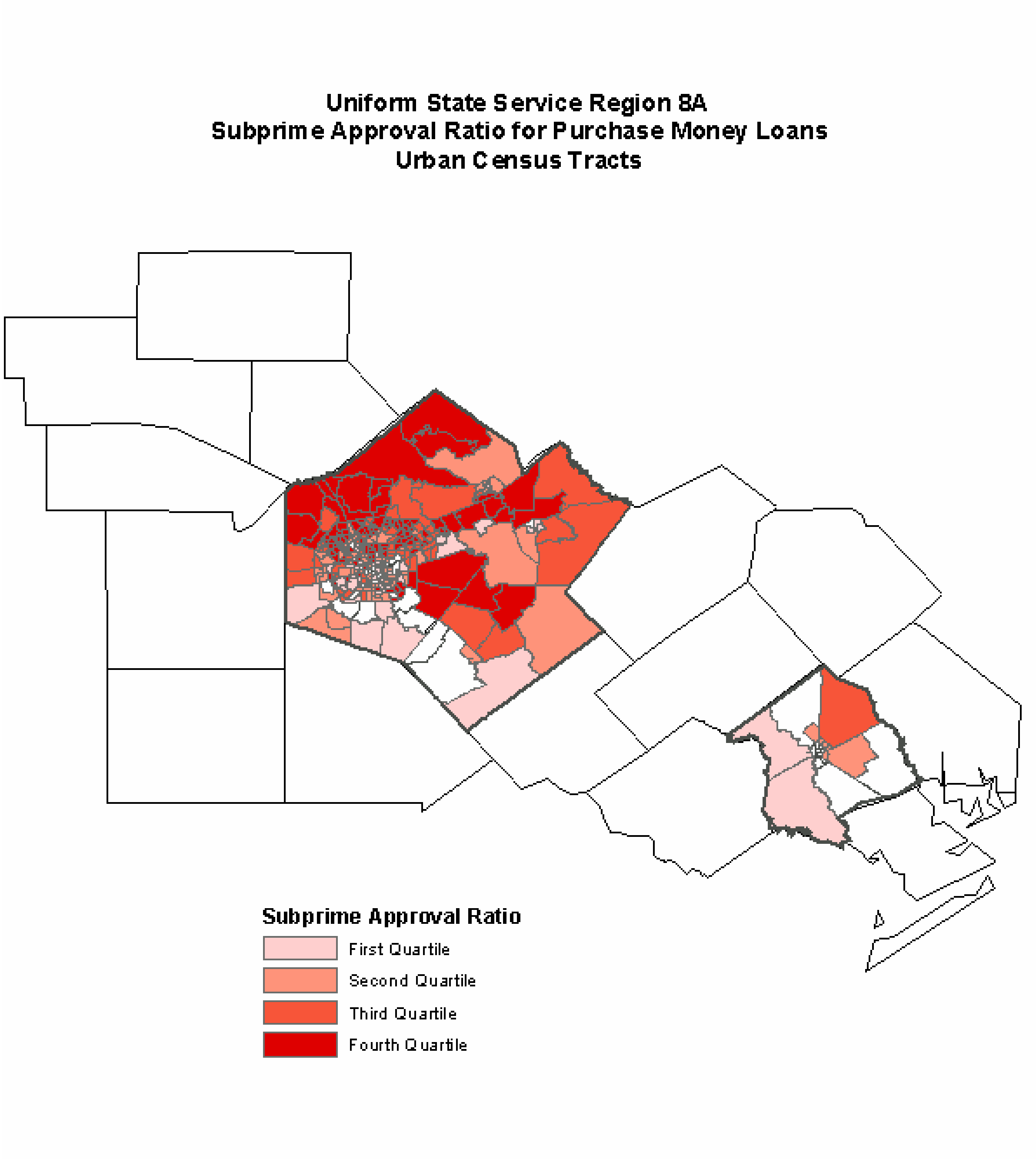

Uniform State Service Region 8A
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

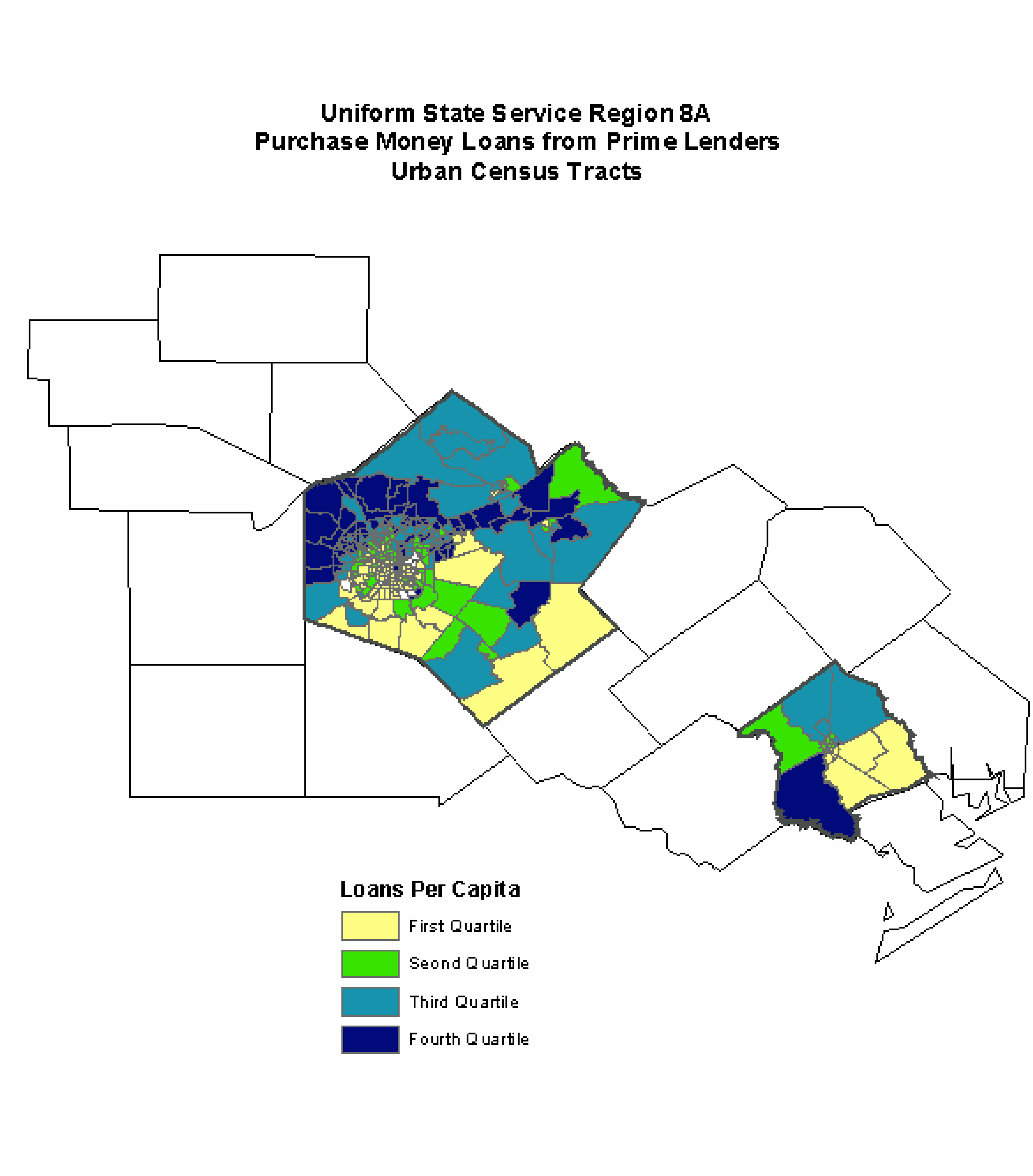

Uniform State Service Region 8A
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

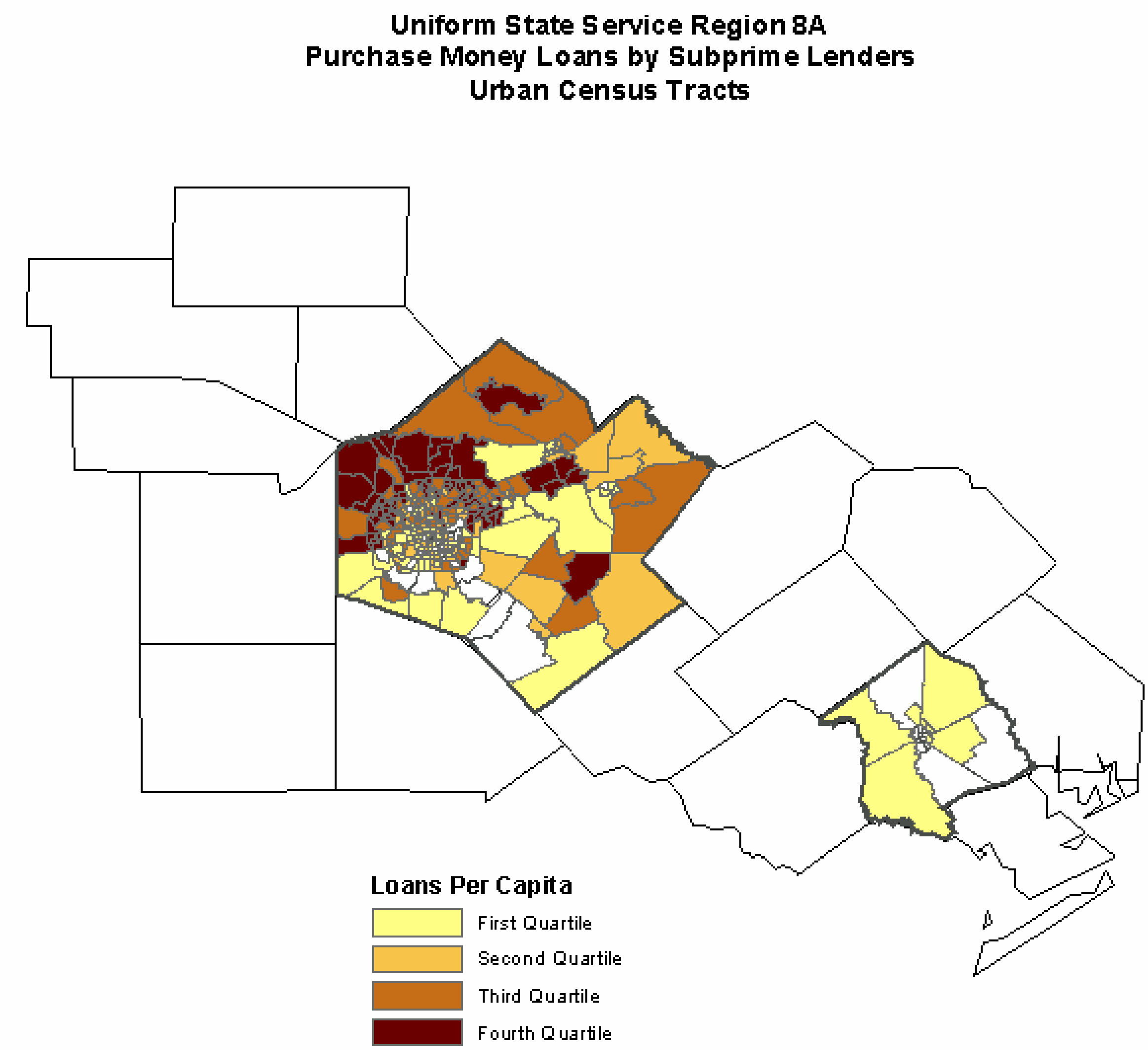

Uniform State Service Region 8A
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

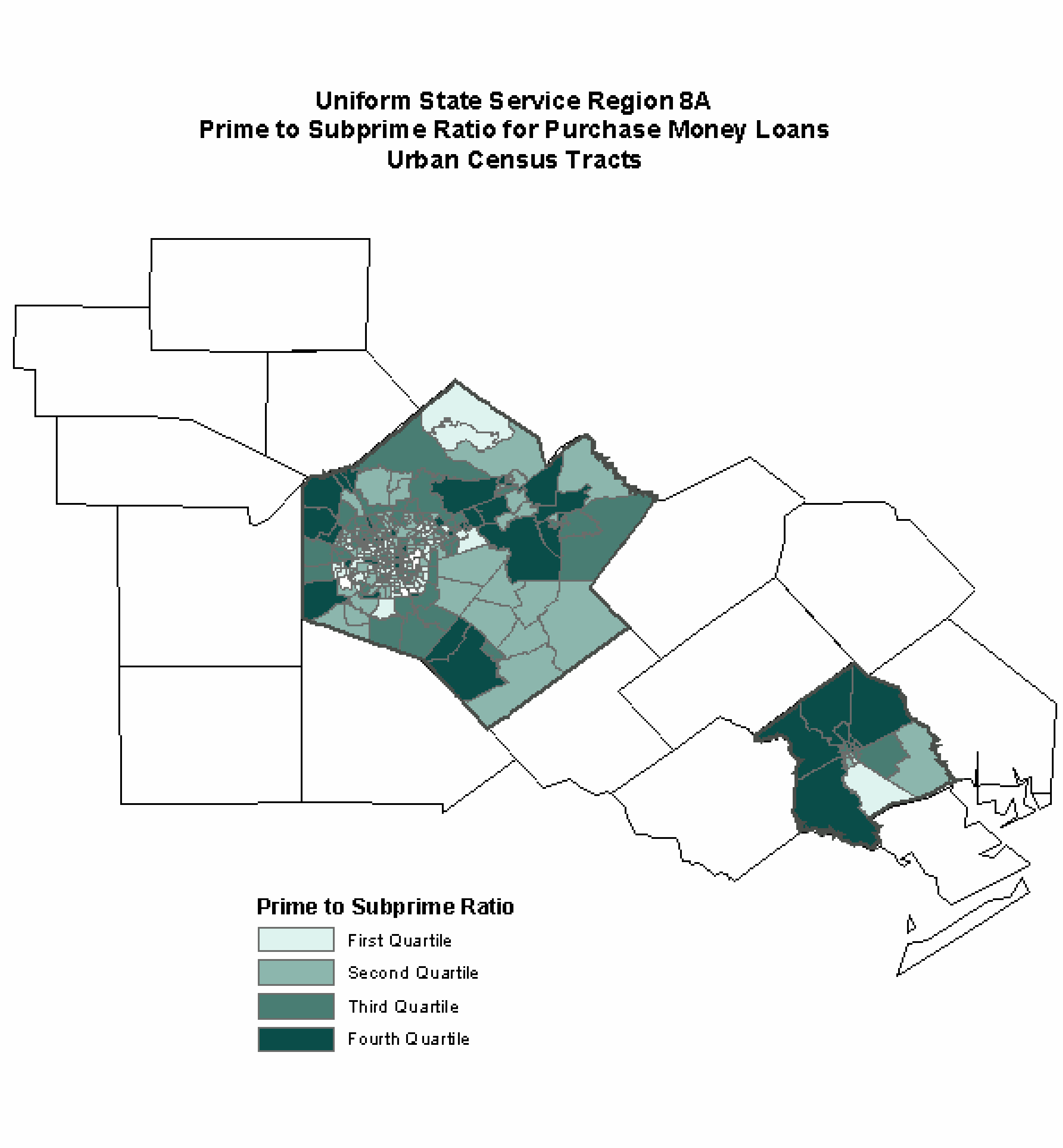

Uniform State Service Region 8A
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%


Uniform State Service Region 8A
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

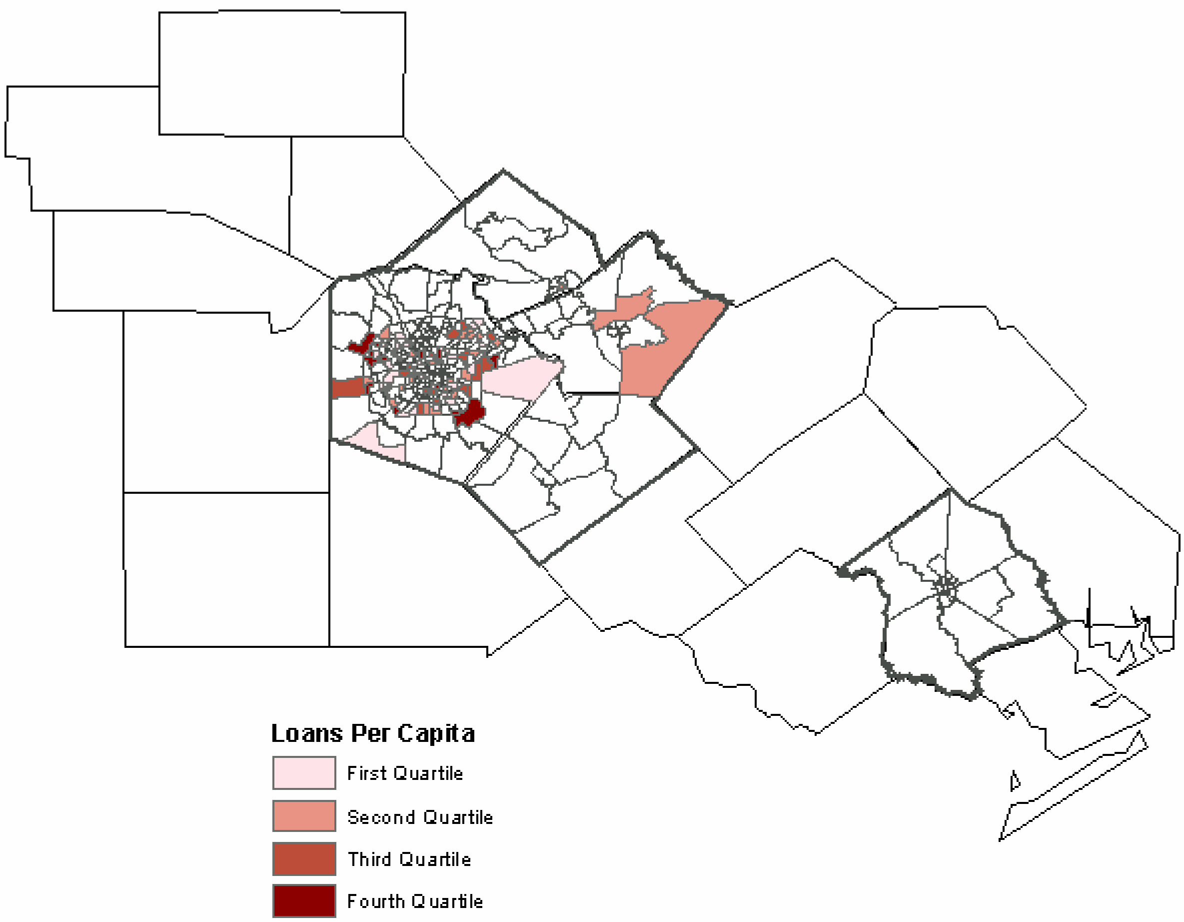

Uniform State Service Region 8A
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8A
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8A
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8A
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

Uniform State Service Region 8A
TDHCA Single Family Bond Loans
Urban Census Tracts



Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 8B

All of the 28 counties of Region 8B are border counties, and five counties are urban. In the McAllen-Edinburg-Mission, Corpus Christi, Brownsville-Harlingen-San Benito, and Laredo MSAs there are 94 low-income census tracts.

The total population of Region 8B is 1,892,342. Almost 78 percent of the population is white; 1.5 percent is black; 0.5 percent is American Indian; 0.6 percent is Asian; 17 percent is some other race; and 2.5 percent is two or more races. More than 78 percent of the population is of Hispanic or Latino heritage.

The average homeownership rate for the region is 69 percent; the urban homeownership rate is 68 percent; and the rural rate is 73 percent. Among the low-income census tracts the homeownership rate is 62 percent.

RURAL AREAS

The total rural population of Region 8B is 413,752. The county median family income ranges between $17,500 and $36,235. Almost 30 percent of the population lives in poverty. More than 77 percent of the population is white; 2 percent is black; 0.6 percent is American Indian; 0.1 percent is Asian or Pacific Islander; 17 percent is some other race; and 2.4 percent is some other race. More than 74 percent of the rural population is of Hispanic origin.

The rural homeownership rate is 73 percent. An average family will spend between 21 percent and 38 percent of their income on housing costs, depending on the county. A family earning the median income can afford to purchase a home worth 1.8 times the median value.

There are 160,716 housing units in rural Region 8B. Almost 73 percent are one-unit; 8 percent are 2 to 19 units; 2 percent are 20 units and up; 17 percent are mobile homes; 1 percent are RVs, boats, etc. The average age of the housing is 22 years old. More than 1.7 percent of the housing units lack complete plumbing facilities and 1.3 percent lack complete kitchen facilities.

Mortgage Lending

There are 176 HMDA lenders that reported making loans in the area. Thirty-six are subprime lenders and 11 are manufactured home lenders. Forty-two lenders reported making non-conventional loans in rural Region 8B. There are 87 branches of FDIC-insured institutions in the area. The three branches of TDHCA participating lenders have originated 25 loans or $1,613,976 since 2000. There are 3 to 5 HFCs that service the area, depending on the county.

The approval to denial ratio for prime lenders in 2000 was 3.1, for subprime lenders it was 2. The main reasons for prime denial include credit history (60 percent), debt to income (21 percent), and other (6 percent). The main reasons for subprime denial include credit history (38 percent), other (19 percent), credit application incomplete (17 percent), and collateral (11 percent).

Lending institutions originated almost 2,900 owner-occupied purchase and refinance loans in 2000, or $170.9 million. Seventy-five percent of those were purchase money loans. Prime lenders originated 66 percent of the purchase money loans.

Prime lenders originated 1,629 purchase and refinance loans, or $114.4 million ($280 per person); subprime lenders originated 607 loans, or 30.5 million ($70 per person). Manufactured home lenders originated 643 loans, or $25.9 million. Over 73 percent of the loans by subprime lenders were refinances.

Prime lenders reported race in 87 percent of the cases, subprime lenders 66 percent of the cases. White borrowers received 46 percent of the loans of prime lenders and 17 percent of the loans of subprime lenders. Black borrowers received 1.2 percent of the loans of prime lenders and 1.8 percent of the loans of subprime lenders. Hispanic borrowers received 51 percent of the loans of prime lenders and 80 percent of the loans of subprime lenders. Prime lenders originated 0.3 percent of their loans to American Indians and subprime lenders 0.8 percent. Asian or Pacific Island borrowers received 1 percent of the loans of prime lenders and 0.3 percent of the loans of subprime lenders. People of some other race received 0.6 percent of the loans of prime lenders and 0.3 percent of the loans of subprime lenders.

Urban Low-Income Census Tracts

There are 94 low-income tracts in the urban areas of Region 8B. Brownsville-Harlington-San Benito has 24 low-income tracts; 8 are very low-income and 16 are low-income. Corpus Christi has 30 low-income tracts; 3 are extremely low-income, 12 are very low-income, and 15 are low-income. Laredo has 14 low-income tracts; 2 are very low-income and 12 are low-income. The McAllen-Edinburg-Mission MSA has 26 low-income tracts; 3 are very low-income and 23 are low-income.

The total population of the urban low-income tracts is 542,121. Almost 72 of the population is white; 2 percent is black; 0.2 percent is American Indian; 0.2 percent is Asian; and 26 percent is some other race. Almost 88 percent of the population is of Hispanic or Latino heritage.

The homeownership rate in the low-income tracts is 62 percent. A family making the average income in the extremely low-income tracts would have to spend 72 percent of their income on homeownership costs. A family making the median income could afford to purchase a home worth 40 percent of the median priced home. A family in the very low-income tracts would spend on average 42 percent of their income on housing costs. A family making the median income could afford to purchase a home worth 90 percent of the median priced home. Homeowner families in the low-income tracts would have to spend 37 percent of their income on housing costs. A family making the median income could afford to purchase a home worth 1.1 times the median value.

Of the 141,273 housing unit in the area; 74 percent are one-unit; 11 percent are 2 to 9 units; 5 percent are more than 10 units; 7 percent are mobile homes, etc. The average age of the housing units is 22 years. More than 3.5 percent of the units lack complete kitchen facilities and almost 5.4 percent lack complete plumbing.

Mortgage Lending

There were 175 lending institutions that originated loans in 2000 according to HMDA data. Thirty-five lenders are subprime and 12 are manufactured home lenders. Fifty-five lenders reported making non-conventional loans. There are 103 branches of FDIC-insured financial institutions in the urban low-income census tracts. Since 2000 TDHCA participating lenders have originated 317 loans, or $21,719,823. There are 4 to 6 HFCs that service the area, depending on the county.

The approval to denial ratio for purchase loans from prime lenders was 2.5, for subprime lenders it was 2.3. The main reasons for prime denial include credit history (63 percent) and debt to income (18 percent). The main reasons for subprime denial include credit history (31 percent), other (26 percent), and credit application incomplete (15 percent).

Lending institutions originated over 3,500 purchase and refinance loans, $189.6 million. More than 72 percent were purchase money mortgages. Prime lenders originated 65 percent of the purchase money loans. Prime lenders originated a total of 2,115 purchase and refinance loans, $129.6 million or $280 per person. Subprime lenders originated 853 loans, $40.6 million or $90 per person. Manufactured home lenders originated 560 purchase and refinance loans, or $19.4 million. Almost 80 percent of the loans by subprime lenders were refinances.

Prime lenders originated 0.9 percent of their purchase money loans in extremely low-income tracts, subprime lenders 0 percent. Prime lenders closed 19 percent of their loans in very low-income tracts, subprime lenders also 19 percent. Low-income tracts received 80 percent of the loans of prime lenders and 81 percent of the loans of subprime lenders.

Prime lenders reported race in 96 percent of the cases, subprime lenders reported race in 77 percent of the cases. White borrowers received 18 percent of the loans of prime lenders and 8 percent of the loans of subprime lenders. Black borrowers received 1 percent of the loans of prime lenders and 2 percent of the loans of subprime lenders. Prime lenders closed 79 percent of their loans with Hispanic borrowers and subprime lenders closed 89 percent of their loans with Hispanic borrowers. American Indian borrowers received 0.3 percent of the loans of prime lenders and 0.8 percent of the loans of subprime lenders. Asian or Pacific Islander borrowers received 0.6 percent of the loans of prime lenders and 0.3 percent of the loans of subprime lenders. Borrowers of some other race received 0.2 percent of the loans of prime lenders and 0.2 percent of the loans of subprime lenders.

COLONIA CENSUS TRACTS

There are 170 census tracts with colonias in Region 8B. The average median family income in 1990 was $17,084. The total population of the colonia tracts is 875,667. Almost 75 percent of the population is white; 0.5 percent is black; 0.2 percent is American Indian; 0.3 percent is Asian; and 24 percent is some other race. More than 80 percent of the population is of Hispanic origin.

The homeownership rate is 73 percent. The median value of the homes in 1990 was $32,222. A family making the median income could afford to purchase a home worth 1.3 times the median value.

There are 239,949 housing units in the colonia tracts of Region 8B. Almost 67 percent are one-unit; 6 percent are 2 to 9 units; 3 percent are over 10 units; and 19 percent are mobile homes, RVs, etc. The average age of the housing is 17 years old. Almost 4.2 percent lack complete kitchen facilities and 7 percent lack complete plumbing facilities.

Mortgage Lending

There are 222 lenders that reported making loans in the colonia tracts of Region 8B. Forty-five are subprime lenders and 12 are manufactured home lenders. Sixty-six lenders reported making non-conventional loans in the area. There are 122 branches of FDIC-insured financial institutions in the colonia tracts of the region. There are 10 branches of TDHCA participating lenders. Since 2000, they have closed 371 loans, or $21.7 million. TDHCA has closed 187 Bootstrap or Contract for Deed Conversion loans, or $2,661,256.[7] There are between 3 and 6 HFCs that service the area, depending on the county.

The approval: denial ratio for purchase loans from prime lenders was 2.7 in 2000. For subprime lenders it was 1.2. The main reasons for prime denial include credit history (61 percent) and debt to income (20 percent). The main reasons for subprime denial include credit history (37 percent), debt to income (17 percent), and other (16 percent).

There were 8,417 purchase or refinance loans in the colonia tracts, or $535.6 million. More than 72 percent were purchase money loans. Prime lenders originated 66 percent of the purchase money loans.

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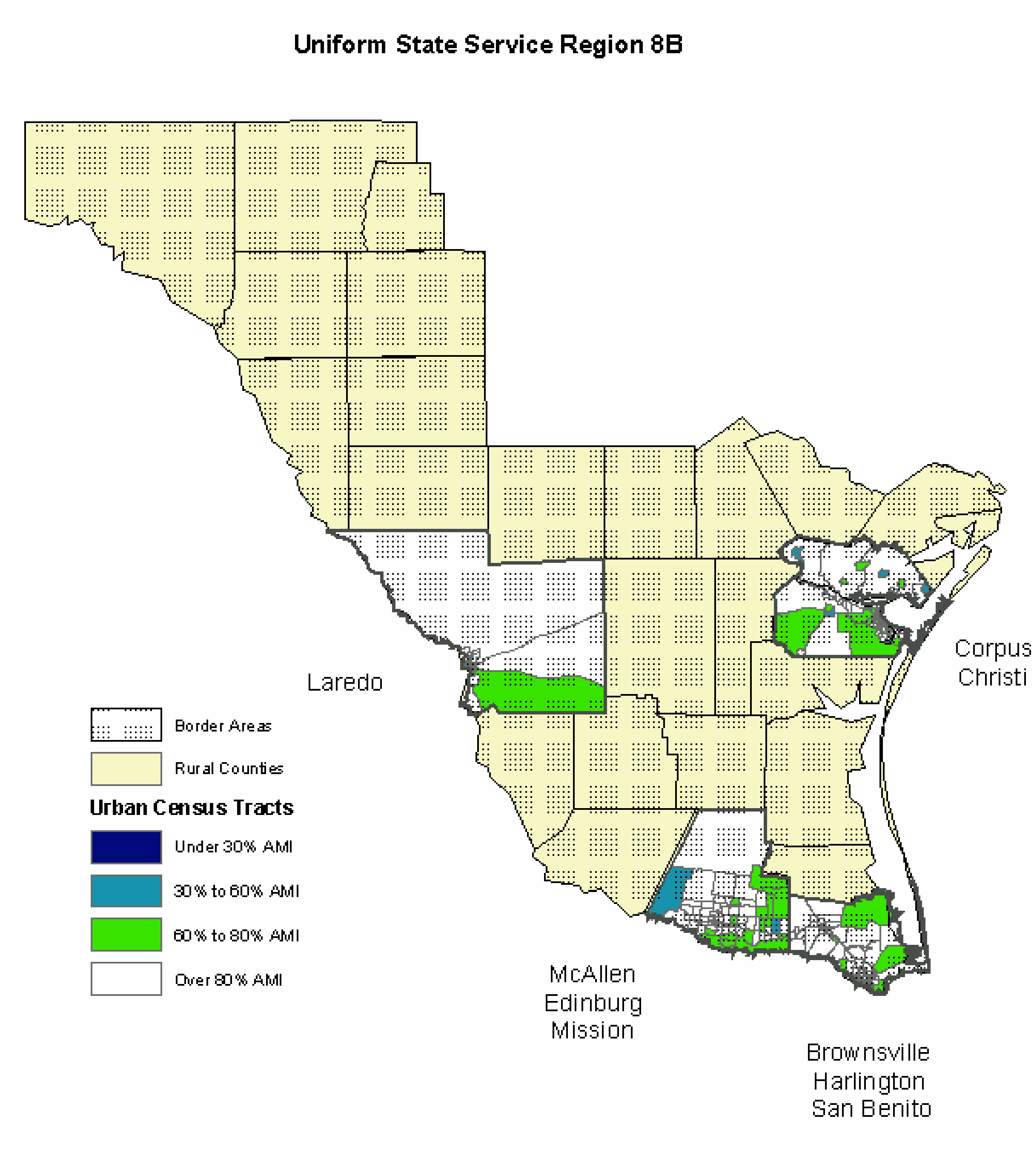
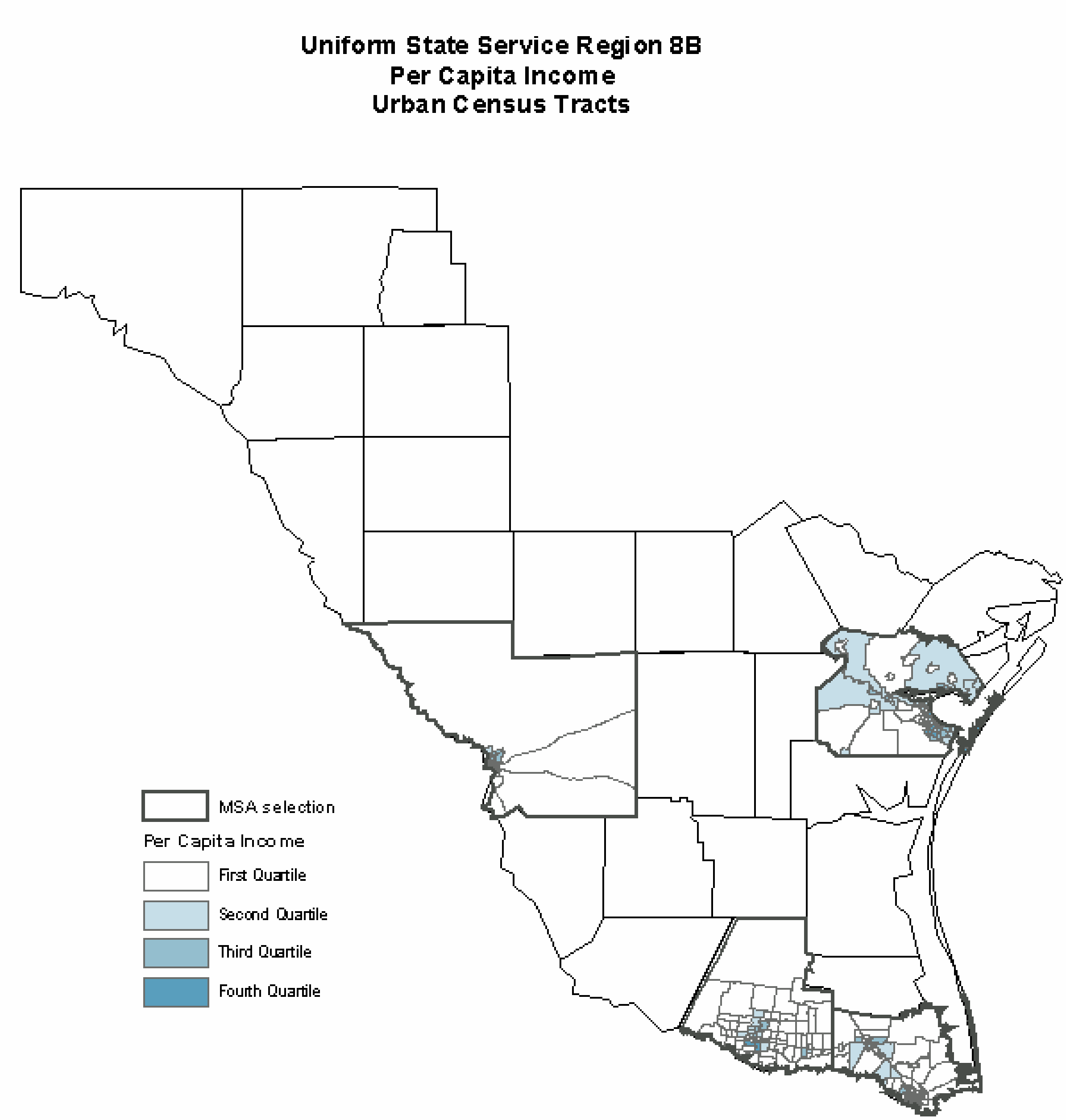
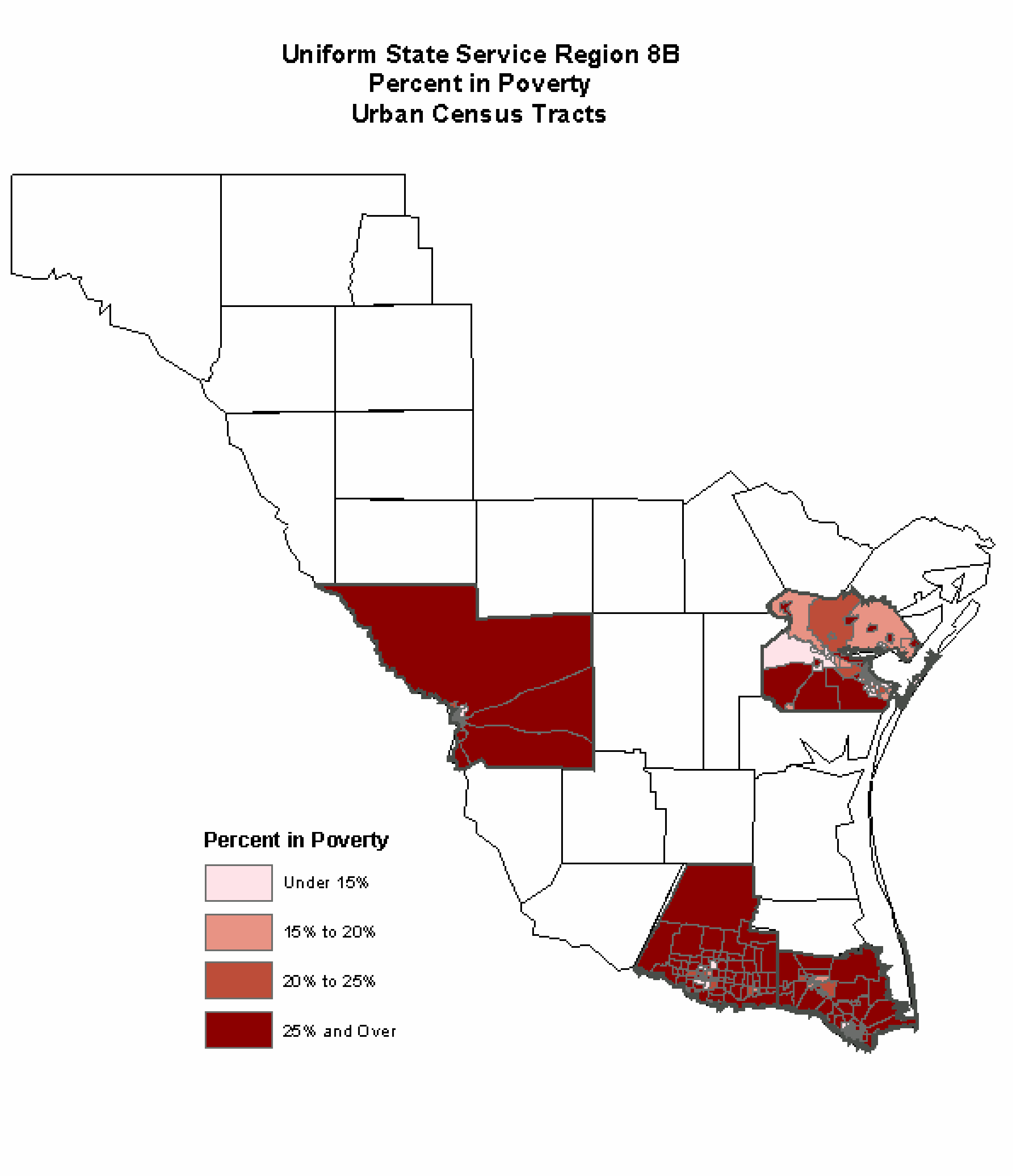
[7] The Texas Bootstrap Owner-Builder Loan Program is designed to promote and enhance homeownership for very low income Texans by providing loan funds to purchase or refinance real property on which to build new residential housing or improve existing residential housing. The Contract for Deed Conversion program is designed to help colonia residents become property owners by converting their contracts for deeds into traditional mortgages

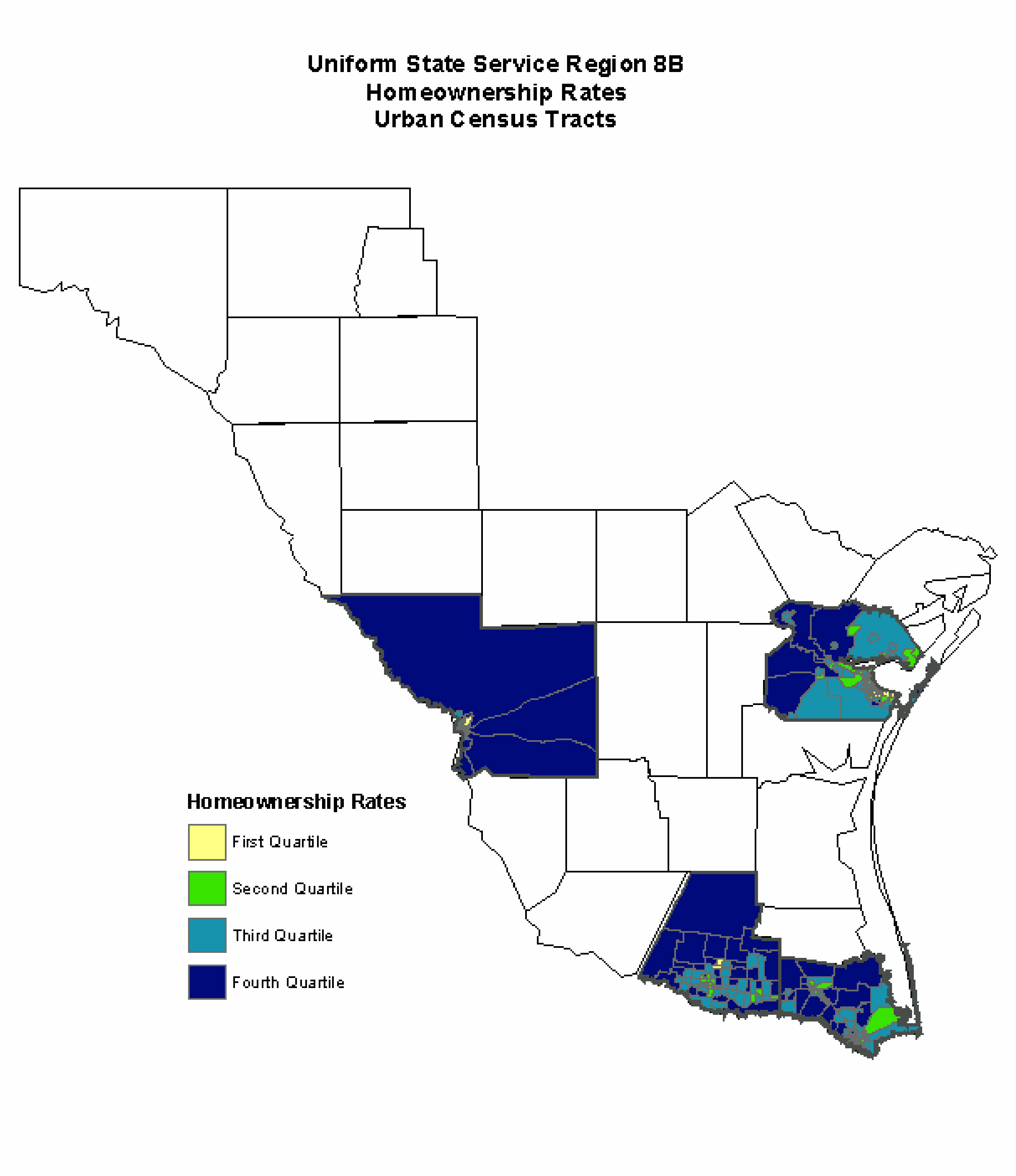
Prime lenders originated a total of 5,583 purchase and refinance loans, $408.3 million or $600 per person. Subprime lenders originated a total of 1,419 loans, $78 million or $110 per person. Almost 65 percent of these loans from subprime lenders were refinances. Manufactured home lenders originated 1,415 loans, or $49.3 million.

