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Borrowing Trouble? V

Subprime Mortgage Lending

in Greater Boston, 2000 – 2003

BY

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JANUARY 2005

A REPORT PREPARED FOR

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MASSACHUSETTS COMMUNITY & BANKING COUNCIL

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INTRODUCTION

Four years ago, in response to numerous reports of the growth of predatory lending, both locally and nationwide, the Massachusetts Community & Banking Council (MCBC) – whose Board of Directors has an equal number of bank and community representatives – commissioned a study of subprime refinance lending in the city of Boston and surrounding communities. The resulting report, *Borrowing Trouble? Subprime Mortgage Lending in Greater Boston, 1999*, was the first detailed look at subprime lending in the city of Boston and in twenty-seven surrounding communities.

This is the fifth report in the annual series begun by that initial study. Geographic coverage has expanded to include data on subprime lending in 108 individual cities and towns. This is the first year that the report has examined subprime home purchase loans in addition to subprime loans made to refinance existing mortgages.

Responsible subprime lending can provide a useful service. Subprime lenders can do this by making credit available to borrowers otherwise unable to obtain it, while charging somewhat higher interest rates and fees that bear a reasonable relationship to the increased expenses and risks borne by the lender. There is, however, considerable evidence that much or most subprime lending does not satisfy this definition of responsibility.

The *Borrowing Trouble* series was originally motivated by concern with predatory lending – loans characterized by egregiously high interest rates and fees, unconscionable features, and/or highly deceptive sales practices, often aimed at stripping away the accumulated equity of vulnerable home owners, and too often resulting in the borrowers losing their homes. However, as the subprime lending industry has continued its explosive growth in recent years – and as considerable progress has been made in curbing the worst excesses of predatory lenders – a second major concern has become increasingly prominent: the prevalence of “opportunity pricing” in the subprime mortgage market.

Whereas the prime mortgage market continues to resemble the market for major appliances – where retailers sell refrigerators at the same advertised price to all customers – the subprime mortgage market is more like the market for automobiles. Here the selling price and other charges are negotiated individually with each customer and those involved in selling have financial incentives to obtain the highest price possible from the customer. Many (probably most) borrowers from subprime lenders pay substantially more than they would have if they had obtained the best loan for which they were qualified. Sometimes this is because they could have qualified for a prime loan. More often, it is because they could have qualified for a lower-cost subprime loan than the one they received. Of particular concern is the fact that the likelihood of being overcharged for a mortgage loan – as well as the likely amount of the overcharge – is much greater for borrowers of color and elderly borrowers.¹

Although motivated by concerns with predatory lending and excessive pricing, this report is unable to shed direct light on these two problems because systematic data on the interest rates, fees, and terms of subprime loans are not available. Instead, this report seeks to illuminate these problems

¹ An excellent entry point to the large and rapidly growing literature on subprime lending is the recent special issue of *Housing Policy Debate* on “Market Failures and Predatory Lending” (Fall 2004; Vol. 15, No. 3). Alan White’s article in this issue on “Risk-Based Mortgage Pricing” (pp. 503-31) makes a persuasive case for the pervasiveness of “opportunity-pricing” (as opposed to “efficiency pricing,” where prices are closely related to risks) in subprime mortgage lending. The entire issue is available online at the Fannie Mae Foundation website: www.fanniemae.foundation.org/programs/hpd/v15i3-index.shtml. For a classic article that documents the differential impact on minority and female shoppers of opportunity pricing in the automobile market, see: Ian Ayres, “Fair Driving: Gender and Race Discrimination in Retail Car Negotiations,” *Harvard Law Review*, Vol. 104, No. 4, February 1991 (pp. 817-72).

indirectly by analyzing the data that are available to show the increasing and differential use of subprime lenders. These data come from three sources.

First, the Home Mortgage Disclosure Act (HMDA) data released annually by the Federal Financial Institutions Examination Council include information from almost all lenders who make substantial numbers of mortgage loans. For each loan application received, the data include the income, race/ethnicity, and sex of the applicant; the location of the property; whether the loan is for home purchase, refinance, or home improvement; and whether the application was approved, denied, or withdrawn. However, HMDA data do not include any of the information about interest rate, fees, loan terms, or applicant credit record that could make it possible to identify any particular *loan* as subprime.²

Second, the U.S. Department of Housing and Urban Development (HUD) releases an annual list of HMDA-reporting lenders for whom subprime loans make up at least a majority of total lending. These are the *subprime lenders* referred to in this report; to facilitate comparisons, all other lenders are referred to as *prime lenders*. It is important to recognize that the HMDA-reported loans by these subprime *lenders* are only an approximation to the number of subprime *loans* that were made. One important reason for this is that while most lenders specialize in either prime or subprime lending, some of the loans made by subprime lenders are prime loans, and some of the loans made by prime lenders are subprime loans – although there is no good basis for estimating how many loans there are in either of these categories.³

Third, data from the 2000 U.S. Census are utilized so that analysis of patterns of subprime lending in terms of the income level and race/ethnicity of the *borrowers* who receive the loans (as reported in the HMDA data) can be supplemented by analysis of patterns in terms of the income level and percentage of minority households in the *geographic areas* where the loans were made. The “Notes on Data and Methods” at the end of this report provide considerable detail on technical matters.

This report is a companion to *Changing Patterns XI: Mortgage Lending to Traditionally Underserved Borrowers & Neighborhoods in Greater Boston, 1990-2003*, the most recent in a series of annual reports on mortgage lending in Boston prepared for MCBC by the present author.⁴ The *Changing Patterns* series was motivated primarily by a concern for expanding home ownership and therefore focuses on *home-purchase lending*. Beginning with *Changing Patterns VII*, reports in that series began to include limited information on subprime home purchase lending. These data initially indicated that subprime lenders accounted for a very small portion (4.0% in 1998 and 3.3% in 1999) of total home-purchase lending in the city of Boston.

Accordingly, the examination of subprime lending in the original *Borrowing Trouble* report and its successors was limited to *refinance loans* (that is, loans that refinance existing mortgages). This made sense not only because the great majority of loans by subprime lenders were refinance loans but also because the greatest abuses by predatory lenders involved stripping away equity that had been accumulated by vulnerable home owners.

However, preliminary analysis of 2003 HMDA data revealed that subprime lenders had come to play an increasingly important role in home purchase mortgage lending. Indeed, subprime lenders made

² See Section IV, below, for information on additional information included in HMDA data for 2004 and future years that will for the first time allow some – but not all – subprime loans to be identified.

³ It is also important to note that many of those who receive subprime loans, whether from prime or subprime lenders, are not *subprime borrowers*. That is, they are borrowers whose credit histories and other risk characteristics would have made them eligible for prime loans, but who in fact received the higher interest rates, greater fees, and/or other less favorable terms that characterize subprime loans. Reported estimates by Fannie Mae and Freddie Mac are that a third or more of those who received subprime mortgage loans were in fact qualified to have received prime loans instead.

⁴ *Changing Patterns XI*, released in December 2004, is available in the “Reports” section of the Massachusetts Community & Banking Council (MCBC) website: www.masscommunityandbanking.org.

almost one thousand subprime home purchase loans in the city of Boston during 2003. Moreover, subprime lenders accounted for a greater share of total home purchase loans in the city than they did of total refinance loans (11.3% vs. 11.1%). Thus, this year's *Borrowing Trouble* report for the first time gives equal attention to subprime home purchase lending and subprime refinance lending.

The goal of this series of reports is to provide interested parties – community groups, consumer advocates, banks and other lenders, regulators, and policy-makers – with information on the extent of subprime mortgage lending in Greater Boston, on the distribution of this lending among different types of borrowers and communities, and on the identity of the lenders making these loans. By presenting a careful, fair, and accurate *description* of what has happened, this report, like those in the *Changing Patterns* series, seeks to contribute to improving the performance of mortgage lenders in meeting the needs of traditionally underserved borrowers and neighborhoods. The report does not offer either an *explanation* of why the observed trends have occurred or an *evaluation* of how well lenders have performed. Rather, its descriptive contribution is intended to be one important input into the complex, on-going tasks of explanation and evaluation.

The ten pages of text that follow summarize the most significant findings that emerge from an analysis of the tables and charts that constitute the bulk of this report:

- Section I reports on subprime mortgage lending patterns within the city of Boston, drawing on Tables 1-10 and their associated charts. The analysis looks at: the growth of subprime lending; lending to borrowers grouped by race/ethnicity and by income; lending in census tracts grouped by income level and by percentage of minority households;⁵ lending in the city's major neighborhoods; and lending by the largest subprime lenders.
- Section II reports on subprime mortgage lending patterns in the Metropolitan Area Planning Council (MAPC) Region, an area consisting of the city of Boston plus 100 surrounding communities. (See map preceding Table 11.) This section draws on Tables 11-18.
- Section III reports on subprime mortgage lending in 108 individual cities and towns – the 101 included in the MAPC Region, plus the seven other communities in Massachusetts with more than 60,000 residents (Brockton, Fall River, Lawrence, Lowell, New Bedford, Springfield, and Worcester). The tables in this section also provide data on subprime lending in the MAPC Region as a whole and in three progressively larger geographic areas: the “old” Boston Metropolitan Statistical Area (MSA), the “new” Boston MSA, and the entire state.⁶
- Section IV offers concluding comments, including discussion of recently passed and pending legislation supported by the MCBC.

⁵ This report follows the common practice of using the term “minority” as a shorthand for “minority group member” to refer to all persons other than non-Latino whites, even though “minorities” constitute the majority in some geographical areas. See “Notes on Data and Methods” for additional details.

⁶ See the “Notes on Data and Methods” at the end of this report for a discussion of “old” and “new” MSAs.