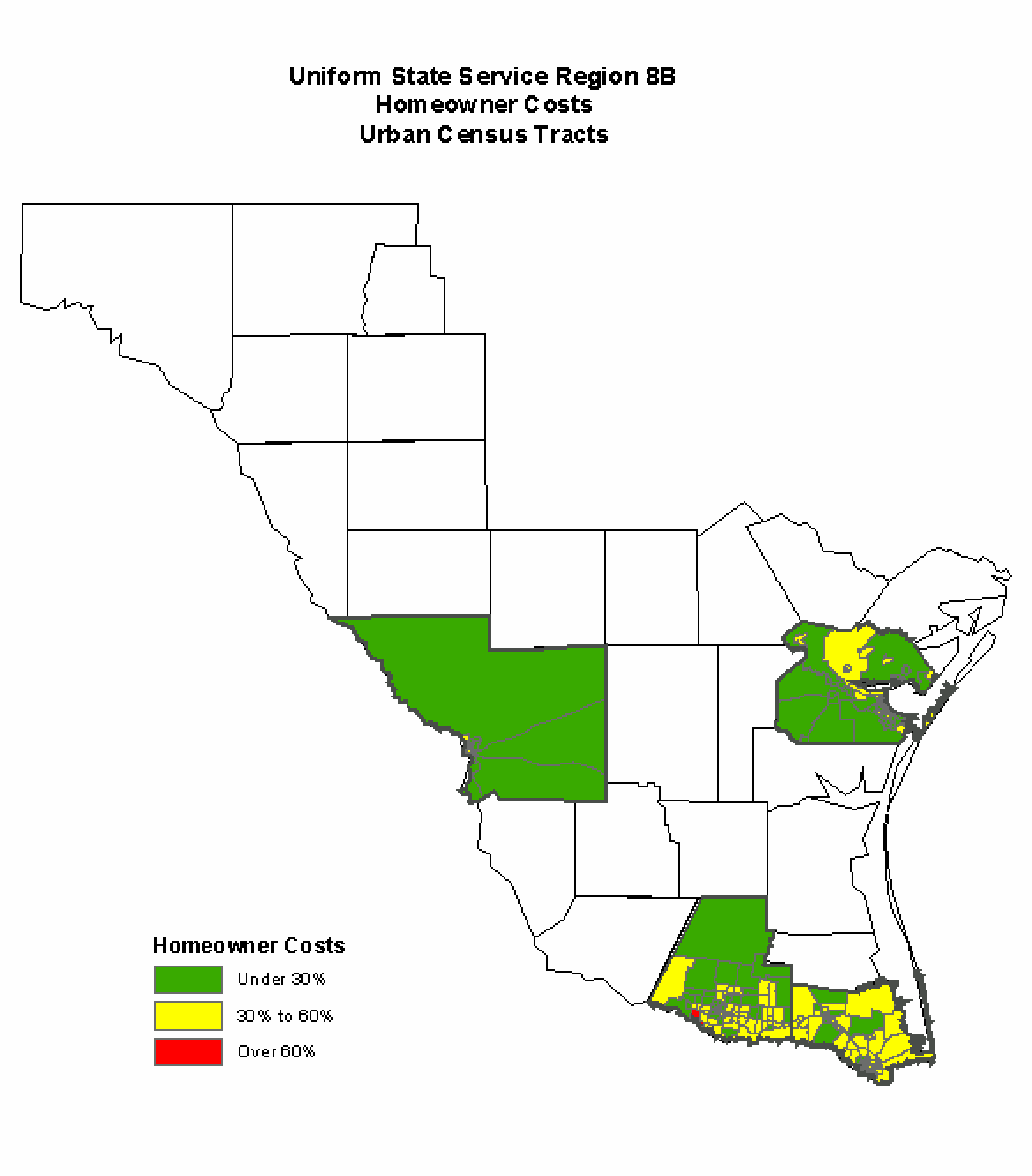
Prime lenders reported race in 94 percent of the cases, subprime lenders 76 percent of the time. Prime lenders closed 24 percent of their loans with white borrowers; 0.6 percent with black borrowers; 74 percent with Hispanic borrowers; 1 percent with American Indian or Asian borrowers; and 0.6 percent with people of some other race. Subprime lenders closed 11 percent of their loans with white borrowers; 0.9 percent with black borrowers; 87 percent with Hispanic borrowers; 1 percent with American Indian or Asian borrowers; and 0.1 percent with people of some other race.

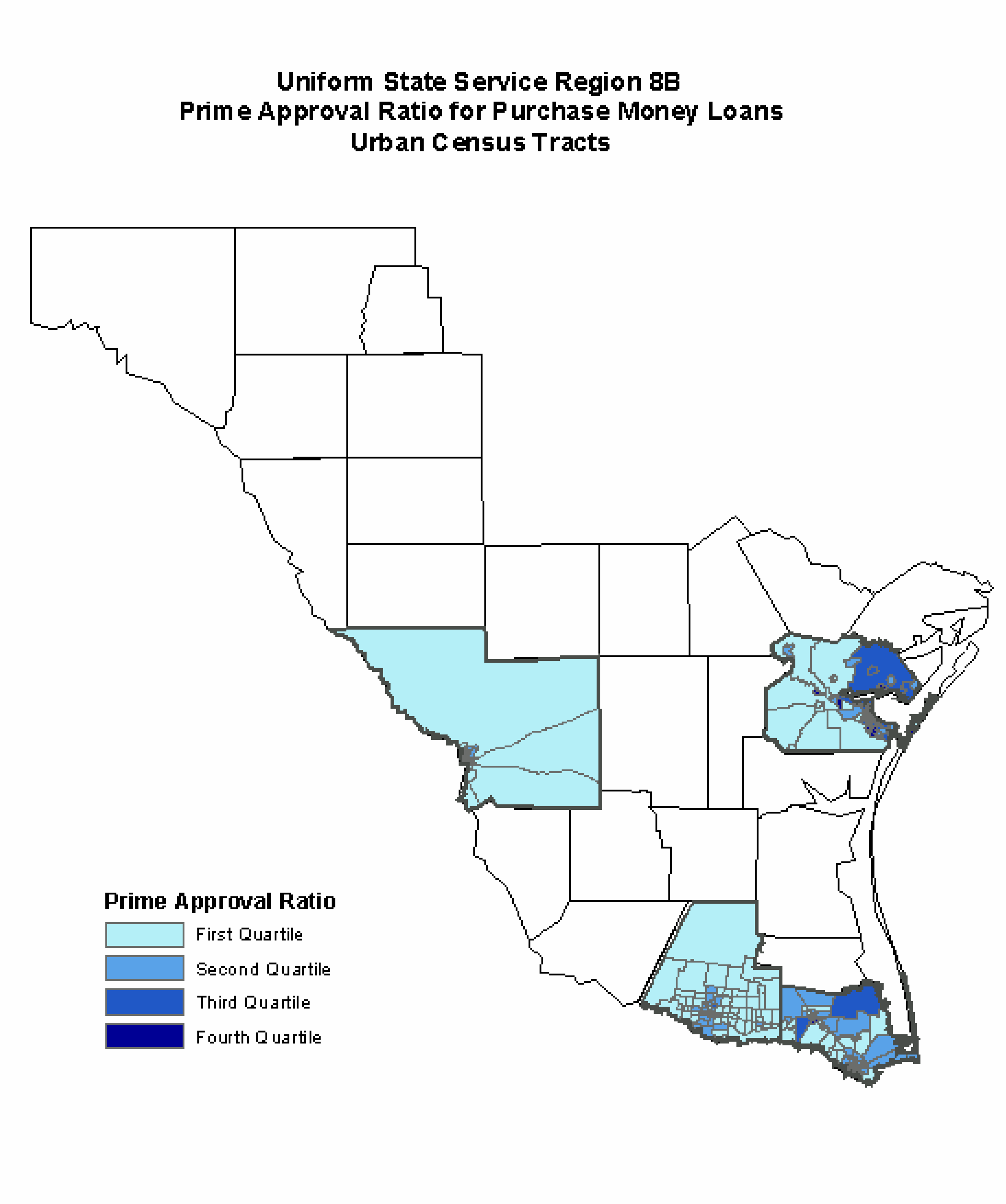

Uniform State Service Region 8B
Laredo
Corpus
Christi
McAllen
Edinburg
Mission
Brownsville
Harlington
San Benito
Border Areas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

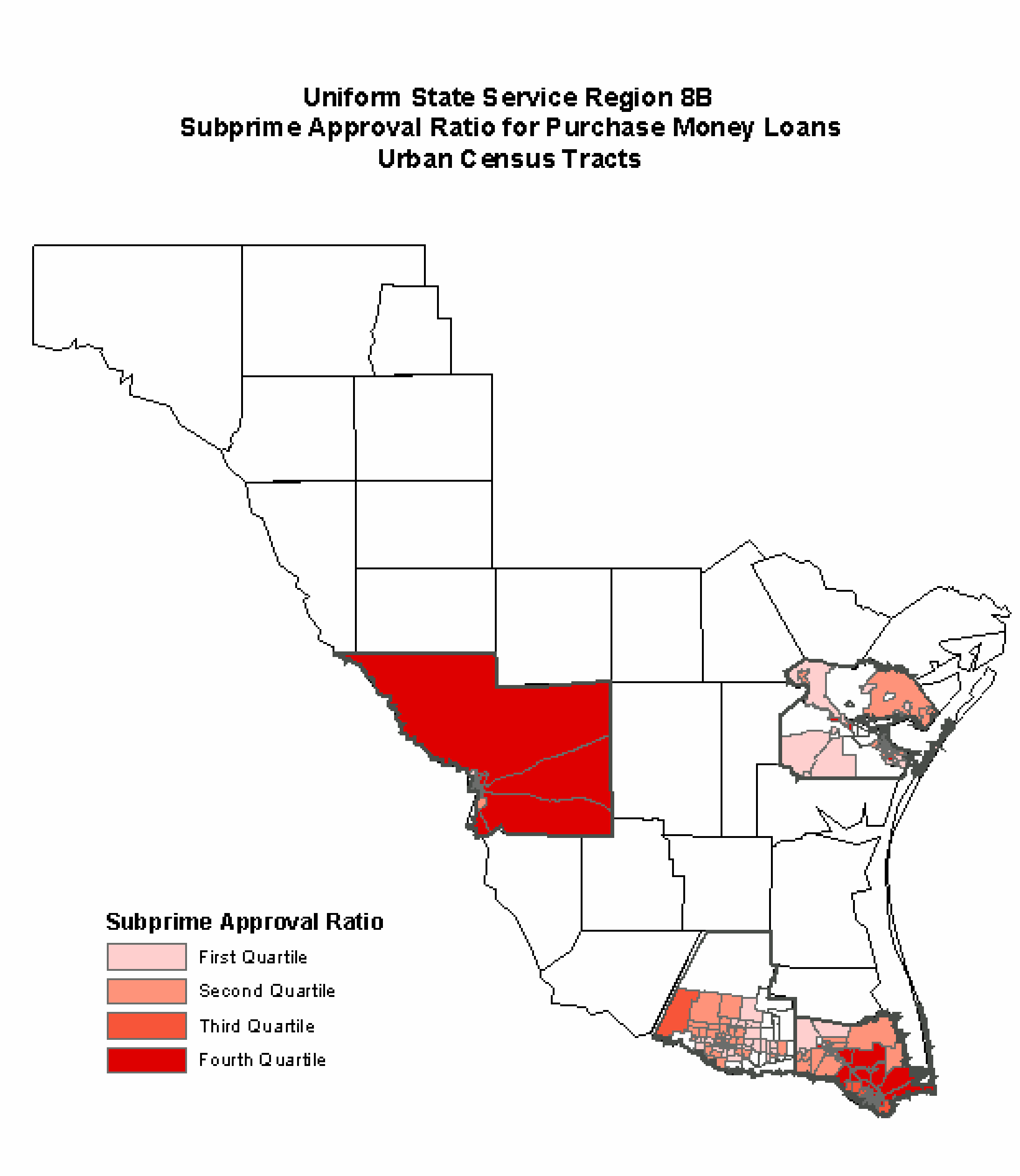

Uniform State Service Region 8B
Per Capita Income
Urban Census Tracts
MSA selection
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

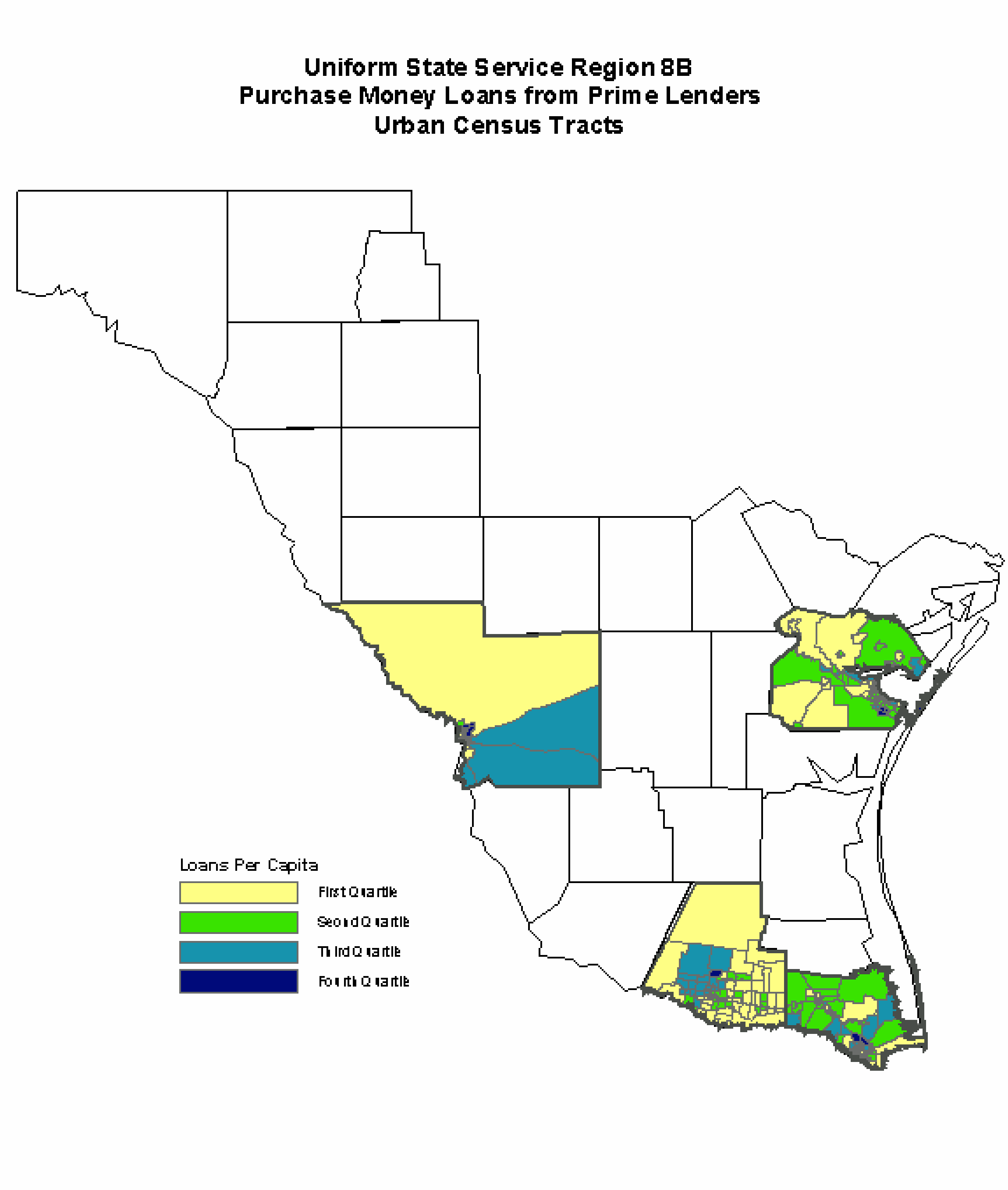

Uniform State Service Region 8B
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

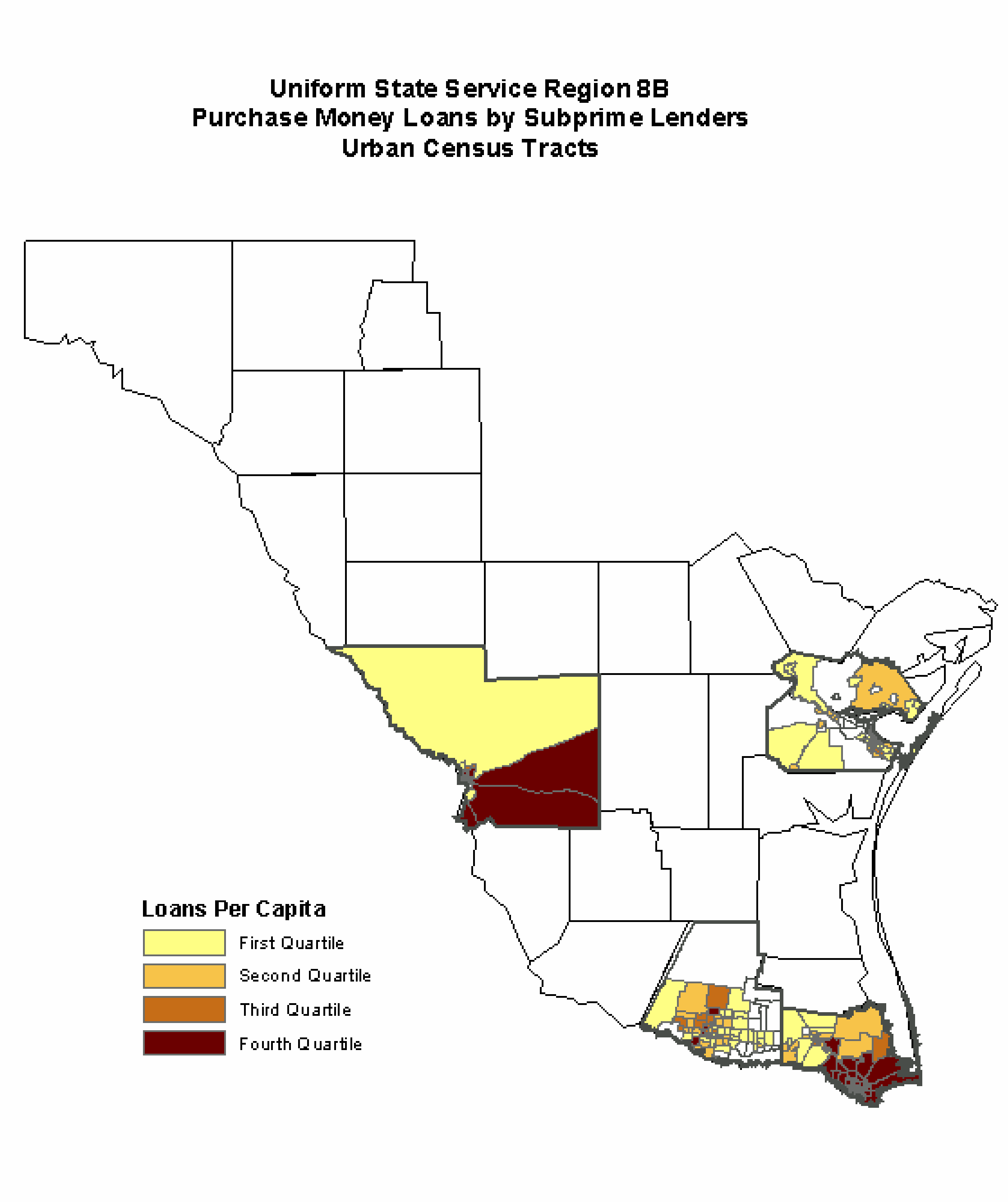

Uniform State Service Region 8B
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

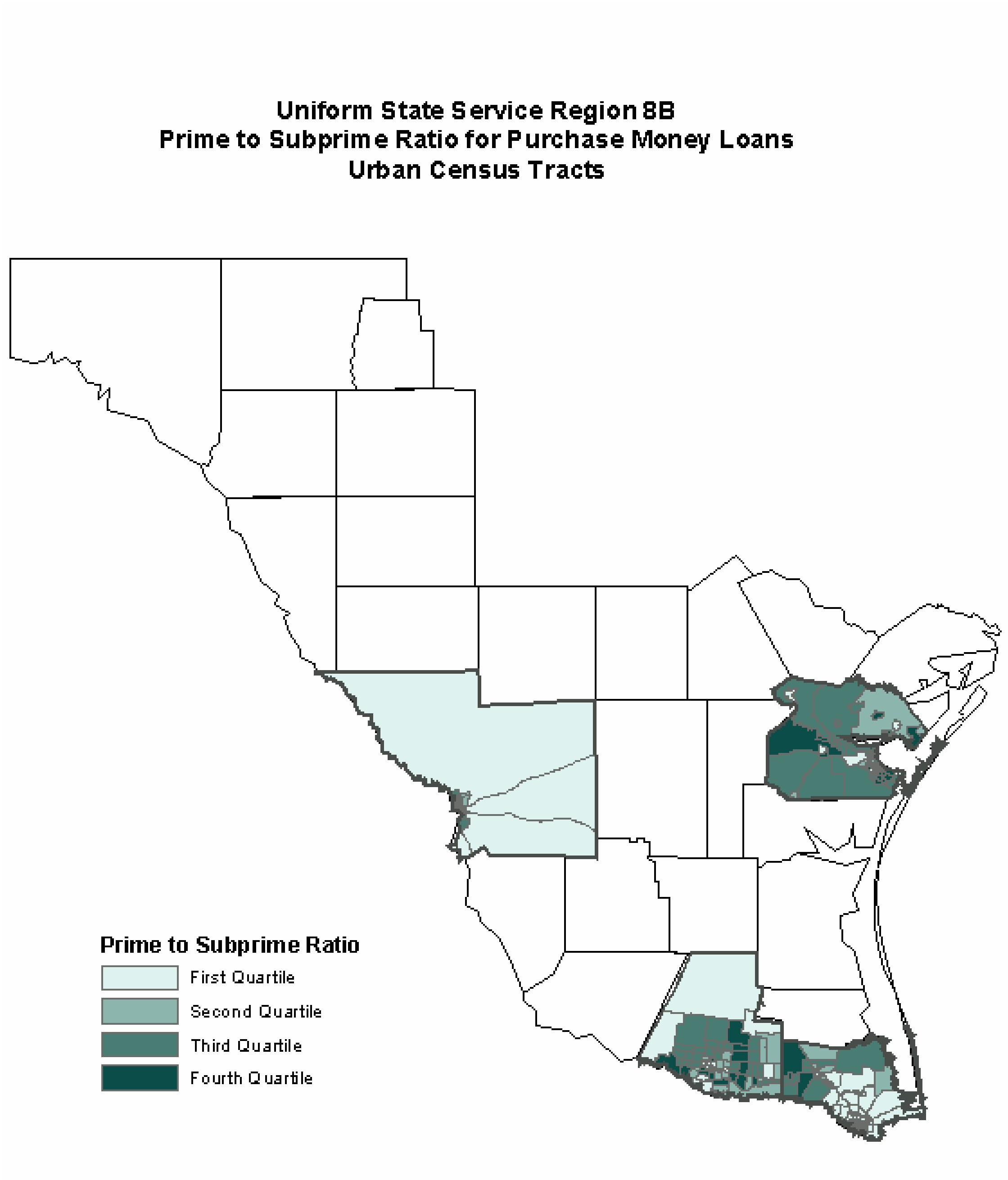

Uniform State Service Region 8B
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

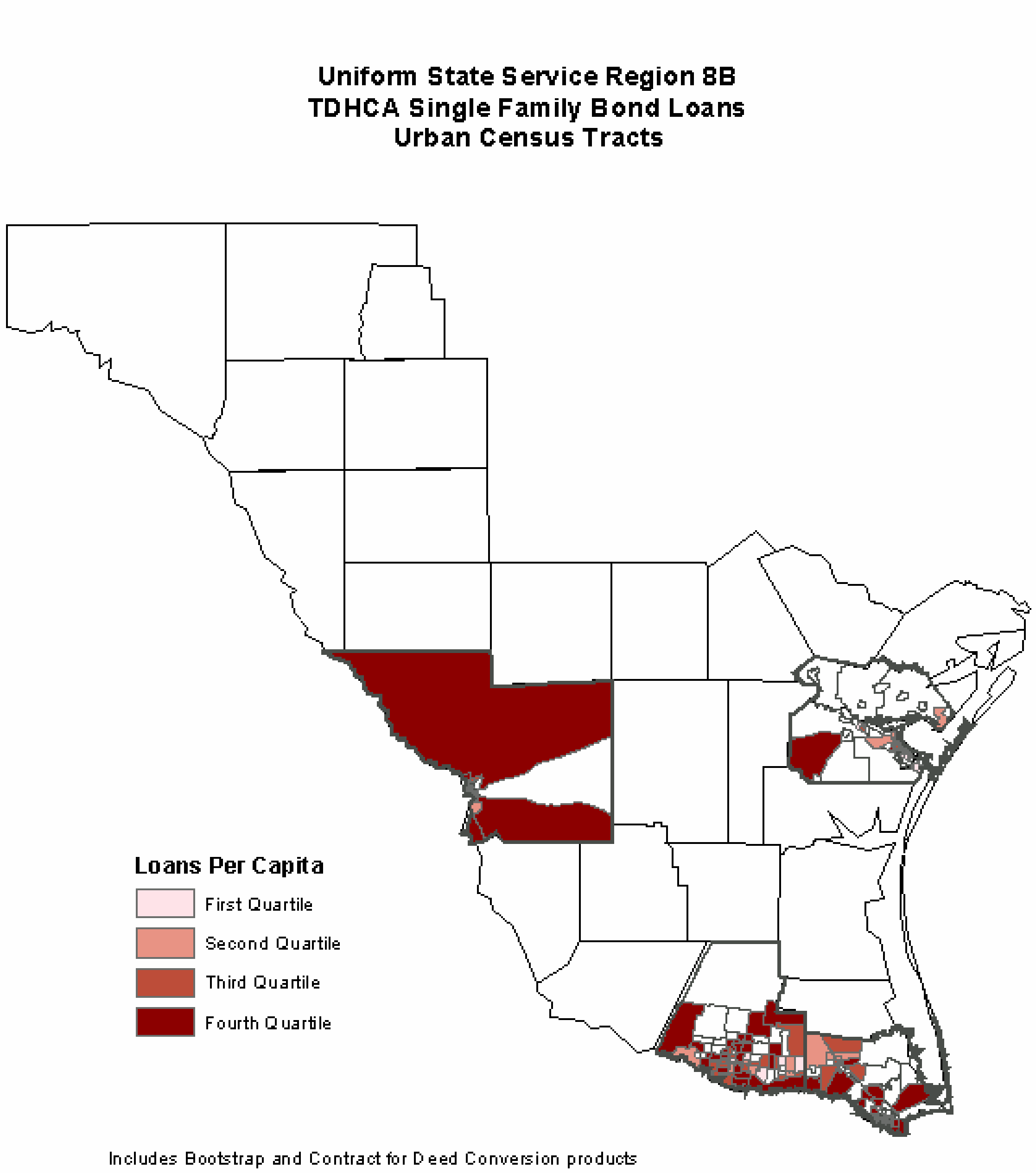

Uniform State Service Region 8B
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8B
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8B
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8B
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8B
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 8B
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 9

Region 9 has 30 counties, 24 of which are border areas; the other six counties are rural. There are two MSAs in the border area, San Angelo and Odessa-Midland. Within these two MSAs, there are 28 low-income census tracts.

The total population of the region is 524,884. Almost 78 percent of the population is white; 5 percent is black; 0.7 percent is American Indian; 0.6 percent is Asian; 14 percent is some other race; and 2.3 percent is two or more races. More than 37 percent is of Hispanic or Latino heritage.

The average homeownership rate in the area is 70 percent, the urban rate is 68 percent and the rural rate is 75 percent. The homeownership rate among the low-income census tracts is 62 percent.

RURAL AREAS

The population of rural Region 9 is 183,742. The county median family income ranges from $24,850 to $53,750. Almost 18 percent of the total population lives in poverty. More than 79 percent of the total population is white; 3 percent is black; 0.6 percent is American Indian; 0.3 percent is Asian; 15 percent is some other race; and 2 percent is two or more races. More than 43 percent of the population is Hispanic.

The homeownership rate is 75 percent; the average homeowner household spends 25 percent of their income on housing costs. A family earning the median income can afford to purchase a home worth 2.1 times the median value.

Of the almost 80,500 housing units, 76 percent are one-unit; 5 percent are 2 to 19 units; 2 percent are more than 20 units; 15 percent are mobile homes; and 1 percent are RVs, etc. The average age of the homes is 27 years old. More than 0.5 percent lack complete plumbing facilities and 0.7 percent lack complete kitchen facilities.

Mortgage Lending

There are 123 lenders that reported making loans in rural Region 9, thirty are subprime and 10 are manufactured home lenders. Thirty-five lenders reported making non-conventional loans. There are 58 branches of FDIC-insured financial institutions. TDHCA participating lenders closed 2 bond loans since 2000, or $75,098. There are 3 or 4 HFCs that service the area, depending on the county.

The approval: denial ratio for purchase money loans from prime lenders in 2000 was 3.9, for subprime lender it was 2.4. The main reasons for prime denial include credit history (55 percent), debt to income (25 percent), and other (9 percent). There is not enough data to analyze the reasons for subprime denial.

The total number of purchase and refinance owner-occupied originations for the area was 1,182, or $54.5 million. Seventy-four percent were purchase money loans; and prime lenders originated 73 percent of the purchase loans.

Prime lenders closed a total of 787 purchase and refinance loans, $42.5 million or $230 per person. Subprime lenders originated 181 loans, $7.3 million or $40 per person. Manufactured home lenders originated 214 loans. Almost 70 percent of the loans from subprime lenders were refinances.

Prime lenders reported race in 92 percent of the cases, subprime lenders 74 percent. Prime lenders closed 78 percent of their loans with white borrowers; 1.7 percent with black borrowers; 19 with Hispanic borrowers; 0.8 percent with American Indian or Asian borrowers; and 0.3 percent to people of some other race. Subprime lenders closed 58 percent of their loans with white borrowers; 4 percent with black borrowers; 35 percent with Hispanic borrowers; 2.3 percent with American Indian borrowers; and 0.8 percent with Asian borrowers.

Urban Low-Income Census Tracts

There are 28 urban low-income census tracts in Region 9. Of the 18 low-income tracts in Odessa-Midland, 10 are very low-income and 8 are low-income. One low-income tract in San Angelo is extremely low-income, 4 are very low-income, and 5 are low-income.

The total population of the urban low-income tracts is 99,834. More than 62 percent of the population is white; 10 percent is black; 0.6 percent is American Indian; 0.4 percent is Asian; 27 percent is some other race. Almost 49 percent of the population is of Hispanic or Latino heritage.

The homeownership rate is 62 percent. An average family in the extremely low-income tracts would have to spend 52 percent of their income on homeowner costs. A family in the very low-income tracts would spend 36 percent of their income on housing costs. An average family in the low-income census tracts would spend 29 percent of their income on housing costs.

Of the almost 38,000 housing units in the urban low-income census tracts, 72 percent are one-unit; 8 percent are 2 to 9 units; 10 percent are 10 units and up; and 9 percent are mobile homes, RVs, etc. The average age of the housing units is 28 years old. More than 1.7 percent of the units lack complete kitchen facilities and 1.4 percent lack complete plumbing.

Mortgage Lending

There are 75 lenders that reported making loans in the area. Twenty-two of the lenders are subprime lenders and 11 are manufactured home lenders. Eighteen lenders reported making non-conventional loans in the urban low-income tracts of Region 9. There are 49 branches of FDIC-insured financial institutions in the area. There are 4 HFCs that service the area.

The approval: denial ratio for purchase money loans from prime lenders in 2000 was 4, for subprime lenders it was 1.1. The main reasons for prime denial include credit history (52 percent) and debt to income (23 percent). The main reasons for subprime denial include credit history (55 percent), debt to income and other (18 percent each), and collateral (9 percent).

Lending institutions originated 718 purchase and refinance loans, or $32.2 million. Almost 70 percent of those loans were purchase money mortgages. Prime lenders closed 71 percent of the purchase loans.

Prime lenders originated 465 purchase and refinance loans, $23.6 million or $250 per person. Subprime lender originated 120 loans, $4.5 million or $50 per person. Manufactured home lenders originated 133 loans, or $4.1 million. Almost 67 percent of the loans from subprime lenders were refinances. Prime lenders originated 8.6 purchase loans for each one by a subprime lender.