I. SUBPRIME MORTGAGE LENDING IN THE CITY OF BOSTON

The data presented in Tables 1 - 10 and their associated charts provide an overview of subprime mortgage lending in the city of Boston. They indicate that the number of loans by subprime lenders, both overall and to every category of borrower and neighborhood, rose substantially in 2003. They also indicate that loans by subprime lenders continue to make up a disproportionately large share of total loans to black and Latino borrowers and to neighborhoods with low incomes and high percentages of minority residents. Although Tables 2-7 and 9-10 provide data for 2003 only, Table 1 provides data on overall prime and subprime lending in 1994 and annually since 1999, and Tables 8-A & 8-B provide annual data for 2000-2003 for most of the major variables in the earlier tables. More specific findings on subprime lending in Boston include the following:

- **Mortgage lending in Boston by subprime lenders rose sharply in 2003, as *home purchase* loans increased by 60.5% while *refinance* loans grew by 56.4%.** The subprime share of all *home purchase* loans increased from 7.6% in 2002 to 11.3% in 2003 and for the first time exceeded the subprime share of *refinance* loans, which itself increased from 9.8% to 11.1%. Subprime lenders made 963 *home purchase* loans in the city in 2003, and 3,229 *refinance* loans. The number of *home purchase* loans by subprime lenders was ten times greater in 2003 than in 1994, while the number of *refinance* loans increased by twenty-three times during the same period. (See Table 1 and Charts 1-A. & 1-B.)
- Subprime lenders made disproportionately large shares of the mortgage loans to black and Latino borrowers in Boston. In 2003, subprime lenders made over one-quarter (27.6%) of all *home purchase* loans to blacks and nearly one-quarter (24.7%) of the loans to Latinos, compared to just 7.3% of the loans to whites. For *refinance* loans, subprime lenders made 25.7% of all loans to blacks and 18.9% of all loans to Latinos, compared to just 5.6% of all loans to whites. Expressed differently, **the black subprime loan share was 3.8 times greater than the white subprime loan share for *home purchase* lending, and 4.6 times greater for *refinance* lending, while the corresponding Latino/white disparity ratios were 3.4 for each type of lending.** Subprime lenders accounted for 10.9% of *home purchase* loans and 6.7% of *refinance* loans to Asian borrowers, for disparity ratios of 1.5 and 1.4, respectively. (Table 2)
- **Borrowers at lower income levels were about twice as likely as higher-income borrowers to receive their *refinance* loans from subprime lenders.** Subprime lenders made 14.4% of all *refinance* loans to low-income borrowers, compared to 14.2% of loans to moderate-income borrowers, 13.0% of loans to middle-income borrowers, and 7.5% of loans to upper-income borrowers. **However, lower-income borrowers were only about half as likely as upper-income borrowers to receive their *home purchase* loans from subprime lenders.** Subprime lenders made 6.7% of all *home purchase* loans to low-income borrowers, compared to 6.1% of loans to moderate-income borrowers, 13.3% of loans to middle-income borrowers, and 12.6% of loans to upper-income borrowers.⁷ (Table 3)

⁷ Following standard practice in mortgage lending studies, these income categories are defined in relationship to the median family income (MFI) in the Boston metropolitan statistical area (MSA) – which was \$80,800 in 2003. Less than 50% of the MFI of the MSA is “low-income”; between 50% and 80% is “moderate-income”; between 80% and 120% is “middle-income”; and over 120% is “upper-income.”

- When borrowers are grouped by both race/ethnicity and income level, the subprime shares for blacks and Latinos are always substantially higher than the subprime shares for white borrowers in the same income category. Indeed, the disparities in subprime shares increase as the income level increases. Subprime loan shares were particularly high for middle- and upper-income blacks and Latinos. **Upper-income blacks received 39.3% of their *home purchase* loans and 28.2% of their *refinance* loans from subprime lenders; upper-income Latinos received 47.5% of their *home purchase* loans and 30.3% of their *refinance* loans from subprime lenders;** upper-income Asians received 18.1% of their *home purchase* loans and 9.9% of their *refinance* loans from subprime lenders; upper-income whites, however, received just 7.6% of their *home purchase* loans and 3.9% of their *refinance* loans from subprime lenders. That is, **the *home purchase* subprime loan shares for upper-income blacks, Latinos, and Asians were, respectively, 5.2 times, 6.3 times, and 2.4 times greater than the subprime loan share for upper-income whites;** the black and Latino subprime shares were both more than ten times greater (and the Asian subprime share was almost five times greater) than the 3.7% subprime loan share of *low-income* whites. **For *refinance* loans, the subprime loan shares of upper-income blacks and Latinos were both more than seven times greater than the subprime share for upper-income whites and more than three times greater than the subprime share of *low-income* whites.** The refinance subprime loan share for upper income Asians was 2.5 times that of upper-income whites and 1.2 times that of *low-income* whites. (Table 4 and Charts 4-A and 4-B)
- When attention is turned from the person receiving the loan to the neighborhood in which the home is located, we find that subprime lenders have greatly disproportionate shares of total lending in traditionally underserved neighborhoods. In census tracts with more than 75% minority households, one in three (33.5%) *home purchase* loans came from subprime lenders, compared to only a 5.1% subprime share in census tracts where more than 75% of the households were white. For *refinance* loans, the subprime share was 29.8% in census tracts with more than 75% minority households, compared to just 4.0% in census tracts where more than 75% of the households were white. That is, **subprime lenders' shares of total lending were much greater in predominantly minority neighborhoods than in predominantly white neighborhoods – 6.5 times greater for *home purchase* lending and 7.5 times greater for *refinance* lending.** (Table 5)
- As the income level of census tracts decreases, the share of all loans made by subprime lenders increases. **The share of all *home purchase* loans that came from subprime lenders was 4.5 times greater in low-income census tracts than in upper-income tracts (13.5% vs. 3.0%).** The subprime share in moderate-income census tracts was 5.7 times greater than that in the upper-income tracts (17.0% vs. 3.0%). **The subprime share of *refinance* loans was 9.1 times greater in low-income census tracts than it was in upper-income census tracts (18.2% vs. 2.0%).** The subprime share in moderate-income census tracts was 8.1 times higher than in the upper-income tracts (16.3% vs. 2.0%). (Table 6)
- The shares of total loans that were made by subprime lenders varied dramatically among Boston's major neighborhoods. For *home purchase* loans, the 37.9% subprime share in Mattapan was twenty times greater than the 1.8% share in Charlestown. For *refinance* loans, the subprime shares in Roxbury and Mattapan (28.5% and 28.2%) were approximately fifteen times higher than the subprime shares in Charlestown and Back Bay/Beacon Hill (1.9% and 2.0%). Neighborhoods with higher subprime shares tended to be those with higher percentages of minority residents and lower income levels. This correlation is clearest in the case of race/ethnicity: the three neighborhoods with the highest percentages of minority residents – Roxbury, Mattapan, and Dorchester – also had the three highest subprime shares for both *home purchase* and *refinance* lending, ranging from 20.6% to 37.9%; meanwhile, in the four neighborhoods with fewer than 25% minority residents – Back Bay/Beacon Hill, South Boston,

West Roxbury, and Charlestown – the subprime loan shares were all between 1.8% and 6.7%.^{8, 9} (Tables 7-A & 7-B and Charts 7-A & 7-B)

- How do the patterns of subprime lending in 2003 compare with subprime lending patterns in previous years? Table 8-A (for *home purchase* lending) and Table 8-B (for *refinance* lending) present annual data for 2000-2003 on all of the loan categories included in Tables 2, 3, 5, 6, and 7. These tables contain information on the number of subprime loans, on subprime loan shares, and on the disparity ratios between the subprime shares for traditionally underserved borrowers and neighborhoods and their traditionally well-served counterparts. In general, **there were increasing numbers of loans and growing disparity ratios over the 2000-2003 period. Indeed, for *home purchase* lending, the disparity ratios for black and Latino borrowers, for census tracts with a majority of minority households, and for low- and moderate income census tracts all were greater in 2003 than in any of the three preceding years.**
- Who are the subprime lenders? Tables 9-A and 9-B present information – for *home purchase* and *refinance* loans, respectively – on each of the twenty subprime lenders that made the most loans in Boston in 2003. Three subprime lenders made more than 100 *home purchase* loans: Greenpoint Mortgage Funding (a subsidiary of Greenpoint Bank [New York]), Option One Mortgage Corp. (a subsidiary of H&R Block), and Freemont Investment & Loan. Four subprime lenders made more than 200 *refinance* loans: Option One, Ameriquest Mortgage Co., New Century Mortgage Corp., and Greenpoint. **None of the top twenty subprime lenders in either table were affiliated with a Massachusetts-based bank or based in Massachusetts, and none were subject to regulatory oversight of their Boston-area lending under the federal or state Community Reinvestment Act.** For purposes of comparison, Tables 9-A and 9-B also provide information about lending by each of the top fifteen prime lenders in Boston in 2003.
- The outcomes of applications to subprime lenders were dramatically different from those submitted to prime lenders. **Just 48.7% of *home purchase* applications and only 30.8% of *refinance* applications to subprime lenders resulted in loans, compared to 75.3% of *home purchase* applications and 74.0% of *refinance* applications to prime lenders.** For *home purchase* applications, most of difference is accounted for by the higher denial rate of subprime lenders (28.3%) than of prime lenders (9.5%). For *refinance* lenders, the majority of this difference is accounted for by the fact that 39.3% all applicants to subprime lenders (compared to just 14.0% of applicants to prime lenders) abandoned their applications at some point – by formally withdrawing them, by failing to provide all required information, or by declining to accept loans that were offered. (Tables 9A & 9-B)

⁸ The South End offers an exception to the pattern noted here: although over half of its residents are minorities and it has the lowest income of any neighborhood in the city, subprime lenders accounted for only 3.3% of *home purchase* loans and 2.5% of all *refinance* loans in this neighborhood.

⁹ It would have been interesting to classify *census tracts* simultaneously by both income level and percentage of minority households in order to see if the patterns resembled those found when *borrowers* were classified simultaneously by both race/ethnicity and income level (Table 4 and Charts 4-A & 4-B). In particular, it would have been very interesting to compare the subprime share of all *refinance* loans in predominantly minority upper-income tracts to the subprime share in predominantly white lower-income tracts. However, it is impossible to make this comparison because *all* of the 62 census tracts in Boston with more than 50% minority households are either low-income or moderate-income tracts – that is, *none* of these tracts are either middle-income or upper-income. (On the other hand, 41 of the 52 census tracts with more than 75% white households are either middle-income or upper-income tracts.)

- Studies in other cities have found the markets for mortgage loans to be sharply divided, with traditionally under-served areas served mainly by subprime lenders and traditionally well-served areas served primarily by prime lenders.¹⁰ However, **prime lenders were the dominant lenders to all categories of borrowers and neighborhoods in Boston in 2003.** Tables 10-A and 10-B show (for *home purchase* and *refinance* lending, respectively) the top five lenders to six categories of traditionally under-served borrowers or neighborhoods alongside the top five lenders to corresponding categories of traditionally well-served borrowers or neighborhoods. With very few exceptions, the top five lenders to the traditionally under-served borrowers and neighborhoods were from among Boston's top three banks (Fleet, Citizens, and Sovereign) plus the top five lenders in the corresponding category of traditionally well-served borrowers or neighborhoods. Only three subprime lenders appear in these tables: Freemont Investment and Loan ranked fifth in *home purchase* loans to black borrowers and fourth in *home purchase* loans in predominantly black plus Latino census tracts; Meritage Mortgage Corp. ranked fifth in *home purchase* loans to Latinos; and Option One Mortgage Corp. ranked fourth in *refinance* loans both in predominantly black plus Latino census tracts and in the neighborhoods of Roxbury and Mattapan.

II. SUBPRIME MORTGAGE LENDING IN THE GREATER BOSTON AREA

This section examines subprime lending in the Greater Boston area as defined by the Metropolitan Area Planning Council (MAPC). The MAPC region consists of the city of Boston plus 100 surrounding cities and town. (See map preceding Table 11.)¹¹ The MAPC region is located entirely within the Boston Metropolitan Statistical Area (MSA), which includes twenty-six additional cities and towns. The city of Boston, which has 19% of the MAPC Region's population, received 18% of the region's total *home purchase* loans and 12% of its total *refinance* loans. (Section III includes selected data on subprime lending in each of the 101 communities in the MAPC region as well as in the seven largest Massachusetts cities outside this region.)

The data presented in Tables 11-18 and their associated charts show that loans from subprime lenders accounted for a smaller share of total mortgage loans in 2003 in the MAPC Region than in Boston itself (8.8% vs. 11.3% for *home purchase* loans and 6.1% vs. 11.1% for *refinance* loans), but that the *patterns* of subprime lending observed in the MAPC region were very similar to those noted above for the city. Although Tables 12 through 16 and Tables 18-A & 18-B provide data for 2003 only, Tables 17-A & 17-B provide annual data for 2000-2003 for most of the major variables in Tables 12-16. More specific findings on subprime lending in the Greater Boston area include the following:

- **Subprime lending in the MAPC region increased substantially in 2003, as subprime *home purchase* loans rose by 41.9% and subprime *refinance* loans grew by 42.7%.** The subprime share of all *home purchase* loans increased from 6.6% in 2002 to 8.8% in 2003 while the subprime share of all *refinance* loans rose from 5.9% to 6.1%. For the third consecutive year the subprime share of *home purchase* loans was greater than the subprime share of *refinance* loans. Subprime lenders made 4,185 *home purchase* loans and 14,433 *refinance* loans in the MAPC Region in 2003. (See Table 11.)

¹⁰ For example, the main finding of a study of refinance lending in Chicago was "the hypersegmentation of residential finance." This study found that 14 of the 20 top lenders in predominantly minority census tracts were subprime lenders, while 19 of the 20 top lenders in predominantly white census tracts were prime lenders. (Daniel Immergluck and Marti Wiles, *Two Steps Back: The Dual Mortgage Market, Predatory Lending, and the Undoing of Community Development*, Chicago: Woodstock Institute, 1999)

¹¹ More information on the MAPC region and the MAPC itself – a regional planning agency established by the Massachusetts legislature in 1963 – is available at www.mapc.org.

- Subprime lenders made disproportionately large shares of the mortgage loans to black and Latino borrowers in the MAPC region. In 2003, subprime lenders made 27.0% of all *home purchase* loans to blacks and 26.4% of the loans to Latinos, compared to just 6.6% of the loans to whites. For *refinance* loans, subprime lenders made 21.3% of all loans to blacks and 16.9% of the loans to Latinos, compared to just 4.4% of the loans to whites. Expressed differently, **the black subprime loan share was 4.1 times greater than the white subprime loan share for *home purchase* lending, and 4.8 times greater for *refinance* lending, while the corresponding Latino/white disparity ratios were 4.0 for *home purchase* lending and 3.8 for *refinance* lending.** Subprime lenders accounted for 7.6% of *home purchase* loans and 3.5% of *refinance* loans to Asian borrowers, for disparity ratios of 1.1 and 0.8, respectively. (Table 12)
- **Borrowers at lower income levels were more than twice as likely to receive their *refinance* loans from subprime lenders.** Subprime lenders made 9.4% of all of the *refinance* loans to low-income borrowers in the MAPC Region, compared to 8.8% of the loans to moderate-income borrowers, 7.0% of the loans to middle-income borrowers, and 4.0% of the loans to upper-income borrowers. **However, lower-income borrowers were less likely than higher-income borrowers to receive their home-purchase loans from subprime lenders.** Subprime lenders made 4.8% of all of the *home purchase* to low-income borrowers, compared to 7.1% of the loans to moderate-income borrowers, 10.7% of the loans to middle-income borrowers, and 8.4% of the loans to upper-income borrowers. (Table 13).
- When borrowers are grouped by both race/ethnicity and income level, the subprime shares for blacks and Latinos are always substantially higher than the subprime shares for white borrowers in the same income category. Indeed, the disparities in subprime shares increase as the income level increases. Subprime loan shares are particularly high for middle- and upper-income blacks and Latinos. **Upper-income blacks received 38.9% of their *home purchase* loans and 19.6% of their *refinance* loans from subprime lenders, while upper-income Latinos received 38.0% of their *home purchase* loans and 18.3% of their *refinance* loans from subprime lenders.** Upper-income Asians received 10.2% of their *home purchase* loans and 3.3% of their *refinance* loans from subprime lenders. Upper-income whites received just 6.3% of their *home purchase* loans and 3.0% of their *refinance* loans from subprime lenders. That is, **the *home purchase* subprime loan share for upper-income blacks and Latinos were both six times greater than the subprime loan share for upper-income whites,** and they were both more than ten times greater than the 3.6% subprime loan share of *low-income* whites. **For *refinance* loans, the subprime loan shares of upper-income blacks and Latinos were also both more than six times greater than the subprime share for upper-income whites** and almost three times as large as the subprime share of *low-income* whites. (Table 14 and Charts 14-A and 14-B)
- When attention is turned from the person receiving the loan to the neighborhood in which the home is located, we find that subprime lenders have greatly disproportionate shares of total lending in traditionally underserved neighborhoods. In census tracts with more than 75% minority households, one in three (33.5%) *home purchase* loans came from subprime lenders,¹² compared to only a 7.0% subprime share in census tracts where more than 75% of the households were white. For *refinance* loans, the subprime share was 29.8% in census tracts with more than 75% minority households, compared to just 4.9% in census tracts where more than 75% of the households were white. That is, **subprime lenders' shares of total lending were much greater in predominantly minority neighborhoods than they were in predominantly white neighborhoods – 4.8 times greater for *home purchase* lending and 6.0 times greater for *refinance* lending.** (Table 15)

¹² The subprime shares for census tracts with more than 75% minority households are the same in the MAPC region as in the city of Boston (see Table 5) because the region has no such census tracts except for the 41 located within Boston's city limits.

- As the income level of census tracts decreases, the share of all loans made by subprime lenders increases. **The share of all *home purchase* loans that were made by subprime lenders was 4.7 times greater in low-income census tracts than it was in upper-income census tracts (18.1% vs. 3.9%).** The share in moderate-income census tracts was 4.6 times greater than it was in upper-income tracts (17.8% vs. 3.9%). **The subprime share of *refinance* loans was 6.0 times greater in low-income census tracts than it was in upper-income census tracts (18.4% vs. 3.0%).** The subprime share in moderate-income census tracts was 4.3 times greater than in the upper-income tracts (12.9% vs. 3.0%). (Table 16)
- How do the patterns of subprime lending in 2003 compare with subprime lending patterns in previous years? Table 17-A (for *home purchase* lending) and Table 17-B (for *refinance* lending) present annual data for 2000-2003 on all of the loan categories included in Tables 12, 13, 15, and 16. These tables contain information on the number of subprime loans, on subprime loan shares, and on the disparity ratios between the subprime shares for traditionally underserved borrowers and neighborhoods and their traditionally well-served counterparts. **There were increasing numbers of loans in every category over the 2000-2003 period and the disparity ratios for black and Latino borrowers, for census tracts with a majority of minority residents, and for lower-income census tracts were generally higher in 2003 than in the preceding years.**
- Who are the leading subprime lenders? Tables 18-A & 18-B present information – for *home purchase* and *refinance* loans, respectively – on each of the twenty subprime lenders that made the most loans in the MAPC region in 2003. Three subprime lenders made more than 400 *home purchase* loans: Option One Mortgage Corp. (a subsidiary of H&R Block), Greenpoint Mortgage Funding (a subsidiary of Greenpoint Bank [New York]), and Freemont Investment & Loan. Four subprime lenders made more than one thousand *refinance* loans: Option One, Ameriquest Mortgage Co., Greenpoint, and New Century Mortgage Corp. **None of the top twenty subprime lenders in either table were affiliated with a Massachusetts-based bank or based in Massachusetts, and none were subject to regulatory oversight of their Boston-area lending under the federal or state Community Reinvestment Act.** For purposes of comparison, Tables 18-A and 18-B also provide information about lending by each of the top fifteen prime lenders in the MAPC Region in 2003.
- The outcomes of applications to subprime lenders in the MAPC region were dramatically different from those submitted to prime lenders. **Just 50.5% of *home purchase* applications and only 27.8% of *refinance* applications to subprime lenders resulted in loans, compared to 77.9% of *home purchase* applications and 79.6% of *refinance* applications to prime lenders.** For *home purchase* applications, most of the difference is accounted for by the higher denial rate of subprime lenders (25.2%) than of prime lenders (7.2%). For *refinance* lenders, the majority of this difference is accounted for by the fact that 42.0% of all applicants to subprime lenders (compared to just 12.5% of applicants to prime lenders) abandoned their applications at some point – by formally withdrawing them, by failing to provide all required information, or by declining to accept loans that were offered. (Tables 18A & 18-B)

III. SUBPRIME MORTGAGE LENDING IN 108 INDIVIDUAL CITIES & TOWNS

Tables 19-23, each three pages long, present information for each of the 101 individual cities and towns that constitute the Metropolitan Area Planning Council (MAPC) Region, as well as for the seven largest Massachusetts cities located outside this region – Brockton, Fall River, Lawrence, Lowell, New Bedford, Springfield, and Worcester. In addition, these tables present information on lending in four larger areas: the MAPC region as a whole; the “old” Boston Metropolitan Statistical Area (MSA), which contains 127 cities and towns; the “new” Boston MSA, which contains 147 cities and towns; and the entire state, which contains 351 cities and towns.¹³

Basic information about the racial/ethnic composition and income level of each of the municipalities and larger areas is included in Table 19. This information reveals great variation among the communities in the MAPC Region. For example, the percentage of black plus Latino households ranges from a low of 0.4% in Manchester-by-the-Sea and Cohasset to a high of 43.7% in Chelsea, while median family income ranges from a low of \$32,130 in Chelsea to a high of \$181,041 in Weston. One of the cities in Panel B, Lawrence, has a higher percentage of black plus Latino households (52.6%) and a lower median family income (\$31,809) than any of the communities in the MAPC Region.