Prime lenders originated 0.3 percent of their purchase money loans in extremely low-income tracts, 18 percent in very low-income tracts, and 82 percent in low-income tracts. Subprime lenders originated 2.4 percent of their loans in extremely low-income tracts, 34 percent in very low-income tracts, and 63 percent in low-income tracts.

Prime lenders reported race in 93 percent of the cases, subprime lenders 61 percent of the cases. White borrowers received 55 percent of the loans of prime lenders and 38 percent of the loans of subprime lenders. Black borrowers received 5 percent of the loans of prime lenders and 11 percent of the loans of subprime lenders. Prime lenders closed 39 percent of their loans with Hispanic borrowers and subprime lenders closed 48 percent with Hispanic borrowers. American Indian borrowers received 0.5 percent of the loans of prime lenders and 1.4 percent of the loans of subprime lenders. Asian or Pacific Island borrowers received 0.7 percent of the loans of prime lenders and people of some other race received 0.2 percent.

BORDER AREAS

The total population of the border areas of Region 9 is 443,326. The county median family income ranges between $24,860 t0 $53,750. Approximately 16 percent of the population lives in poverty. About 77 percent of the population is white; 5 percent is black; 0.7 percent is American Indian; 0.7 percent is Asian; 14 percent is some other race; and 2 percent is two or more races. Thirty-seven percent of the population is of Hispanic heritage.

The homeownership rate is 70 percent. A homeowner family earning the average income would spend 25 percent of their income on housing costs. A family earning the average income could afford to purchase a home worth 2.1 times the median value.

Of the 189,736 housing units in the area, 71 percent are one-unit; 11 percent are 2 to 19 units; 7 percent are over 20 units; 12 percent are mobile homes; and 0.4 percent are RVs, etc. The average age of the housing units is 26 years. Half of one percent lack complete plumbing facilities and 0.7 percent lack complete kitchen facilities.

Mortgage Lending

There are 200 lending institutions that reported making loans in 2000. Forty-two are subprime lenders and 12 are manufactured home lenders. Fifty-eight lenders reported making non-conventional loans. There are 122 branches of FDIC-insured financial institutions in the border areas of Region 9. There are 4 TDHCA participating lenders and they closed 3 loans or $114,972 since 2000. There are either 3 or 4 HFCs serving the area, depending on the county.

The approval ratio for purchase loans from prime lenders was 5.4, for subprime lenders it was 1.9. The main reasons for prime denial include credit history (55 percent), debt to income (22 percent), and other (9 percent). The main reasons for subprime denial include credit history (44 percent), other (24 percent), and debt to income (13 percent).

The total number of purchase and refinance originations for 2000 was 5,372 loans, or $353.3 million. Seventy-nine percent were purchase money loans and prime lenders originated 80 percent of the total.

Prime lenders closed a total of 4,066 purchase and refinance loans, $299.1 million or $670 per person. Subprime lenders closed 628 loans, $29.5 million or $70 per person. Manufactured home lenders closed a total of 678 loans, or $24.8 million.

Prime lenders reported race in 91 percent of the cases, subprime lenders 61 percent. Prime lenders originated 77 percent of their loans to white borrowers; 19 percent to Hispanic borrowers; 2 percent to black borrowers; 0.3 percent to American Indian borrowers; 0.8 percent to Asian borrowers; and 0.7 percent to people of some other race. Subprime lenders closed 56 percent of their loans with white borrowers; 35 percent with Hispanic borrowers; 7 percent with black borrowers; 0.7 percent with American Indian borrowers; 0.4 percent with Asian borrowers; and 0.4 percent with people of some other race.

Colonia Census Tracts

There are 4 colonia census tracts in Region 9; three in Pecos County and one in Terrell County. The total population of the colonia tracts is 6,381. The median income in 1990 was $20,400. More than 84 percent of the population is white; 0.7 percent is black; 0.1 percent is American Indian; 0.5 percent is Asian; and 15 percent is some other race. Fifty-two percent of the population is of Hispanic heritage.

The homeownership rate is 69 percent. The median value of the homes in 1990 was $26,425. A family making the median income could afford to purchase a home worth 2 times the median value.

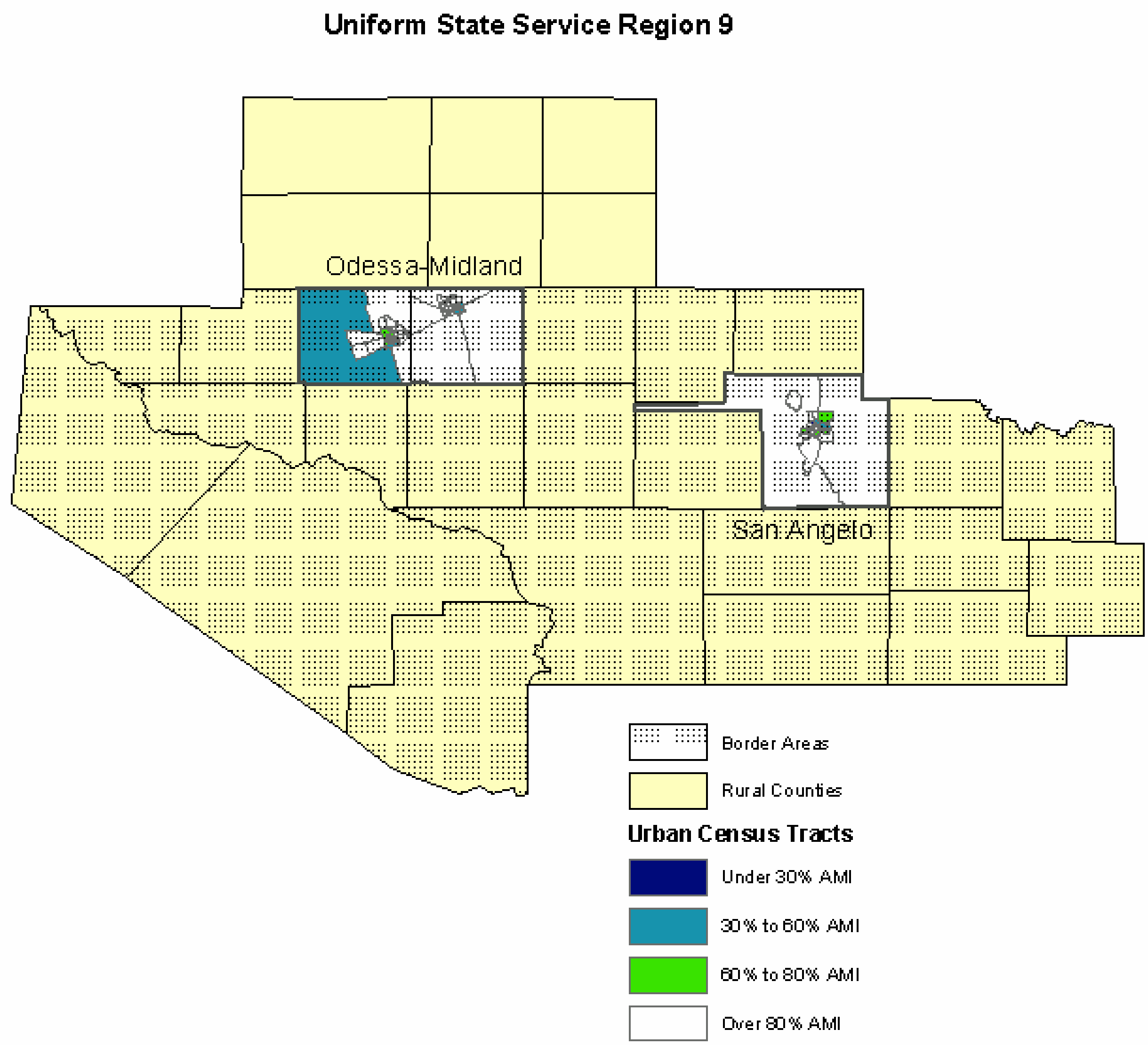
There are 2,974 housing units in the colonia tracts of Region 9. More than 72 percent are one-unit; 1 percent are 2 to 9 units; and 26 percent are mobile homes, RVs, etc. The average age is 25 years. Almost 3.4 percent lack complete kitchen facilities and 4.5 percent lack complete kitchen facilities.

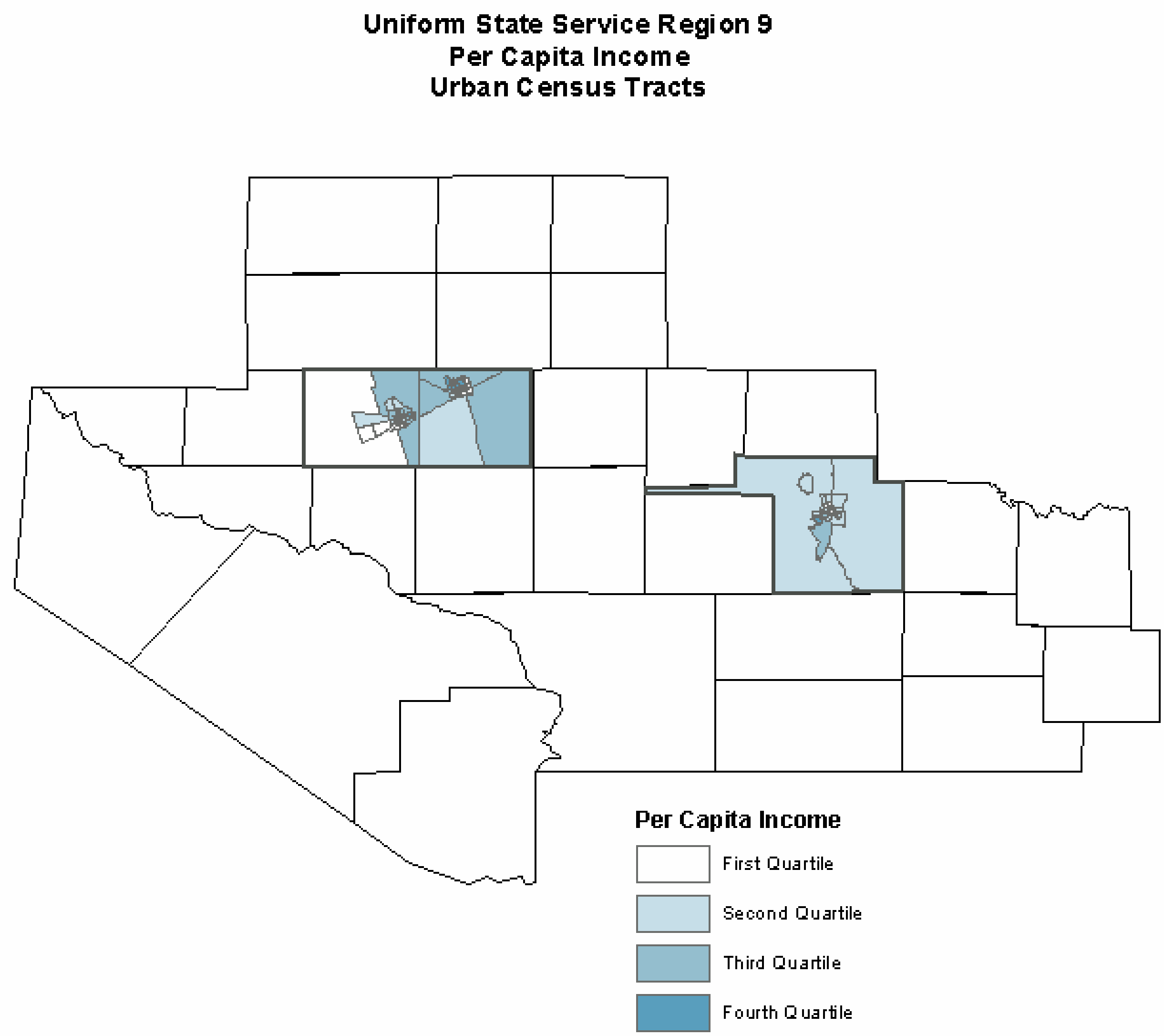
Mortgage Lending

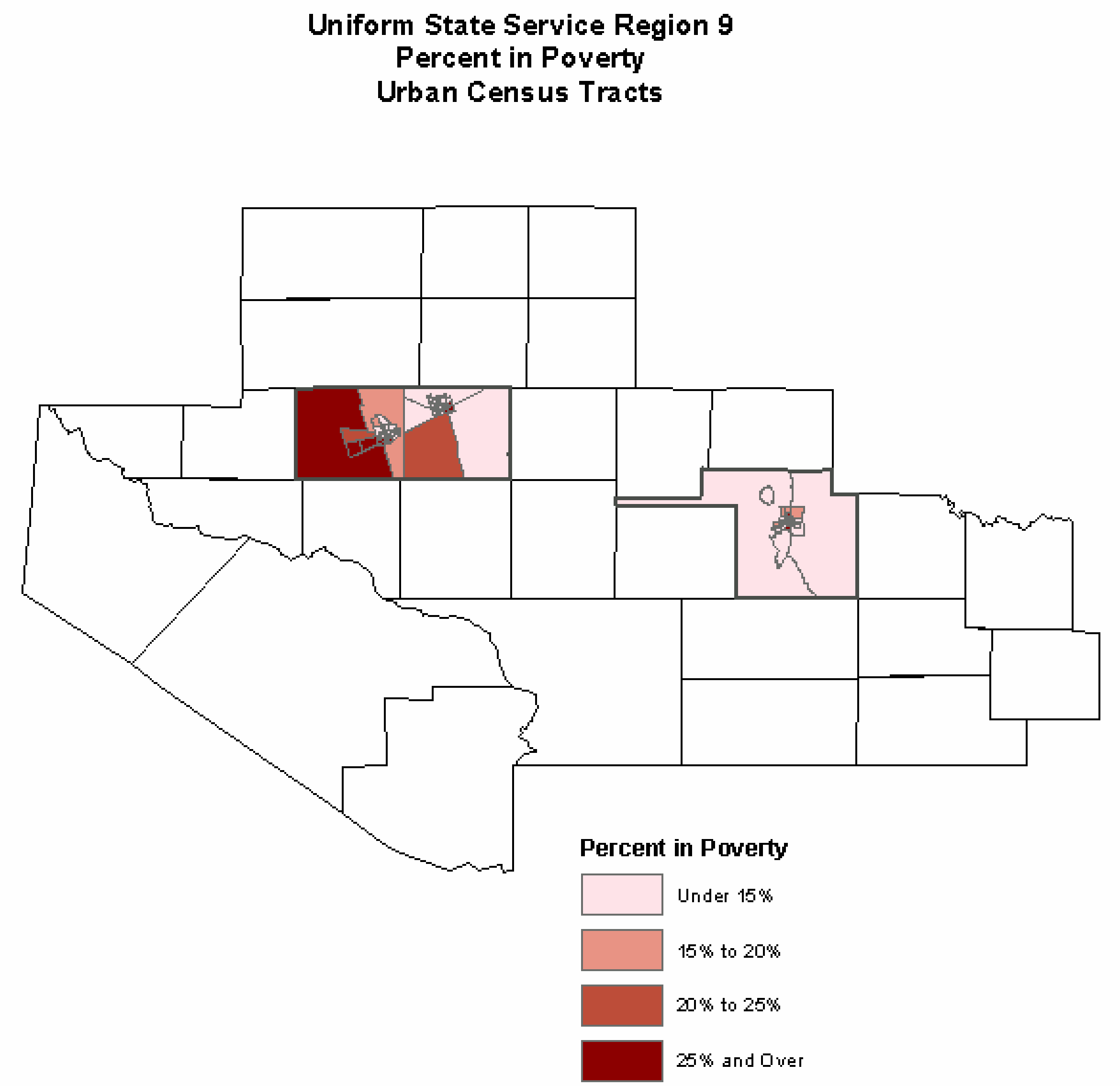
There were nine lending institutions that reported making loans in 2000. Two are subprime lenders and three are manufactured home lenders. No lenders reported making non-conventional loans. There are 3 to 4 HFCs that service the area.

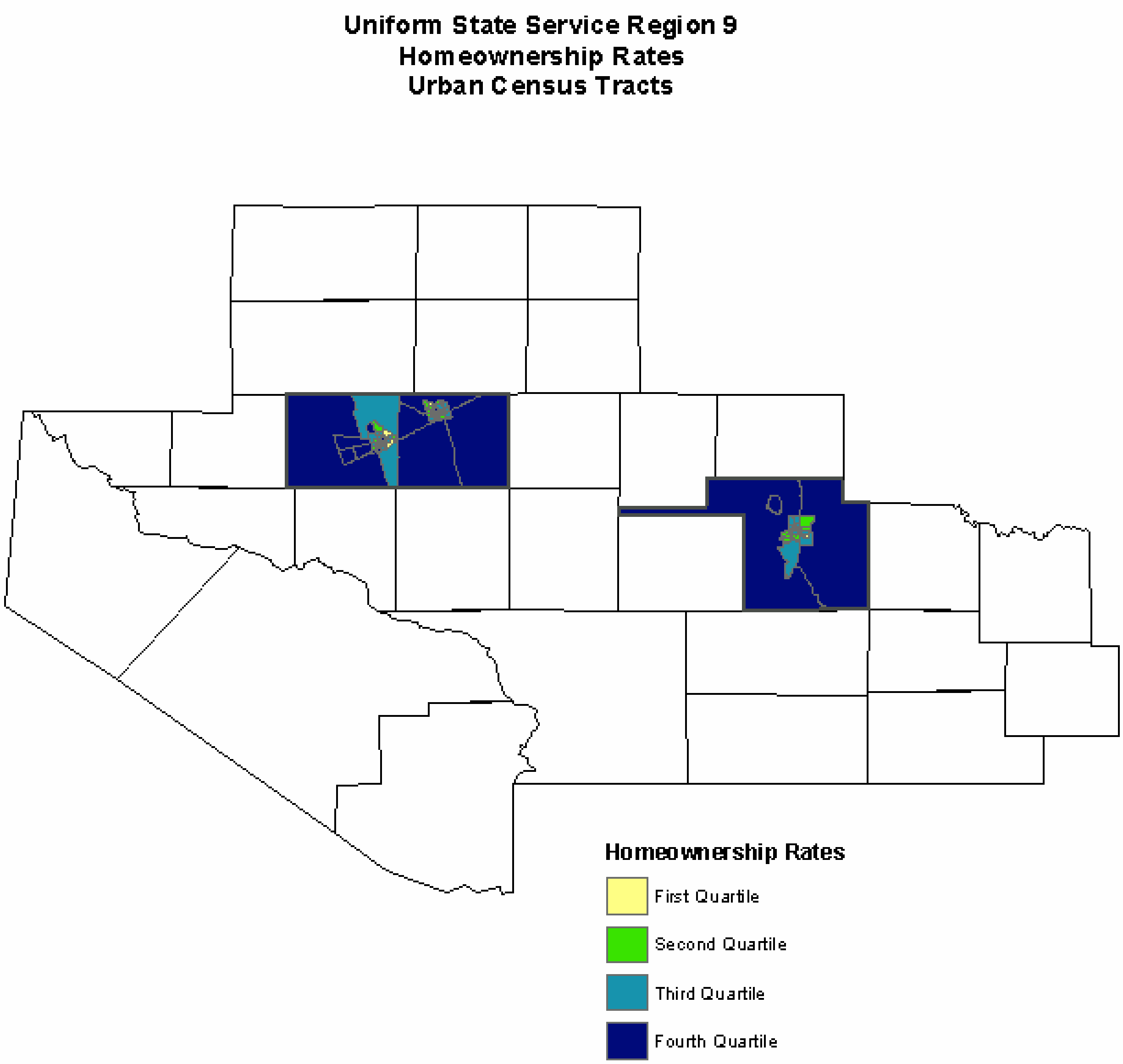
There is not enough data from HMDA 2000 to analyze approval ratios.

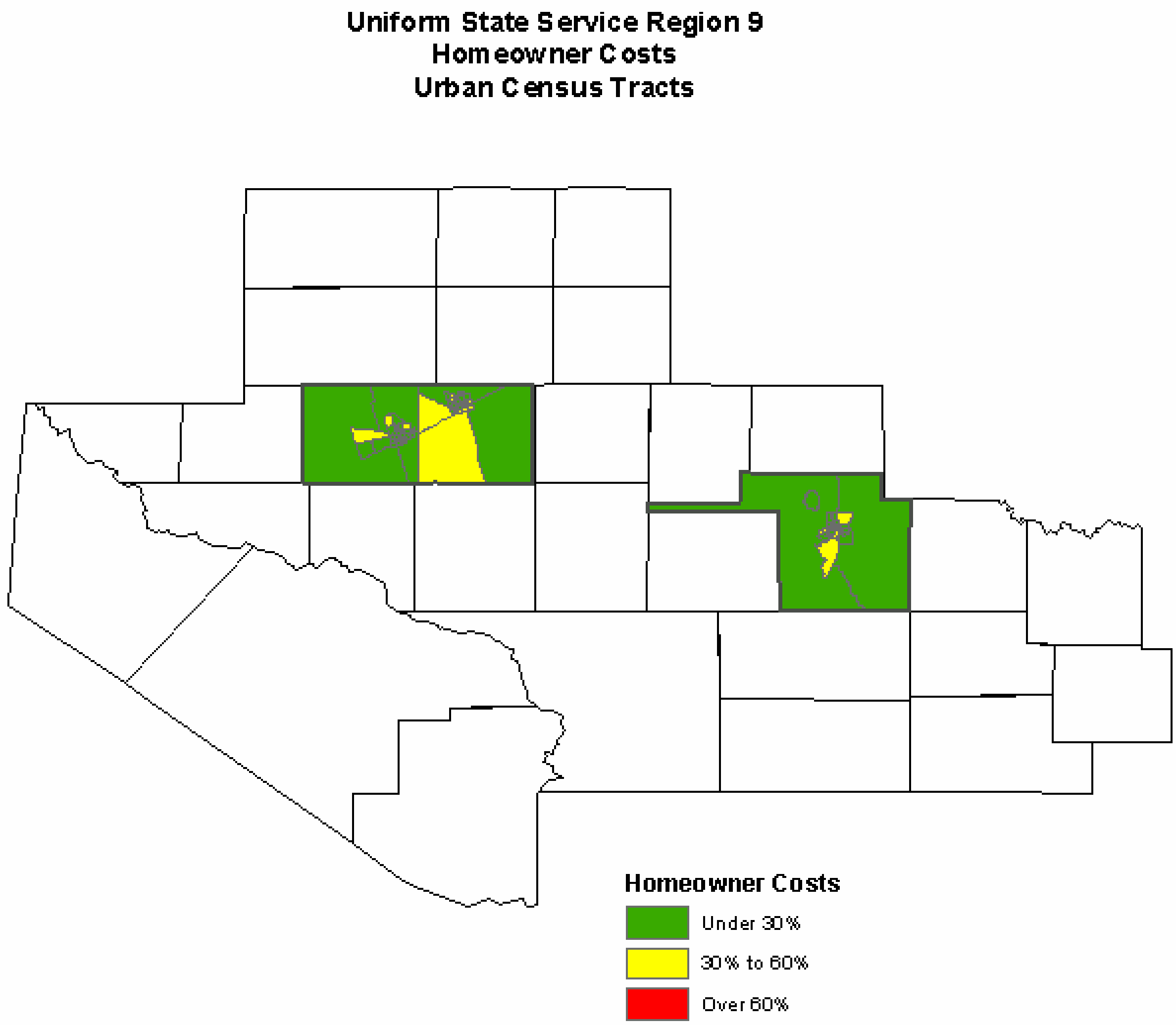
Lending institutions originated a total of 15 purchase and refinance loans in the area, or $602,000. Ten of those loans were purchase money loans and three of those loans were closed by prime lenders. Prime lenders closed a total of 4 loans. Subprime lenders closed 2 loans and manufactured home lenders closed 9 loans.

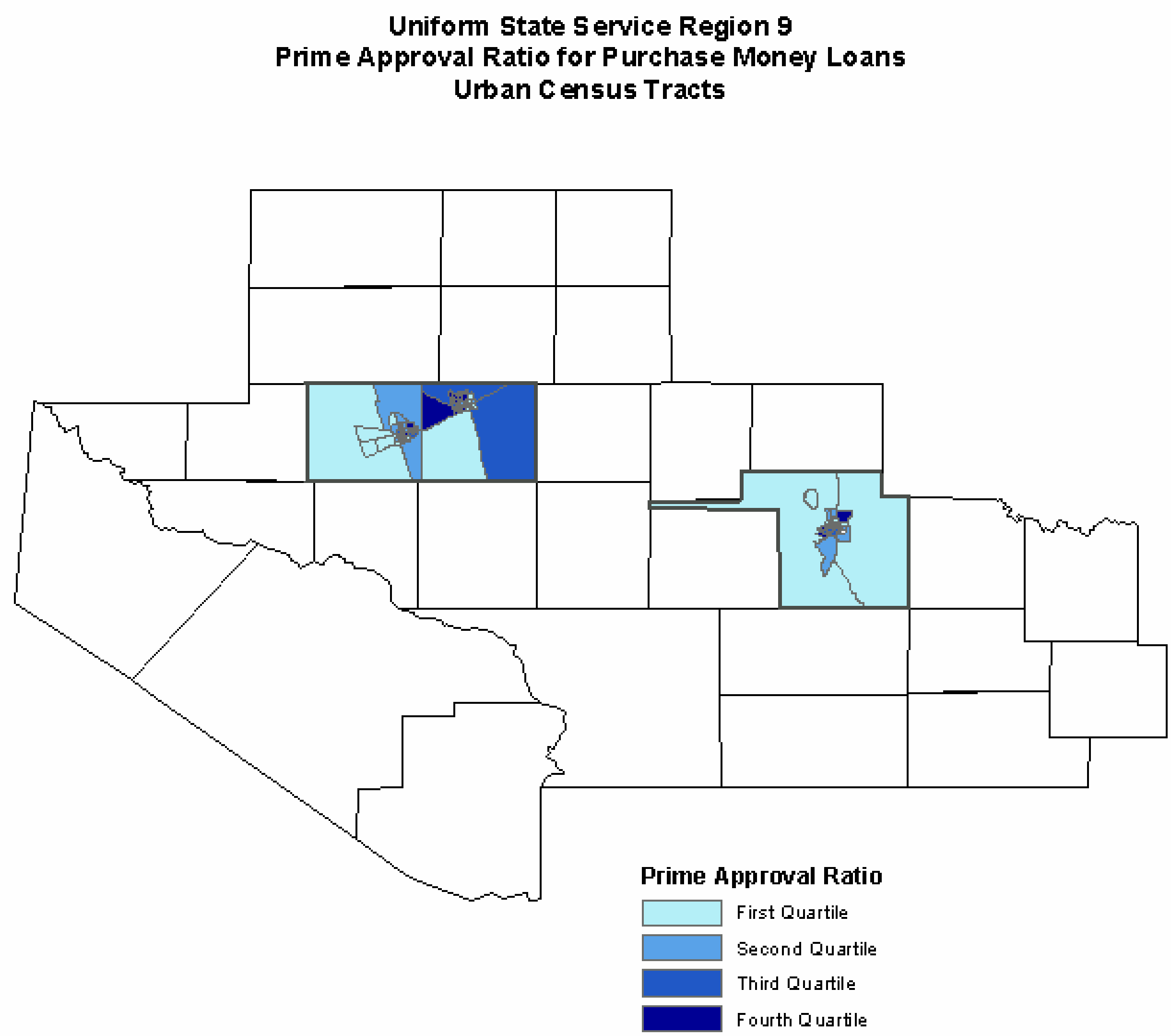

Uniform State Service Region 9
Odessa-Midland
San Angelo
Border Areas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

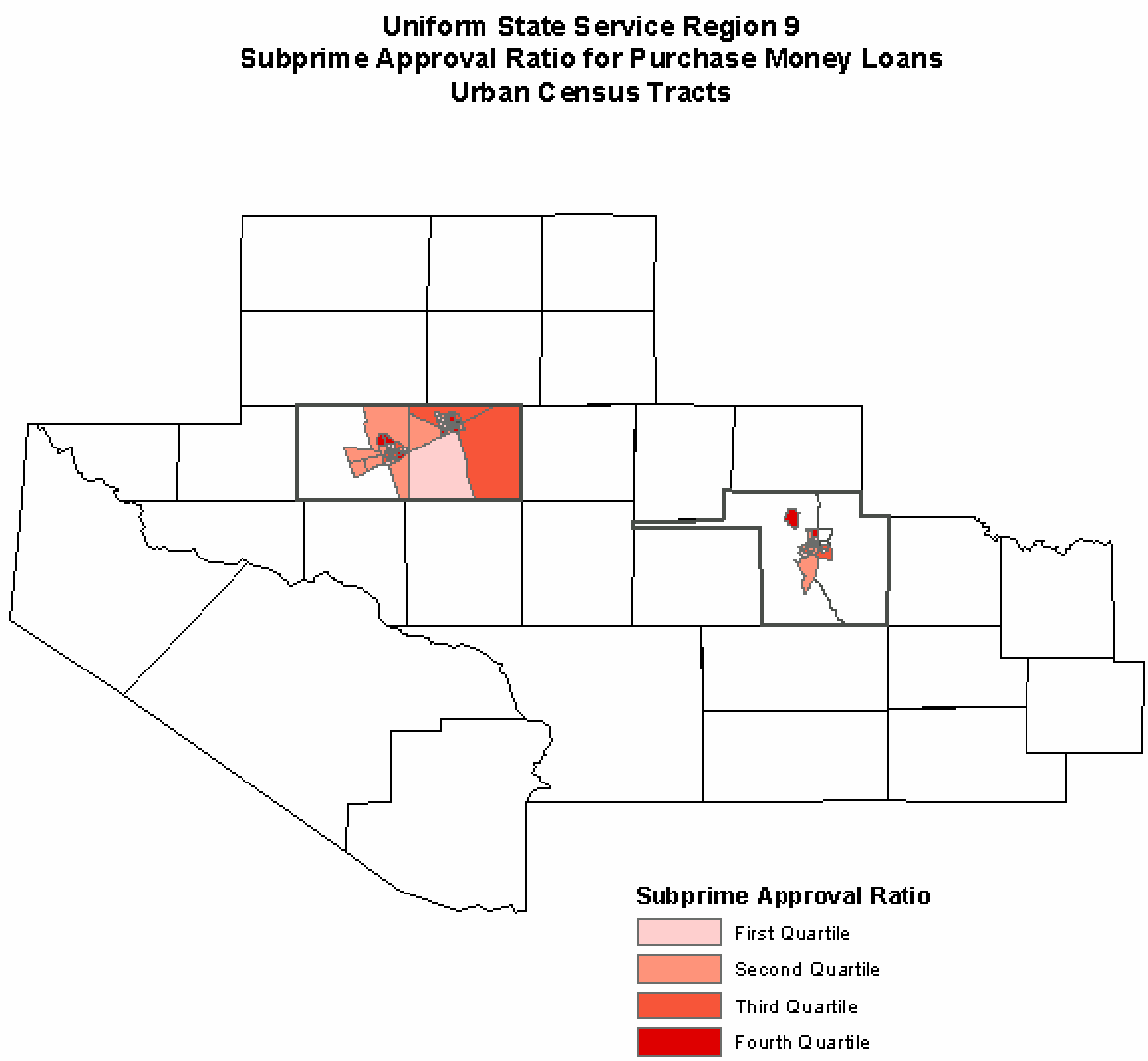

Uniform State Service Region 9
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

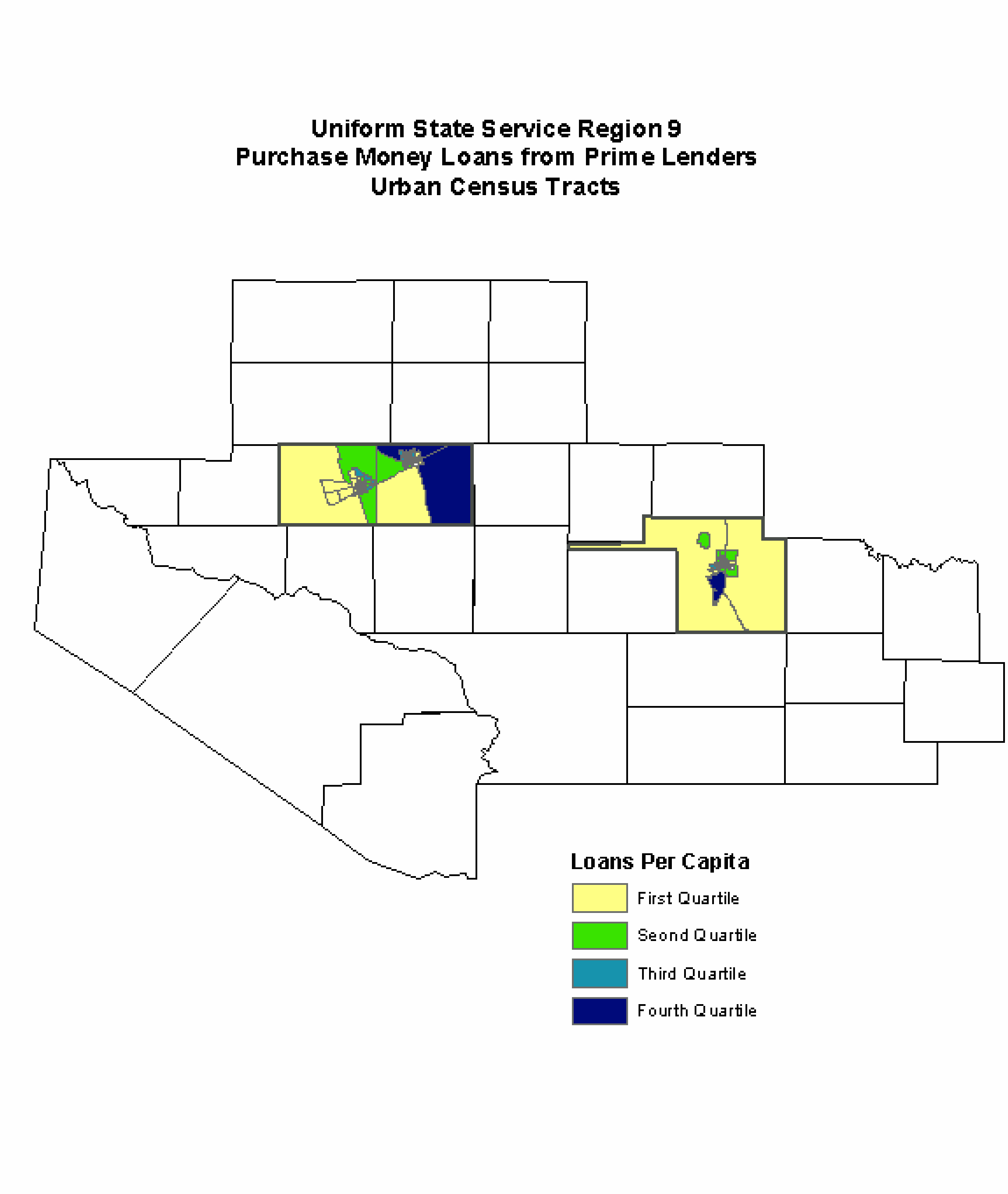

Uniform State Service Region 9
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

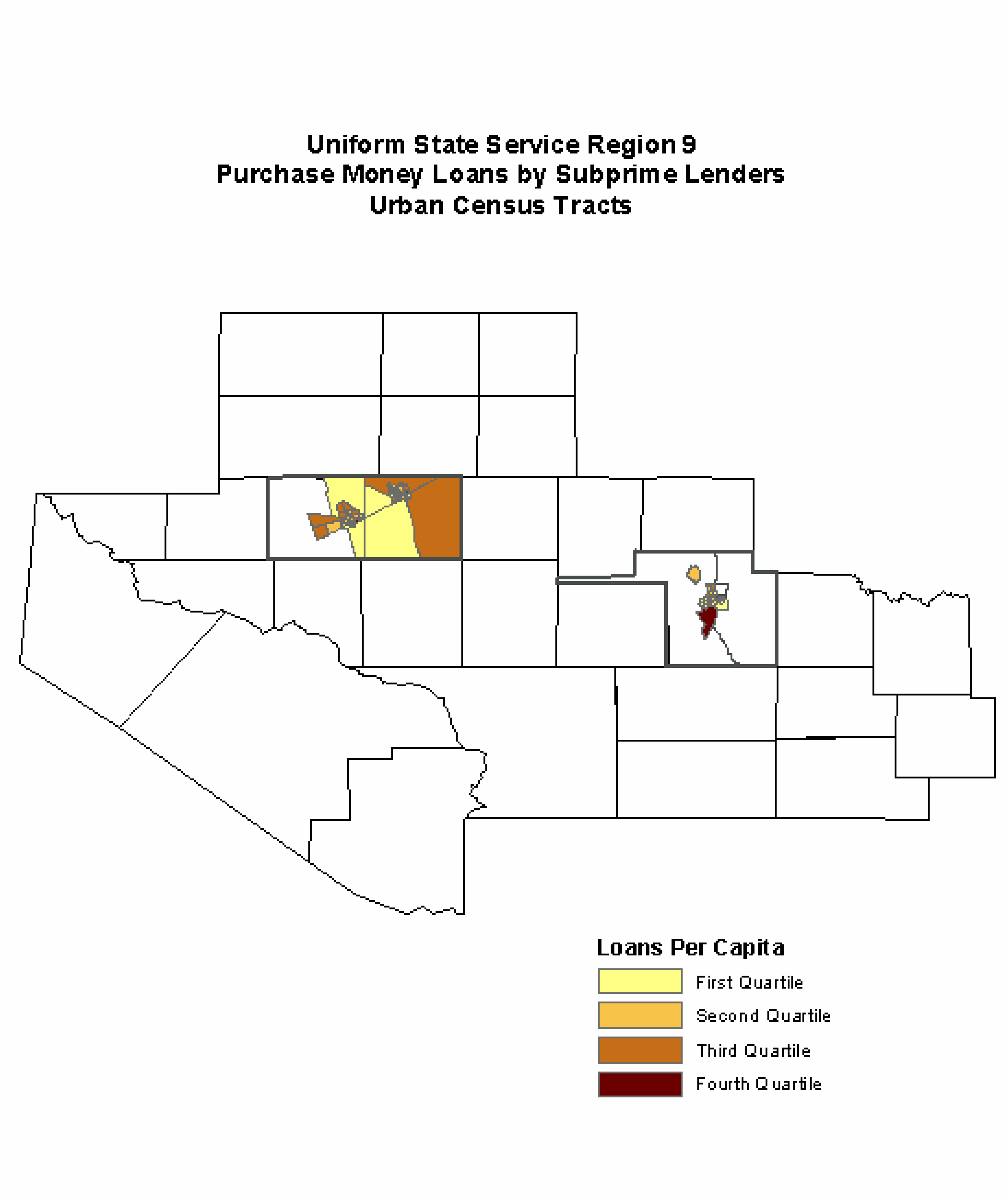

Uniform State Service Region 9
Homeownership Rates
Urban Census Tracts
Homeownership Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