The data presented in Tables 19-23 should be regarded primarily as a resource for readers interested in learning about lending within their own communities or in making comparisons among a particular set of communities of special interest – there are far too many individual communities to be adequately covered in a brief summary. Nevertheless, it may be of interest to present the following findings and observations that emerge from an examination of the wealth of data presented in the tables.

- **The same five MAPC communities had the largest subprime shares of both *home purchase* and *refinance* loans in 2003:** Everett (where 27.3% of *home purchase* loans and 11.5% of *refinance* loans were from subprime lenders), Lynn (24.9% & 15.6%), Revere (23.6% & 11.8%), Chelsea (21.5% & 15.7%) and Randolph (18.5% & 13.8%). If communities are ranked by subprime shares for the entire three-year period from 2001 to 2003, rather than just for 2003, the same five communities again had the five largest subprime loan shares for both *home purchase* and *refinance* loans. (Tables 19, 22 & 23)
- **The five MAPC communities with the lowest subprime loan shares for *home purchase* loans in 2003 were Lincoln (0.0%), Brookline (1.1%), Southborough (1.1%), Bolton (1.1%), and Needham (1.3%). The five communities with the lowest subprime loan shares for *refinance* loans were Boxborough (1.1%), Wellesley (1.5%), Brookline (1.6%), Lexington (1.6%), and Winchester (1.7%).** Twenty-two of the 101 MAPC communities had *home purchase* subprime loan shares of 3.0% or less and twenty-six MAPC communities had *refinance* subprime loan shares of 3.0% or less. If communities are ranked by subprime shares for the entire three-year period from 2001 to 2003, rather than just for 2003, Bolton is joined by Manchester by the Sea, Rockport, Sudbury, and Wellesley on the list of five lowest *home purchase* subprime shares and Needham replaces Boxborough on the list of five lowest *refinance* subprime shares. (Tables 19, 22 & 23)

¹³ Metropolitan Statistical Areas are redefined by the federal Office of Management and Budget (OMB) following each decennial census. What I refer to here as the “old” MSAs were defined in the early 1990s and have provided the basis for HMDA reporting through 2003. The “new” MSAs were defined by OMB in June 2003 and will be used in HMDA reporting for 2004 and subsequent years. The new MSAs, unlike the old ones, consist of entire counties; the new Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth and Suffolk counties. See the “Notes on Data and Methods” for more detailed information on the definition of these geographic areas.

- Comparing the information on subprime loan shares with the information on median family income and percentage of black and of Latino households in each community that is included in Table 19 shows that communities' subprime loan shares have a strong positive correlation with their percentages of black and Latino residents and a strong inverse correlation with their median family incomes (MFIs). For example, **the five MAPC communities with the highest subprime loan shares had an average of 21.5% black plus Latino households and an average MFI of \$47,022, while the nine communities that were among those with the five lowest subprime shares for either home purchase or refinance loans in 2003 had an average of 2.6% black plus Latino households and an average MFI of \$109,366.** (These communities are identified in the two previous bullet points.)
- Panel B in Tables 19, 22, and 23 shows that the seven largest Massachusetts cities outside of the MAPC Region all had double-digit subprime loan shares for both home purchase loans and refinance loans both in 2003 and for the 2001-2003 period as a whole. **In 2003, the *home purchase* subprime loan shares were higher in Lawrence (30.2%) and Brockton (29.9%) than in any community in the MAPC region. The 2003 *refinance* subprime loan shares were higher in Lawrence (30.3%), Brockton (23.7%), Springfield (21.1%), and New Bedford (16.6%) than in any MAPC community.** Lawrence, Springfield, and Brockton rank first, third, and fifth among Massachusetts communities in percentage of black plus Latino households (Chelsea and Boston rank second and fourth).
- Table 20 (for *home purchase* loans) and Table 21 (for *refinance* loans) present information on the total number of loans, the number of these that were from subprime lenders, and the subprime loan share for black, for Latino, and for white borrowers in each of the 108 cities and towns in 2003. In communities where there were at least 25 total loans to black and/or Latino borrowers, the tables show the subprime share disparity ratios – that is, the ratio of the subprime share for blacks (or Latinos) to the subprime share for whites. Of the 104 disparity ratios calculated and reported in these two tables, 98 were greater than 1.0, indicating that **subprime loans accounted for larger percentages of the *refinance* loans received by black and Latino borrowers than of those received by white borrowers in almost every community where there was a significant amount of *refinance* lending to blacks and/or Latinos.**¹⁴
- Table 22 (for *home purchase* loans) and Table 23 (for *refinance* loans) presents information on the total number of loans, the number of these loans that were from subprime lenders, and the subprime loan share in each of the 108 communities annually from 2001 through 2003 and for the three-year period as a whole. **Between 2001 and 2003, the number of subprime *home purchase* loans increased in 68 of the 101 MAPC communities while the number of subprime *refinance* loans increased in all but one community (Borlough).** **In the seven cities included in Panel B of the tables, the number of both *home purchase* and *refinance* loans from subprime lenders increased each year in each city and the number of each type of loan more than doubled in each city between 2001 and 2003** (with one exception: the number of subprime *home purchase* loans in Fall River increased only 92% – from 66 in 2001 to 127 in 2003).

¹⁴ Because of space limitations, this section of the report does not include information on Asian household shares or on lending to Asian borrowers in the 108 individual communities covered. Tables 2, 4, 12, and 14 do include information on lending to Asian borrowers in the city of Boston and in the MAPC Region as a whole.

IV. CONCLUDING COMMENTS

Although motivated by concerns with the exploitative practices of *predatory lending* and *opportunity loan pricing* in Greater Boston, this report presents findings on *lending by subprime lenders*. The introductory section explained how data limitations require this indirect approach to shedding light on the subjects of primary concern. It is beyond the scope of this descriptive report either to offer explanations of the causes and mechanisms underlying the observed patterns of subprime lending or to investigate the extent to which subprime lenders engage in predatory lending and opportunity pricing. Instead, this concluding section offers comments on four aspects of public policy toward subprime lending.

Enhancements to Home Mortgage Disclosure Act (HMDA) Data for 2004

Beginning with data for 2004, changes in HMDA reporting requirements will make it possible for the first time to identify some loans as *subprime loans* rather than simply as loans made by *subprime lenders*. For some loans, the new HMDA data will include the “rate spread” – that is, the number of percentage points by which a loan’s interest rate exceeds the interest rate on the U.S. Treasury security with the same maturity. (This information will be reported only for first-lien mortgages with rate spreads of at least three percentage points and for second-lien mortgages with rate spreads of at least five percentage points; for loans with smaller spreads, no interest rate information will be reported.) In spite of the limitations of this new interest rate data – which will not be available for all loans and which will not be accompanied by information on the borrowers’ credit score or on any other measure of creditworthiness – it should nevertheless provide useful information on the comparative rates charged by different lenders and on the comparative rates paid by different categories of borrowers and in different types of neighborhoods. The expanded HMDA data will also explicitly identify loans whose interest rates and/or fees are high enough to make them subject to the Home Ownership and Equity Protection Act (HOEPA loans).¹⁵

Massachusetts’ New Predatory Lending Law

In August 2004, Massachusetts adopted Chapter 268 of the Acts of 2004, a law designed to curb predatory lending practices in the Commonwealth. For *all* home mortgage loans, the law: limits prepayment penalties during the first three years of the loan and prohibits them after that date; bans single-payment credit insurance; and requires lenders to “to determine and to demonstrate” that any refinancing of a home mortgage loan within five years is “in the borrower’s interest.” In addition, there are several further protections for borrowers who receive *high-cost home mortgage loans* (those with either an interest rate more than eight percentage points higher than the rate on U.S. Treasury securities of comparable maturity [nine points higher for a second-lien loan] or with points and fees greater than five percent of the loan amount). Among these protections are: prohibition of mandatory arbitration, balloon payments, and negative amortization; required certification that the borrower has completed an approved counseling program; and the imposition of “assignee liability,” whereby any purchaser of a high cost mortgage loan is subject to all of the same legal liabilities as the original lender. This law, which codifies and expands the protections previously provided by the “High Cost Loan Regulations” adopted by the state’s Division of Banks in 2001, is among the strongest of the predatory lending laws enacted by many states in recent years.

¹⁵ The best single guide to understanding HMDA data is the Federal Financial Institutions Examination Council’s *A Guide to HMDA Reporting: Getting It Right* (available at www.ffiec.gov/hmda/guide.htm). This publication includes the text of the Home Mortgage Disclosure Act itself, the text of Federal Reserve’s Regulation C (which governs the reporting of HMDA data), and the Fed’s Official Staff Commentary on Regulation C.

Proposed Legislation to Extend Community Investment Obligations to Subprime Lenders

Under the federal Community Reinvestment Act (CRA), as under its Massachusetts counterpart, a lender's performance in meeting the credit needs of local communities is evaluated by government regulators only if the lender is a bank with at least one branch office (or deposit-taking ATM) in those communities.¹⁶ As a result, *none* of the biggest subprime lenders listed in Tables 9 and 18 are covered by the CRA for their lending in Massachusetts. In fact, *none* of the 80 subprime lenders that made one or more loans in Massachusetts in 2003 are covered by the CRA for their lending in the state. In spite of the important impacts – positive or negative – that these lenders may have on the neighborhoods where they make their loans, they are not subject to regulatory review, evaluation, and ratings.

This state of affairs would be changed by enactment of legislation pending at the Massachusetts State House. The proposed “Homeownership Investment Act” – whose primary sponsors are Senator Jarrett Barrios and Representative Marie St. Fleur – would establish that each licensed mortgage lender that makes at least 50 total loans per year in Massachusetts has “a continuing and affirmative obligation...to help meet the housing credit needs of communities in the Commonwealth, including low and moderate neighborhoods and residents.”¹⁷ In 2003, forty-six subprime licensed mortgage lenders made that many loans. These lenders accounted for 78.5% of total *home purchase* loans in the state by all subprime lenders and for 86.6% of total refinance loans in the state by all subprime lenders. They include the great majority of the biggest subprime lenders as listed in Tables 9 and 18.¹⁸ The pending legislation is supported by the Massachusetts Community & Banking Council, the Massachusetts Bankers Association, and numerous community groups and municipal officials.

Enforcement of Existing Fair Lending Laws

All mortgage lenders operating in Massachusetts are subject to the provisions of federal fair lending laws, including the portions of the Fair Housing Act of 1968 and the Equal Credit Opportunity Act of 1974 that deal with the provision of housing credit. Race, national origin, and color are among the “protected classes” under these laws. Members of protected classes may not be discriminated against either by being treated differently (disparate treatment) or by being systematically harmed by policies and practices that lack a clear business necessity (disparate impact). This report's findings of dramatically higher subprime lender shares of total lending to black and Latino borrowers – and in geographical areas with high percentages of black and Latino residents – appear to provide *prima facie* evidence of widespread violations of fair lending laws by mortgage lenders operating in Greater Boston. Time will tell the extent to which government regulators and private litigators have taken note of this situation and acted to change it.

¹⁶ This required evaluation extends to lending by subsidiaries of covered banks. Lending by affiliated lenders owned by the same bank holding company may be included at the option of the bank. The Massachusetts CRA extends the coverage to state-chartered credit unions.

¹⁷ The bill numbers of the House and Senate versions of the proposed legislation (which have identical texts) were not yet available when this report was finalized; the bills as submitted were given House Docket Number 2014 and Senate Docket Number 1479. The legislation's proponents refer to it as the “Homeownership Investment Act,” although that is not the exact official title of either bill.

¹⁸ Licensed mortgage lenders are indicated by “LML” in the second column of Tables 9 and 18. Out-of-state banks (whether chartered by the federal government or by another state) – as well as the mortgage lending subsidiaries of federally chartered out-of-state banks – are indicated by “OSB” in Tables 9 and 18. Out-of-state banks are exempt from regulation by the Massachusetts Division of Banks; because they do not need a license to make mortgage loans in Massachusetts, they would not be covered by the proposed legislation. An alternative possible way to bring CRA requirements to state-licensed mortgage lenders – and the only way to extend these requirements to out-of-state banks – is through action at the national level. The prospects for adoption of such changes in the near future are too miniscule to warrant further discussion here.

Table 1
Increase in Subprime Lending, City of Boston
1994 and 1999-2003

	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime
A. Home Purchase Loans				
1994	4,697	4,599	98	2.1%
1999	8,002	7,735	267	3.3%
2000	7,467	6,979	488	6.5%
2001	7,260	6,687	573	7.9%
2002	7,902	7,302	600	7.6%
2003	8,486	7,523	963	11.3%
ratio: 2003 to 1994	1.81	1.64	9.83	
% change: 2002-2003	7.4%	3.0%	60.5%	
B. Refinance Loans				
1994	2,858	2,718	140	4.9%
1999	7,921	6,527	1,394	17.6%
2000	4,532	3,253	1,279	28.2%
2001	15,831	14,177	1,654	10.4%
2002	21,103	19,038	2,065	9.8%
2003	29,161	25,932	3,229	11.1%
ratio: 2003 to 1994	10.20	9.54	23.06	
% change: 2002-2003	38.2%	36.2%	56.4%	

Chart 1-A
Growth of Prime and Subprime Lending
City of Boston, Home Purchase Loans Only, 1994 & 1999-2003

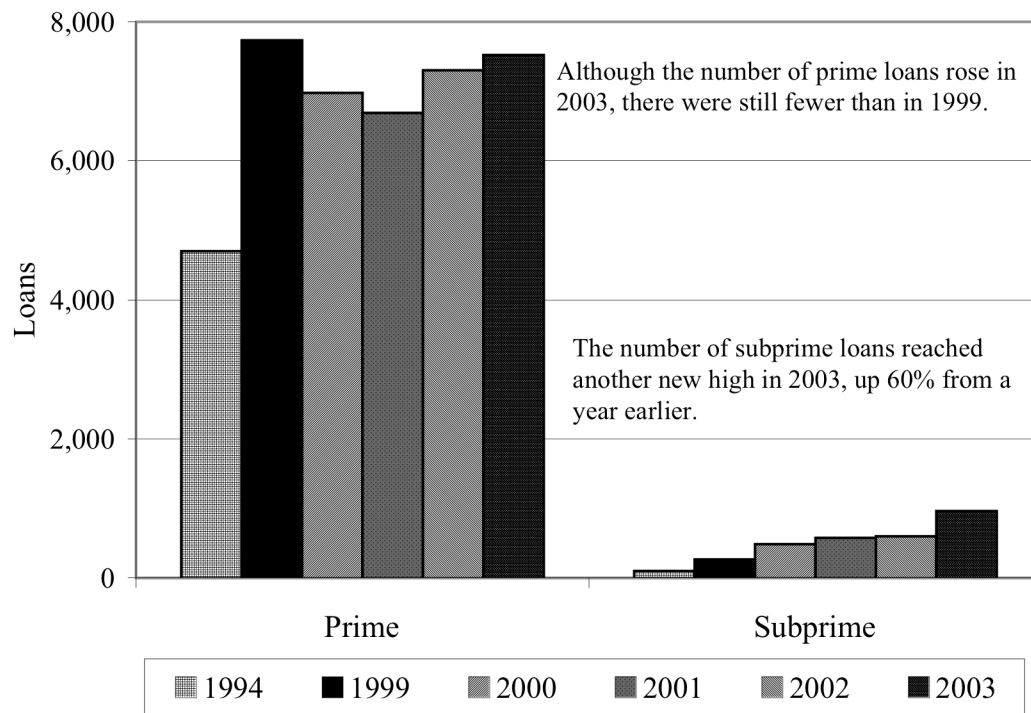


Chart 1-B
Growth of Prime and Subprime Lending
City of Boston, Refinance Loans Only, 1994, & 1999 - 2003

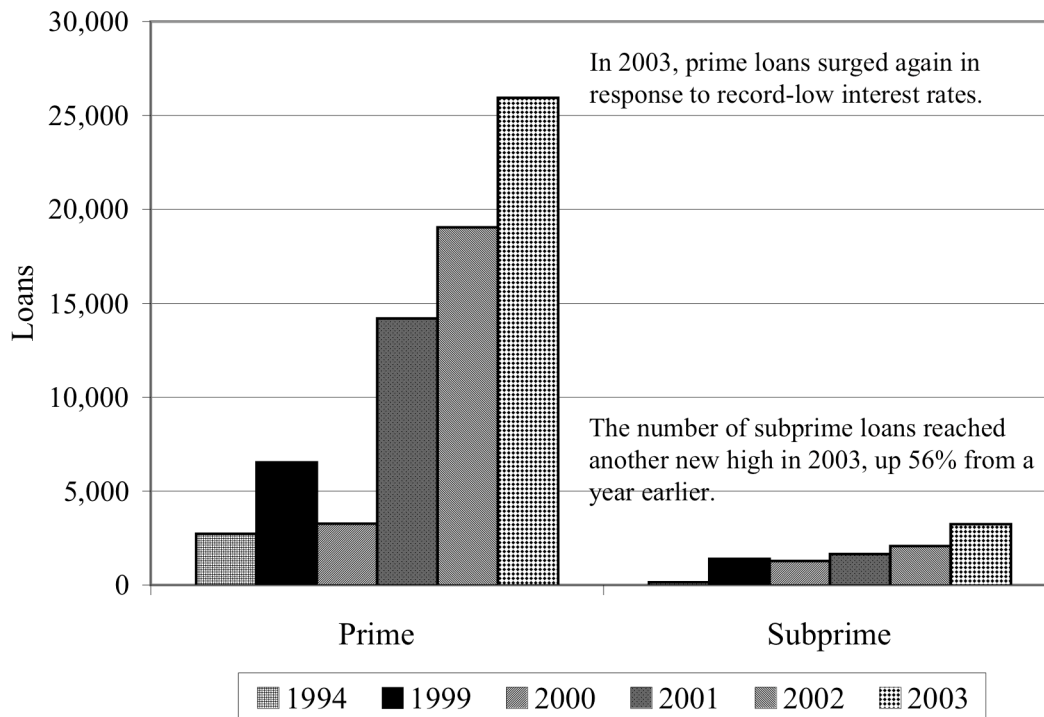


Table 2
Subprime and Prime Lending, By Race/Ethnicity of Borrower
City of Boston, 2003[^]

Borrower Race/Ethnicity	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to White %
A. Home Purchase Loans					
Asian	475	423	52	10.9%	1.51
Black	780	565	215	27.6%	3.80
Latino	579	436	143	24.7%	3.41
White	5,129	4,757	372	7.3%	1.00
Not Reported*	1,379	1,227	152	11.0%	
Total*	8,486	7,523	963	11.3%	
B. Refinance Loans					
Asian	1,084	997	87	8.0%	1.44
Black	3,815	2,833	982	25.7%	4.63
Latino	1,494	1,211	283	18.9%	3.40
White	17,056	16,107	949	5.6%	1.00
Not Reported*	5,068	4,305	763	15.1%	
Total*	29,161	25,932	3,229	11.1%	

* "Not Reported" is "Information not provided...in mail or telephone application" & "Not applicable."

"Total" includes "American Indian" and "Other" as well as the categories shown in the table.

[^] See Panel A of Tables 8-A & 8-B for annual data on subprime loans, subprime loan shares, and disparity ratios for borrowers of these races/ethnicities during the 2000-2003 period.

Table 3
Subprime and Prime Lending, By Income of Borrower
City of Boston, 2003[^]

Income Category*	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to Upper %
A. Home Purchase Loans					
Low	432	403	29	6.7%	0.53
Moderate	1,667	1,565	102	6.1%	0.49
Middle	2,328	2,019	309	13.3%	1.06
Upper	3,561	3,113	448	12.6%	1.00
Not Reported	498	423	75	15.1%	
Total	8,486	7,523	963	11.3%	
A. Refinance Loans					
Low	2,305	1,972	333	14.4%	1.92
Moderate	6,834	5,861	973	14.2%	1.90
Middle	8,165	7,103	1,062	13.0%	1.73
Upper	9,878	9,136	742	7.5%	1.00
Not Reported	1,979	1,860	119	6.0%	
Total	29,161	25,932	3,229	11.1%	

* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$80,000 in 2003). "Low" is less than 50% of this amount (\$11K-\$40K in 2003); "Moderate" is 50%-80% of this amount (\$41K-\$64K); "Middle" is 80%-120% of this amount (\$65K-\$97K); and "Upper" is over 120% of this amount (\$98K or more in 2003).