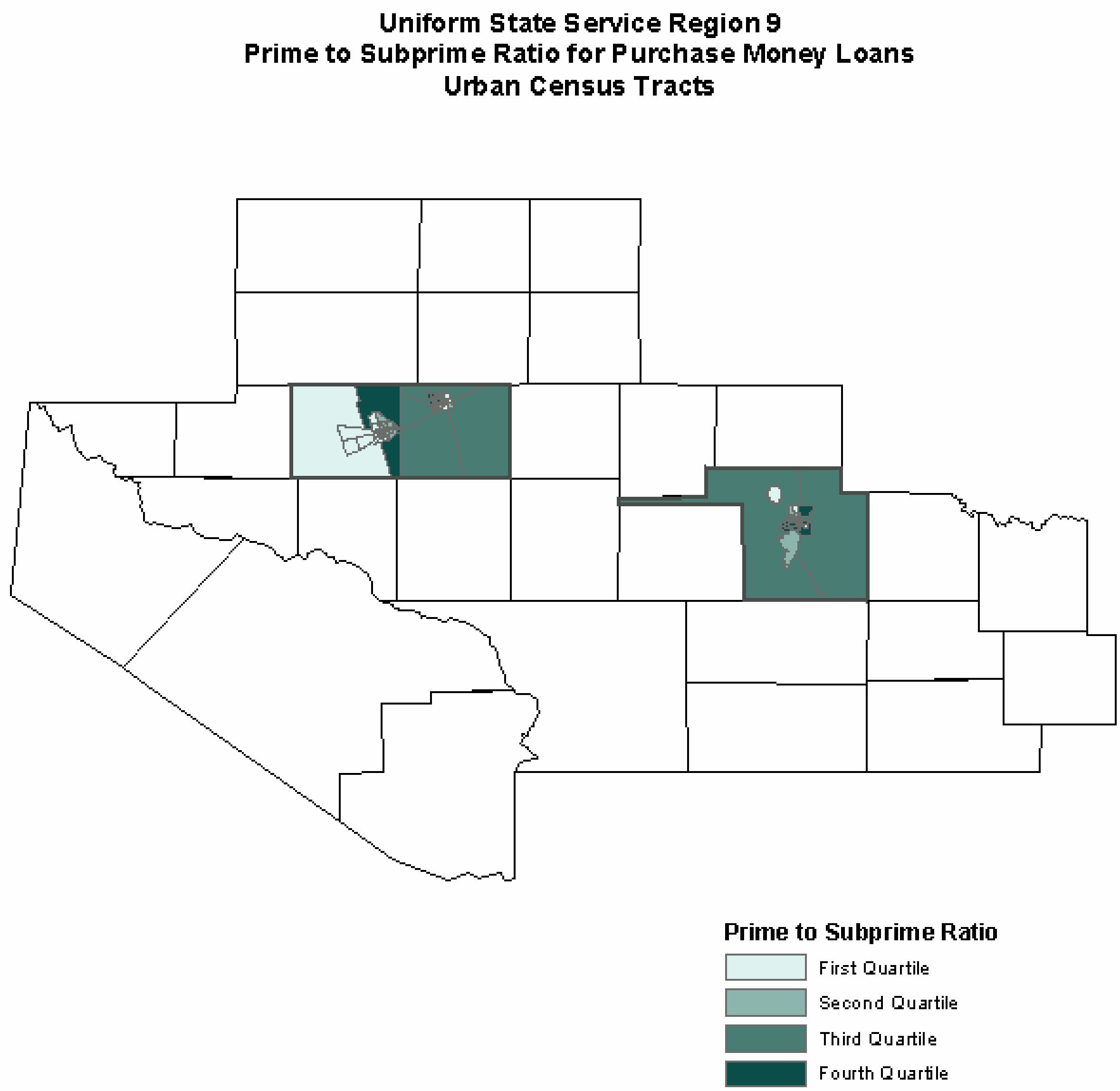

Uniform State Service Region 9
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

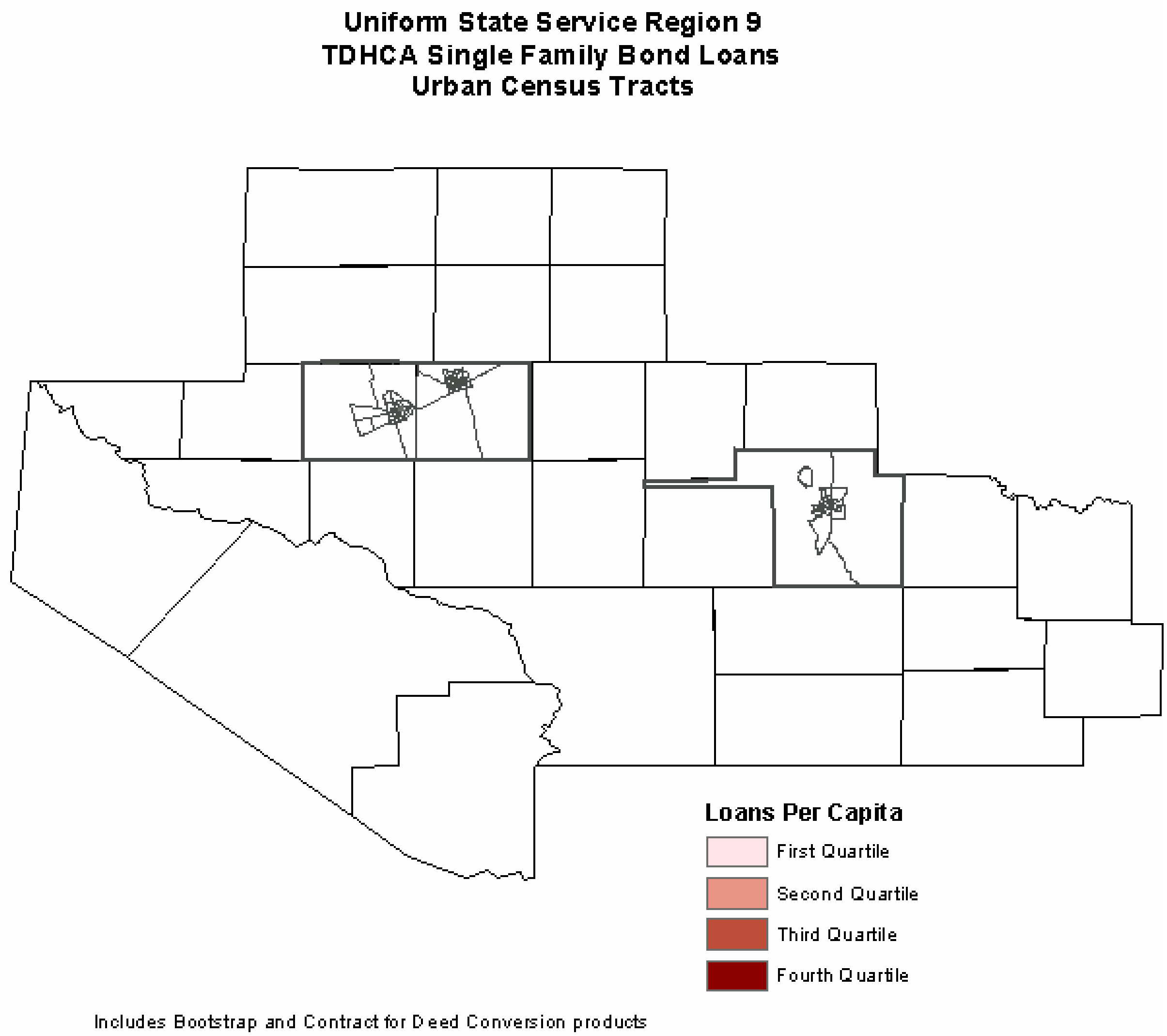

Uniform State Service Region 9
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 9
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 9
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 9
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 9
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 9
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

UNIFORM STATE SERVICE REGION 10

All of the counties in Region 10 are border counties; El Paso County is the only urban county. Within El Paso, there are 42 low-income census tracts.

The total population of the region is 704,318. More than 74 percent of the population is white; 3 percent is black; 0.8 percent is American Indian; 1 percent is Asian; 18 percent is some other race; and 3 percent is two or more races. Almost 78 percent of the population is of Hispanic heritage.

The average homeownership rate for the region is 64 percent. The homeownership rate in the low-income census tracts is 49 percent.

RURAL AREAS

The total rural population is 24,696. The county median income ranges from $22,300 to $39,100. Almost 26 percent of the population lives in poverty. More than 82 percent of the total population is white; 0.7 percent is black; 0.7 percent is American Indian; 0.3 percent is Asian; 14 percent is some other race; and 2 percent is two or more races. Almost 63 percent is of Hispanic or Latino heritage.

The rural homeownership rate is 64 percent. The average homeowner family spends 32 percent of their income on housing costs. A family making the median income can afford to purchase a home worth 1.7 times the median value.

Of the 12,125 housing units in rural Region 10, 65 percent are one-unit; 6 percent are 2 to 19 units; 3 percent are more than 20 units; 24 percent are mobile homes; and 1 percent are RVs, etc. The average age of the housing stock is 22 years old. Approximately 1.7 percent of the units lack complete plumbing facilities and 1.3 percent lack complete kitchen facilities.

Mortgage Lending

There are 64 lenders that reported making loans in 2000. Fourteen are subprime lenders and 7 are manufactured home lenders. Twelve lenders reported making non-conventional loans. There are 11 branches of FDIC-insured financial institutions in rural Region 10. There are 3 HFCs that service the area.

There is not enough data to analyze approval ratios in the area.

There were a total of 160 purchase and refinance originations in 2000. Seventy-nine percent were purchase loans and prime lenders originated 56 percent of those loans. Prime lenders closed a total of 89 purchase and refinance loans, $6.4 million or $260 per person. Subprime lenders closed 24 loans, or $1.5 million ($60 per person) and manufactured home lenders closed 47 loans. Sixty-seven percent of the loans from subprime lenders were refinances. There were 9.1 purchase money loans by prime lenders for each one by a subprime lender.

URBAN LOW-INCOME CENSUS TRACTS

There are 42 low-income census tracts in El Paso: 12 percent are extremely low-income; 26 percent are extremely low-income; and 62 percent are low-income. The total population of the urban low-income tracts is 243,270. Almost 76 percent of the population is white; 3 percent is black; 0.6 percent is American Indian; 0.4 percent is Asian; and 20 percent is some other race. More than 85 percent of the population is of Hispanic or Latino heritage.

The homeownership rate is 49 percent. An average family in the extremely low-income census tracts would have to spend 61 percent of their income on homeowner costs. A family in the very low-income tracts would spend 39 percent of their income; and a family in the low-income tracts would spend 27 percent of their income on housing costs.

There are 71,199 housing units in the urban low-income tracts of Region 10. Fifty-eight percent are one-unit; 18 percent are 2 to 19 units; 15 percent are more than 10 units; and 7 percent are mobile homes, RVs, etc. The average age of the housing is 30 years old. Over 3.1 percent lack complete kitchen facilities and 2.9 percent lack complete plumbing.

Mortgage Lending

There were 100 lenders that reported making loans in the year 2000. Thirty-one lenders are subprime lenders and 10 are manufactured home lenders. Twenty-nine lenders reported making non-conventional loans. There are 13 branches of FDIC-insured financial institutions in the low-income tracts of El Paso. The TDHCA participating-lender branches have closed 10 loans since 2000, or $497,598. There are 5 HFCs that service the area.

The approval: denial ratio for purchase money loans from prime lenders was 2.3, for subprime lenders it was 2.1. The main reasons for prime denial include credit history (50 percent) and debt to income (17 percent). The main reasons for subprime denial include debt to income (31 percent), other (19 percent), credit history (17 percent), and collateral (15 percent).

Lending institutions originated 1,254 purchase and refinance loans, or $58.6 million. Almost 65 percent of those loans were purchase loans and prime lenders closed 56 percent of the purchase money loans. Prime lenders originated a total of 618 purchase and refinance loans, or $32.7 million ($130 per person). Subprime lenders originated 354 loans, or $16 million ($70 per person) and manufactured home lenders originated 282 loans, or $9.8 million. Prime lenders closed 4.6 purchase money loans for each one by a subprime lender.

Prime lenders closed 1.3 percent of their purchase money loans in extremely low-income tracts, subprime lenders 1 percent. Prime lenders closed 17 percent of their loans in very low-income tracts, the same as subprime lenders. Prime lenders closed 82 percent of their loans in low-income tracts, and subprime lenders also closed 82 percent of their loans in the same census tracts.

Prime lenders reported race in 93 percent of the cases, subprime lenders 75 percent. White borrowers received 11 percent of the loans of prime lenders and 8 percent of the loans of subprime lenders. Black borrowers received 2 percent of the loans of prime lenders and 1 percent of the loans of subprime lenders. Hispanic borrowers received 86 percent of the loans of prime lenders and 90 percent of the loans of subprime lenders. American Indian borrowers received 0.2 percent of the loans of prime lenders and 0.4 percent of subprime lenders. Asian borrowers received 0.7 percent of the loans of prime borrowers. People of some other race received 0.5 percent of the loans of prime lenders and 0.7 percent of the loans of subprime lenders.

Colonia Census Tracts

There are 25 colonia census tracts in Region 10. The total population is 104,485. The median family income in 1990 was $19,260. Almost 77 percent of the total population is white; 0.7 percent is black; 0.2 percent is American Indian; 0.7 percent is Asian; and 22 percent is some other race. Almost 82 percent of the population is of Hispanic heritage.

The homeownership rate is 77 percent. The median value of the homes in 1990 was $43,500. A family making the median income could afford to purchase a home worth 1.2 times the median value.

There are 25,160 housing units in the colonia census tracts of Region 10. Less than 67 percent are one-unit; 5 percent are 2 to 9 units; 1 are over 10 units; and 25 percent are mobile homes, RVs etc. The average age of the housing is 18 years old. Almost 6 percent lack complete kitchen facilities and 7.6 percent lack complete plumbing facilities.

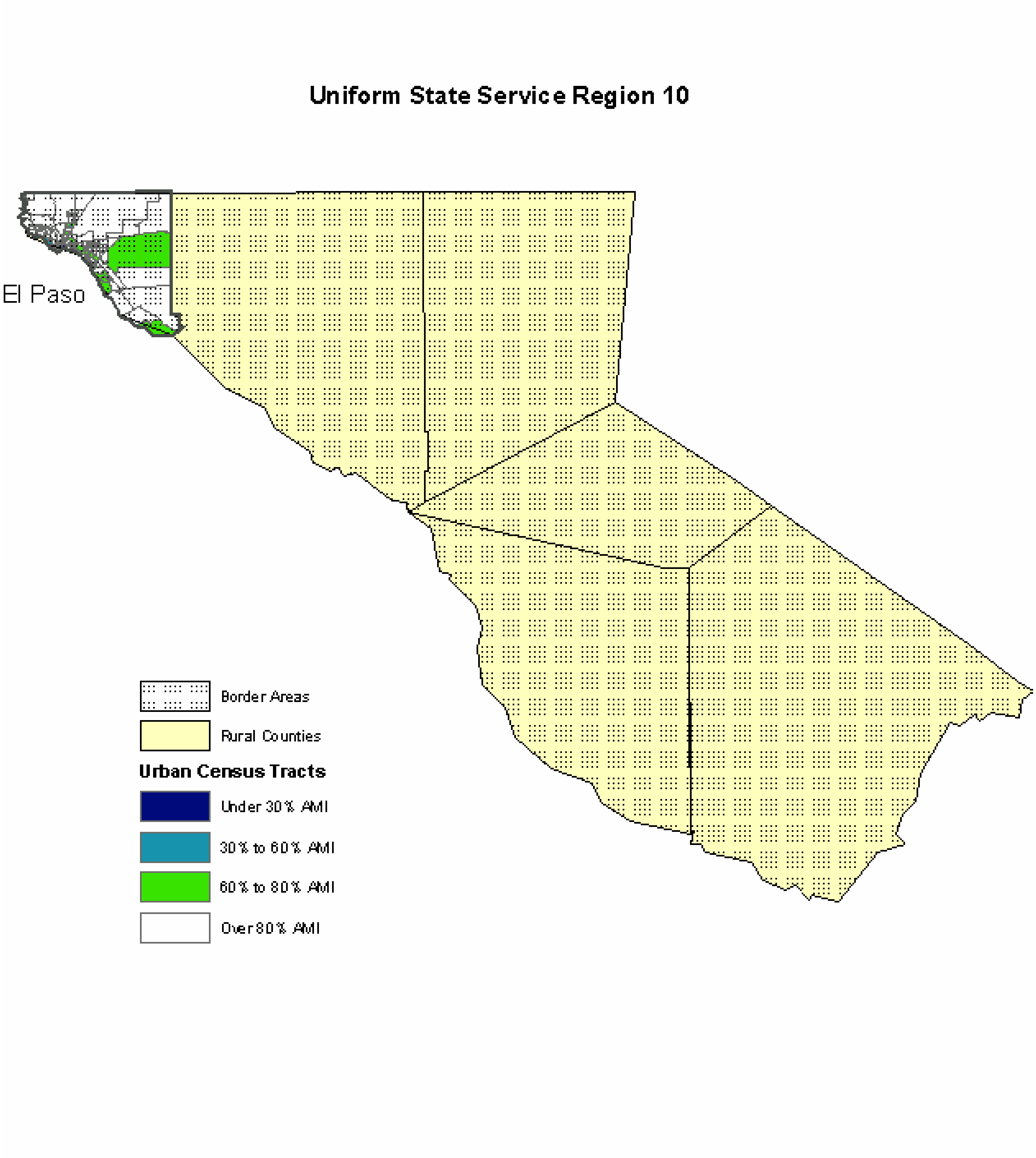
Mortgage Lending

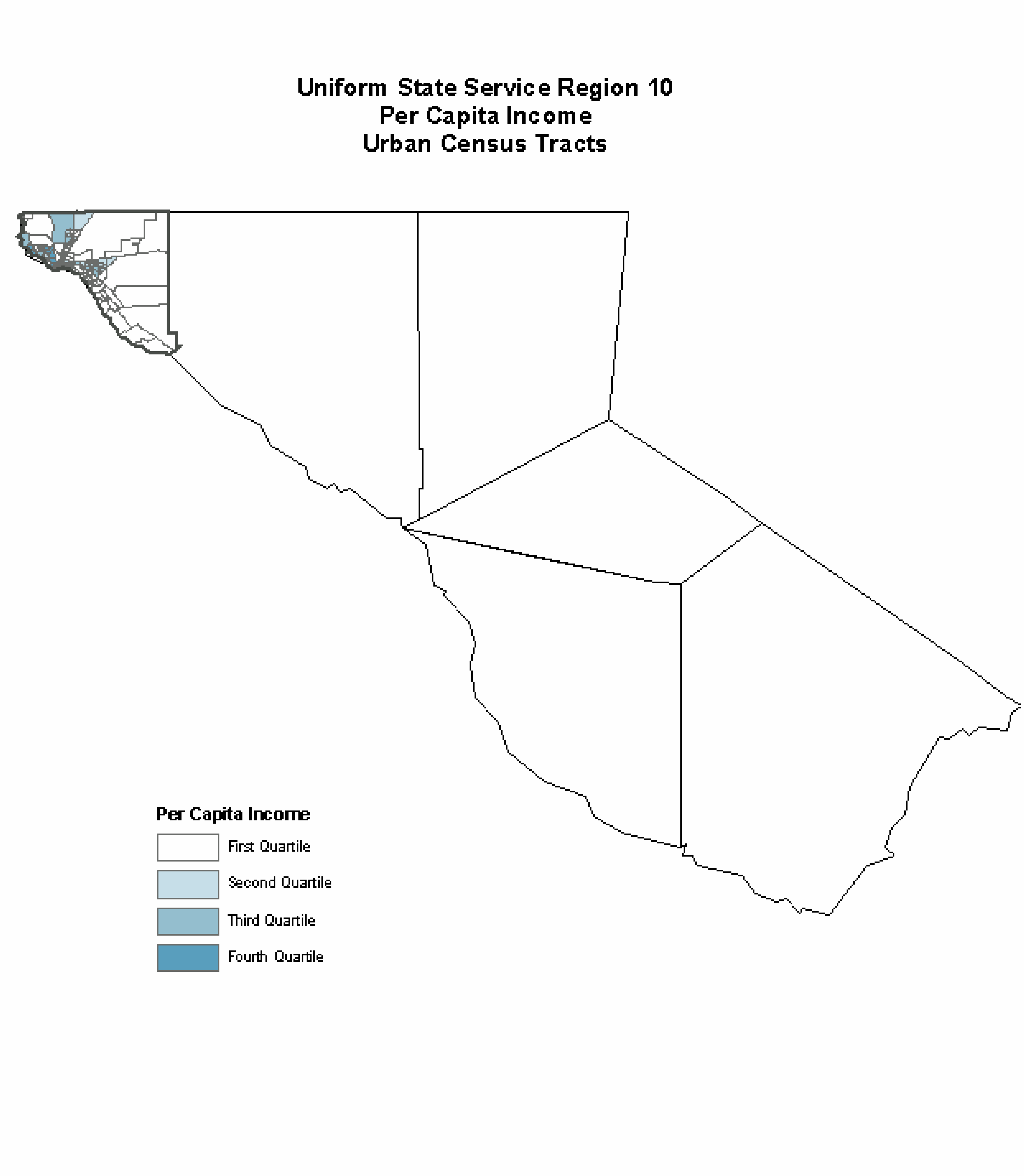
There are 142 lenders that reported making loans in 2000. Twenty-eight are subprime lenders and 9 are manufactured home lenders. Forty-five lenders reported making non-conventional loans in the area. The TDHCA participating lenders have closed 21 loans, or $1,310,041, since 2000. TDHCA has closed 92 Bootstrap and Contract for Deed Conversion loans, or $1,332,797. There are 3 to 5 HFCs that service the area.

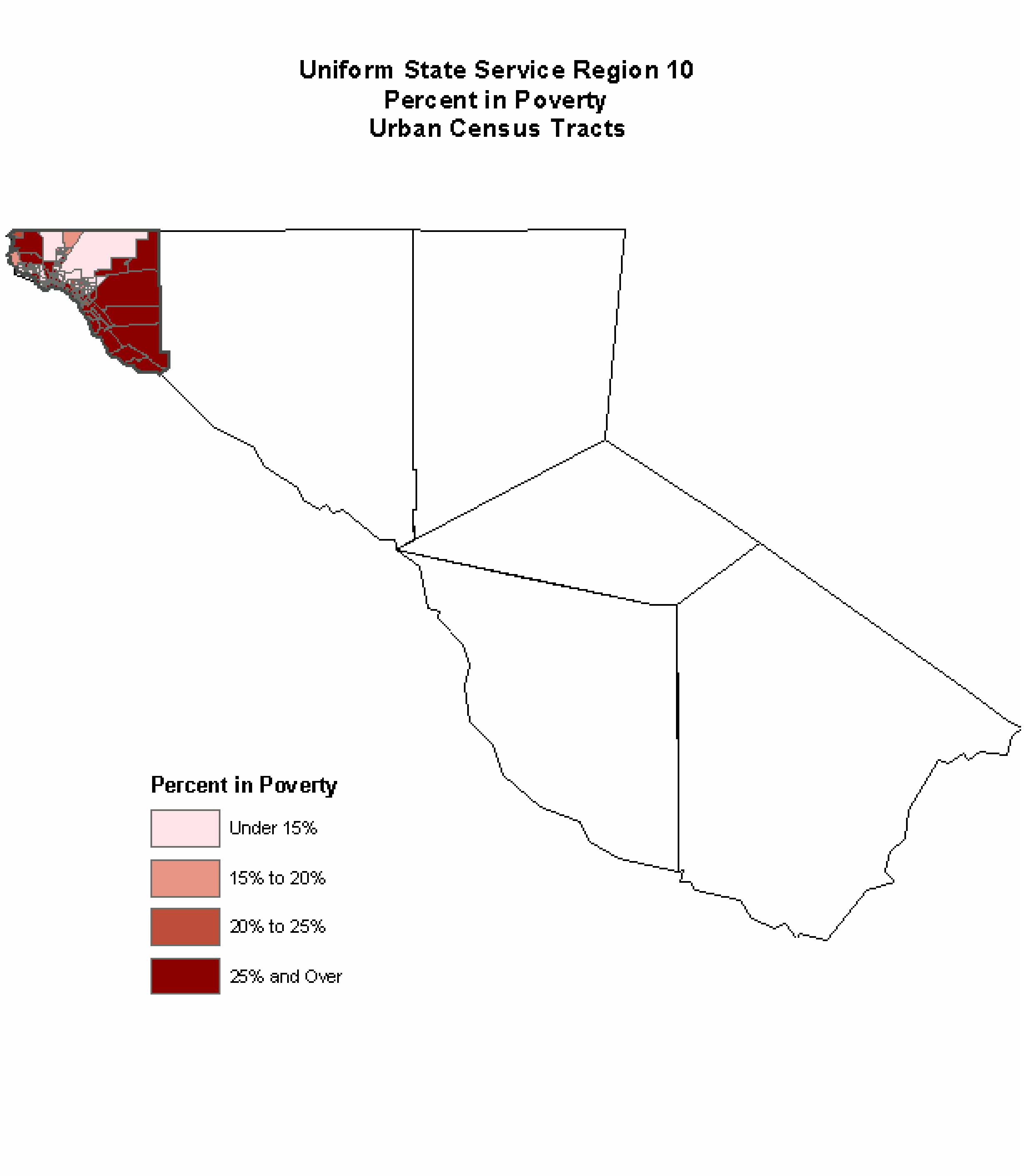
The approval to denial ratio for purchase money loans from prime lenders was 3.2, for subprime lenders it was 2.4. The main reasons for prime denial include credit history (40 percent), debt to income (21 percent), and other (28 percent). The main reasons for subprime denial include debt to income, credit history, and other (all 20 percent).

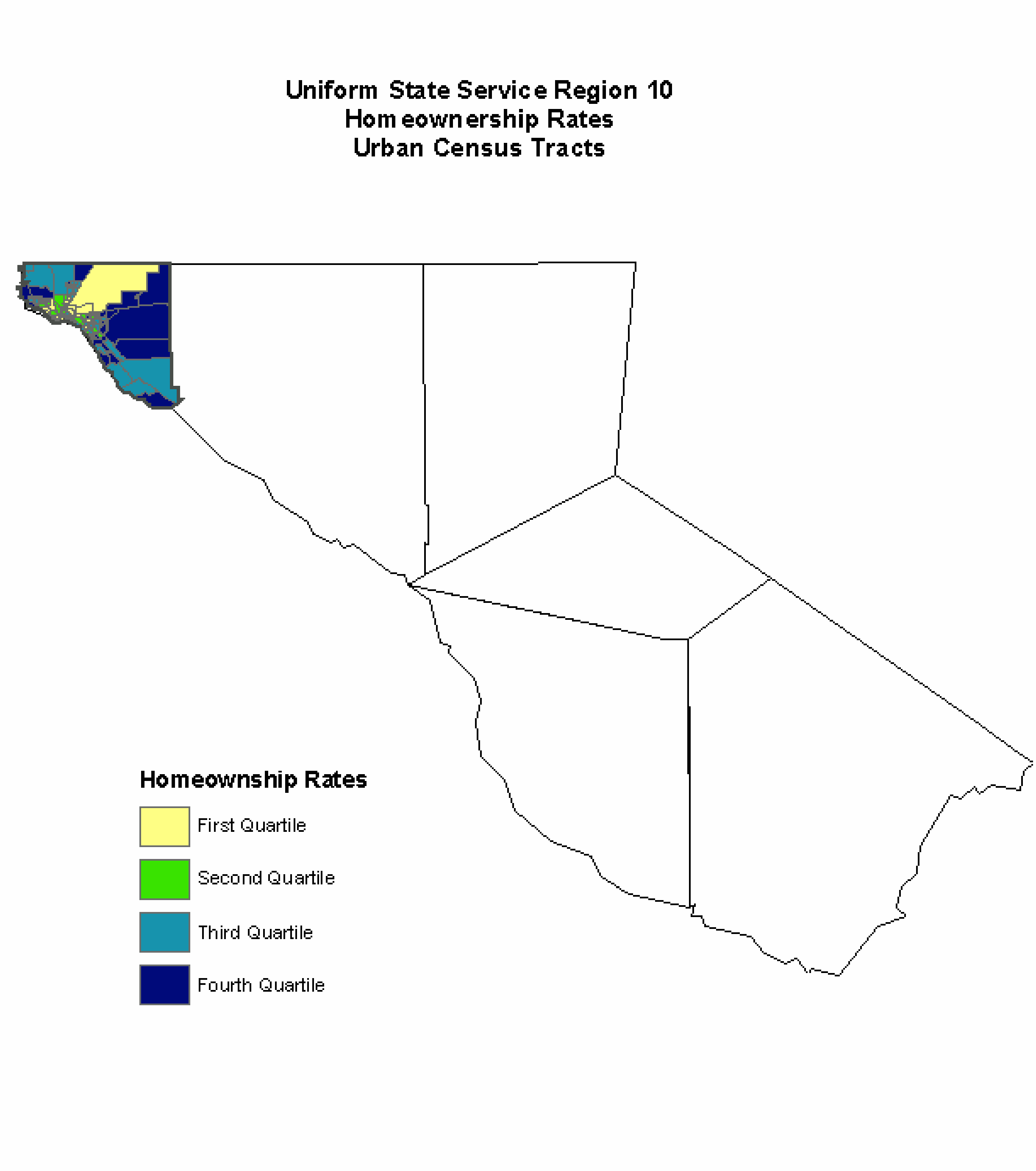
Lending institutions originated 2,925 purchase and refinance loans in the colonia census tracts of Region 10, or $266.1 million. More than 89 percent were purchase money mortgages and prime lenders originated 84 percent of the purchase loans. Prime lenders closed a total of 2,340 purchase and refinance loans, $196.4 million or $2,400 per person. Subprime lenders closed 266 loans, $17.8 million or $220 per person. Manufactured home lenders closed a total of 319 loans, or $11.9 million. Almost 54 percent of the loans by subprime lenders were refinances.

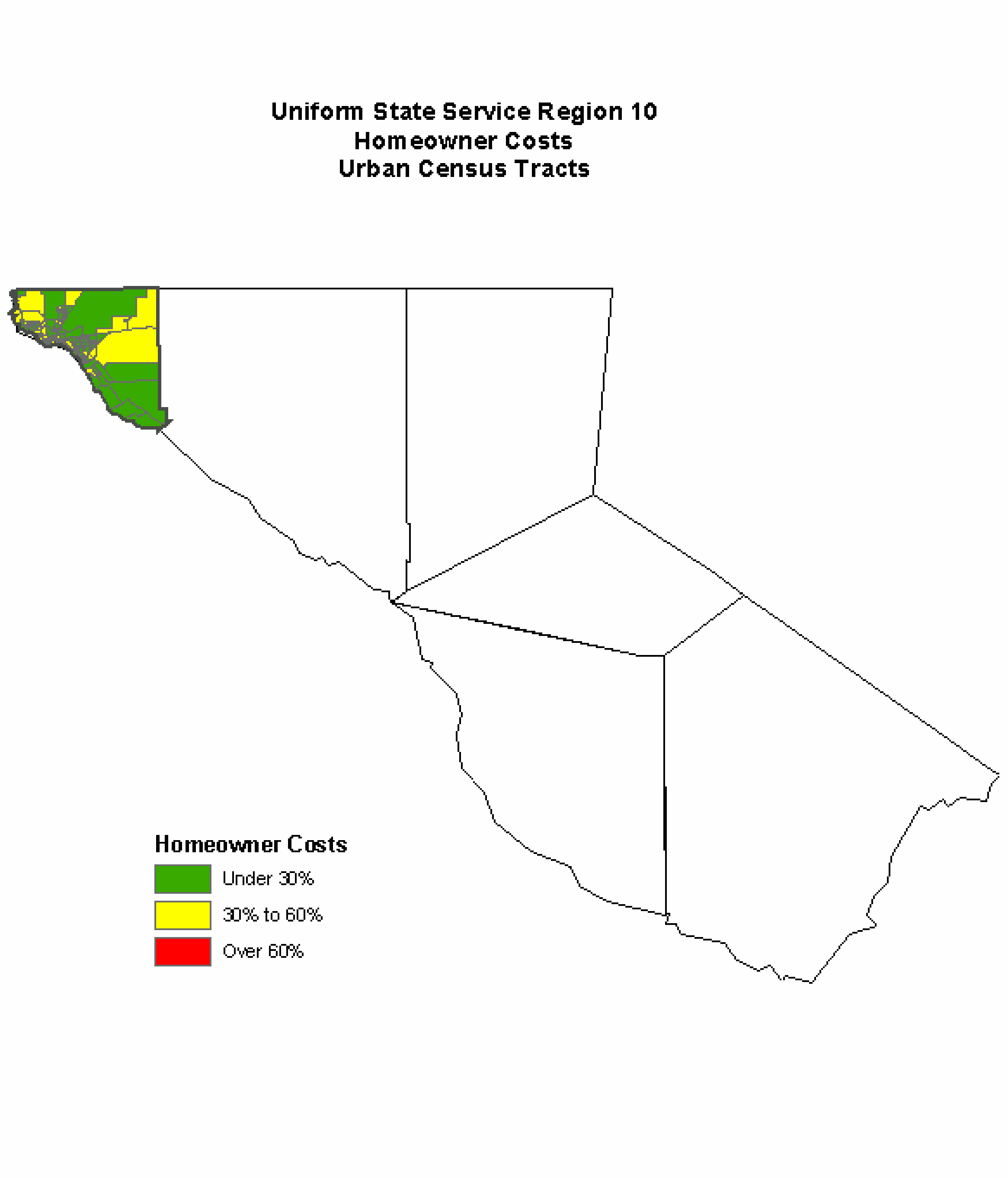
Prime lenders reported race in 92 percent of the cases, subprime lenders 82 percent. Prime lenders closed 23 percent of their loans with white borrowers; 2 percent with black borrowers; 73 percent with Hispanic borrowers; 0.4 percent with American Indian borrowers; 0.9 percent with Asian borrowers; and 1 percent with people of some other race. Subprime lenders closed 12 percent of their loans with white borrowers; 3 percent with black borrowers; 85 percent with Hispanic borrowers; and 0.5 percent with Asian borrowers.