[^] See Panel B of Tables 8-A & 8-B for annual data on subprime loans, subprime loan shares, and disparity ratios for borrowers in these income categories during the 2000-2003 period.

Table 4
Subprime Loans by Race/Ethnicity & Income of Borrower
Number of Loans and Percent of All Loans
City of Boston, 2003

	Low Income*	Moderate Income*	Middle Income*	Upper Income*
A. Subprime Loans as Percent of Total: Home Purchase Loans				
Asian	0.0%	5.9%	10.1%	18.1%
Black	13.0%	10.4%	31.4%	39.3%
Latino	9.5%	8.1%	27.0%	47.5%
White	3.7%	4.6%	8.9%	7.6%
B. Home Purchase Loan Share Disparity Ratios (Ratio to White Subprime Share)				
Asian	0.00	1.28	1.13	2.38
Black	3.51	2.26	3.53	5.17
Latino	2.57	1.76	3.03	6.25
White	1.00	1.00	1.00	1.00
C. Subprime Loans as Percent of Total: Refinance Loans				
Asian	2.2%	6.3%	8.7%	9.9%
Black	23.5%	26.7%	28.7%	28.2%
Latino	13.5%	17.3%	20.0%	30.3%
White	8.6%	7.1%	6.6%	3.9%
D. Refinance Loan Share Disparity Ratios (Ratio to White Subprime Share)				
Asian	0.26	0.89	1.32	2.54
Black	2.73	3.76	4.35	7.23
Latino	1.57	2.44	3.03	7.77
White	1.00	1.00	1.00	1.00

* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$80,800 in 2003). "Low" is less than 50% of this amount (\$11K-\$40K in 2003). "Moderate" is 50%-80% of this amount (\$41K-\$64K); "Middle" is 80%-120% of this amount (\$65K-\$97K); and "Upper" is over 120% of this amount (\$98K or greater in 2003).

Chart 4-A
Subprime Loans as Percent of All Loans
By Borrower Race/Ethnicity and Income
City of Boston, Home Purchase Loans Only, 2003

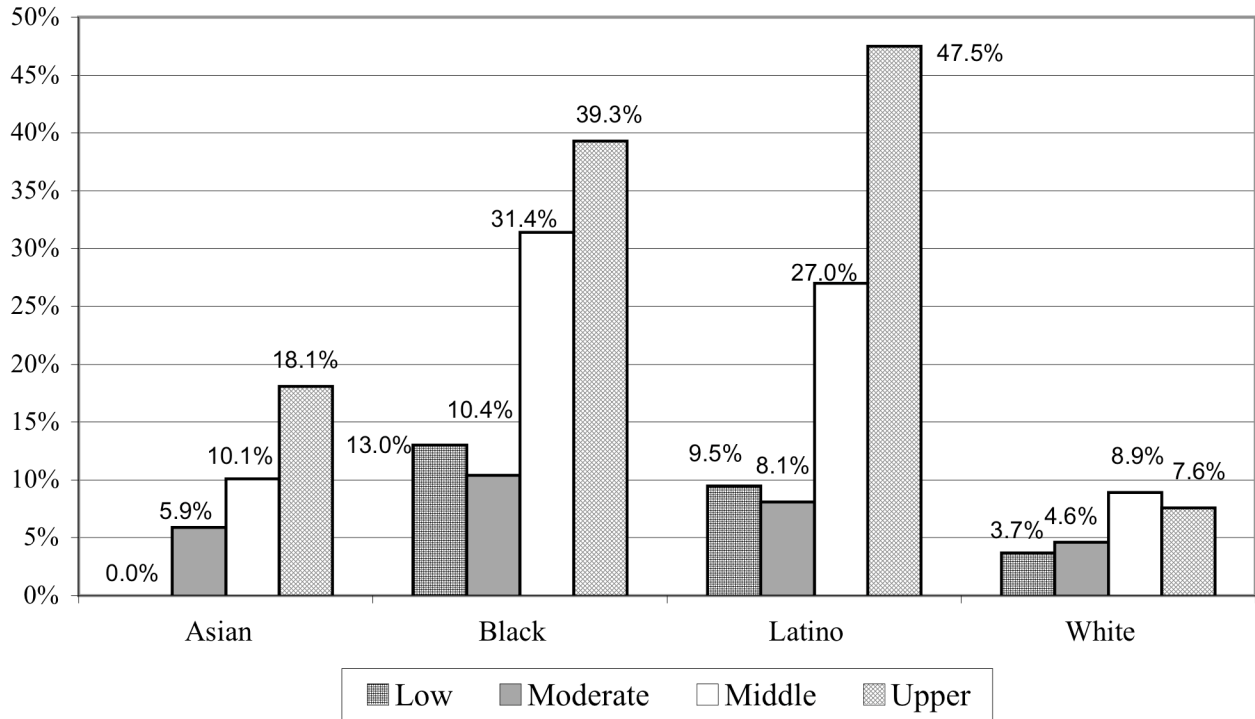


Chart 4-B
Subprime Loans as Percent of All Loans
By Borrower Race/Ethnicity and Income
City of Boston, Refinance Loans Only, 2003

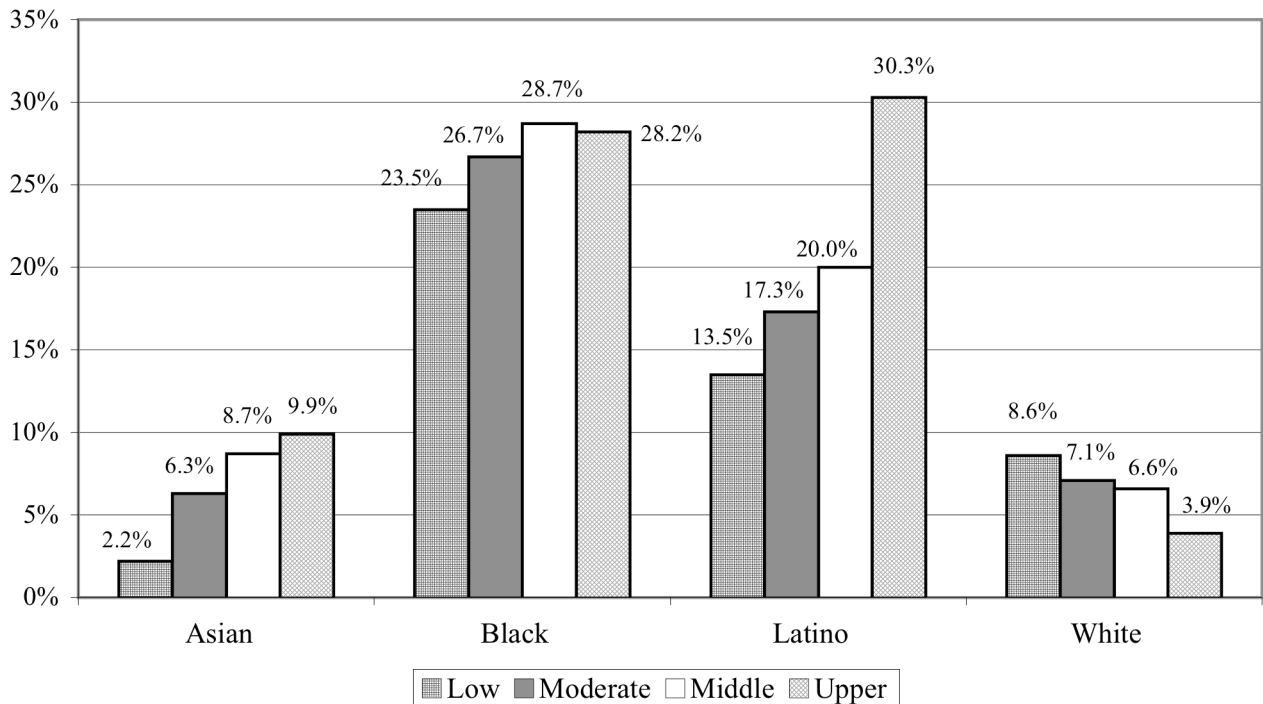


Table 5
Subprime and Prime Lending, By Percent Minority Households in Census Tract
City of Boston, 2003[^]

Composition of Census Tract	Number of Tracts	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to >75% White
A. Home Purchase Loans						
> 75% Minority	41	1,099	731	368	33.5%	6.51
50%-75% Minority	21	1,005	863	142	14.1%	2.74
25%-50% Minority	43	2,516	2,262	254	10.1%	1.96
> 75% White	52	3,866	3,667	199	5.1%	1.00
Total	157	8,486	7,523	963	11.3%	
B. Refinance Loans						
> 75% Minority	41	5,218	3,663	1,555	29.8%	7.51
50%-75% Minority	21	2,956	2,504	452	15.3%	3.85
25%-50% Minority	43	7,827	7,127	700	8.9%	2.25
> 75% White	52	13,160	12,638	522	4.0%	1.00
Total	157	29,161	25,932	3,229	11.1%	

[^] See Panel C of Tables 8-A & 8-B for annual data on subprime loans, subprime loan shares, and disparity ratios for these categories of census tracts during the 2000-2003 period.

Table 6
Subprime and Prime Lending, By Income Level of Census Tract
City of Boston, 2003[^]

Census Tract Income Level*	Number of Tracts#	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to Upper %
A. Home Purchase Loans						
Low-Income	44	1,563	1,352	211	13.5%	4.54
Moderate-Income	61	3,234	2,685	549	17.0%	5.70
Middle-Income	39	2,513	2,345	168	6.7%	2.25
Upper-Income	12	1,176	1,141	35	3.0%	1.00
Total#	156	8,486	7,523	963	11.3%	
B. Refinance Loans						
Low-Income	44	4,393	3,593	800	18.2%	9.06
Moderate-Income	61	10,817	9,053	1,764	16.3%	8.11
Middle-Income	39	10,320	9,728	592	5.7%	2.85
Upper-Income	12	3,631	3,558	73	2.0%	1.00
Total#	156	29,161	25,932	3,229	11.1%	

* A census tract is placed into an income category on the basis of the relationship, according to the 2000 census, between its Median Family Income (MFI) and the MFI of the Boston MSA. "Low" is less than 50% of the MFI of the MSA; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the MSA.

The 2000 Census did not report an MFI for tract 1501.00 (Harbor Islands).

[^] See Panel D of Tables 8-A & 8-B for annual data on subprime loans, subprime loan shares, and disparity ratios for these categories of census tracts during the 2000-2003 period.

Table 7-A
Subprime and Prime Lending, By Neighborhood
City of Boston, Home Purchase Loans Only, 2003

Neighborhood#	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Percent Minority	Income Level*
Mattapan	280	174	106	37.9%	96.2%	\$ 38,463
Roxbury	403	288	115	28.5%	95.2%	\$ 30,358
Dorchester	1,048	800	248	23.7%	68.2%	\$ 39,856
East Boston	427	330	97	22.7%	50.3%	\$ 36,213
Hyde Park	369	286	83	22.5%	57.0%	\$ 54,666
Roslindale	548	477	71	13.0%	44.2%	\$ 53,418
Jamaica Plain	582	540	42	7.2%	50.2%	\$ 45,762
South Boston	758	707	51	6.7%	15.5%	\$ 47,794
Allston/Brighton	850	799	51	6.0%	31.3%	\$ 47,693
Fenway/Kenmore	316	302	14	4.4%	30.5%	\$ 48,961
West Roxbury	415	401	14	3.4%	16.4%	\$ 68,966
South End	899	869	30	3.3%	54.7%	\$ 42,263
BackBay/BeaconHill	724	700	24	3.3%	15.2%	\$ 127,542
Central	433	424	9	2.1%	30.4%	\$ 61,837
Charlestown	434	426	8	1.8%	21.4%	\$ 59,265
City of Boston	8,486	7,523	963	11.3%	50.5%	\$ 44,151

The neighborhoods used in this study are based on the Planning Districts (PDs) defined by the Boston Redevelopment Authority (BRA), except: North and South Dorchester are combined and the Harbor Islands PD (no loans in 2003) is omitted. *Percent minority* was calculated by the BRA for these exact neighborhoods from 2000 Census data. However, *lending data* are available only on a census tract basis and many tracts are divided among two or more PDs. For this table, loans in each PD were calculated using a list of census tracts obtained from the BRA that correspond to the PDs as closely as possible.

* The income level for each PD is estimated as the median of the MFIs (Median Family Incomes) of the census tracts in the PD.

Chart 7-A
Subprime as Percent of Home Purchase Loans, Boston Neighborhoods, 2003

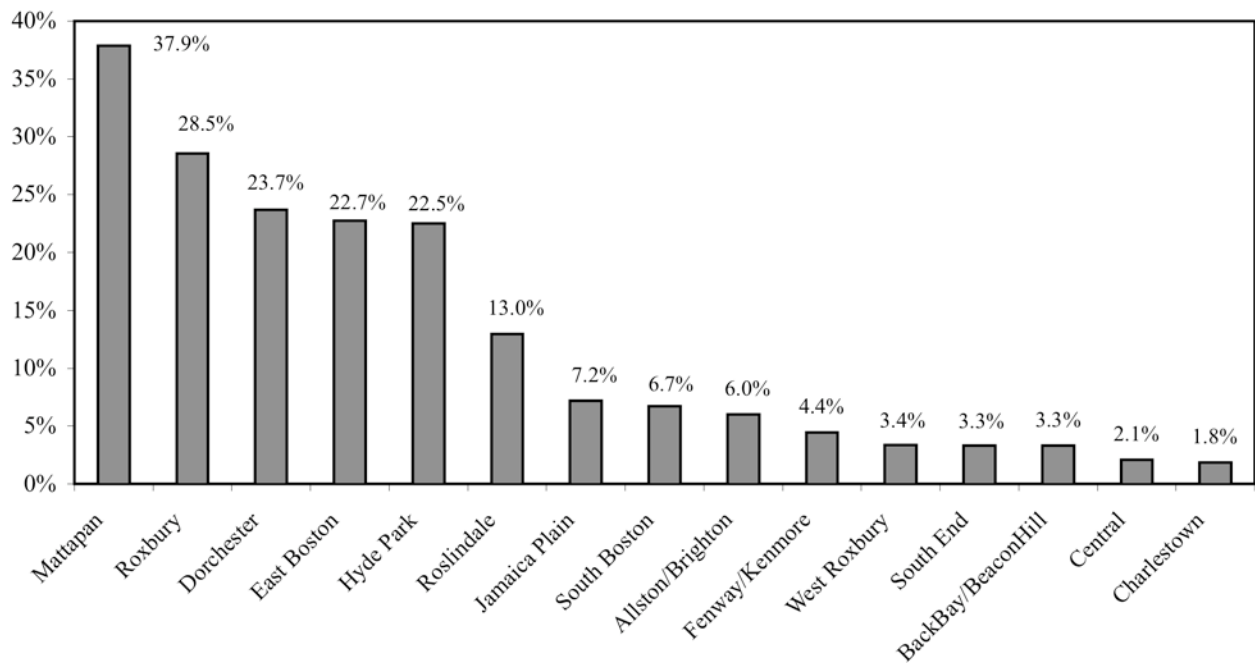


Table 7-B
Subprime and Prime Lending, By Neighborhood
City of Boston, Refinance Loans Only, 2003

Neighborhood#	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Percent Minority	Income Level*
Roxbury	1,673	1,196	477	28.5%	95.2%	\$ 30,358
Mattapan	1,632	1,171	461	28.2%	96.2%	\$ 38,463
Dorchester	4,239	3,365	874	20.6%	68.2%	\$ 39,856
Hyde Park	2,187	1,801	386	17.6%	57.0%	\$ 54,666
East Boston	1,255	1,051	204	16.3%	50.3%	\$ 36,213
Roslindale	2,255	2,033	222	9.8%	44.2%	\$ 53,418
Jamaica Plain	1,933	1,801	132	6.8%	50.2%	\$ 45,762
South Boston	2,127	2,022	105	4.9%	15.5%	\$ 47,794
West Roxbury	2,364	2,262	102	4.3%	16.4%	\$ 68,966
Fenway/Kenmore	706	679	27	3.8%	30.5%	\$ 48,961
Allston/Brighton	2,262	2,179	83	3.7%	31.3%	\$ 47,693
Central	1,327	1,282	45	3.4%	30.4%	\$ 61,837
South End	1,841	1,795	46	2.5%	54.7%	\$ 42,263
BackBay/BeaconHill	1,978	1,939	39	2.0%	15.2%	\$ 127,542
Charlestown	1,382	1,356	26	1.9%	21.4%	\$ 59,265
City of Boston	29,161	25,932	3,229	11.1%	50.5%	\$ 44,151

The neighborhoods used in this study are based on the Planning Districts (PDs) defined by the Boston Redevelopment Authority (BRA), except: North and South Dorchester are combined and the Harbor Islands PD (no loans in 2003) is omitted. *Percent minority* was calculated by the BRA for these exact neighborhoods from 2000 Census data. However, *lending data* are available only on a census tract basis and many tracts are divided among two or more PDs. For this table, loans in each PD were calculated using a list of census tracts obtained from the BRA that correspond to the PDs as closely as possible.

* The income level for each PD is estimated as the median of the MFIs (Median Family Incomes) of the census tracts in the PD.

Chart 7-B
Subprime as Percent of Refinance Loans, Boston Neighborhoods, 2003

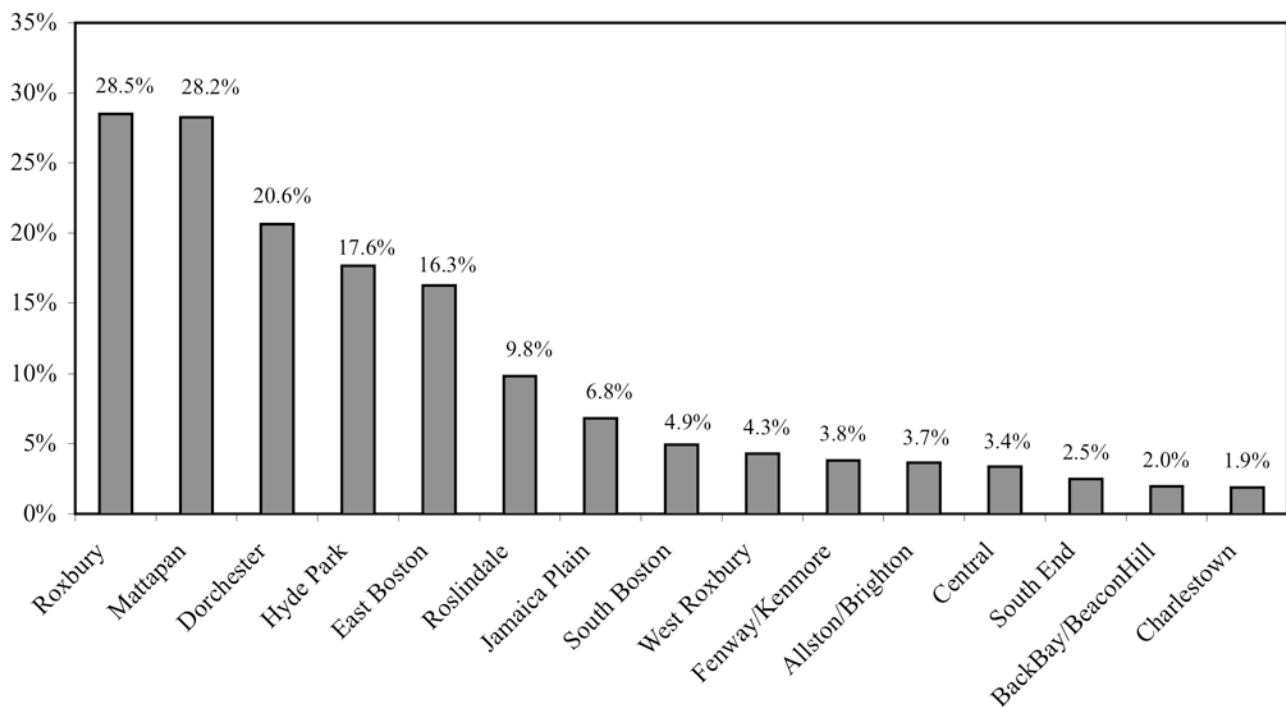


Table 8-A
Number and Percentage of Loans by Subprime Lenders in the City of Boston
By Type of Borrower and Neighborhood, Home Purchase Loans Only, 2000-2003