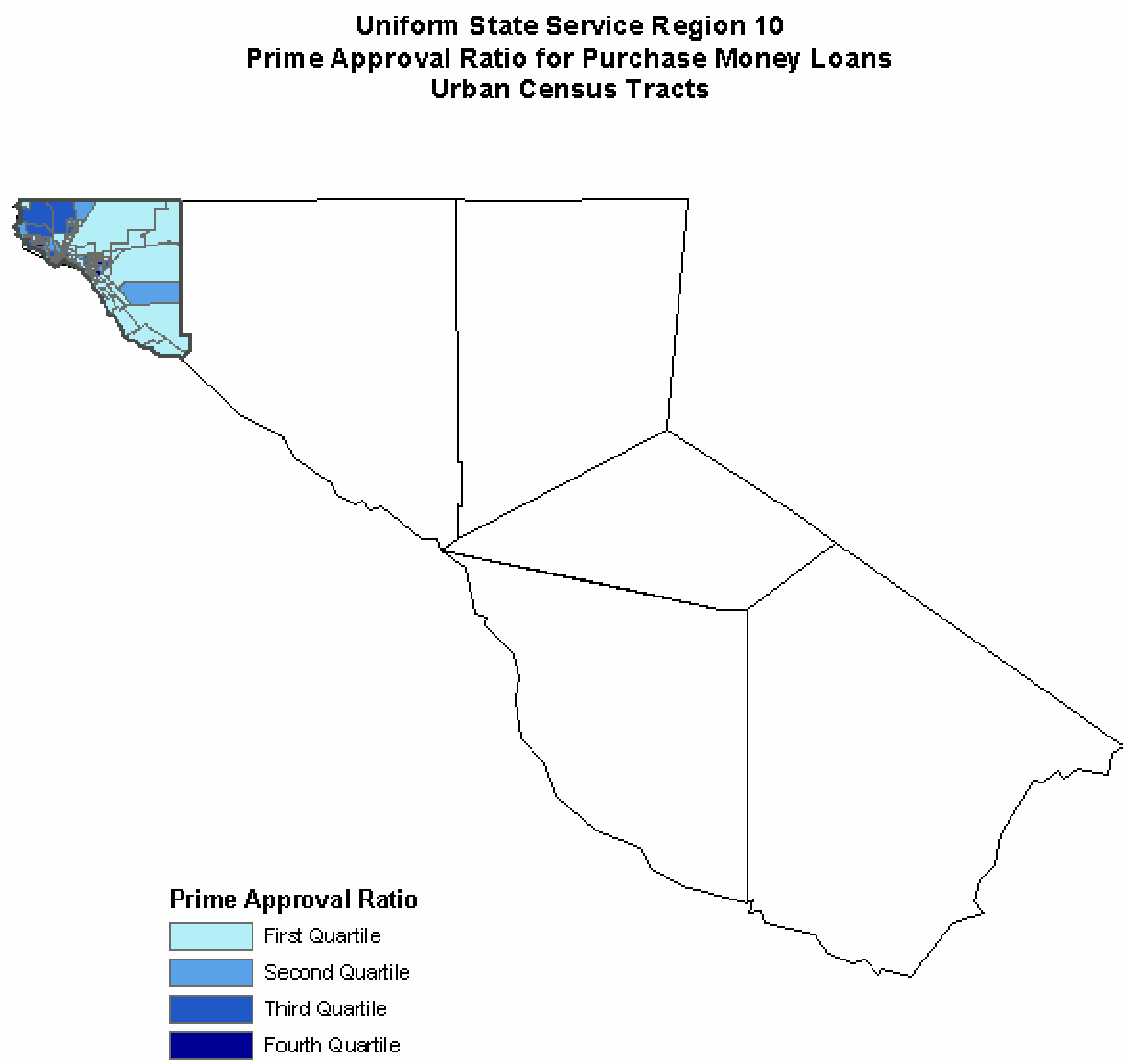

Uniform State Service Region 10
El Paso
Border Areas
Rural Counties
Urban Census Tracts
Under 30% AMI
30% to 60% AMI
60% to 80% AMI
Over 80% AMI

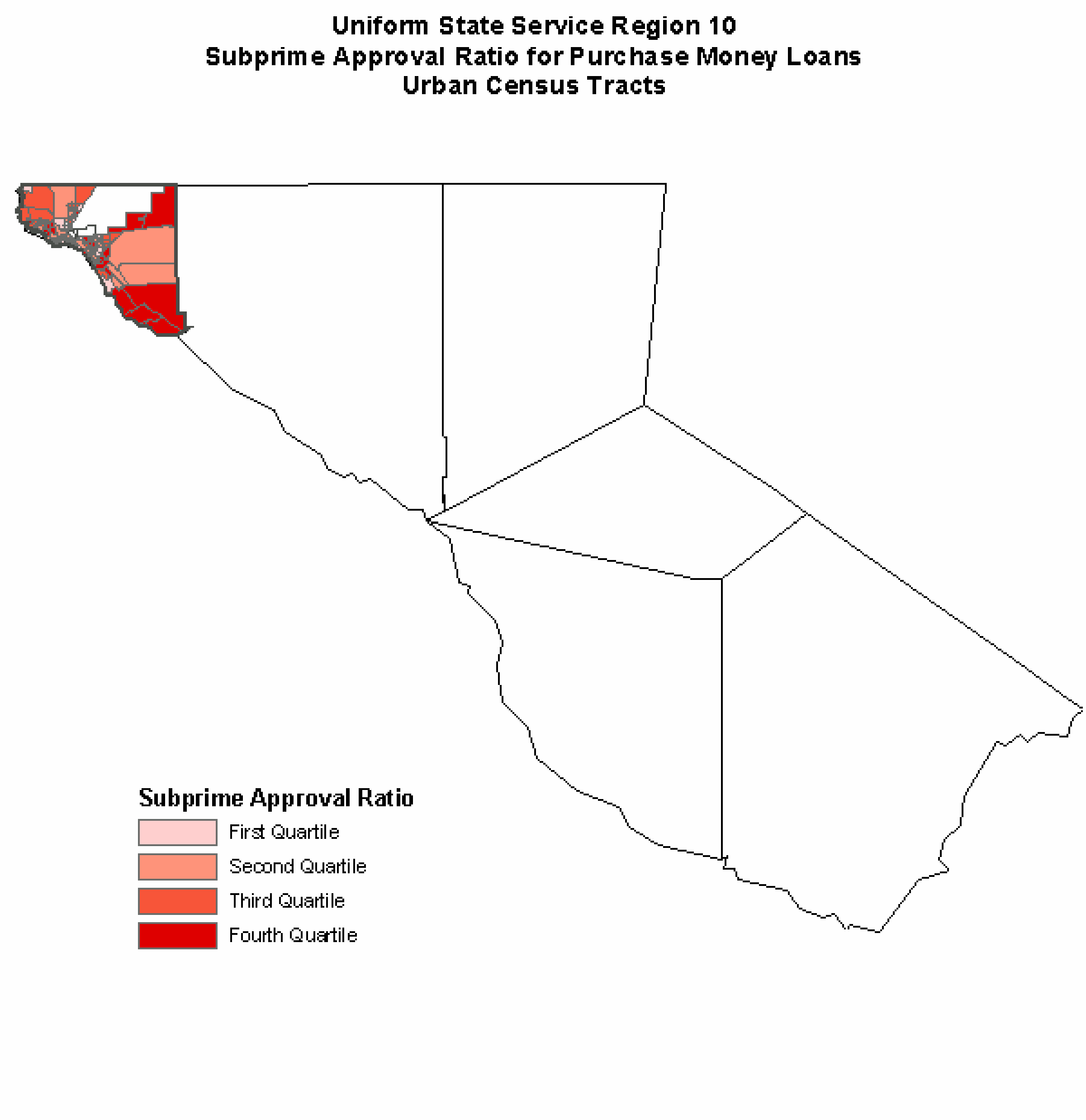

Uniform State Service Region 10
Per Capita Income
Urban Census Tracts
Per Capita Income
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

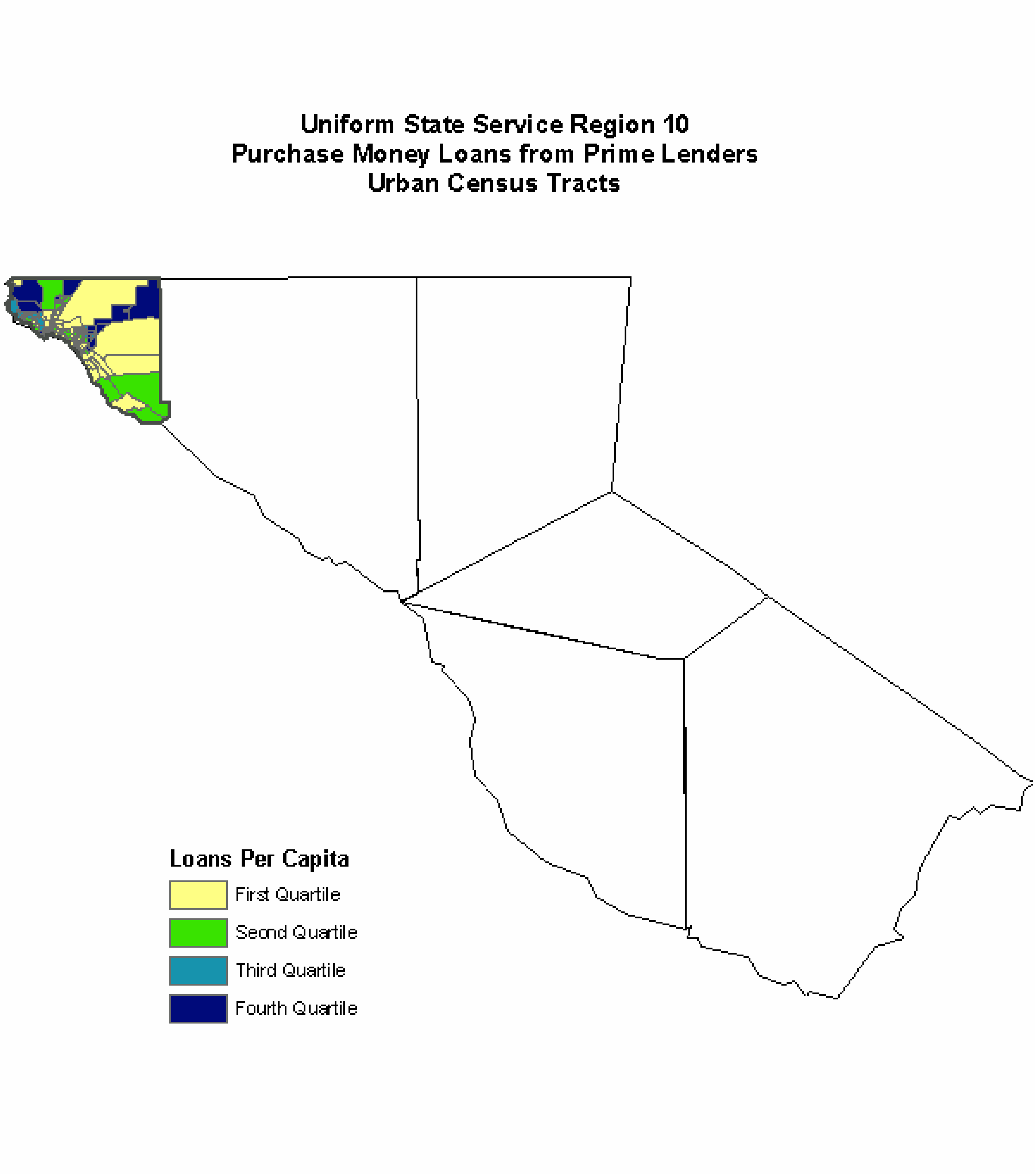

Uniform State Service Region 10
Percent in Poverty
Urban Census Tracts
Percent in Poverty
Under 15%
15% to 20%
20% to 25%
25% and Over

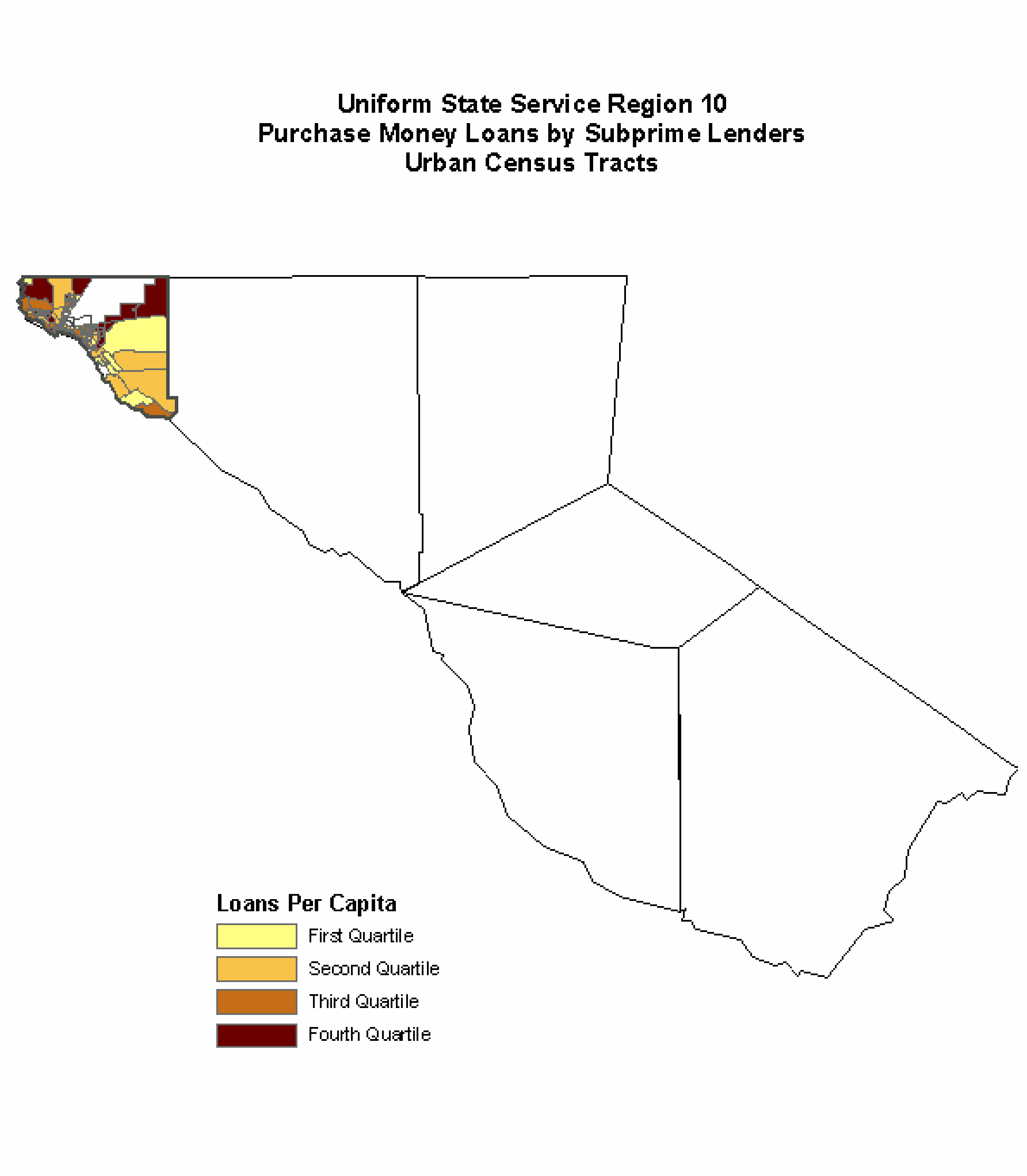

Uniform State Service Region 10
Homeownership Rates
Urban Census Tracts
Homeownship Rates
First Quartile
Second Quartile
Third Quartile
Fourth Quartile

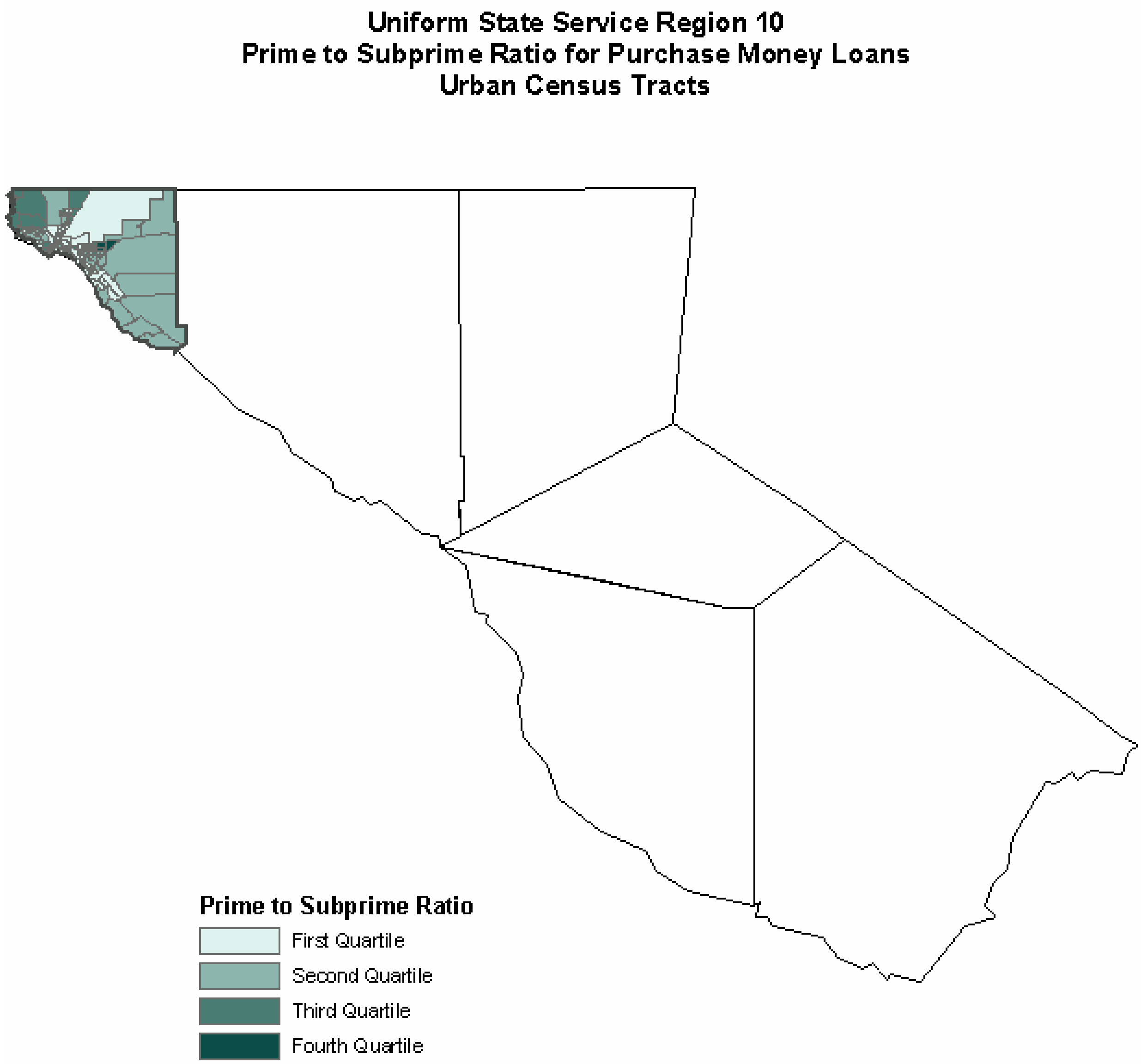

Uniform State Service Region 10
Homeowner Costs
Urban Census Tracts
Homeowner Costs
Under 30%
30% to 60%
Over 60%

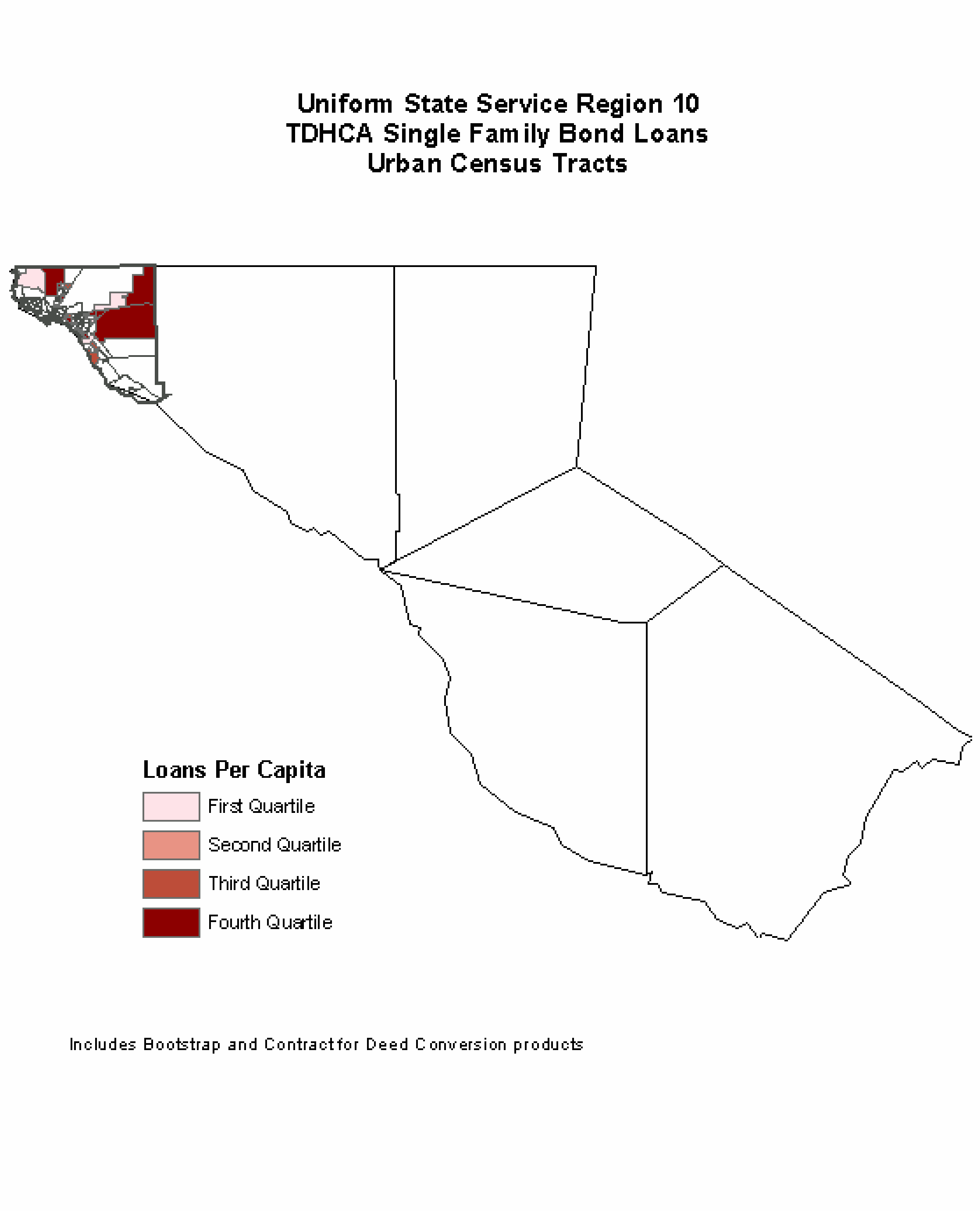

Uniform State Service Region 10
Prime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Prime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 10
Subprime Approval Ratio for Purchase Money Loans
Urban Census Tracts
Subprime Approval Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 10
Purchase Money Loans from Prime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Seond Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 10
Purchase Money Loans by Subprime Lenders
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 10
Prime to Subprime Ratio for Purchase Money Loans
Urban Census Tracts
Prime to Subprime Ratio
First Quartile
Second Quartile
Third Quartile
Fourth Quartile


Uniform State Service Region 10
TDHCA Single Family Bond Loans
Urban Census Tracts
Loans Per Capita
First Quartile
Second Quartile
Third Quartile
Fourth Quartile
Includes Bootstrap and Contract for Deed Conversion products

TRENDS IN HOUSING AND MORTGAGE LENDING

Homeownership rates are lowest among the urban low-income census tracts. Rural homeownership rates are the highest at 75 percent, followed by colonia census tracts. Border homeownership rates are slightly higher than the state rate of 64 percent. The highest percentage of one-unit housing is found in the rural areas, and the lowest percentage is in the urban low-income tracts. The rural counties and the colonia census tracts have the highest percentage of mobile homes. The colonia census tracts have the highest percentage of incomplete plumbing and kitchen facilities, 4.3 percent and 6.5 percent. One point three percent of urban low-income tracts have incomplete plumbing and kitchen facilities; 1.1 percent of border area housing units have incomplete plumbing and 0.9 percent has incomplete kitchen facilities. In the rural areas, 0.9 percent has incomplete plumbing and 0.8 percent has incomplete kitchen facilities, slightly higher than the state average of 0.7 percent each.

The approval to denial ratio for purchase loans in the state of Texas is 7.4 for prime lenders. The border areas have the highest approval ratio from prime lenders at 5.5; however the colonia census tracts have the lowest, 2.8. Potential borrowers living in urban low-income census tracts have an approval ratio of 4.8, and rural borrowers 3.6. Border areas also enjoy the highest approval ratio from subprime lenders, 2.4, higher than the state rate of 2.0. The subprime approval ratio in the colonia census tracts is second at 1.9, followed by the rural ratio and the urban low-income ratio, both 1.6. The main reasons for denial by prime lenders according to the HMDA data are credit history and debt to income. The major reasons for subprime denial in all of the study areas are credit history and some other reason not listed.

The number of HMDA reporters per capita can indicate loan availability and lender diversity. The number of reporters per 10,000 residents is highest in the colonia census tracts for all types of institutions; prime, subprime, manufactured home, and non-conventional lenders. The amount of loans per person is not high, offering the explanation that there is the same dollar amount of loans per person as in other submarkets, but there are more institutions making those loans. Another consideration is that the colonias, very small geographic areas, are located within census tracts that are economically diverse and densely populated. This part of the colonia census tract analysis may actually reflect the characteristics of the census tracts, rather than the small colonias within the census tracts. Rural areas have the second highest number of lenders per capita, followed by urban low-income tracts and border areas. Rural, urban low-income tracts and border areas have about the same number of subprime reporters per capita.

Prime and subprime institutions lend in areas of dense population, in the urban areas of the state. Prime lenders exhibit more of a tendency to lend in urbanized areas, the prime to subprime ratio is lowest along the border and in the rural areas of the western part of the state. In the study areas, the border counties receive the highest purchase money loan volume per person from prime lenders; followed by the urban low-income census tracts; the colonia census tracts; and the rural areas. The rural counties also receive the lowest subprime loan volume per person. The urban low-income tracts and the border areas both receive an equal amount and the colonia census tracts receive a slightly lower amount per person. Manufactured home lender volume is concentrated in the rural areas, as to be expected.

Prime lenders originate more of their urban low-income loans in low-income census tracts (median income between 60 and 80 percent of area median income) than subprime lenders. Almost 71 percent of the loans from prime lenders come from low-income tracts, for subprime lenders the percentage is 68.4. Subprime lenders close more of their loans in very low-income tracts (median income between 30 and 60 percent of area median income) than prime lenders; 30.4 percent and 27.4 percent. Prime lenders close a slightly higher percentage of their loans in extremely low-income tracts (median income less than or equal to 30 percent of area median income) than subprime lenders; 1.6 percent and 1.3 percent.

CONCLUSIONS

The Texas Department of Housing and Community Affairs finds the following general conclusions:

- Rural areas have a 75 percent homeownership rate compared to 66.1 percent for metro areas.
- Nationally, 16.8 percent of owners in rural areas had mortgage interest rates over 10 percent; nearly double the percentage in metro areas.
- Over 20 percent of the homes in rural areas are mobile homes in Regions 3, 5, 8A, and 10.
- Pre-purchase homebuyer education dramatically reduces the likelihood of loan delinquency risk.
- Many victims of predatory lending are uneducated with regard to basic financing and loan terms.
- Subprime lending tends to flourish in low-income areas that may not be adequately served by traditional lenders and where borrowers may be unfamiliar with available mortgage products.
- In some markets, it is estimated that between 35 percent and 50 percent of prime-rate-qualified borrowers are receiving subprime loans as a result of lack of financial lending knowledge and/or aggressive sales tactics. Therefore, homebuyer education can dramatically minimize the possibility that a prime borrower will receive a subprime loan when in fact they qualify for traditional prime market lending products.
- The Department acknowledges that the lack of down payment funds is a significant barrier to homeownership. According to the available HMDA data, the main obstacle to receiving credit from both prime and subprime lenders in both urban and rural areas is poor credit history and insufficient debt-to-income ratios.
- Although the rural areas are being served by local housing finance corporations and other prime and subprime lenders, only 14 of the 294 participating branch lenders in TDHCA's single family bond program are located in rural areas. However, over 34.4 percent of TDHCA branch lenders are located in the border areas.
- Because subprime and manufactured housing borrowers may have a lack of down payment funds, poor credit histories and insufficient qualifying ratios, TDHCA may market an appropriate product in those areas that have a high preponderance of subprime and manufactured home lenders. TDHCA has recently introduced Fannie Mae's Expanded Approval product as a first step in entering this market. The Fannie Mae Expanded Approval product enables borrowers who have minor credit problems access mortgage credit; these borrowers would have otherwise been unable to obtain mortgage loans through the existing single-family bond product. In general, the product serves borrowers with A- credit. As part of the marketing plan for the Expanded Approval product, TDHCA held a press conference with Fannie Mae representatives and interested legislative parties to publicize the product. The Department intends to produce a video of the news conference that includes quotes from department representatives that will be distributed to approximately 200 television stations across the state. The Department is also negotiating the placement of public service announcements on radio stations across the state.

Based on the results of the market study, TDHCA will direct its single-family mortgage loan efforts according to the volume and type of mortgage products originated throughout the various Texas regions. TDHCA will focus several of its products and services to geographic regions identified with high concentrations of subprime loans. Such products will include homebuyer and credit education, subprime purchase loans, and subprime refinancing loans. Given those trends, TDHCA will initiate several additional strategies:

- Consistent with national priorities articulated by the President of the United States and the US Department of Housing and Urban Development, TDHCA believes that education prior to the purchase of a home can increase homeownership rates and improve prospects for successful homeownership. TDHCA will continue to market homebuyer education with the new product. The department sends consumers seeking homebuyer assistance area-specific education providers.
- TDHCA will continue to market homebuyer education with the new product. All information packets sent out contain a list of homebuyer education providers in the area as well as a brochure on the department's First Time Homebuyer program.
- TDHCA will continue to encourage the Housing Finance Corporations across the state to include homebuyer education counselors on staff that are trained through the department's homebuyer education program.
- TDHCA will investigate including educational materials specific to predatory and subprime lending to be incorporated with the marketing of this new product.
- TDHCA will allocate at least 10 percent of its total single-family mortgage revenue bond loan volume for subprime loans to meet the credit needs of borrowers in underserved economic and geographic submarkets. This figure has been derived from statistics that demonstrate that 10 percent of the single-family owner-occupied home mortgage market is attributed to subprime lenders and the fact that subprime issues are costlier than prime issues. For these reasons, TDHCA has elected to make a cautious entrance into this market with a minimum 10 percent offering.
- Of the total 10 percent owner-occupied subprime loan allocation, the Department proposes that 46 percent be allocated for home purchase and 54 percent be allocated for refinance purposes. These percentages are consistent with the subprime mortgage loan figures reported in the analysis.
- TDHCA will offer subprime *purchase* mortgage loans in Regions 3, 6, 7, and 8A. According to the market study, these regions had the highest rates of subprime purchase mortgage loans in Texas in 2000.
- TDHCA will offer subprime *refinance* mortgage loans in all Regions of Texas. According to the market study, approximately one-third of all refinance mortgage loans were subprime refinance mortgage loans throughout all Texas regions.
- Within the purchase and refinance categories, TDHCA will further target the loans geographically e.g., rural, urban low-income tracts, and border. The successful origination of subprime mortgage loan products is highly contingent upon effective and timely product marketing. Marketing of previous bond products to rural lenders has been challenging in the past. An investment in radio advertisements in several East Texas markets did not produce the expected volume of loans. Face-

to-face marketing meetings with rural lenders in less-populated areas also did not produce expected results. TDHCA single-family bond program participating lenders must meet several requirements, including the presence of a mortgage warehouse line and a mortgage-lending department with an experienced underwriter familiar with mortgage lending. These requirements have been a challenge in locating participating rural lenders.

The offering of subprime mortgage loans will require further research and development into three credit-enhancement options. TDHCA will attempt to structure subprime and purchase loans using Fannie Mae and Freddie Mac guarantees, which assume the full risk of the loan. It should be noted that based on TDHCA's recent experience with Expanded Approval loans, securitizing subprime "A-" through a GSE has significant credit enhancement costs. If this structure proves to be uneconomical or unfeasible, then TDHCA will look to bond structures secured by whole loans and the last two options: internal or external credit enhancement. With regard to internal credit enhancement, rating agencies require additional Loss Coverage Reserves (LCRs) to compensate for the additional risk with subprime loans. Rating agencies calculate these reserves using factors that include loan-to-value, foreclosure frequency, foreclosure costs, property market value decline, geographic concentration, and type of dwelling. If TDHCA were to utilize this method, the Department would need to use lower loan-to-value ratios in order to minimize the LCR required. In addition, the lower the mortgage credit grade, the greater the LCR. The LCRs make structuring a whole-loan, non-securitized bond transaction more difficult and costly. External credit enhancement involves TDHCA obtaining bond insurance, or insurance for the loans, through an external provider such as the Mortgage Guaranty Insurance Corporation, and includes significant costs as well. In any event, if bonds secured by subprime loans are unfeasible or would damage the financial condition of TDHCA, TDHCA's Board may formally appeal to the Bond Review Board for modification or waiver of certain terms.

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APPENDIX A

METHODOLOGY

The first step in the underserved areas market study is to identify the study areas: rural areas of the state, border areas and low-income census tracts. A rural county is a county outside the boundaries of a primary metropolitan statistical area (PMSA) or a metropolitan statistical area (MSA). Rural areas in Texas include the following 196 counties and FIPS codes (Federal Information Processing Standards):

Table 1: Rural Counties in Texas

County Name	FIPS Code
Anderson County	48001
Andrews County	48003
Angelina County	48005
Aransas County	48007
Armstrong County	48011
Atascosa County	48013
Austin County	48015
Bailey County	48017
Bandera County	48019
Baylor County	48023
Bee County	48025
Blanco County	48031
Borden County	48033
Bosque County	48035
Brewster County	48043
Briscoe County	48045
Brooks County	48047
Brown County	48049
Burleson County	48051
Burnet County	48053
Calhoun County	48057
Callahan County	48059
Camp County	48063
Carson County	48065
Cass County	48067
Castro County	48069
Cherokee County	48073
Childress County	48075
Clay County	48077
Cochran County	48079
Coke County	48081
Coleman County	48083
Collingsworth County	48087
Colorado County	48089
Comanche County	48093
Concho County	48095
Cooke County	48097
Cottle County	48101
Crane County	48103
Crockett County	48105
Crosby County	48107
Culberson County	48109
Dallam County	48111
Dawson County	48115
Deaf Smith County	48117
Delta County	48119
DeWitt County	48123
Dickens County	48125
Dimmit County	48127
Donley County	48129
Duval County	48131
Eastland County	48133
Edwards County	48137
Erath County	48143
Falls County	48145
Fannin County	48147
Fayette County	48149
Fisher County	48151
Floyd County	48153
Foard County	48155
Franklin County	48159
Freestone County	48161
Frio County	48163
Gaines County	48165
Garza County	48169
Gillespie County	48171
Glasscock County	48173
Goliad County	48175
Gonzales County	48177
Gray County	48179
Grimes County	48185

Hale County	48189
Hall County	48191
Hamilton County	48193
Hansford County	48195
Hardeman County	48197
Hartley County	48205
Haskell County	48207
Hemphill County	48211
Hill County	48217
Hockley County	48219
Hopkins County	48223
Houston County	48225
Howard County	48227
Hudspeth County	48229
Hutchinson County	48233
Irion County	48235
Jack County	48237
Jackson County	48239
Jasper County	48241
Jeff Davis County	48243
Jim Hogg County	48247
Jim Wells County	48249
Jones County	48253
Karnes County	48255
Kendall County	48259
Kenedy County	48261
Kent County	48263
Kerr County	48265
Kimble County	48267
King County	48269
Kinney County	48271
Kleberg County	48273
Knox County	48275
La Salle County	48283
Lamar County	48277
Lamb County	48279
Lampasas County	48281
Lavaca County	48285
Lee County	48287
Leon County	48289
Limestone County	48293
Lipscomb County	48295
Live Oak County	48297
Llano County	48299
Loving County	48301
Lynn County	48305
Madison County	48313
Marion County	48315

Martin County	48317
Mason County	48319
Matagorda County	48321
Maverick County	48323
McCulloch County	48307
McMullen County	48311
Medina County	48325
Menard County	48327
Milam County	48331
Mills County	48333
Mitchell County	48335
Montague County	48337
Moore County	48341
Morris County	48343
Motley County	48345
Nacogdoches County	48347
Navarro County	48349
Newton County	48351
Nolan County	48353
Ochiltree County	48357
Oldham County	48359
Palo Pinto County	48363
Panola County	48365
Parmer County	48369
Pecos County	48371
Polk County	48373
Presidio County	48377
Rains County	48379
Reagan County	48383
Real County	48385
Red River County	48387
Reeves County	48389
Refugio County	48391
Roberts County	48393
Robertson County	48395
Runnels County	48399
Rusk County	48401
Sabine County	48403
San Augustine County	48405
San Jacinto County	48407
San Saba County	48411
Schleicher County	48413
Scurry County	48415
Shackelford County	48417
Shelby County	48419
Sherman County	48421
Somervell County	48425
Starr County	48427

Stephens County	48429
Sterling County	48431
Stonewall County	48433
Sutton County	48435
Swisher County	48437
Terrell County	48443
Terry County	48445
Throckmorton County	48447
Titus County	48449
Trinity County	48455
Tyler County	48457
Upton County	48461
Uvalde County	48463
Val Verde County	48465
Van Zandt County	48467
Walker County	48471
Ward County	48475
Washington County	48477
Wharton County	48481
Wheeler County	48483
Wilbarger County	48487
Willacy County	48489
Winkler County	48495
Wise County	48497
Wood County	48499
Yoakum County	48501
Young County	48503
Zapata County	48505
Zavala County	48507

In order to identify the border areas of the state, first we identify colonia. In the Texas statute, Section 2306.581 of the Government Code the definition of colonia is as follows:

1. "Colonia" means a geographic area located in a county some part of which is within 150 miles of the international border of this state and that:

a. has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under Section 17.921, Water Code; or

b. has the physical and economic characteristics of a colonia, as determined by the Department.

The Texas Department of Housing and Community Affairs Office of Colonia Initiatives (TDHCA OCI) identifies border areas that include the following 75 counties:

Table 2: Border Areas in Texas

County Name	**FIPS Code**
Aransas County	48007
Atascosa County	48013
Bandera County	48019
Bee County	48025
Bexar County	48029
Blanco County	48031
Brewster County	48043
Brooks County	48047
Cameron County	48061
Coke County	48081
Comal County	48091
Concho County	48095
Crane County	48103
Crockett County	48105
Culberson County	48109
DeWitt County	48123
Dimmit County	48127
Duval County	48131
Ector County	48135
Edwards County	48137
El Paso County	48141
Frio County	48163
Gillespie County	48171
Glasscock County	48173
Goliad County	48175
Guadalupe County	48187
Hidalgo County	48215
Hudspeth County	48229
Irion County	48235
Jeff Davis County	48243
Jim Hogg County	48247

Jim Wells County	48249
Karnes County	48255
Kendall County	48259
Kenedy County	48261
Kerr County	48265
Kimble County	48267
Kinney County	48271
Kleberg County	48273
La Salle County	48283
Live Oak County	48297
Llano County	48299
Loving County	48301
McCulloch County	48307
McMullen County	48311
Mason County	48319
Maverick County	48323
Medina County	48325
Menard County	48327
Midland County	48329
Nueces County	48355
Pecos County	48371
Presidio County	48377
Reagan County	48383

Real County	48385
Reeves County	48389
Refugio County	48391
Runnels County	48399
San Patricio County	48409
Schleicher County	48413
Starr County	48427
Sterling County	48431
Sutton County	48435
Terrell County	48443
Tom Green County	48451
Upton County	48461
Uvalde County	48463
Val Verde County	48465
Ward County	48475
Webb County	48479
Willacy County	48489
Wilson County	48493
Winkler County	48495
Zapata County	48505
Zavala County	48507

In addition to analyzing the border areas, this study looks at the census tracts that contain colonias. The shapefile data for the colonia census tract analysis was provided by the Office of Attorney General for the state of Texas.

The analysis of the third area of study, the low-income census tracts, focuses on urban low-income census tracts, as the rural tracts are covered in the analysis of the rural counties. The definition of urban low-income census tracts is a census tracts with median family income less than or equal to 80% of the MSA median family income. Median family income figures for tract and MSA levels are available from the decennial census. The most recent income data available at the census tract level is from the 1990 U.S. Census. This study further analyzes extremely low-income tracts (under 30% AMI), very low-income tracts (between 30% and 60% AMI) and low-income tracts (between 60% and 80% AMI).

Demographic Variables, Homeownership and Mortgage Lending

The following factors are studied in order to gain a complete picture of the mortgage credit needs of the underserved areas: population, race, income levels and poverty rates, homeownership rates, housing affordability, housing units, loan availability, loan approval ratios, loan volume of prime and subprime lenders, and where available, interest rates, terms and delinquency rates. The data and analysis is presented at the Uniform State Service Regional level. Because of rounding, not all percentages will add up to exactly 100%. Most of the data comes from the 2000 U.S. Census, the 1990 U.S. Census, and 2000 Home Mortgage Disclosure Act data.

The most recent income and poverty data available at the tract level is from the 1990 U.S. Census. The poverty rate for a geographic area is the total number of persons under the poverty level divided by the total population.

Homeownership rate is the total number of owner-occupied housing units divided by the total number of occupied housing units. Data for homeownership rates is available from the 2000 U.S. Census at the census tract and county levels. However, in this study, homeownership rates for the low-income census tracts are calculated using 1990 data. Data from 2000 is available, but the 2000 census tracts and the 1990 census tracts do not match, and in some regions the amount of missing data is unacceptable.

Housing affordability is a challenging variable, several approaches in the study attempt to provide a complete picture of affordability. The homeownership costs variable is the ratio of selected monthly costs to average income. The most recent data available at the census tract level comes from the 1990 Census. According to the U.S. Census, "selected monthly owner costs is the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property (including payments for the first mortgage, second or junior mortgages, and home equity loans); real estate taxes; fire, hazard, and flood insurance on the property; utilities (electricity, gas, and water); and fuels (oil, coal, kerosene, wood, etc.). It also includes, where appropriate, the monthly condominium fee for condominiums and mobile home costs (personal property taxes, site rent, registration fees, and license fees) for mobile homes" (http://www.census.gov/td/stf3/append_b.html). The variable homeownership costs is calculated by dividing the monthly owner costs by the median household income. In another definition of housing affordability, if a family can purchase a home and pay no more than two and one-half times their annual income, then the unit is affordable. The affordable variable is the calculation of two and one-half times the median family income divided by the median housing value. If the number is less than or equal to 1, then the area is considered affordable, if it is more than 1, then the area is considered not affordable.

The type and number of housing units is available from the decennial census. Data on housing type, housing age, plumbing, and kitchen facilities is available. The most recent data available at the census tract level is from the 1990 Census. The following definitions come from the U.S. Census (http://www.census.gov/td/stf3/append_b.html). The categories for type of housing include 1 unit detached, 1 unit attached, 2 or more unit, mobile home or trailer, and other. For age of structure the study looks at Median Year Structure Built from the Census. The median is rounded to the nearest calendar year. Complete plumbing facilities include hot and cold piped water, a flush toilet, and a bathtub or shower. All three facilities must be located inside the house, apartment, or mobile home, but not necessarily in the same room. Housing units are classified as lacking complete plumbing facilities when any of the three facilities are not present. A unit has complete kitchen facilities when it has all of the following: (1) an installed sink with piped water, (2) a range, cook top and convection or microwave oven, or cookstove, and (3) a refrigerator. All kitchen facilities must be located in the structure but they need not be in the same room.

In order to analyze loan availability, the study looks at the presence of mortgage lenders in the study areas and reports on whether or not these lenders participate in the TDHCA Single Family Bond Program. The study analyzes HMDA data and loan origination activity in study area by lenders. Another source of financial institution availability is the Federal Deposit Insurance Corporation (FDIC) institution directory. This database of branch address reflects locational detail (name, city, state, etc.) for each FDIC-insured institution; the most current data is from May 23, 2002 (http://www3.fdic.gov/idasp/). The directory provides the address for each branch, therefore it is necessary to geocode (match to a point on a map) each address in Texas. Out of the total 4,958 FDIC-insured branches, 4,045 geocoded to a census tracts (81.4%). Another dimension to loan availability for underserved submarkets is the coverage by Housing Finance Corporations. TDHCA's Housing Resource Center performs an annual survey of the HFCs, including their loan volume and coverage area. The most recent data available is from the 2001 survey covering funding for year of July 2000 to end June 2001, with an 88% response rate. Loan level data from the HFCs is not available at this time and it is recommended that loan level data be included in any future versions of this market study.

Data on loan approvals is available from HMDA. This study compares approval ratios for prime and subprime lenders in study areas for owner-occupied purchase loans. The number of loan originations and applications approved is the total approved. The number of applications denied by financial institutions is the total denied. Approval ratio is the total approved divided by the total denied. Denial reasons in HMDA are not consistently reported by lenders, approx. 45% of denials state reason for denial.

The number and dollar amount of loans originated is available from HMDA data. The total census tract or county level loan volume is an aggregate of the available loan level data for all reported owner-occupied, home purchase and refinance, 1-4 family loans originated in the year 2000. The 2000 HMDA data includes census tract FIPS (Federal Information Processing Standards) code according to the 1990 Census.

The study uses HUD's subprime lender list for 2000 to identify the subprime and manufactured home lenders in the state. First we match the lender ID number on HUD's list with the ID number on HMDA data; and then we categorize each lender as prime or subprime.

TDHCA single family bond loan level data is available with census tract data. The study analyzes originations since January 2000. Housing Finance Corporation loan level data is not available at the time of the publication of this study.

Loan interest rates and terms for conventional loans are available at the state level and for selected MSAs. The Federal Housing Finance Board surveys lenders and publishes rates at state and MSA level for conventional, single family, purchase, amortized loans. They provide quarterly rate data for conventional loans for selected MSA and FHLB districts. They provide annual data for conventional loans at a state level. The most recent data available for state and MSA level is 2001 (http://www.fhfb.gov/MIRS/mirs.htm). In the future, new HMDA reporting rules will require lenders to report the annual percentage rate (APR) on loans with a spread between the APR and the yield on the comparable Treasury security above a certain threshold. The threshold is currently 3% for first lien and 5% for subordinate lien loans. Lenders will also be required to report on loans that are subject to the Home Ownership Protection Act (HOEPA). HOEPA requires additional disclosure on loans that meet one of two criteria: a) an APR of 10% above Treasury rate or b) points and fees above or equal to 8%. Lenders are required to start reporting these additional data elements starting January 2003. These controversial changes are under debate and it is likely that the final rules will look different from the current rules and it is also possible that the implementation date will be postponed.

Loan Performance, formerly Mortgage Information Corporation, is a company that tracts national loan performance data, including delinquencies and defaults. The Loan Performance publication *Market Pulse* for December 2001 provides the statewide subprime seriously delinquent rate and compares them with the rest of the nation (http://www.loanperformance.com/).

State and Regional Maps

For consistency and simplicity, the data for the state and regional maps is presented in quartiles, except where noted in the legend. The first quartile is the first 25%, second is the next 25%, third quartile is the next 25%, and the fourth quartile is the last 25%. Areas on the maps without color in general have missing data or a value of zero. Where appropriate, the data is presented per capita, or per person.

The maps that identify the study areas of the rural counties and the border areas are based on 2000 Census data. For example, the list of MSAs includes the new MSAs of El Paso, Brownsville and Brazoria. As previously mentioned, the most recent tract level income data is available from the 1990 U.S. Census. Many census tracts have changed from the 1990 designations, and while there is a conversion file available from the Census Bureau, there are still some census tracts with missing data.

Most of the data in the maps follow the descriptions of the variables above with a few exceptions. The approval ratio maps (Prime Approval Ratio for Purchase Money Loans and Subprime Approval Ratio for Purchase Money Loans) include approval ratios as previously described except where the second number, the denial number, is zero. In the case of a denial count of zero, a one is substituted for the zero in order to calculate the ratio. This changes a ratio of 20:0 (calculated as ratio=0) to a ratio of 20:1 (calculated as ratio=20). The data in the maps titled Prime to Subprime Ratio for Purchase Money Loans is similarly altered.

Suggestions for Future Market Studies

Some changes and additions that will improve the quality of future market studies include using 2000 U.S. Census data for all of the variables. This will eliminate the problems of matching 1990 data, especially census tracts, with 2000 data. Another suggestion is to use loan level data from the Housing Finance Corporations. Total loan originations will give a more accurate picture of the services provided by these organizations, rather than merely reporting coverage areas.

APPENDIX B

SUPPLEMENTARY TABLES

Table 1: Population and Race by Uniform State Service Region

Service Region	Total	One Race	White	Black	American Indian or Alaskan	Asian	Pacific Islander	Other	Two or More Races	Hispanic of Any Race	Non-Hispanic	White Only
1	780,733	764,400	594,841	43,046	5,721	7,928	269	112,595	16,333	221,381	559,352	498,472
		98%	76%	6%	0.7%	1.0%	0.0%	14%	2.1%	28%	72%	64%
2	549,267	538,160	457,515	33,342	3,594	4,821	264	38,624	11,107	85,462	463,805	416,884
		98%	83%	6%	0.7%	0.9%	0.0%	7%	2.0%	16%	84%	76%
3	5,487,477	5,356,334	3,856,001	734,453	32,348	196,688	4,615	532,229	131,143	1,150,080	4,337,397	3,310,743
		98%	70%	13%	0.6%	3.6%	0.1%	10%	2.4%	21%	79%	60%
4	1,015,648	1,002,536	783,343	166,485	5,506	4,173	302	42,727	13,112	84,154	931,494	747,723
		99%	77%	16%	0.5%	0.4%	0.0%	4%	1.3%	8%	92%	74%
5	740,952	731,310	536,574	153,939	3,376	9,586	228	27,607	9,642	62,035	678,917	507,006
		99%	72%	21%	0.5%	1.3%	0.0%	4%	1.3%	8%	92%	68%
6	4,854,454	4,723,844	3,052,668	820,750	21,440	229,830	2,618	596,538	130,610	1,389,915	3,464,539	2,348,844
		97%	63%	17%	0.4%	4.7%	0.1%	12%	2.7%	29%	71%	48%
7	2,309,972	2,252,584	1,677,739	257,364	12,835	61,069	2,700	240,877	57,388	493,209	1,816,763	1,459,622
		98%	73%	11%	0.6%	2.6%	0.1%	10%	2.5%	21%	79%	63%
8A	1,991,773	1,927,365	1,443,255	122,482	14,547	25,932	1,762	319,387	64,408	956,548	1,035,225	863,214
		97%	72%	6%	0.7%	1.3%	0.1%	16%	3.2%	48%	52%	43%
8B	1,892,342	1,845,735	1,467,834	28,144	9,799	12,214	813	326,931	46,607	1,483,722	408,620	360,044
		98%	78%	1%	0.5%	0.6%	0.0%	17%	2.5%	78%	22%	19%
9	524,884	512,786	406,796	23,572	3,474	3,381	188	75,375	12,098	196,036	328,848	296,558
		98%	78%	4%	0.7%	0.6%	0.0%	14%	2.3%	37%	63%	56%
10	704,318	682,133	522,939	20,989	5,722	6,697	675	125,111	22,185	547,124	157,194	124,203
		97%	74%	3%	0.8%	1.0%	0.1%	18%	3.1%	78%	22%	18%
Total	20,851,820	20,337,187	14,799,505	2,404,566	118,362	562,319	14,434	2,438,001	514,633	6,669,666	14,182,154	10,933,313
		98%	71%	12%	0.6%	2.7%	0.1%	12%	2.5%	32%	68%	52%

Table 2: Rural Population and Race by Uniform State Service Region

Service Region	Total	One Race	White	Black	American Indian or Alaskan	Asian	Pacific Islander	Other	Two or More Races	Hispanic of Any Race	Non-Hispanic	White Only
1	320,247	313,336	242,342	11,572	2,634	855	110	55,823	6,911	112,133	208,114	191,871
		98%	76%	4%	0.8%	0.3%	0.0%	17%	2.2%	35%	65%	60%
2	282,194	277,795	243,335	11,352	1,630	815	62	20,601	4,399	46,606	235,588	220,132
		98%	86%	4%	0.6%	0.3%	0.0%	7%	1.6%	17%	83%	78%
3	228,358	224,629	195,443	12,691	1,672	804	201	13,818	3,729	27,282	201,076	183,906
		98%	86%	6%	0.7%	0.4%	0.1%	6%	1.6%	12%	88%	81%
4	469,579	463,687	370,473	66,809	2,820	1,341	130	22,114	5,892	40,677	428,902	354,666
		99%	79%	14%	0.6%	0.3%	0.0%	5%	1.3%	9%	91%	76%
5	355,862	351,432	273,874	58,445	1,892	1,536	116	15,569	4,430	31,203	324,659	260,506
		99%	77%	16%	0.5%	0.4%	0.0%	4%	1.2%	9%	91%	73%
6	184,883	181,696	130,619	31,261	769	1,618	78	17,351	3,187	41,327	143,556	108,951
		98%	71%	17%	0.4%	1%	0%	9%	2%	22%	78%	59%
7	381,325	375,664	304,357	44,203	1,761	1,236	120	23,987	5,661	50,838	330,487	281,043
		99%	80%	12%	0.5%	0.3%	0.0%	6%	1.5%	13%	87%	74%
8A	315,302	308,540	256,793	11,567	1,822	1,614	153	36,591	6,762	107,552	207,750	191,548
		98%	81%	4%	0.6%	0.5%	0.0%	12%	2.1%	34%	66%	61%
8B	413,752	403,668	320,055	7,815	2,548	2,341	214	70,695	10,084	307,684	106,068	93,507
		98%	77%	2%	0.6%	0.6%	0.1%	17%	2.4%	74%	26%	23%
9	183,742	179771	145591	5590	1052	639	30	26869	3971	79108	104634	96867
		98%	79%	3%	0.6%	0%	0%	15%	2%	43%	57%	53%
10	24,696	24,163	20,360	180	163	64	6	3,390	533	15,470	9,226	8,668
		98%	82%	1%	0.7%	0.3%	0.0%	14%	2.2%	63%	37%	35%
Total	3,159,940	3,104,381	2,503,242	261,485	18,763	12,863	1,220	306,808	55,559	859,880	2,300,060	1,991,665
		98%	79%	8%	0.6%	0.4%	0.0%	10%	1.8%	27%	73%	63%

Table 3: Urban Low-Income Population and Race by Uniform State Service Region

Service Region	Population 1990	White	Black	American Indian and Alsakan	Asian and Pacific Islander	Other Race	Hispanic	Population 1997
1	174,862	121,681	20,505	2,268	982	29,426	51,418	190,016
		70%	12%	1.3%	0.6%	17%	29%	
2	121,736	93,701	13,016	1,567	693	12,759	21,096	119,450
		77%	11%	1.3%	0.6%	10%	17%	
3	1,816,124	1,123,852	416,154	37,595	10,483	228,040	379,765	1,923,259
		62%	23%	2.1%	0.6%	13%	21%	
4	237,334	161,238	67,467	635	860	7,134	12,603	249,775
		68%	28%	0.3%	0.4%	3%	5%	
5	159,121	78,138	72,892	4,018	361	3,712	8,323	158,922
		49%	46%	2.5%	0.2%	2%	5%	
6	1,637,268	857,376	460,768	34,365	4,971	279,788	512,473	1,774,914
		52%	28%	2.1%	0.3%	17%	31%	
7	683,782	453,449	114,374	17,228	2,687	96,044	171,395	792,830
		66%	17%	2.5%	0.4%	14%	25%	
8A	647,563	430,109	49,311	4,213	2,193	161,737	448,033	704,918
		66%	8%	0.7%	0.3%	25%	69%	
8B	463,548	331,755	10,051	1,043	1,008	119,691	407,209	542,121
		72%	2%	0.2%	0.2%	26%	88%	
9	95,951	59,649	9,781	554	422	25,545	46,915	99,834
		62%	10%	0.6%	0.4%	27%	49%	
10	243,270	183,633	7,945	1,358	891	49,443	207,307	279,657
		75%	3%	0.6%	0.4%	20%	85%	
Total	6,280,559	3,894,581	1,242,264	104,844	25,551	1,013,319	2,266,537	6,835,696
		62%	20%	1.7%	0.4%	16%	36%	

Table 4: Border Area Population and Race by Uniform State Service Region

Service Region	Total	One Race	White	Black	American Indian or Alaskan	Asian	Pacific Islander	Other	Two or More Races	Hispanic of Any Race	Non-Hispanic	White Only
2	11,495	11,267	9,361	161	61	37	2	1,645	228	3,372	8,123	7,793
		98%	81%	1%	0.5%	0.3%	0.0%	14%	2.0%	29%	71%	68%
7	25,462	25,183	24,066	113	121	80	6	797	279	2,165	23,297	22,781
		99%	95%	0%	0.5%	0.3%	0.0%	3%	1.1%	9%	91%	89%
8A	1,834,809	1,773,683	1,323,585	112,676	13,810	24,470	1,687	297,455	61,126	902,026	932,783	773,286
		97%	72%	6%	0.8%	1.3%	0.1%	16%	3.3%	49%	51%	42%
8B	1,892,342	1,845,735	1,467,834	28,144	9,799	12,214	813	326,931	46,607	1,483,722	408,620	360,044
		98%	78%	1%	0.5%	0.6%	0.0%	17%	2.5%	78%	22%	19%
9	443,326	433,045	342,939	20,265	2,966	3,023	180	63,672	10,281	163,828	279,498	251,668
		98%	77%	5%	0.7%	0.7%	0.0%	14%	2.3%	37%	63%	57%
10	704,318	682,133	522,939	20,989	5,722	6,697	675	125,111	22,185	547,124	157,194	124,203
		97%	74%	3%	0.8%	1.0%	0.1%	18%	3.1%	78%	22%	18%
Total	4,911,752	4,771,046	3,690,724	182,348	32,479	46,521	3,363	815,611	140,706	3,102,237	1,809,515	1,539,775
		97%	75%	4%	0.7%	0.9%	0.1%	17%	2.9%	63%	37%	31%

Table 5: Colonia Census Tract Population and Race by Uniform State Service Region

Service Region	Population 1990	White	Black	American Indian and Alsakan	Asian and Pacific Islander	Other Race	Hispanic	Population 1997
8A	13,472	9,119	183	38	23	4,109	9,749	15,986
		68%	1.4%	0.3%	0.2%	31%	72%	
8B	684,395	511,938	3,186	1,615	1,915	165,741	550,180	875,667
		75%	0.00	0.00	0.00	24%	80%	
9	6,597	5,547	43	9	35	963	3,430	6,381
		84%	0.7%	0.1%	0.5%	15%	52%	
10	81,982	62,713	567	183	610	17,909	67,154	104,485
		76%	0.7%	0.2%	0.7%	21.8%	81.9%	
Total	786,446	589,317	3,979	1,845	2,583	188,722	630,513	1,002,519
		75%	0.5%	0.2%	0.3%	24%	80%	

Table 6:Poverty Status by Uniform State Service Region

Service Region	Population	Individuals in Poverty	Percent	MSA Population	MSA Individuals in Poverty	MSA Percent	Rural Population	Rural Individuals in Poverty	Rural Percent	Border Area Population	Border Area Individuals in Poverty	Border Area Percent
1	780,733	122,991	15.8%	460,486	70,281	15.3%	320,247	52,710	16.5%			
2	549,267	77,647	14.1%	267,073	34,314	12.8%	282,194	43,333	15.4%	11,495	2,148	18.7%
3	5,487,477	588,688	10.7%	5,259,119	557,346	10.6%	228,358	31,342	13.7%			
4	1,015,648	152,036	15.0%	546,069	80,567	14.8%	469,579	71,469	15.2%			
5	740,952	120,585	16.3%	385,090	57,974	15.1%	355,862	62,611	17.6%			
6	4,854,454	656,239	13.5%	4,669,571	628,385	13.5%	184,883	27,854	15.1%			
7	2,309,972	294,540	12.8%	1,928,647	241,071	12.5%	381,325	53,469	14.0%	25,462	2,655	10.4%
8A	1,991,773	293,766	14.7%	1,676,471	245,159	14.6%	315,302	48,607	15.4%	1,834,809	271,802	14.8%
8B	1,892,342	560,932	29.6%	1,478,590	438,393	29.6%	413,752	122,539	29.6%	1,892,342	560,932	29.6%
9	524,884	85,063	16.2%	341,142	52,261	15.3%	183,742	32,802	17.9%	443,326	70,993	16.0%
10	704,318	165,122	23.4%	679,622	158,722	23.4%	24,696	6,400	25.9%	704,318	165,122	23.4%
Total	20,851,820	3,117,609	15.0%	17,691,880	2,564,473	14.5%	3,159,940	553,136	17.5%	4,911,752	1,073,652	21.9%

Table 7: Homeownership Rates by Uniform State Service Region

Service Region	Total Occupied Housing Units	Owner Occupied	Occupied Urban Units	Urban Owner Occupied	Occupied Urban Low-Income Units[1]	Urban Low-Income Owner Occupied	Occupied Rural Units	Rural Owner Occupied
1	288,175	191,161 66%	174,516	108,250 62%	67,472	33,860 50%	113,659	82,911 73%
2	206,388	142,603 69%	99,060	62,001 63%	44,552	24,785 56%	107,328	80,602 75%
3	2,004,826	1,220,939 61%	1,920,809	1,159,752 60%	685,552	303,539 44%	84,017	61,187 73%
4	380,468	280,896 74%	206,618	148,327 72%	88,471	60,714 69%	173,850	132,569 76%
5	275,233	201,971 73%	142,327	100,415 71%	59,145	37,186 63%	132,906	101,556 76%
6	1,702,792	1,037,371 61%	1,639,401	994,347 61%	588,606	260,973 44%	63,391	43,024 68%
7	855,130	516,176 60%	711,373	405,946 57%	258,808	100,067 39%	143,757	110,230 77%
8A	703,947	461,966 66%	590,017	375,046 64%	211,905	114,795 54%	113,930	86,920 76%
8B	567,552	391,078 69%	437,289	296,520 68%	123,708	76,569 62%	130,263	94,558 73%
9	189,582	132,956 70%	126,094	85,162 68%	31,858	19,717 62%	63,488	47,794 75%
10	219,261	139,842 64%	210,022	133,624 64%	67,550	33,302 49%	9,239	6,218 67%
Total	7,393,354	4,716,959 64%	6,257,526	3,869,390 62%	2,227,627	1,065,507 48%	1,135,828	847,569 75%

Table 7:Homeownership Rates by Uniform State Service Region

Service Region	Occupied Border Units	Border Owner Occupied	Occupied Border Urban Units	Border Urban Owner Occupied	Occupied Border Rural Units	Border Rural Owner Occupied	Occupied Colonia Tract Units[1]	Colonia Tract Owner Occupied
1	-	-	-	-	-	-	-	-
2	4,428	3,428 77%	-	-	4,428	3,428 77%	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-
7	11,182	8,974 80%	-	-	11,182	8,974 80%	-	-
8A	646,647	421,639 65%	559,946	354,782 63%	86,701	66,857 77%	4,129	2,791 68%
8B	567,552	391,078 69%	437,289	296,520 68%	130,263	94,558 73%	193,039	140,498 73%
9	162,269	112,812 70%	126,094	85,162 68%	36,175	27,650 76%	2,093	1,440 69%
10	219,261	139,842 64%	210,022	133,624 64%	9,239	6,218 67%	21,999	16,848 77%
Total	1,611,339	1,077,773 67%	1,333,351	870,088 65%	277,988	207,685 75%	221,260	161,577 73%

[1] The urban low-income and colonia tract rates are based on 1990 Census data.

Table 8: Housing Affordability by Uniform State Service Region

Service Region		All Counties	Rural Counties	Border Areas	All Census Tracts (1990)	Urban Low-Income Census Tracts (1990)				Colonia Census Tracts (1990)
	Variable					Under 30% AMI	30% to 60% AMI	60% to 80% AMI	Under 80% AMI	
1	Minimum Median Family Income	27,325	27,325		-	5,796	9,590	18,591	5,796	
	Maximum Median Family Income	53,004	53,004		56,593	8,869	18,500	24,524	24,524	
	Average of Median Family Income	37,339	36,897		23,640	7,512	14,635	21,529	16,220	
	Average of Median Housing Value	45,356	43,226		44,232	24,967	32,097	44,855	35,637	
	Minimum Homeownership Costs	-	-		-	-	20.8	17.9	-	
	Maximum Homeownership Costs	30.2	30.2		112.9	95.6	70.9	38.5	95.6	
	Average Homeownership Costs	23.6	23.3		28.8	60.0	35.1	28.6	35.4	
	Minimum Affordable	1.4	1.4		0.5	0.5	0.6	0.8	0.5	
	Maximum Affordable	6.7	6.7		3.9	1.2	2.1	1.7	2.1	
	Average Affordable	2.3	2.3		1.4	0.8	1.2	1.2	1.2	
2	Minimum Median Family Income	29,506	29,506	32,917	-	8,074	9,064	18,229	8,074	
	Maximum Median Family Income	45,984	41,514	32,917	56,649	8,333	17,476	23,017	23,017	
	Average of Median Family Income	35,818	35,065	32,917	21,083	8,204	13,365	21,258	16,897	
	Average of Median Housing Value	39,763	37,352	37,800	36,911	24,850	24,552	40,138	32,005	
	Minimum Homeownership Costs	21.3	21.3	24.3	-	47.1	-	-	-	
	Maximum Homeownership Costs	29.7	29.7	24.3	65.5	50.5	63.0	42.5	63.0	
	Average Homeownership Costs	25.6	25.5	24.3	29.2	48.8	36.6	28.3	33.2	
	Minimum Affordable	1.7	1.8	2.2	0.5	0.7	0.9	0.7	0.7	
	Maximum Affordable	3.7	3.7	2.2	3.7	1.0	2.1	1.9	2.1	
	Average Affordable	2.4	2.4	2.2	1.5	0.8	1.4	1.4	1.4	
3	Minimum Median Family Income	36,977	36,977		-	4,999	12,083	18,207	4,999	
	Maximum Median Family Income	81,856	47,909		150,001	11,361	23,875	31,743	31,743	
	Average of Median Family Income	50,974	42,290		33,460	8,204	18,982	27,196	22,069	
	Average of Median Housing Value	89,442	68,429		84,800	47,200	51,359	69,885	59,945	
	Minimum Homeownership Costs	24.2	24.8		-	-	-	-	-	
	Maximum Homeownership Costs	30.4	30.4		233.8	233.8	119.6	99.8	233.8	
	Average Homeownership Costs	26.6	26.8		30.5	61.7	34.1	30.0	34.4	
	Minimum Affordable	1.1	1.3		0.1	0.1	0.2	0.2	0.1	
	Maximum Affordable	2.0	2.0		2.1	1.2	1.8	1.7	1.8	
	Average Affordable	1.5	1.6		1.1	0.6	1.0	1.1	1.0	
4	Minimum Median Family Income	32,039	32,039		-	6,168	10,406	17,803	6,168	
	Maximum Median Family Income	44,534	41,175		50,193	7,647	23,099	24,898	24,898	
	Average of Median Family Income	38,136	37,097		21,330	6,726	16,555	21,040	18,033	
	Average of Median Housing Value	60,465	56,553		45,250	34,533	42,656	45,215	43,377	
	Minimum Homeownership Costs	23.3	23.3		-	-	-	22.5	-	
	Maximum Homeownership Costs	29.4	29.4		103.7	103.7	43.9	45.4	103.7	
	Average Homeownership Costs	26.7	26.4		29.5	56.9	30.3	29.1	31.1	
	Minimum Affordable	1.3	1.4		-	0.4	0.3	0.6	0.3	
	Maximum Affordable	2.4	2.4		5.3	0.7	1.7	1.5	1.7	
	Average Affordable	1.6	1.7		1.2	0.5	1.1	1.2	1.1	

Table 8: Housing Affordability by Uniform State Service Region

Service Region	Variable	All Counties	Rural Counties	Border Areas	All Census Tracts (1990)	Urban Low-Income Census Tracts (1990): Under 30% AMI	30% to 60% AMI	60% to 80% AMI	Under 80% AMI	Colonia Census Tracts (1990)
5	Minimum Median Family Income	32,304	32,304		-	6,002	10,458	18,945	6,002	
	Maximum Median Family Income	44,152	39,505		49,443	9,109	18,566	24,837	24,837	
	Average of Median Family Income	36,857	35,294		21,133	7,953	14,181	21,929	16,814	
	Average of Median Housing Value	58,987	56,958		39,088	22,614	27,680	36,652	30,993	
	Minimum Homeownership Costs	23.3	23.3		-	-	26.7	20.7	-	
	Maximum Homeownership Costs	32.4	32.4		108.2	79.6	68.2	35.5	79.6	
	Average Homeownership Costs	26.9	27.1		30.9	58.3	36.8	27.2	35.2	
	Minimum Affordable	1.3	1.3		-	0.5	0.5	1.1	0.5	
	Maximum Affordable	1.8	1.8		2.3	1.5	2.0	2.3	2.3	
	Average Affordable	1.6	1.6		1.4	0.9	1.4	1.6	1.4	
6	Minimum Median Family Income	39,919	39,919		-	4,999	11,250	21,756	4,999	
	Maximum Median Family Income	69,781	46,342		150,001	11,068	23,194	31,309	31,309	
	Average of Median Family Income	49,070	42,165		30,706	8,711	17,962	25,687	20,827	
	Average of Median Housing Value	82,262	69,040		67,570	31,057	41,972	56,086	47,653	
	Minimum Homeownership Costs	23.8	26.1		-	-	-	-	-	
	Maximum Homeownership Costs	33.6	33.6		125.5	125.5	93.1	90.8	125.5	
	Average Homeownership Costs	27.8	29.5		30.6	62.0	35.7	30.1	35.1	
	Minimum Affordable	1.3	1.3		-	0.2	0.4	0.2	0.2	
	Maximum Affordable	1.7	1.7		3.1	1.2	2.1	3.1	3.1	
	Average Affordable	1.5	1.6		1.3	0.8	1.2	1.3	1.2	
7	Minimum Median Family Income	32,666	32,666	40,597	-	5,155	8,308	16,361	5,155	9,419
	Maximum Median Family Income	66,208	45,382	45,382	87,175	10,944	21,936	28,791	28,791	34,946
	Average of Median Family Income	42,240	39,413	42,990	24,302	7,567	15,696	23,653	18,669	19,258
	Average of Median Housing Value	72,877	63,033	97,550	58,860	80,655	52,845	56,695	56,268	43,511
	Minimum Homeownership Costs	22.3	22.3	24.9	-	-	-	-	-	18.7
	Maximum Homeownership Costs	43.3	28.9	28.9	465.8	465.8	133.3	62.7	465.8	50.9
	Average Homeownership Costs	27.0	26.0	26.9	33.9	105.3	42.4	31.2	41.5	31.1
	Minimum Affordable	1.0	1.0	1.0	0.1	0.1	0.2	0.4	0.1	0.8
	Maximum Affordable	2.1	2.1	1.2	2.0	0.8	1.6	1.7	1.7	1.9
	Average Affordable	1.5	1.6	1.1	1.1	0.4	0.9	1.1	0.9	1.2
8A	Minimum Median Family Income	26,578	26,578	26,578	-	4,999	9,169	18,289	4,999	11,160
	Maximum Median Family Income	58,081	58,081	58,081	128,330	8,999	18,065	25,469	25,469	19,137
	Average of Median Family Income	41,526	39,504	42,187	25,590	6,993	14,427	21,071	17,426	14,032
	Average of Median Housing Value	73,600	68,393	79,407	59,744	34,450	35,600	48,036	41,768	26,867
	Minimum Homeownership Costs	22.8	22.8	26.0	-	54.1	16.2	-	-	31.1
	Maximum Homeownership Costs	29.6	29.6	29.6	109.3	109.3	84.3	72.5	109.3	35.3
	Average Homeownership Costs	27.0	26.9	27.6	30.1	75.4	35.0	28.5	33.5	33.5
	Minimum Affordable	1.0	1.0	1.0	0.2	0.3	0.3	0.4	0.3	1.2
	Maximum Affordable	2.0	2.0	1.9	3.1	0.8	1.7	2.1	2.1	1.5
	Average Affordable	1.5	1.6	1.4	1.2	0.5	1.1	1.2	1.1	1.3

Table 8: Housing Affordability by Uniform State Service Region

Service Region	Variable	All Counties	Rural Counties	Border Areas	All Census Tracts (1990)	Urban Low-Income Census Tracts (1990)				Colonia Census Tracts (1990)
						Under 30% AMI	30% to 60% AMI	60% to 80% AMI	Under 80% AMI	
8B	Minimum Median Family Income	17,556	17,556	17,556	-	4,999	6,082	10,798	4,999	6,413
	Maximum Median Family Income	41,066	38,235	41,066	63,907	7,549	16,493	22,516	22,516	41,304
	Average of Median Family Income	29,510	28,780	29,510	19,790	5,910	11,236	14,506	13,374	17,084
	Average of Median Housing Value	46,054	42,322	46,054	43,630	34,467	33,132	32,354	32,625	35,222
	Minimum Homeownership Costs	21.1	21.1	21.1	-	58.8	-	20.1	-	15.1
	Maximum Homeownership Costs	38.4	38.4	38.4	96.7	96.7	74.4	87.7	96.7	87.7
	Average Homeownership Costs	30.0	29.1	30.0	32.6	71.7	38.6	35.0	37.1	32.7
	Minimum Affordable	1.0	1.1	1.0	0.2	0.3	0.2	0.8	0.2	0.7
	Maximum Affordable	3.0	3.0	3.0	2.2	0.5	1.6	1.9	1.9	2.2
	Average Affordable	1.7	1.8	1.7	1.2	0.4	0.9	1.2	1.1	1.3
9	Minimum Median Family Income	24,856	24,856	24,856	7,494	7,494	8,823	17,475	7,494	16,875
	Maximum Median Family Income	53,750	53,750	53,750	61,849	7,494	16,111	21,759	21,759	25,982
	Average of Median Family Income	36,749	36,272	37,041	24,393	7,494	13,288	19,929	16,164	20,393
	Average of Median Housing Value	43,470	41,459	43,267	46,018	28,100	26,943	36,385	31,368	26,425
	Minimum Homeownership Costs	-	-	-	-	51.9	25.2	-	-	22.3
	Maximum Homeownership Costs	29.5	29.5	29.5	55.8	51.9	55.8	43.9	55.8	26.8
	Average Homeownership Costs	25.1	24.8	24.9	27.6	51.9	36.3	27.1	32.6	24.8
	Minimum Affordable	1.6	1.7	1.6	0.2	0.7	0.6	1.0	0.6	1.5
	Maximum Affordable	3.0	3.0	3.0	4.4	0.7	1.8	1.8	1.8	2.5
	Average Affordable	2.1	2.1	2.1	1.5	0.7	1.3	1.4	1.3	2.1
10	Minimum Median Family Income	22,314	22,314	22,314	5,712	5,712	8,843	14,881	5,712	9,419
	Maximum Median Family Income	39,083	39,083	39,083	64,890	6,725	14,528	19,045	19,045	34,946
	Average of Median Family Income	29,938	29,244	29,938	22,519	6,484	12,298	16,893	14,450	19,258
	Average of Median Housing Value	49,150	45,060	49,150	54,582	31,900	42,909	44,758	42,743	43,511
	Minimum Homeownership Costs	27.0	27.0	27.0	-	-	-	-	-	18.7
	Maximum Homeownership Costs	35.8	35.8	35.8	68.2	68.2	53.2	42.2	68.2	50.9
	Average Homeownership Costs	31.6	31.7	31.6	27.8	48.8	35.2	26.4	31.4	31.1
	Minimum Affordable	1.2	1.3	1.2	0.4	0.4	0.5	0.7	0.4	0.8
	Maximum Affordable	2.2	2.2	2.2	4.4	0.6	1.1	1.2	1.2	1.9
	Average Affordable	1.6	1.7	1.6	1.1	0.5	0.7	1.0	0.8	1.2

Homeownership costs: Selected monthly costs as a percentage of household income, see methodology for more details.
Affordable: Median family income times 2.5 as a ratio of median housing value, see methodology for more details.

Table 9: Housing Units by Uniform State Service Region

Service Region	Housing Units	One Unit	2 to 19 Units	Over 20 Units	Mobile Homes	Boats, RVs	Lacking Plumbing Facilities	Lacking Kitchen Facilities
1	322,045	240,418	30,163	20,997	29,683	784	1,475	1,929
		74.7%	9.4%	6.5%	9.2%	0.2%	0.5%	0.6%
2	243,506	186,932	21,599	7,974	25,365	1,636	1,014	1,190
		76.8%	8.9%	3.3%	10.4%	0.7%	0.4%	0.5%
3	2,140,641	1,373,780	385,269	259,402	118,078	4,112	9,845	10,956
		64.2%	18.0%	12.1%	5.5%	0.2%	0.5%	0.5%
4	434,792	307,802	32,153	13,754	78,312	2,771	3,277	3,246
		70.8%	7.4%	3.2%	18.0%	0.6%	0.8%	0.7%
5	325,047	225,213	23,868	12,709	60,328	2,929	2,127	2,199
		69.3%	7.3%	3.9%	18.6%	0.9%	0.7%	0.7%
6	1,853,854	1,175,460	265,188	293,889	115,535	3,782	11,588	10,562
		63.4%	14.3%	15.9%	6.2%	0.2%	0.6%	0.6%
7	933,388	599,181	155,048	86,350	89,483	3,326	5,071	5,807
		64.2%	16.6%	9.3%	9.6%	0.4%	0.5%	0.6%
8A	769,623	535,081	108,483	54,465	68,990	2,604	4,897	4,861
		69.5%	14.1%	7.1%	9.0%	0.3%	0.6%	0.6%
8B	676,139	456,783	75,156	32,951	100,232	11,017	11,939	8,878
		67.6%	11.1%	4.9%	14.8%	1.6%	1.8%	1.3%
9	221,968	159,092	21,931	13,796	26,240	909	1,076	1,630
		71.7%	9.9%	6.2%	11.8%	0.4%	0.5%	0.7%
10	236,572	161,168	32,741	22,814	19,406	443	2,544	2,253
		68.1%	13.8%	9.6%	8.2%	0.2%	1.1%	1.0%
Total	8,157,575	5,420,910	1,151,599	819,101	731,652	34,313	54,853	53,511
		66.5%	14.1%	10.0%	9.0%	0.4%	0.7%	0.7%

Table 10: Rural Housing Units by Uniform State Service Region

Service Region	Housing Units	One Unit	2 to 19 Units	Over 20 Units	Mobile Homes	Boats, RVs	Lacking Plumbing Facilities	Lacking Kitchen Facilities
1	133,591	109,168	7,778	1,899	14,272	474	701	731
		81.7%	5.8%	1.4%	10.7%	0.4%	0.5%	0.5%
2	134,275	105,028	7,322	2,111	18,380	1,434	636	642
		78.2%	5.5%	1.6%	13.7%	1.1%	0.5%	0.5%
3	96,913	67,877	6,361	2,205	19,916	554	543	683
		70.0%	6.6%	2.3%	20.6%	0.6%	0.6%	0.7%
4	203,143	148,686	10,845	3,785	38,114	1,713	1,792	1,634
		73.2%	5.3%	1.9%	18.8%	0.8%	0.9%	0.8%
5	168,350	109,423	8,852	3,704	44,043	2,328	1,304	1,221
		65.0%	5.3%	2.2%	26.2%	1.4%	0.8%	0.7%
6	75,952	50,905	7,112	4,049	13,405	481	684	689
		67.0%	9.4%	5.3%	17.6%	0.6%	0.9%	0.9%
7	179,008	132,160	8,962	1,565	34,677	1,644	1,423	1,310
		73.8%	5.0%	0.9%	19.4%	0.9%	0.8%	0.7%
8A	136,906	96,540	7,493	2,146	29,439	1,288	1,323	1,119
		70.5%	5.5%	1.6%	21.5%	0.9%	1.0%	0.8%
8B	160,716	116,734	12,410	3,144	26,730	1,698	2,799	2,052
		72.6%	7.7%	2.0%	16.6%	1.1%	1.7%	1.3%
9	80,492	62,421	4,111	1,430	11,860	670	434	540
		77.5%	5.1%	1.8%	14.7%	0.8%	0.5%	0.7%
10	12,125	7,927	745	363	2,927	163	206	154
		65.4%	6.1%	3.0%	24.1%	1.3%	1.7%	1.3%
Total	1,381,471	1,006,869	81,991	26,401	253,763	12,447	11,845	10,775
		72.9%	5.9%	1.9%	18.4%	0.9%	0.9%	0.8%

Table 11: Urban Low-Income Housing Units by Uniform State Service Region

Service Region	Housing Units	One Unit	2 to 9 Units	Over 10 Units	Mobile Homes, Boats, RVs	Lacking Plumbing Facilities	Lacking Kitchen Facilities
1	79,170	49,985	10,505	14,424	3,015	569	1,526
		63.1%	13.3%	18.2%	3.8%	0.7%	1.9%
2	53,632	37,557	7,608	4,589	3,064	346	460
		70.0%	14.2%	8.6%	5.7%	0.6%	0.9%
3	806,100	398,532	138,237	218,947	39,317	5,488	6,877
		49.4%	17.1%	27.2%	4.9%	0.7%	0.9%
4	107,897	74,866	8,481	5,360	18,049	1,582	1,765
		69.4%	7.9%	5.0%	16.7%	1.5%	1.6%
5	69,464	51,568	7,150	5,760	3,891	661	656
		74.2%	10.3%	8.3%	5.6%	0.9%	0.9%
6	711,743	361,488	91,164	212,954	35,705	8,317	9,286
		50.8%	12.8%	29.9%	5.0%	1.2%	1.3%
7	299,330	146,483	54,028	77,351	17,810	2,584	3,343
		48.9%	18.0%	25.8%	5.9%	0.9%	1.1%
8A	240,897	155,064	38,646	34,443	8,809	3,190	2,948
		64.4%	16.0%	14.3%	3.7%	1.3%	1.2%
8B	141,273	104,812	15,622	6,925	10,187	7,590	5,008
		74.2%	11.1%	4.9%	7.2%	5.4%	3.5%
9	37,989	27,237	2,980	3,668	3,407	531	650
		71.7%	7.8%	9.7%	9.0%	1.4%	1.7%
10	71,199	41,455	12,770	11,003	4,716	2,049	2,222
		58.2%	17.9%	15.5%	6.6%	2.9%	3.1%
Total	2,618,694	1,449,047	387,191	595,424	147,970	32,907	34,741
		55.3%	14.8%	22.7%	5.7%	1.3%	1.3%

Table 12: Border Area Housing Units by Uniform State Service Region

Service Region	Housing Units	One Unit	2 to 19 Units	Over 20 Units	Mobile Homes	Boats, RVs	Lacking Plumbing Facilities	Lacking Kitchen Facilities
2	5,400	4,631	268	5	458	38	66	50
		85.8%	5.0%	0.1%	8.5%	0.7%	1.2%	0.9%
7	15,860	11,984	819	54	2,813	190	98	82
		75.6%	5.2%	0.3%	17.7%	1.2%	0.6%	0.5%
8A	702,044	486,044	102,004	52,194	59,512	2,290	4,409	4,349
		69.2%	14.5%	7.4%	8.5%	0.3%	0.6%	0.6%
8B	676,139	456,783	75,156	32,951	100,232	11,017	11,939	8,878
		67.6%	11.1%	4.9%	14.8%	1.6%	1.8%	1.3%
9	189,736	133,814	19,997	12,986	22,102	837	954	1,396
		70.5%	10.5%	6.8%	11.6%	0.4%	0.5%	0.7%
10	236,572	161,168	32,741	22,814	19,406	443	2,544	2,253
		68.1%	13.8%	9.6%	8.2%	0.2%	1.1%	1.0%
Total	1,825,751	1,254,424	230,985	121,004	204,523	14,815	20,010	17,008
		68.7%	12.7%	6.6%	11.2%	0.8%	1.1%	0.9%

Table 13: Colonia Census Tracts Housing Units by Uniform State Service Region

Service Region	Housing Units	One Unit	2 to 9 Units	Over 10 Units	Mobile Homes, Boats, RVs	Lacking Plumbing Facilities	Lacking Kitchen Facilities
8A	4,879	3,624	290	39	797	220	226
		74.3%	5.9%	0.8%	16.3%	4.7%	4.6%
8B	239,949	164,744	15,184	7,978	46,072	15,692	9,965
		68.7%	6.3%	3.3%	19.2%	7.0%	4.2%
9	2,974	2,152	36	1	762	128	100
		72.4%	1.2%	0.0%	25.6%	4.5%	3.4%
10	25,160	17,022	1,270	262	6,302	1,781	1,506
		67.7%	5.0%	1.0%	25.0%	7.6%	6.0%
Total	272,962	187,542	16,780	8,280	53,933	17,821	11,797
		68.7%	6.1%	3.0%	19.8%	6.5%	4.3%

Table 14: Housing Age by Uniform State Service Region

Service Region	Variable	Rural Counties	All Counties	Border Areas	All Census Tracts (1990)	Urban Low-Income Census Tracts (1990)	Colonia Census Tracts (1990)
1	Minimum of Median Age	18.0	22.0		4.0	10.0	
	Maximum of Median Age	40.0	40.0		51.0	51.0	
	Average of Median Age	29.4	29.8		27.4	31.7	
2	Minimum of Median Age	19.0	19.0	36.0	9.0	9.0	
	Maximum of Median Age	46.0	46.0	36.0	51.0	51.0	
	Average of Median Age	29.5	30.1	36.0	29.4	36.0	
3	Minimum of Median Age	9.0	13.0		3.0	4.0	
	Maximum of Median Age	24.0	24.0		51.0	51.0	
	Average of Median Age	16.4	19.9		21.2	26.3	
4	Minimum of Median Age	14.0	14.0		7.0	7.0	
	Maximum of Median Age	24.0	24.0		51.0	51.0	
	Average of Median Age	18.7	18.9		20.7	25.0	
5	Minimum of Median Age	13.0	13.0		8.0	8.0	
	Maximum of Median Age	29.0	22.0		51.0	51.0	
	Average of Median Age	18.3	17.3		24.5	34.4	
6	Minimum of Median Age	10.0	14.0		2.0	7.0	
	Maximum of Median Age	26.0	26.0		51.0	51.0	
	Average of Median Age	17.8	20.8		22.1	27.1	
7	Minimum of Median Age	9.0	14.0	14.0	4.0	4.0	
	Maximum of Median Age	41.0	41.0	19.0	51.0	51.0	
	Average of Median Age	19.5	21.4	16.5	19.5	22.9	
8A	Minimum of Median Age	13.0	13.0	13.0	3.0	6.0	19.0
	Maximum of Median Age	29.0	29.0	29.0	51.0	51.0	20.0
	Average of Median Age	20.3	21.5	18.9	23.2	31.6	19.3
8B	Minimum of Median Age	13.0	13.0	13.0	3.0	7.0	4.0
	Maximum of Median Age	33.0	33.0	33.0	45.0	43.0	35.0
	Average of Median Age	21.0	21.7	21.0	20.2	24.7	17.0
9	Minimum of Median Age	16.0	17.0	16.0	7.0	10.0	18.0
	Maximum of Median Age	41.0	41.0	41.0	48.0	43.0	33.0
	Average of Median Age	26.2	27.0	26.3	24.1	27.8	25.3
10	Minimum of Median Age	15.0	15.0	15.0	3.0	9.0	3.0
	Maximum of Median Age	27.0	27.0	27.0	51.0	51.0	41.0
	Average of Median Age	21.5	22.0	21.5	23.5	30.2	17.6

Table 15: Number of HMDA Reporters by Uniform State Service Region

		Rural				Urban Low-Income Census Tracts			
Service Region	Total	Total	Subprime	Manufactured Home	Non-Conventional	Total	Subprime	Manufactured Home	Non-Conventional
1	220	147	29	10	48	129	33	9	37
2	206	154	33	10	46	108	25	9	35
3	613	220	36	10	62	393	54	12	138
4	310	211	38	11	61	228	36	12	51
5	229	181	36	11	37	123	38	10	27
6	540	157	34	10	37	363	54	12	94
7	477	237	37	11	72	304	47	12	95
8A	355	194	37	11	46	212	45	12	71
8B	288	176	36	11	42	175	35	12	55
9	211	123	30	10	35	75	22	11	18
10	207	64	14	7	12	100	31	10	29
Total	1055	504	43	11	146	748	64	12	203

Includes owner-occupied purchase and refinance originations

Table 15: Number of HMDA Reporters by Uniform State Service Region

		Border Areas				Colonia Census Tracts			
Service Region	Total	Total	Subprime	Manufactured Home	Non-Conventional	Total	Subprime	Manufactured Home	Non-Conventional
1	220								
2	206	27	9	3	5				
3	613								
4	310								
5	229								
6	540								
7	477	95	16	8	15				
8A	355	344	52	12	103	33	8	9	5
8B	288	288	49	12	82	222	45	12	66
9	211	200	42	12	58	9	2	3	0
10	207	207	45	10	76	142	28	9	45
Total	1055	471	55	12	145	259	47	12	83

Includes owner-occupied purchase and refinance originations

Table 16: Number of HMDA Reporters per 10,000 People by Uniform State Service Region

		Rural				Urban Low-Income Census Tracts			
Service Region	Total	Total	Subprime	Manufactured Home	Non-Conventional	Total	Subprime	Manufactured Home	Non-Conventional
1	2.8	4.6	0.9	0.3	1.5	6.8	1.7	0.5	1.9
2	3.8	5.5	1.2	0.4	1.6	9.0	2.1	0.8	2.9
3	1.1	9.6	1.6	0.4	2.7	2.0	0.3	0.1	0.7
4	3.1	4.5	0.8	0.2	1.3	9.1	1.4	0.5	2.0
5	3.1	5.1	1.0	0.3	1.0	7.7	2.4	0.6	1.7
6	1.1	8.5	1.8	0.5	2.0	2.0	0.3	0.1	0.5
7	2.1	6.2	1.0	0.3	1.9	3.8	0.6	0.2	1.2
8A	1.8	6.2	1.2	0.3	1.5	3.0	0.6	0.2	1.0
8B	1.5	4.3	0.9	0.3	1.0	3.2	0.6	0.2	1.0
9	4.0	6.7	1.6	0.5	1.9	7.5	2.2	1.1	1.8
10	2.9	25.9	5.7	2.8	4.9	3.6	1.1	0.4	1.0
Total	0.5	1.6	0.1	0.03	0.5	1.1	0.1	0.02	0.3

Includes owner-occupied purchase and refinance originations

Table 16: Number of HMDA Reporters per 10,000 People by Uniform State Service Region

	Border Areas				Colonia Census Tracts			
Service Region	Total	Subprime	Manufactured Home	Non-Conventional	Total	Subprime	Manufactured Home	Non-Conventional
1								
2	23.5	7.8	2.6	4.3				
3								
4								
5								
6								
7	37.3	6.3	3.1	5.9				
8A	1.9	0.3	0.1	0.6	20.6	5.0	5.6	3.1
8B	1.5	0.3	0.1	0.4	2.5	0.5	0.1	0.8
9	4.5	0.9	0.3	1.3	14.1	3.1	4.7	0.0
10	2.9	0.6	0.1	1.1	13.6	2.7	0.9	4.3
Total	1.0	0.1	0.02	0.3	2.6	0.5	0.1	0.8

Includes owner-occupied purchase and refinance originations

Table 17: Number of Branches of FDIC-Insured Financial Institutions

Service Region	All Areas	Rural	Urban Low-Income Tracts	Border Areas	Colonia Census Tracts
1	264	143	113		
2	207	133	117	9	
3	1,313	92	478		
4	335	164	168		
5	192	110	74		
6	1,068	60	345		
7	590	174	253	17	
8A	413	115	140	360	3
8B	368	87	103	368	122
9	138	58	49	122	
10	80	11	13	80	8
Total	4,968	1,147	1,853	956	133

Table 18: TDHCA Single Family Bond Program by Uniform State Service Area

	All Areas			Rural Areas			Urban Low-Income Areas			Border Areas			Colonia Census Tracts		
Service Region	Branches	Loans	Amount	Branches	Loans	Amount	Branches	Loans	Amount	Branches	Loans	Amount	Branches	Loans	Amount
1	12	67	2,999,471	3	53	2,146,324	1	4	159,816						
2	5	21	918,377				4	7	287,949						
3	63	558	45,725,813	2	3	90,610	16	250	19,175,370						
4	10	58	2,749,465		5	246,023	2	24	1,075,639						
5	6	20	1,001,385		13	672,108	2	1	40,959						
6	52	503	38,908,338	1			7	101	6,770,912						
7	45	415	36,872,346	1	1	94,350	4	121	9,833,413						
8A	35	211	14,762,467	4	5	268,674	18	59	3,298,684	35	211	14,762,467			
8B	54	943	57,847,442	3	25	1,613,976		371	21,719,823	54	943	57,847,442	10	623	30,146,635
9	4	3	114,972		2	75,098				4	3	114,972			
10	8	123	7,257,924					10	497,598	8	123	7,257,924		113	2,642,838
Total	294	2,922	209,158,000	14	107	5,207,163	54	948	62,860,163	101	1,280	79,982,805	10	736	32,789,473

Note: Loans and Amount reflect total originations since January 2000. Colonia Tract data includes Bootstrap and Contract for Deed Conversion products.

Table 19: Housing Finance Corporations by Uniform State Service Region

Service Region		Total HFCs	Rural HFCs	Urban Low-Income HFCs	Border Areas HFCs	Colonia Tract HFCs
1	Minimum	3	3	5		
	Maximum	5	4	5		
2	Minimum	3	3	4	4	
	Maximum	4	4	4	4	
3	Minimum	3	3	4		
	Maximum	7	4	7		
4	Minimum	4	4	4		
	Maximum	5	4	5		
5	Minimum	3	3	4		
	Maximum	4	4	4		
6	Minimum	3	3	4		
	Maximum	5	4	5		
7	Minimum	4	4	4	4	
	Maximum	5	5	4	4	
8A	Minimum	3	3	3	3	4
	Maximum	6	5	6	6	4
8B	Minimum	3	3	4	3	3
	Maximum	6	5	6	6	6
9	Minimum	3	3	4	3	3
	Maximum	4	4	4	4	4
10	Minimum	3	3	5	3	3
	Maximum	5	3	5	5	5

Table 20: Approval and Denial by Uniform State Service Region

	Prime			Subprime		
Service Area	**Total**	**Approved**	**Denied**	**Total**	**Approved**	**Denied**
1	8,661	7,587 7.1	1,074	576	359 1.7	217
2	4,444	3,833 6.3	611	605	367 1.5	238
3	126,743	114,357 9.2	12,386	11,888	7,791 1.9	4,097
4	11,743	9,364 3.9	2,379	1,060	645 1.6	415
5	6,577	5,293 4.1	1,284	784	419 1.1	365
6	96,035	84,600 7.4	11,435	11,016	7,434 2.1	3,582
7	50,405	45,201 8.7	5,204	3,723	2,621 2.4	1,102
8A	29,596	26,254 7.9	3,342	3,107	2,305 2.9	802
8B	15,383	12,200 3.8	3,183	2,028	1,324 1.9	704
9	4,878	4,125 5.5	753	577	379 1.9	198
10	8,245	6,648 4.2	1,597	1,043	730 2.3	313
Total	362,710	319,462 7.4	43,248	36,407	24,374 2.0	12,033

Includes purchase, owner-occupied, originated, approved and denied loans

Table 21: Denial Reasons by Uniform State Service Region

	Denial Reasons for Prime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	879	171	25	505	49	17	16	46	1	49
		19%	3%	57%	6%	2%	2%	5%	0%	6%
2	535	112	21	279	42	5	16	22	-	38
		21%	4%	52%	8%	1%	3%	4%	0%	7%
3	10,988	2,165	236	5,077	977	322	283	826	26	1,076
		20%	2%	46%	9%	3%	3%	8%	0%	10%
4	2,041	471	80	1,156	86	40	21	49	3	135
		23%	4%	57%	4%	2%	1%	2%	0%	7%
5	1,049	223	28	625	52	17	11	30	-	63
		21%	3%	60%	5%	2%	1%	3%	0%	6%
6	9,427	1,950	208	4,184	763	307	185	786	48	996
		21%	2%	44%	8%	3%	2%	8%	1%	11%
7	4,503	994	144	2,090	291	109	88	270	8	509
		22%	3%	46%	6%	2%	2%	6%	0%	11%
8A	2,968	685	92	1,371	190	97	121	157	7	248
		23%	3%	46%	6%	3%	4%	5%	0%	8%
8B	2,288	461	71	1,321	110	51	32	72	2	168
		20%	3%	58%	5%	2%	1%	3%	0%	7%
9	660	141	16	365	24	24	8	20	3	59
		21%	2%	55%	4%	4%	1%	3%	0%	9%
10	1,265	257	39	522	40	23	22	63	3	296
		20%	3%	41%	3%	2%	2%	5%	0%	23%
Total	36,603	7,630	960	17,495	2,624	1,012	803	2,341	101	3,637
		21%	3%	48%	7%	3%	2%	6%	0%	10%

	Denial Reasons for Subprime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	67	14	1	26	10	2	-	6	-	8
		21%	1%	39%	15%	3%	0%	9%	0%	12%
2	68	2	1	24	9	5	6	4	-	17
		3%	1%	35%	13%	7%	9%	6%	0%	25%
3	1,598	163	25	639	138	101	53	116	1	362
		10%	2%	40%	9%	6%	3%	7%	0%	23%
4	216	11	3	58	14	8	4	6	-	112
		5%	1%	27%	6%	4%	2%	3%	0%	52%
5	146	7	5	49	15	9	6	11	-	44
		5%	3%	34%	10%	6%	4%	8%	0%	30%
6	1,949	258	37	817	146	35	78	218	3	357
		13%	2%	42%	7%	2%	4%	11%	0%	18%
7	344	62	7	113	42	11	13	37	-	59
		18%	2%	33%	12%	3%	4%	11%	0%	17%
8A	295	23	12	125	29	5	5	51	-	45
		8%	4%	42%	10%	2%	2%	17%	0%	15%
8B	326	37	5	132	21	20	10	50	-	51
		11%	2%	40%	6%	6%	3%	15%	0%	16%
9	68	9	-	31	8	1	2	2	-	15
		13%	0%	46%	12%	1%	3%	3%	0%	22%
10	205	51	5	57	20	5	13	10	-	44
		25%	2%	28%	10%	2%	6%	5%	0%	21%
Total	5,282	637	101	2,071	452	202	190	511	4	1,114
		12%	2%	39%	9%	4%	4%	10%	0%	21%

Table 22: Rural Approval and Denial by Uniform State Service Region

	Prime			Subprime		
Service Area	Total	Approved	Denied	Total	Approved	Denied
1	1,994	1,643 4.7	351	196	101 1.1	95
2	1,385	1,092 3.7	293	258	149 1.4	109
3	2,337	1,826 3.6	511	218	137 1.7	81
4	4,173	3,148 3.1	1,025	345	195 1.3	150
5	2,633	1,959 2.9	674	242	140 1.4	102
6	1,400	1,109 3.8	291	195	131 2.0	64
7	3,307	2684 4.3	623	366	220 1.5	146
8A	2,967	2,413 4.4	554	216	148 2.2	68
8B	2,028	1,532 3.1	496	286	191 2.0	95
9	899	715 3.9	184	93	66 2.4	27
10	133	87 1.9	46	14	12 6.0	2
Total	23,256	18,208 3.6	5,048	2,429	1,490 1.6	939

Includes purchase, owner-occupied, originated, approved and denied loans.

Table 23: Rural Denial Reasons by Uniform State Service Region

	Denial Reasons for Prime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	270	46	11	164	16	4	2	11	1	15
		17%	4%	61%	6%	1%	1%	4%	0%	6%
2	246	36	6	147	19	2	7	7	-	22
		15%	2%	60%	8%	1%	3%	3%	0%	9%
3	468	95	22	232	33	9	10	24	1	42
		20%	5%	50%	7%	2%	2%	5%	0%	9%
4	900	190	35	525	36	18	10	22	2	62
		21%	4%	58%	4%	2%	1%	2%	0%	7%
5	555	114	15	337	27	11	5	14	-	32
		21%	3%	61%	5%	2%	1%	3%	0%	6%
6	260	61	3	139	15	6	4	10	1	21
		23%	1%	53%	6%	2%	2%	4%	0%	8%
7	514	127	18	247	36	11	4	21	-	50
		25%	4%	48%	7%	2%	1%	4%	0%	10%
8A	508	133	24	229	32	12	13	15	-	50
		26%	5%	45%	6%	2%	3%	3%	0%	10%
8B	388	82	13	231	20	8	2	8	-	24
		21%	3%	60%	5%	2%	1%	2%	0%	6%
9	150	37	5	83	4	3	-	2	2	14
		25%	3%	55%	3%	2%	0%	1%	1%	9%
10	46	15	-	27	-	-	-	-	-	4
		33%	0%	59%	0%	0%	0%	0%	0%	9%
Total	4,305	936	152	2,361	238	84	57	134	7	336
		22%	4%	55%	6%	2%	1%	3%	0%	8%

	Denial Reasons for Subprime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	29	6	-	15	4	-	-	2	-	2
		21%	0%	52%	14%	0%	0%	7%	0%	7%
2	29	1	1	9	4	4	3	2	-	5
		3%	3%	31%	14%	14%	10%	7%	0%	17%
3	32	1	-	18	5	-	-	3	-	5
		3%	0%	56%	16%	0%	0%	9%	0%	16%
4	57	-	1	15	5	4	1	1	-	30
		0%	2%	26%	9%	7%	2%	2%	0%	53%
5	28	-	1	6	4	1	1	4	-	11
		0%	4%	21%	14%	4%	4%	14%	0%	39%
6	26	4	2	12	1	2	-	1	-	4
		15%	8%	46%	4%	8%	0%	4%	0%	15%
7	37	5	-	12	10	1	1	4	-	4
		14%	0%	32%	27%	3%	3%	11%	0%	11%
8A	33	3	1	8	5	-	-	6	-	10
		9%	3%	24%	15%	0%	0%	18%	0%	30%
8B	47	3	-	18	5	3	1	8	-	9
		6%	0%	38%	11%	6%	2%	17%	0%	19%
9	9	2	-	6	1	-	-	-	-	-
		22%	0%	67%	11%	0%	0%	0%	0%	0%
10	1	-	-	-	-	-	-	-	-	1
		0%	0%	0%	0%	0%	0%	0%	0%	100%
Total	328	25	6	119	44	15	7	31	-	81
		8%	2%	36%	13%	5%	2%	9%	0%	25%

Table 24: Urban Low-Income Approval and Denial by Uniform State Service Region

	Prime			Subprime		
Service Area	Total	Approved	Denied	Total	Approved	Denied
1	1,709	1,411 4.7	298	135	80 1.5	55
2	956	794 4.9	162	166	97 1.4	69
3	25,460	21,771 5.9	3,689	3,335	1,965 1.4	1,370
4	2,933	2,221 3.1	712	358	224 1.7	134
5	924	739 4.0	185	254	120 0.9	134
6	16,307	13,335 4.5	2,972	2,683	1,683 1.7	1,000
7	10,347	8751 5.5	1596	1206	779 1.8	427
8A	4,643	3,851 4.9	792	660	413 1.7	247
8B	2,842	2,028 2.5	814	573	399 2.3	174
9	491	392 4.0	99	102	54 1.1	48
10	741	518 2.3	223	189	127 2.0	62
Total	67,353	55,811 4.8	11,542	9,661	5,941 1.6	3,720

Includes purchase, owner-occupied, originated, approved and denied loans.

Table 25: Urban Low-Income Denial Reasons by Uniform State Service Region

	Denial Reasons for Prime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	341	65	10	207	19	5	6	13	-	16
		19%	3%	61%	6%	1%	2%	4%	0%	5%
2	278	55	10	160	17	2	9	11	-	14
		20%	4%	58%	6%	1%	3%	4%	0%	5%
3	3,424	656	66	1,656	330	108	94	209	10	295
		19%	2%	48%	10%	3%	3%	6%	0%	9%
4	964	210	32	553	44	22	10	22	2	69
		22%	3%	57%	5%	2%	1%	2%	0%	7%
5	359	69	10	223	17	4	3	8	-	25
		19%	3%	62%	5%	1%	1%	2%	0%	7%
6	2,652	533	68	1,233	281	86	43	143	16	249
		20%	3%	46%	11%	3%	2%	5%	1%	9%
7	1,640	354	62	813	114	42	22	70	4	159
		22%	4%	50%	7%	3%	1%	4%	0%	10%
8A	845	170	24	403	59	28	38	47	2	74
		20%	3%	48%	7%	3%	4%	6%	0%	9%
8B	685	123	20	433	23	10	7	14	1	54
		18%	3%	63%	3%	1%	1%	2%	0%	8%
9	141	33	3	73	6	9	2	1	1	13
		23%	2%	52%	4%	6%	1%	1%	1%	9%
10	212	35	7	106	18	6	4	13	-	23
		17%	3%	50%	8%	3%	2%	6%	0%	11%
Total	11,541	2,303	312	5,860	928	322	238	551	36	991
		20%	3%	51%	8%	3%	2%	5%	0%	9%

	Denial Reasons for Subprime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
1	15	3	1	5	2	-	-	2	-	2
		20%	7%	33%	13%	0%	0%	13%	0%	13%
2	16	-	-	10	1	1	1	-	-	3
		0%	0%	63%	6%	6%	6%	0%	0%	19%
3	541	60	9	201	58	36	17	30	-	130
		11%	2%	37%	11%	7%	3%	6%	0%	24%
4	80	3	-	23	6	2	3	1	-	42
		4%	0%	29%	8%	3%	4%	1%	0%	53%
5	62	4	3	23	4	2	2	5	-	19
		6%	5%	37%	6%	3%	3%	8%	0%	31%
6	549	77	10	210	67	8	22	66	-	89
		14%	2%	38%	12%	1%	4%	12%	0%	16%
7	134	21	5	33	20	7	9	13	-	26
		16%	4%	25%	15%	5%	7%	10%	0%	19%
8A	101	6	5	50	10	-	3	16	-	11
		6%	5%	50%	10%	0%	3%	16%	0%	11%
8B	78	6	-	24	8	6	2	12	-	20
		8%	0%	31%	10%	8%	3%	15%	0%	26%
9	11	2	-	6	1	-	-	-	-	2
		18%	0%	55%	9%	0%	0%	0%	0%	18%
10	48	15	1	8	7	2	2	4	-	9
		31%	2%	17%	15%	4%	4%	8%	0%	19%
Total	1,635	197	34	593	184	64	61	149	-	353
		12%	2%	36%	11%	4%	4%	9%	0%	22%

Table 26: Border Areas Approval and Denial by Uniform State Service Region

	Prime			Subprime		
Service Area	Total	Approved	Denied	Total	Approved	Denied
2	36	29 4.1	7	13	7 1.2	6
7	407	351 6.3	56	36	24 2.0	12
8A	28,048	24,902 7.9	3,146	3,067	2,284 2.9	783
8B	15,383	12,200 3.8	3,183	2,028	1,324 1.9	704
9	4,378	3,697 5.4	681	525	342 1.9	183
10	8,245	6,648 4.2	1,597	1,043	730 2.3	313
Total	56,497	47,827 5.5	8,670	6,712	4,711 2.4	2,001

Includes purchase, owner-occupied, originated, approved and denied loans.

Table 27: Border Areas Denial Reasons by Uniform State Service Region

	Denial Reasons for Prime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
2	7	1	-	5	-	-	-	-	-	1
		14%	0%	71%	0%	0%	0%	0%	0%	14%
7	42	14	1	19	2	1	1	2	-	2
		33%	2%	45%	5%	2%	2%	5%	0%	5%
8A	2,792	646	85	1,280	173	91	118	156	7	236
		23%	3%	46%	6%	3%	4%	6%	0%	8%
8B	2,288	461	71	1,321	110	51	32	72	2	168
		20%	3%	58%	5%	2%	1%	3%	0%	7%
9	599	132	13	329	22	23	8	19	2	51
		22%	2%	55%	4%	4%	1%	3%	0%	9%
10	1,265	257	39	522	40	23	22	63	3	296
		20%	3%	41%	3%	2%	2%	5%	0%	23%
Total	6,993	1,511	209	3,476	347	189	181	312	14	754
		22%	3%	50%	5%	3%	3%	4%	0%	11%

	Denial Reasons for Subprime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
2	1	1	-	-	-	-	-	-	-	-
		100%	0%	0%	0%	0%	0%	0%	0%	0%
7	3	-	-	2	1	-	-	-	-	-
		0%	0%	67%	33%	0%	0%	0%	0%	0%
8A	285	22	11	122	28	5	5	49	-	43
		8%	4%	43%	10%	2%	2%	17%	0%	15%
8B	326	37	5	132	21	20	10	50	-	51
		11%	2%	40%	6%	6%	3%	15%	0%	16%
9	62	8	-	27	7	1	2	2	-	15
		13%	0%	44%	11%	2%	3%	3%	0%	24%
10	205	51	5	57	20	5	13	10	-	44
		25%	2%	28%	10%	2%	6%	5%	0%	21%
Total	882	119	21	340	77	31	30	111	-	153
		13%	2%	39%	9%	4%	3%	13%	0%	17%

Table 28: Colonia Census Tracts Approval and Denial by Uniform State Service Region

	Prime			Subprime		
Service Area	Total	Approved	Denied	Total	Approved	Denied
8A	57	37	20	13	7	6
		1.9			1.2	
8B	6,959	5,079	1,880	922	589	333
		2.7			1.8	
9	7	3	4	2	1	1
		0.8			1.0	
10	3,034	2,307	727	213	150	63
		3.2			2.4	
Total	10,057	7,426	2,631	1,150	747	403
		2.8			1.9	

Includes purchase, owner-occupied, originated, approved and denied loans.

Table 29: Colonia Census Tracts Denial Reasons by Uniform State Service Region

	Denial Reasons for Prime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
8A	18	4	0	11	0	0	1	0	0	2
		22%	0%	61%	0%	0%	6%	0%	0%	11%
8B	1,321	258	43	806	47	25	17	36	0	89
		20%	3%	61%	4%	2%	1%	3%	0%	7%
9	4	1	0	3	0	0	0	0	0	0
		25%	0%	75%	0%	0%	0%	0%	0%	0%
10	540	112	22	217	11	7	6	12	2	151
		21%	4%	40%	2%	1%	1%	2%	0%	28%
Total	1,883	375	65	1037	58	32	24	48	2	242
		20%	3%	55%	3%	2%	1%	3%	0%	13%

	Denial Reasons for Subprime Lenders									
Service Area	Total	Debt to Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Application Incomplete	MI Denied	Other
8A	3	0	0	1	1	0	0	1	0	0
		0%	0%	33%	33%	0%	0%	33%	0%	0%
8B	158	27	2	59	15	3	3	23	0	26
		17%	1%	37%	9%	2%	2%	15%	0%	16%
9	0	0	0	0	0	0	0	0	0	0
10	40	8	1	8	7	1	5	2	0	8
		20%	3%	20%	18%	3%	13%	5%	0%	20%
Total	201	35	3	68	23	4	8	26	0	34
		17%	1%	34%	11%	2%	4%	13%	0%	17%

Table 30: Mortgage Volume by Uniform State Service Region

Service Area	Total: Count	Total: Total ($000) / Per Person ($000)	Prime Lenders: Count / Percent	Prime Lenders: Total ($000) / Per Person ($000)	Subprime Lenders: Count / Percent	Subprime Lenders: Total ($000) / Per Person ($000)	Manufactured Home Lenders: Count / Percent	Manufactured Home Lenders: Total ($000) / Per Person ($000)
	Purchase and Refinance Loans							
1	10,554	780,065	8,421	678,283	1,136	61,229	997	40,553
		1.00	80%	0.87	11%	0.08	9%	0.05
2	5,590	370,195	4,254	296,591	645	45,552	691	28,052
		0.67	76%	0.54	12%	0.08	12%	0.05
3	141,551	16,193,468	121,117	14,749,089	12,536	1,110,674	7,898	333,705
		2.95	86%	2.69	9%	0.20	6%	0.06
4	14,447	1,054,723	9,930	804,140	1,397	131,209	3,120	119,374
		1.04	69%	0.79	10%	0.13	22%	0.12
5	8,551	562,465	5,468	429,070	1,141	59,851	1,942	73,544
		0.76	64%	0.58	13%	0.08	23%	0.10
6	105,939	11,309,713	87,710	10,114,397	12,001	932,135	6,228	263,181
		2.33	83%	2.08	11%	0.19	6%	0.05
7	57,412	6,516,076	47,514	5,849,679	4,652	433,549	5,246	232,848
		2.82	83%	2.53	8%	0.19	9%	0.10
8A	36,125	3,377,168	28,000	2,874,813	4,556	347,740	3,569	154,615
		1.70	78%	1.44	13%	0.17	10%	0.08
8B	18,711	1,347,778	13,114	1,080,339	3,041	175,403	2,556	92,036
		0.71	70%	0.57	16%	0.09	14%	0.05
9	6,035	387,545	4,537	326,075	720	33,460	778	28,010
		0.74	75%	0.62	12%	0.06	13%	0.05
10	9,257	691,320	7,021	573,851	1,455	89,706	781	27,763
		0.98	76%	0.81	16%	0.13	8%	0.04
Total	414,172	42,590,516	337,086	37,776,327	43,280	3,420,508	33,806	1,393,681
		2.04	81%	1.81	10%	0.16	8%	0.07

Includes originated owner-occupied loans.

Table 30: Mortgage Volume by Uniform State Service Region

Service Area	Purchase Money Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)
1	8,209	628,553	7,090	574,152	290	19,942	829	34,459
	78%	0.81	86%	0.74	4%	0.03	10%	0.04
2	4,422	296,325	3,559	250,382	287	22,080	576	23,863
	79%	0.54	80%	0.46	6%	0.04	13%	0.04
3	119,490	13,990,771	105,948	13,071,044	6,435	628,420	7,107	291,307
	84%	2.55	89%	2.38	5%	0.11	6%	0.05
4	11,757	877,460	8,257	681,252	550	82,914	2,950	113,294
	81%	0.86	70%	0.67	5%	0.08	25%	0.11
5	6,738	449,785	4,623	363,962	314	18,019	1,801	67,804
	79%	0.61	69%	0.49	5%	0.02	27%	0.09
6	88,841	9,855,575	77,135	9,116,800	5,960	503,512	5,746	235,263
	84%	2.03	87%	1.88	7%	0.10	6%	0.05
7	48,758	5,596,523	41,643	5,159,569	2,184	221,682	4,931	215,272
	85%	2.42	85%	2.23	4%	0.10	10%	0.09
8A	29,349	2,831,096	24,074	2,509,555	1,965	178,648	3,310	142,893
	81%	1.42	82%	1.26	7%	0.09	11%	0.07
8B	14,124	1,049,072	10,631	889,839	1,144	75,391	2,349	83,842
	75%	0.55	75%	0.47	8%	0.04	17%	0.04
9	4,752	322,960	3,782	283,575	318	15,926	652	23,459
	79%	0.62	80%	0.54	7%	0.03	14%	0.04
10	7,407	581,797	6,124	516,142	591	41,690	692	23,965
	80%	0.83	83%	0.73	8%	0.06	9%	0.03
Total	343,847	36,479,917	292,866	33,416,272	20,038	1,808,224	30,943	1,255,421
	83%	1.75	85%	1.60	6%	0.09	9%	0.06

Includes originated owner-occupied loans.

Table 30: Mortgage Volume by Uniform State Service Region

Service Area	Refinance Loans: Total – Count / Percent	Total – Total ($000) / Per Person ($000)	Prime Lenders – Count / Percent	Prime Lenders – Total ($000) / Per Person ($000)	Subprime Lenders – Count / Percent	Subprime Lenders – Total ($000) / Per Person ($000)	Manufactured Home Lenders – Count / Percent	Manufactured Home Lenders – Total ($000) / Per Person ($000)
1	2,345	151,512	1,331	104,131	846	41,287	168	6,094
	22%	0.19	57%	0.13	36%	0.05	7%	0.01
2	1,168	73,870	695	46,209	358	23,472	115	4,189
	21%	0.13	60%	0.08	31%	0.04	10%	0.01
3	22,061	2,202,697	15,169	1,678,045	6,101	482,254	791	42,398
	16%	0.40	69%	0.31	28%	0.09	4%	0.01
4	2,690	177,263	1,673	122,888	847	48,295	170	6,080
	19%	0.17	62%	0.12	31%	0.05	6%	0.01
5	1,813	112,680	845	65,108	827	41,832	141	5,740
	21%	0.15	47%	0.09	46%	0.06	8%	0.01
6	17,098	1,454,138	10,575	997,597	6,041	428,623	482	27,918
	16%	0.30	62%	0.21	35%	0.09	3%	0.01
7	8,654	919,553	5,871	690,110	2,468	211,867	315	17,576
	15%	0.40	68%	0.30	29%	0.09	4%	0.01
8A	6,776	546,072	3,926	365,258	2,591	169,092	259	11,722
	19%	0.27	58%	0.18	38%	0.08	4%	0.01
8B	4,587	298,706	2,483	190,500	1,897	100,012	207	8,194
	25%	0.16	54%	0.10	41%	0.05	5%	0.00
9	1,283	64,585	755	42,500	402	17,534	126	4,551
	21%	0.12	59%	0.08	31%	0.03	10%	0.01
10	1,850	109,523	897	57,709	864	48,016	89	3,798
	20%	0.16	48%	0.08	47%	0.07	5%	0.01
Total	70,325	6,110,599	44,220	4,360,055	23,242	1,612,284	2,863	138,260
	17%	0.29	63%	0.21	33%	0.08	4%	0.01

Includes originated owner-occupied loans.

Table 31: Rural Mortgage Volume by Uniform State Service Region

Service Area	Purchase and Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
		Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
1	2,438	133,058	1,797	106,385	353	15,182	288	11,491
		0.42	74%	0.33	14%	0.05	12%	0.04
2	1,835	101,311	1,198	67,324	258	18,962	379	15,025
		0.36	65%	0.24	14%	0.07	21%	0.05
3	3,223	239,156	2,090	181,437	310	21,267	823	36,452
		1.05	65%	0.79	10%	0.09	26%	0.16
4	5,074	307,336	3,214	229,041	497	26,094	1,363	52,201
		0.65	63%	0.49	10%	0.06	27%	0.11
5	3,615	212,771	1,913	141,816	402	22,236	1,300	48,719
		0.60	53%	0.40	11%	0.06	36%	0.14
6	1,815	124,714	1,165	94,173	234	13,583	416	16,958
		0.67	64%	0.51	13%	0.07	23%	0.09
7	4,593	364,850	3,032	287,382	479	31,414	1,082	46,054
		0.96	66%	0.75	10%	0.08	24%	0.12
8A	4,055	341,407	2,705	270,552	396	28,184	954	42,671
		1.08	67%	0.86	10%	0.09	24%	0.14
8B	2,879	170,891	1,629	114,423	607	30,548	643	25,920
		0.41	57%	0.28	21%	0.07	22%	0.06
9	1,182	57,463	787	42,488	181	7,264	214	7,711
		0.31	67%	0.23	15%	0.04	18%	0.04
10	160	9,813	89	6,427	24	1,461	47	1,925
		0.40	56%	0.26	15%	0.06	29%	0.08
Total	30,869	2,062,770	19,619	1,541,448	3,741	216,195	7,509	305,127
		0.65	64%	0.49	12%	0.07	24%	0.10

Includes originated owner-occupied loans.

Table 31: Rural Mortgage Volume by Uniform State Service Region

Service Area	Purchase Money Loans: Total - Count / Percent	Total ($000) / Per Person ($000)	Prime Lenders - Count / Percent	Total ($000) / Per Person ($000)	Subprime Lenders - Count / Percent	Total ($000) / Per Person ($000)	Manufactured Home Lenders - Count / Percent	Total ($000) / Per Person ($000)
1	1,823	103,797	1,509	90,170	78	3,738	236	9,889
	75%	0.32	83%	0.28	4%	0.01	13%	0.03
2	1,399	78,147	968	52,816	112	12,337	319	12,994
	76%	0.28	69%	0.19	8%	0.04	23%	0.05
3	2,404	168,789	1,536	127,094	101	7,591	767	34,104
	75%	0.74	64%	0.56	4%	0.03	32%	0.15
4	4,100	248,449	2,647	190,054	164	8,948	1,289	49,447
	81%	0.53	65%	0.40	4%	0.02	31%	0.11
5	2,973	172,497	1,626	120,307	94	5,545	1,253	46,645
	82%	0.48	55%	0.34	3%	0.02	42%	0.13
6	1,436	97,166	945	75,329	93	5,831	398	16,006
	79%	0.53	66%	0.41	6%	0.03	28%	0.09
7	3,510	272,467	2,308	216,225	168	12,235	1,034	44,007
	76%	0.71	66%	0.57	5%	0.03	29%	0.12
8A	3,029	250,413	1,998	200,671	113	8,631	918	41,111
	75%	0.79	66%	0.64	4%	0.03	30%	0.13
8B	1,985	125,488	1,249	91,671	162	10,239	574	23,578
	69%	0.30	63%	0.22	8%	0.02	29%	0.06
9	878	44,237	638	34,638	55	2,700	185	6,899
	74%	0.24	73%	0.19	6%	0.01	21%	0.04
10	127	7,751	73	5,217	8	662	46	1,872
	79%	0.31	57%	0.21	6%	0.03	36%	0.08
Total	23,664	1,569,201	15,497	1,204,192	1,148	78,457	7,019	286,552
	77%	0.50	65%	0.38	5%	0.02	30%	0.09

Includes originated owner-occupied loans.

Table 31: Rural Mortgage Volume by Uniform State Service Region

	Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
Service Area	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)
1	615	29,261	288	16,215	275	11,444	52	1,602
	25%	0.09	47%	0.05	45%	0.04	8%	0.01
2	436	23,164	230	14,508	146	6,625	60	2,031
	24%	0.08	53%	0.05	33%	0.02	14%	0.01
3	819	70,367	554	54,343	209	13,676	56	2,348
	25%	0.31	68%	0.24	26%	0.06	7%	0.01
4	974	58,887	567	38,987	333	17,146	74	2,754
	19%	0.13	58%	0.08	34%	0.04	8%	0.01
5	642	40,274	287	21,509	308	16,691	47	2,074
	18%	0.11	45%	0.06	48%	0.05	7%	0.01
6	379	27,548	220	18,844	141	7,752	18	952
	21%	0.15	58%	0.10	37%	0.04	5%	0.01
7	1,083	92,383	724	71,157	311	19,179	48	2,047
	24%	0.24	67%	0.19	29%	0.05	4%	0.01
8A	1,026	90,994	707	69,881	283	19,553	36	1,560
	25%	0.29	69%	0.22	28%	0.06	4%	0.00
8B	894	45,403	380	22,752	445	20,309	69	2,342
	31%	0.11	43%	0.05	50%	0.05	8%	0.01
9	304	13,226	149	7,850	126	4,564	29	812
	26%	0.07	49%	0.04	41%	0.02	10%	0.00
10	33	2,062	16	1,210	16	799	1	53
	21%	0.08	48%	0.05	48%	0.03	3%	0.00
Total	7,205	493,569	4,122	337,256	2,593	137,738	490	18,575
	23%	0.16	57%	0.11	36%	0.04	7%	0.01

Includes originated owner-occupied loans.

Table 32: Urban Low-Income Mortgage Volume by Uniform State Service Region

Service Area	Purchase and Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
		Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
1	2,077	118,053	1,534	97,183	310	12,178	233	8,692
		0.62	74%	0.51	15%	0.06	11%	0.05
2	1,186	62,824	872	49,637	175	7,574	139	5,613
		0.53	74%	0.42	15%	0.06	12%	0.05
3	30,743	2,499,575	23,357	2,101,383	3,893	257,613	3,493	140,579
		1.30	76%	1.09	13%	0.13	11%	0.07
4	3,782	273,185	2,357	172,945	483	64,590	942	35,650
		1.09	62%	0.69	13%	0.26	25%	0.14
5	1,312	66,276	783	45,809	316	12,652	213	7,815
		0.42	60%	0.29	24%	0.08	16%	0.05
6	20,137	1,526,161	14,135	1,220,029	3,462	204,575	2,540	101,557
		0.86	70%	0.69	17%	0.12	13%	0.06
7	12,605	1,099,417	9,084	899,018	1,501	112,452	2,020	87,947
		1.39	72%	1.13	12%	0.14	16%	0.11
8A	6,581	371,510	4,188	263,141	1,392	67,530	1,001	40,839
		0.53	64%	0.37	21%	0.10	15%	0.06
8B	3,528	189,639	2,115	129,628	853	40,581	560	19,430
		0.35	60%	0.24	24%	0.07	16%	0.04
9	718	32,199	465	23,600	120	4,460	133	4,139
		0.32	65%	0.24	17%	0.04	19%	0.04
10	1,254	58,577	618	32,670	354	16,071	282	9,836
		0.21	49%	0.12	28%	0.06	22%	0.04
Total	83,923	6,297,416	59,508	5,035,043	12,859	800,276	11,556	462,097
		0.92	71%	0.74	15%	0.12	14%	0.07

Includes originated owner-occupied loans.

Table 32: Urban Low-Income Mortgage Volume by Uniform State Service Region

Service Area	Purchase Money Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)
1	1,540	91,798	1,283	81,266	63	3,073	194	7,459
	74%	0.48	83%	0.43	4%	0.02	13%	0.04
2	937	52,185	733	43,297	84	4,011	120	4,877
	79%	0.44	78%	0.36	9%	0.03	13%	0.04
3	24,626	2,091,533	19,841	1,834,435	1,599	130,551	3,186	126,547
	80%	1.09	81%	0.95	6%	0.07	13%	0.07
4	3,003	223,361	1,922	143,487	196	46,248	885	33,626
	79%	0.89	64%	0.57	7%	0.19	29%	0.13
5	887	48,526	636	38,350	89	4,170	162	6,006
	68%	0.31	72%	0.24	10%	0.03	18%	0.04
6	15,484	1,242,177	11,827	1,060,883	1,286	87,590	2,371	93,704
	77%	0.70	76%	0.60	8%	0.05	15%	0.05
7	10,446	924,581	7,904	787,600	650	55,224	1,892	81,757
	83%	1.17	76%	0.99	6%	0.07	18%	0.10
8A	4,641	287,034	3,408	227,490	328	22,578	905	36,966
	71%	0.41	73%	0.32	7%	0.03	20%	0.05
8B	2,543	142,461	1,659	104,574	360	19,590	524	18,297
	72%	0.26	65%	0.19	14%	0.04	21%	0.03
9	501	24,900	354	19,603	41	1,886	106	3,411
	70%	0.25	71%	0.20	8%	0.02	21%	0.03
10	809	39,729	455	25,804	98	5,046	256	8,879
	65%	0.14	56%	0.09	12%	0.02	32%	0.03
Total	65,417	5,168,285	50,022	4,366,789	4,794	379,967	10,601	421,529
	78%	0.76	76%	0.64	7%	0.06	16%	0.06

Includes originated owner-occupied loans.

Table 32: Urban Low-Income Mortgage Volume by Uniform State Service Region

Service Area	Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)
1	537	26,255	251	15,917	247	9,105	39	1,233
	26%	0.14	47%	0.08	46%	0.05	7%	0.01
2	249	10,639	139	6,340	91	3,563	19	736
	21%	0.09	56%	0.05	37%	0.03	8%	0.01
3	6,117	408,042	3,516	266,948	2,294	127,062	307	14,032
	20%	0.21	57%	0.14	38%	0.07	5%	0.01
4	779	49,824	435	29,458	287	18,342	57	2,024
	21%	0.20	56%	0.12	37%	0.07	7%	0.01
5	425	17,750	147	7,459	227	8,482	51	1,809
	32%	0.11	35%	0.05	53%	0.05	12%	0.01
6	4,653	283,984	2,308	159,146	2,176	116,985	169	7,853
	23%	0.16	50%	0.09	47%	0.07	4%	0.00
7	2,159	174,836	1,180	111,418	851	57,228	128	6,190
	17%	0.22	55%	0.14	39%	0.07	6%	0.01
8A	1,940	84,476	780	35,651	1,064	44,952	96	3,873
	29%	0.12	40%	0.05	55%	0.06	5%	0.01
8B	985	47,178	456	25,054	493	20,991	36	1,133
	28%	0.09	46%	0.05	50%	0.04	4%	0.00
9	217	7,299	111	3,997	79	2,574	27	728
	30%	0.07	51%	0.04	36%	0.03	12%	0.01
10	445	18,848	163	6,866	256	11,025	26	957
	35%	0.07	37%	0.02	58%	0.04	6%	0.00
Total	18,506	1,129,131	9,486	668,254	8,065	420,309	955	40,568
	22%	0.17	51%	0.10	44%	0.06	5%	0.01

Includes originated owner-occupied loans.

Table 33: Border Areas Mortgage Volume by Uniform State Service Region

Service Area	Purchase and Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
		Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
2	58	2,538	38	1,700	15	585	5	253
		0.22	66%	0.15	26%	0.05	9%	0.02
7	539	62,447	406	54,081	56	4,723	77	3,643
		2.45	75%	2.12	10%	0.19	14%	0.14
8A	34,295	3,247,207	26,586	2,763,243	4,415	340,530	3,294	143,434
		1.77	78%	1.51	13%	0.19	10%	0.08
8B	18,711	1,347,778	13,114	1,080,339	3,041	175,403	2,556	92,036
		0.71	70%	0.57	16%	0.09	14%	0.05
9	5,372	353,348	4,066	299,079	628	29,509	678	24,760
		0.80	76%	0.67	12%	0.07	13%	0.06
10	9,257	691,320	7,021	573,851	1,455	89,706	781	27,763
		0.98	76%	0.81	16%	0.13	8%	0.04
Total	68,232	5,704,638	51,231	4,772,293	9,610	640,456	7,391	291,889
		1.16	75%	0.97	14%	0.13	11%	0.06

Includes originated owner-occupied loans.

Table 33: Border Areas Mortgage Volume by Uniform State Service Region

Service Area	Purchase Money Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)	Count / Percent	Total ($000) / Per Person ($000)
2	36	1,659	27	1,249	4	157	5	253
	62%	0.14	75%	0.11	11%	0.01	14%	0.02
7	403	45,953	310	40,619	19	1,849	74	3,485
	75%	1.80	77%	1.60	5%	0.07	18%	0.14
8A	27,879	2,720,798	22,877	2,410,733	1,950	177,733	3,052	132,332
	81%	1.48	82%	1.31	7%	0.10	11%	0.07
8B	14,124	1,049,072	10,631	889,839	1,144	75,391	2,349	83,842
	75%	0.55	75%	0.47	8%	0.04	17%	0.04
9	4,243	295,563	3,386	260,570	286	14,272	571	20,721
	79%	0.67	80%	0.59	7%	0.03	13%	0.05
10	7,407	581,797	6,124	516,142	591	41,690	692	23,965
	80%	0.83	83%	0.73	8%	0.06	9%	0.03
Total	54,092	4,694,842	43,355	4,119,152	3,994	311,092	6,743	264,598
	79%	0.96	80%	0.84	7%	0.06	12%	0.05

Includes originated owner-occupied loans.

Table 33: Border Areas Mortgage Volume by Uniform State Service Region

	Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
Service Area	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
2	22	879	11	451	11	428	0	0
	38%	0.08	50%	0.04	50%	0.04	0%	-
7	136	16,494	96	13,462	37	2,874	3	158
	25%	0.65	71%	0.53	27%	0.11	2%	0.01
8A	6,416	526,409	3,709	352,510	2,465	162,797	242	11,102
	19%	0.29	58%	0.19	38%	0.09	4%	0.01
8B	4,587	298,706	2,483	190,500	1,897	100,012	207	8,194
	25%	0.16	54%	0.10	41%	0.05	5%	0.00
9	1,129	57,785	680	38,509	342	15,237	107	4,039
	21%	0.13	60%	0.09	30%	0.03	9%	0.01
10	1,850	109,523	897	57,709	864	48,016	89	3,798
	20%	0.16	48%	0.08	47%	0.07	5%	0.01
Total	14,140	1,009,796	7,876	653,141	5,616	329,364	648	27,291
	21%	0.21	56%	0.13	40%	0.07	5%	0.01

Includes originated owner-occupied loans.

Table 34: Colonia Census Tract Mortgage Volume by Uniform State Service Region

	Purchase and Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
Service Area	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
		Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
8A	74	3,588	28	1,813	17	818	29	957
		0.22	38%	0.11	23%	0.05	39%	0.06
8B	8417	535,585	5,583	408,346	1,419	77,979	1,415	49,260
		0.61	66%	0.47	17%	0.09	17%	0.06
9	15	602	4	253	2	47	9	302
		0.09	27%	0.04	13%	0.01	60%	0.05
10	2,925	226,124	2,340	196,386	266	17,816	319	11,922
		2.16	80%	1.88	9%	0.17	11%	0.11
Total	11,431	765,899	7,955	606,798	1,704	96,660	1,772	62,441
		0.76	70%	0.61	15%	0.10	16%	0.06

Includes originated owner-occupied loans.

Table 34: Colonia Census Tract Mortgage Volume by Uniform State Service Region

Service Area	Purchase Money Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)	Count	Total ($000)
	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)	Percent	Per Person ($000)
8A	58	2,910	24	1,670	6	308	28	932
	78%	0.18	41%	0.10	10%	0.02	48%	0.06
8B	6,066	390,486	4,285	315,733	496	30,395	1,285	44,358
	72%	0.45	71%	0.36	8%	0.03	21%	0.05
9	10	460	3	200	0	0	7	260
	67%	0.07	30%	0.03	0%	-	70%	0.04
10	2,594	203,857	2,170	182,608	123	9,923	301	11,326
	89%	1.95	84%	1.75	5%	0.09	12%	0.11
Total	8,728	597,713	6,482	500,211	625	40,626	1,621	56,876
	76%	0.60	74%	0.50	7%	0.04	19%	0.06

Includes originated owner-occupied loans.

Table 34: Colonia Census Tract Mortgage Volume by Uniform State Service Region

	Refinance Loans							
	Total		Prime Lenders		Subprime Lenders		Manufactured Home Lenders	
Service Area	Count Percent	Total ($000) Per Person ($000)	Count Percent	Total ($000) Per Person ($000)	Count Percent	Total ($000) Per Person ($000)	Count Percent	Total ($000) Per Person ($000)
8A	16	678	4	143	11	510	1	25
	22%	0.04	25%	0.01	69%	0.03	6%	0.00
8B	2,351	145,099	1,298	92,613	923	47,584	130	4,902
	28%	0.17	55%	0.11	39%	0.05	6%	0.01
9	5	142	1	53	2	47	2	42
	33%	0.02	20%	0.01	40%	0.01	40%	0.01
10	331	22,267	170	13,778	143	7,893	18	596
	11%	0.21	51%	0.13	43%	0.08	5%	0.01
Total	2,703	168,186	1,473	106,587	1,079	56,034	151	5,565
	24%	0.17	54%	0.11	40%	0.06	6%	0.01

Includes originated owner-occupied loans.

Table 35: Urban Low-Income Mortgage Volume by Uniform State Service Region

			Under 30% AMI		30% to 60% AMI		60% to 80% AMI	
Service Region		**Total**	**Count**	**Percent**	**Count**	**Percent**	**Count**	**Percent**
1	Prime	1,283	11	0.9%	382	29.8%	890	69.4%
	Subprime	63	0	0.0%	25	39.7%	38	60.3%
2	Prime	733	9	1.2%	191	26.1%	533	72.7%
	Subprime	84	0	0.0%	33	39.3%	51	60.7%
3	Prime	19,841	249	1.3%	4,076	20.5%	15,516	78.2%
	Subprime	1,599	24	1.5%	416	26.0%	1,159	72.5%
4	Prime	1,922	4	0.2%	837	43.5%	1,081	56.2%
	Subprime	196	0	0.0%	96	49.0%	100	51.0%
5	Prime	636	6	0.9%	203	31.9%	427	67.1%
	Subprime	89	5	5.6%	26	29.2%	58	65.2%
6	Prime	11,827	360	3.0%	3,804	32.2%	7,663	64.8%
	Subprime	1,286	18	1.4%	421	32.7%	847	65.9%
7	Prime	7,904	123	1.6%	2,827	35.8%	4,954	62.7%
	Subprime	650	12	1.8%	235	36.2%	403	62.0%
8A	Prime	3,408	28	0.8%	948	27.8%	2,432	71.4%
	Subprime	328	1	0.3%	105	32.0%	222	67.7%
8B	Prime	1,659	15	0.9%	319	19.2%	1,325	79.9%
	Subprime	360	0	0.0%	67	18.6%	293	81.4%
9	Prime	354	1	0.3%	63	17.8%	290	81.9%
	Subprime	41	1	2.4%	14	34.1%	26	63.4%
10	Prime	455	6	1.3%	76	16.7%	373	82.0%
	Subprime	98	1	1.0%	17	17.3%	80	81.6%
Total	Prime	50,022	812	1.6%	13,726	27.4%	35,484	70.9%
	Subprime	4,794	62	1.3%	1,455	30.4%	3,277	68.4%

Includes purchase owner-occupied originations.

Table 36: Mortgage Volume and Race by Uniform State Service Region

Service Region		American Indian or Alaskan Native	Asian or Pacific Islander	Black	Hispanic	Other	White	Not Applicable	Not Provided	Provided	Total
1	Prime	30	108	154	1,126	41	6,326	18	618	7,803	8,421
		0.4%	1.4%	2.0%	14.4%	0.5%	81.1%	0.2%	7.3%	92.7%	
	Subprime	4	6	63	223	-	577	1	262	874	1,136
		0.5%	0.7%	7.2%	25.5%		66.0%	0.1%	23.1%	76.9%	
2	Prime	14	31	97	301	31	3,440	4	336	3,918	4,254
		0.4%	0.8%	2.5%	7.7%	0.8%	87.8%	0.1%	7.9%	92.1%	
	Subprime	3	-	23	55	4	380	-	180	465	645
		0.6%		4.9%	11.8%	0.9%	81.7%		27.9%	72.1%	
3	Prime	539	5,441	7,794	13,069	2,083	79,829	178	12,184	108,933	121,117
		0.5%	5.0%	7.2%	12.0%	1.9%	73.3%	0.2%	10.1%	89.9%	
	Subprime	99	161	1,976	1,283	118	5,990	40	2,869	9,667	12,536
		1.0%	1.7%	20.4%	13.3%	1.2%	62.0%	0.4%	22.9%	77.1%	
4	Prime	44	53	561	534	68	7,723	8	939	8,991	9,930
		0.5%	0.6%	6.2%	5.9%	0.8%	85.9%	0.1%	9.5%	90.5%	
	Subprime	14	6	204	34	7	596	4	532	865	1,397
		1.6%	0.7%	23.6%	3.9%	0.8%	68.9%	0.5%	38.1%	61.9%	
5	Prime	13	95	497	225	45	4,079	2	512	4,956	5,468
		0.3%	1.9%	10.0%	4.5%	0.9%	82.3%	0.0%	9.4%	90.6%	
	Subprime	10	6	228	31	7	525	1	333	808	1,141
		1.2%	0.7%	28.2%	3.8%	0.9%	65.0%	0.1%	29.2%	70.8%	
6	Prime	358	5,201	6,316	13,929	1,273	51,598	71	8,962	78,746	87,708
		0.5%	6.6%	8.0%	17.7%	1.6%	65.5%	0.1%	10.2%	89.8%	
	Subprime	85	246	2,815	2,135	92	4,611	9	2,008	9,993	12,001
		0.9%	2.5%	28.2%	21.4%	0.9%	46.1%	0.1%	16.7%	83.3%	
7	Prime	220	1,663	2,069	4,791	573	33,379	37	4,782	42,732	47,514
		0.5%	3.9%	4.8%	11.2%	1.3%	78.1%	0.1%	10.1%	89.9%	
	Subprime	27	51	477	621	38	2,235	9	1,194	3,458	4,652
		0.8%	1.5%	13.8%	18.0%	1.1%	64.6%	0.3%	25.7%	74.3%	
8A	Prime	101	358	1,137	8,042	299	14,635	91	3,337	24,663	28,000
		0.4%	1.5%	4.6%	32.6%	1.2%	59.3%	0.4%	11.9%	88.1%	
	Subprime	20	29	215	1,601	29	1,338	3	1,321	3,235	4,556
		0.6%	0.9%	6.6%	49.5%	0.9%	41.4%	0.1%	29.0%	71.0%	
8B	Prime	35	140	117	7,499	85	4,214	14	1,010	12,104	13,114
		0.3%	1.2%	1.0%	62.0%	0.7%	34.8%	0.1%	7.7%	92.3%	
	Subprime	20	13	36	1,846	6	346	5	769	2,272	3,041
		0.9%	0.6%	1.6%	81.3%	0.3%	15.2%	0.2%	25.3%	74.7%	
9	Prime	14	34	89	775	27	3,211	1	386	4,151	4,537
		0.3%	0.8%	2.1%	18.7%	0.7%	77.4%	0.0%	8.5%	91.5%	
	Subprime	5	2	35	178	2	300	-	198	522	720
		1.0%	0.4%	6.7%	34.1%	0.4%	57.5%		27.5%	72.5%	
10	Prime	21	59	134	4,498	60	1,607	10	632	6,389	7,021
		0.3%	0.9%	2.1%	70.4%	0.9%	25.2%	0.2%	9.0%	91.0%	
	Subprime	4	7	28	927	10	194	-	285	1,170	1,455
		0.3%	0.6%	2.4%	79.2%	0.9%	16.6%	0.0%	19.6%	80.4%	
Total	Prime	1,389	13,183	18,965	54,789	4,585	210,041	434	33,698	303,386	337,084
		0.5%	4.3%	6.3%	18.1%	1.5%	69.2%	0.1%	11.1%	90.0%	
	Subprime	291	527	6,100	8,934	313	17,092	72	9,951	33,329	43,280
		0.9%	1.6%	18.3%	26.8%	0.9%	51.3%	0.2%	29.9%	77.0%	

Table 37: Rural Mortgage Volume and Race by Uniform State Service Region

Service Region		American Indian or Alaskan Native	Asian or Pacific Islander	Black	Hispanic	Other	White	Not Applicable	Not Provided	Provided	Total
1	Prime	6	7	13	312	5	1,271	-	183	1,614	1,797
		0.4%	0.4%	0.8%	19.3%	0.3%	78.7%		10.2%	89.8%	
	Subprime	1	-	12	93	-	153	-	94	259	353
		0.4%		4.6%	35.9%		59.1%		26.6%	73.4%	
2	Prime	6	2	12	95	9	957	3	114	1,084	1,198
		0.6%	0.2%	1.1%	8.8%	0.8%	88.3%	0.3%	9.5%	90.5%	
	Subprime	1	-	7	19	1	149	-	81	177	258
		0.6%		4.0%	10.7%	0.6%	84.2%		31.4%	68.6%	
3	Prime	8	7	31	123	10	1,736	3	172	1,918	2,090
		0.4%	0.4%	1.6%	6.4%	0.5%	90.5%	0.2%	8.2%	91.8%	
	Subprime	2	-	7	15	3	180	1	102	208	310
		1.0%		3.4%	7.2%	1.4%	86.5%	0.5%	32.9%	67.1%	
4	Prime	16	20	157	209	17	2,430	3	362	2,852	3,214
		0.6%	0.7%	5.5%	7.3%	0.6%	85.2%	0.1%	11.3%	88.7%	
	Subprime	3	1	48	12	4	226	3	200	297	497
		1.0%	0.3%	16.2%	4.0%	1.3%	76.1%	1.0%	40.2%	59.8%	
5	Prime	7	14	94	90	16	1,465	1	226	1,687	1,913
		0.4%	0.8%	5.6%	5.3%	0.9%	86.8%	0.1%	11.8%	88.2%	
	Subprime	4	2	35	13	2	207	1	138	264	402
		1.5%	0.8%	13.3%	4.9%	0.8%	78.4%	0.4%	34.3%	65.7%	
6	Prime	2	8	45	146	8	861	-	95	1,070	1,165
		0.2%	0.7%	4.2%	13.6%	0.7%	80.5%		8.2%	91.8%	
	Subprime	3	-	35	32	1	99	-	64	170	234
		1.8%		20.6%	18.8%	0.6%	58.2%		27.4%	72.6%	
7	Prime	15	12	68	181	15	2,326	-	415	2,617	3,032
		0.6%	0.5%	2.6%	6.9%	0.6%	88.9%		13.7%	86.3%	
	Subprime	2	3	45	34	2	261	3	129	350	479
		0.6%	0.9%	12.9%	9.7%	0.6%	74.6%	0.9%	26.9%	73.1%	
8A	Prime	12	9	18	389	16	1,910	8	343	2,362	2,705
		0.5%	0.4%	0.8%	16.5%	0.7%	80.9%	0.3%	12.7%	87.3%	
	Subprime	3	-	11	91	-	184	-	107	289	396
		1.0%		3.8%	31.5%		63.7%		27.0%	73.0%	
8B	Prime	4	14	17	713	8	652	4	217	1,412	1,629
		0.3%	1.0%	1.2%	50.5%	0.6%	46.2%	0.3%	13.3%	86.7%	
	Subprime	3	1	7	321	1	66	1	207	400	607
		0.8%	0.3%	1.8%	80.3%	0.3%	16.5%	0.3%	34.1%	65.9%	
9	Prime	1	5	12	137	2	563	-	67	720	787
		0.1%	0.7%	1.7%	19.0%	0.3%	78.2%		8.5%	91.5%	
	Subprime	3	1	5	47	-	77	-	48	133	181
		2.3%	0.8%	3.8%	35.3%		57.9%		26.5%	73.5%	
10	Prime	-	1	-	19	-	48	1	20	69	89
			1.4%		27.5%		69.6%	1.4%	22.5%	77.5%	
	Subprime	-	-	1	6	-	8	-	9	15	24
				6.7%	40.0%		53.3%		37.5%	62.5%	
Total	Prime	77	99	467	2,414	106	14,219	23	2,214	17,405	19,619
		0.4%	0.6%	2.7%	13.9%	0.6%	81.7%	0.1%	12.7%	88.7%	
	Subprime	25	8	213	683	14	1,610	9	1,179	2,562	3,741
		1.0%	0.3%	8.3%	26.7%	0.5%	62.8%	0.4%	46.0%	68.5%	

Includes owner-occupied, purchase and refinance loans

Table 38: Border Areas Mortgage Volume and Race by Uniform State Service Region

Service Region		American Indian or Alaskan Native	Asian or Pacific Islander	Black	Hispanic	Other	White	Not Applicable	Not Provided	Provided	Total
2	Prime	-	-	-	7	-	27	-	4	34	38
		0.0%	0.0%	0.0%	20.6%	0.0%	79.4%	0.0%	11.8%	88.2%	
	Subprime	1	-	-	1	-	9	-	4	11	15
		9.1%	0.0%	0.0%	9.1%	0.0%	81.8%	0.0%	36.4%	63.6%	
7	Prime	1	1	3	15	3	340	-	43	363	406
		0.3%	0.3%	0.8%	4.1%	0.8%	93.7%	0.0%	11.8%	88.2%	
	Subprime	-	-	-	4	1	37	-	14	42	56
		0.0%	0.0%	0.0%	9.5%	2.4%	88.1%	0.0%	33.3%	66.7%	
8A	Prime	97	345	1,106	7,770	291	13,688	91	3,198	23,388	26,586
		0.4%	1.5%	4.7%	33.2%	1.2%	58.5%	0.4%	13.7%	86.3%	
	Subprime	18	28	213	1,559	29	1,289	3	1,276	3,139	4,415
		0.6%	0.9%	6.8%	49.7%	0.9%	41.1%	0.1%	40.6%	59.4%	
8B	Prime	35	140	117	7,499	85	4,214	14	1,010	12,104	13,114
		0.3%	1.2%	1.0%	62.0%	0.7%	34.8%	0.1%	8.3%	91.7%	
	Subprime	20	13	36	1,846	6	346	5	769	2,272	3,041
		0.9%	0.6%	1.6%	81.3%	0.3%	15.2%	0.2%	33.8%	66.2%	
9	Prime	13	31	78	708	26	2,859	1	350	3,716	4,066
		0.3%	0.8%	2.1%	19.1%	0.7%	76.9%	0.0%	9.4%	90.6%	
	Subprime	3	2	32	159	2	255	-	175	453	628
		0.7%	0.4%	7.1%	35.1%	0.4%	56.3%	0.0%	38.6%	61.4%	
10	Prime	21	59	134	4,498	60	1,607	10	632	6,389	7,021
		0.3%	0.9%	2.1%	70.4%	0.9%	25.2%	0.2%	9.9%	90.1%	
	Subprime	4	7	28	927	10	194	-	285	1,170	1,455
		0.3%	0.6%	2.4%	79.2%	0.9%	16.6%	0.0%	24.4%	75.6%	
Total	Prime	167	576	1,438	20,497	465	22,735	116	5,237	45,994	51,231
		0.4%	1.3%	3.1%	44.6%	1.0%	49.4%	0.3%	11.4%	88.6%	
	Subprime	46	50	309	4,496	48	2,130	8	2,523	7,087	9,610
		0.6%	0.7%	4.4%	63.4%	0.7%	30.1%	0.1%	35.6%	64.4%	

Includes owner-occupied, purchase and refinance loans

Table 39: Urban Low-Income Mortgage Volume and Race by Uniform State Service Region

Service Region		American Indian or Alaskan Native	Asian or Pacific Islander	Black	Hispanic	Other	White	Not Applicable	Not Provided	Provided	Total
1	Prime	7	15	55	323	4	1,021	3	106	1,428	1,534
		0.5%	1.1%	3.9%	22.6%	0.3%	71.5%	0.2%	7.4%	93.1%	
	Subprime	-	-	29	76	-	133	-	72	238	310
				12.2%	31.9%		55.9%		30.3%	76.8%	
2	Prime	2	6	23	105	5	679	-	52	820	872
		0.2%	0.7%	2.8%	12.8%	0.6%	82.8%		6.3%	94.0%	
	Subprime	1	-	5	21	-	103	-	45	130	175
		0.8%		3.8%	16.2%		79.2%		34.6%	74.3%	
3	Prime	110	659	1,801	5,563	281	13,056	36	1,851	21,506	23,357
		0.5%	3.1%	8.4%	25.9%	1.3%	60.7%	0.2%	8.6%	92.1%	
	Subprime	33	40	760	565	30	1,442	9	1,014	2,879	3,893
		1.1%	1.4%	26.4%	19.6%	1.0%	50.1%	0.3%	35.2%	74.0%	
4	Prime	13	3	197	186	18	1,766	2	172	2,185	2,357
		0.6%	0.1%	9.0%	8.5%	0.8%	80.8%	0.1%	7.9%	92.7%	
	Subprime	4	1	95	16	2	171	-	194	289	483
		1.4%	0.3%	32.9%	5.5%	0.7%	59.2%		67.1%	59.8%	
5	Prime	1	24	227	43	6	435	-	47	736	783
		0.1%	3.3%	30.8%	5.8%	0.8%	59.1%		6.4%	94.0%	
	Subprime	2	2	129	8	1	76	-	98	218	316
		0.9%	0.9%	59.2%	3.7%	0.5%	34.9%		45.0%	69.0%	
6	Prime	64	465	1,358	4,245	130	6,786	10	1,077	13,058	14,135
		0.5%	3.6%	10.4%	32.5%	1.0%	52.0%	0.1%	8.2%	92.4%	
	Subprime	15	39	960	769	11	997	-	671	2,791	3,462
		0.5%	1.4%	34.4%	27.6%	0.4%	35.7%		24.0%	80.6%	
7	Prime	40	191	384	1,535	111	5,975	6	842	8,242	9,084
		0.5%	2.3%	4.7%	18.6%	1.3%	72.5%	0.1%	10.2%	90.7%	
	Subprime	10	10	202	296	7	552	3	421	1,080	1,501
		0.9%	0.9%	18.7%	27.4%	0.6%	51.1%	0.3%	39.0%	72.0%	
8A	Prime	7	38	131	2,419	21	1,120	15	437	3,751	4,188
		0.2%	1.0%	3.5%	64.5%	0.6%	29.9%	0.4%	11.7%	89.6%	
	Subprime	5	6	68	760	5	170	2	376	1,016	1,392
		0.5%	0.6%	6.7%	74.8%	0.5%	16.7%	0.2%	37.0%	73.0%	
8B	Prime	7	13	19	1,607	5	368	4	92	2,023	2,115
		0.3%	0.6%	0.9%	79.4%	0.2%	18.2%	0.2%	4.5%	95.7%	
	Subprime	5	2	12	583	1	54	-	196	657	853
		0.8%	0.3%	1.8%	88.7%	0.2%	8.2%		29.8%	77.0%	
9	Prime	2	3	21	167	1	239	1	31	434	465
		0.5%	0.7%	4.8%	38.5%	0.2%	55.1%	0.2%	7.1%	93.3%	
	Subprime	1	-	8	35	1	28	-	47	73	120
		1.4%		11.0%	47.9%	1.4%	38.4%		64.4%	60.8%	
10	Prime	1	4	11	490	3	64	-	45	573	618
		0.2%	0.7%	1.9%	85.5%	0.5%	11.2%		7.9%	92.7%	
	Subprime	1	-	3	240	2	21	-	87	267	354
		0.4%		1.1%	89.9%	0.7%	7.9%		32.6%	75.4%	
Total	Prime	254	1,421	4,227	16,683	585	31,509	77	4,752	54,756	59,508
		0.5%	2.6%	7.7%	30.5%	1.1%	57.5%	0.1%	8.7%	92.0%	
	Subprime	77	100	2,271	3,369	60	3,747	14	3,221	9,638	12,859
		0.8%	1.0%	23.6%	35.0%	0.6%	38.9%	0.1%	33.4%	75.0%	

Includes owner-occupied, purchase and refinance loans