City/Town	Number of Subprime Loans				Subprime as % of Total				Disparity Ratio			
	2000	2001	2002	2003	2000	2001	2002	2003	2000	2001	2002	2003
A. By Race/Ethnicity of Borrower (see Table 2 for notes and for details on 2003 lending)												
Asian	36	37	36	52	9.4%	10.0%	9.0%	10.9%	2.11	1.52	1.59	1.51
Black	95	83	144	215	13.4%	11.7%	21.2%	27.6%	2.99	1.78	3.72	3.80
Latino	41	50	44	143	8.9%	10.9%	8.7%	24.7%	1.98	1.66	1.53	3.41
White	216	293	275	372	4.5%	6.6%	5.7%	7.3%	1.00	1.00	1.00	1.00
Not Reported	79	94	89	152	8.4%	8.4%	6.7%	11.0%				
Total	488	573	600	963	6.5%	7.9%	7.6%	11.3%				
B. By Income of Borrower (see Table 3)												
Low	21	8	16	29	5.4%	2.4%	6.1%	6.7%	0.96	0.31	0.76	0.53
Moderate	76	60	75	102	5.7%	4.7%	5.9%	6.1%	1.02	0.60	0.74	0.49
Middle	118	147	156	309	6.5%	8.3%	7.7%	13.3%	1.16	1.06	0.96	1.06
Upper	208	279	305	448	5.6%	7.8%	8.0%	12.6%	1.00	1.00	1.00	1.00
Not Reported	65	79	48	75	24.9%	26.8%	8.8%	15.1%				
Total	488	573	600	963	6.5%	7.9%	7.6%	11.3%				
C. By Percent Minority Households in Census Tract (see Table 5)												
> 75% Minority	150	142	188	368	15.9%	14.2%	18.7%	33.5%	3.78	2.62	4.13	6.51
50%-75% Minority	67	84	78	142	8.9%	11.7%	9.4%	14.1%	2.13	2.17	2.08	2.74
25%-50% Minority	117	160	162	254	5.6%	7.7%	7.1%	10.1%	1.33	1.42	1.58	1.96
> 75% White	154	187	172	199	4.2%	5.4%	4.5%	5.1%	1.00	1.00	1.00	1.00
Total	488	573	600	963	6.5%	7.9%	7.6%	11.3%				
D. By Income Level of Census Tract (see Table 6)												
Low	100	128	124	211	8.1%	9.7%	8.6%	13.5%	3.25	2.33	3.15	4.54
Moderate	255	267	301	549	9.1%	10.0%	10.7%	17.0%	3.67	2.38	3.90	5.70
Middle	103	132	141	168	4.6%	6.1%	5.9%	6.7%	1.87	1.46	2.17	2.25
Upper	30	46	34	35	2.5%	4.2%	2.7%	3.0%	1.00	1.00	1.00	1.00
Total	488	573	600	963	6.5%	7.9%	7.6%	11.3%				
E. By Neighborhood (see Table 7-A)												
Allston/Brighton	34	40	33	51	4.6%	5.8%	4.8%	6.0%				
BackBay/BeaconHill	11	18	13	24	1.8%	3.4%	2.1%	3.3%				
Central	13	16	12	9	3.2%	4.1%	2.4%	2.1%				
Charlestown	5	19	22	8	1.3%	4.4%	4.4%	1.8%				
Dorchester	109	103	139	248	12.8%	12.2%	15.3%	23.7%				
East Boston	45	40	35	97	13.4%	11.1%	9.2%	22.7%				
Fenway/Kenmore	20	32	24	14	6.5%	12.5%	7.0%	4.4%				
Hyde Park	35	51	56	83	9.6%	14.4%	13.7%	22.5%				
Jamaica Plain	14	37	20	42	2.6%	7.1%	4.0%	7.2%				
Mattapan	42	36	55	106	16.5%	14.3%	23.7%	37.9%				
Roslindale	30	34	31	71	7.8%	8.3%	7.9%	13.0%				
Roxbury	55	55	60	115	14.7%	15.3%	14.6%	28.5%				
South Boston	39	38	43	51	5.9%	6.3%	6.7%	6.7%				
South End	27	30	31	30	3.4%	3.7%	3.5%	3.3%				
West Roxbury	9	24	26	14	2.1%	5.2%	5.5%	3.4%				
Total	488	573	600	963	6.5%	7.9%	7.6%	11.3%				

Table 8-B
Number and Percentage of Loans by Subprime Lenders in the City of Boston
By Type of Borrower and Neighborhood, Refinance Loans Only, 2000-2003

City/Town	2000	2001	2002	2003	2000	2001	2002	2003	2000	2001	2002	2003
A. By Race/Ethnicity of Borrower (see Table 2 for notes and for details on 2003 lending)												
Asian	27	28	39	87	21.4%	5.1%	5.7%	8.0%	1.22	1.11	1.10	1.44
Black	366	474	628	982	45.6%	25.9%	27.7%	25.7%	2.60	5.59	5.41	4.63
Latino	83	114	160	283	35.2%	15.7%	17.2%	18.9%	2.01	3.39	3.36	3.40
White	396	419	595	949	17.5%	4.6%	5.1%	5.6%	1.00	1.00	1.00	1.00
Not Reported	380	587	591	763	37.1%	17.4%	11.4%	15.1%				
Total	1,279	1,654	2,065	3,229	28.2%	10.4%	9.8%	11.1%				
B. By Income of Borrower (see Table 3)												
Low	131	165	204	333	37.8%	18.4%	15.6%	14.4%	1.86	2.88	2.41	1.92
Moderate	360	481	572	973	35.7%	16.1%	14.0%	14.2%	1.76	2.52	2.17	1.90
Middle	439	538	676	1,062	32.6%	12.4%	11.8%	13.0%	1.60	1.94	1.82	1.73
Upper	311	413	554	742	20.3%	6.4%	6.5%	7.5%	1.00	1.00	1.00	1.00
Not Reported	38	57	59	119	12.8%	5.1%	4.1%	6.0%				
Total	1,279	1,654	2,065	3,229	28.2%	10.4%	9.8%	11.1%				
C. By Percent Minority Households in Census Tract (see Table 5)												
> 75% Minority	594	825	982	1,555	48.0%	30.1%	28.0%	29.8%	3.15	7.11	7.28	7.51
50%-75% Minority	173	225	305	452	32.3%	14.0%	14.8%	15.3%	2.12	3.32	3.86	3.85
25%-50% Minority	258	294	381	700	23.6%	7.1%	7.3%	8.9%	1.55	1.67	1.90	2.25
> 75% White	254	310	397	522	15.2%	4.2%	3.8%	4.0%	1.00	1.00	1.00	1.00
Total	1,279	1,654	2,065	3,229	28.2%	10.4%	9.8%	11.1%				
D. By Income Level of Census Tract (see Table 6)												
Low	337	430	519	800	39.3%	18.0%	17.0%	18.2%	4.13	6.79	9.66	9.06
Moderate	667	882	1,102	1,764	33.6%	14.5%	14.3%	16.3%	1.92	5.47	8.13	8.11
Middle	238	287	389	592	18.3%	5.4%	5.4%	5.7%	3.53	2.05	3.06	2.85
Upper	37	55	55	73	9.5%	2.7%	1.8%	2.0%	1.00	1.00	1.00	1.00
Total	1,279	1,654	2,065	3,229	28.2%	10.4%	9.8%	11.1%				
E. By Neighborhood (see Table 7-B)												
Allston/Brighton	48	50	72	83	15.7%	4.3%	4.4%	3.7%				
BackBay/BeaconHill	20	26	23	39	10.3%	2.7%	1.7%	2.0%				
Central	11	16	32	45	7.2%	2.2%	2.9%	3.4%				
Charlestown	19	20	30	26	13.7%	2.7%	2.9%	1.9%				
Dorchester	322	453	525	874	39.4%	19.5%	18.0%	20.6%				
East Boston	71	72	102	204	37.7%	9.7%	11.7%	16.3%				
Fenway/Kenmore	25	23	11	27	23.4%	5.7%	2.6%	3.8%				
Hyde Park	148	194	249	386	38.4%	15.5%	15.5%	17.6%				
Jamaica Plain	47	62	75	132	17.3%	5.6%	5.2%	6.8%				
Mattapan	189	236	300	461	49.1%	29.2%	28.7%	28.2%				
Roslindale	76	106	130	222	25.7%	9.6%	8.6%	9.8%				
Roxbury	183	263	322	477	44.0%	28.7%	28.7%	28.5%				
South Boston	60	61	80	105	18.3%	5.3%	5.1%	4.9%				
South End	26	34	42	46	11.8%	2.7%	2.5%	2.5%				
West Roxbury	34	38	72	102	13.0%	3.2%	4.2%	4.3%				
Total	1,279	1,654	2,065	3,229	28.2%	10.4%	9.8%					

Table 9-A
Biggest Subprime and Prime Lenders in City of Boston, Home Purchase Loans Only, 2003
(The 20 Subprime Lenders with 8 or more Loans & the 15 Prime Lenders with 123 or more Loans)

Lender Name	Lender Type*	Loans	Applications	Lending Rate#	Denial Rate#	Other Outcome Rate#
A. Subprime Lenders						
Greenpoint Mortgage Funding	LML	159	320	49.7%	29.7%	20.6%
Option One Mort. Corp. (H&R Block)	LML	117	195	60.0%	25.6%	14.4%
Freemont Investment & Loan	OSB	102	166	61.4%	26.5%	12.0%
New Century Mortgage Corp.	LML	72	128	56.3%	22.7%	21.1%
Meritage Mortgage Corp.	LML	69	124	55.6%	41.1%	3.2%
First Franklin Financial Corp.	OSB	67	92	72.8%	7.6%	19.6%
Fieldstone Mortgage Co.	LML	48	106	45.3%	26.4%	28.3%
Nation One Mortgage Co.	LML	47	94	50.0%	26.6%	23.4%
Argent Mortgage Co.	LML	44	116	37.9%	3.4%	58.6%
Finance America	LML	26	63	41.3%	58.7%	0.0%
Full Spectrum Lending (Countrywide)	LML	26	42	61.9%	4.8%	33.3%
Chapel Mortgage	LML	24	54	44.4%	14.8%	40.7%
The Anyloan Co.	LML	17	27	63.0%	37.0%	0.0%
Long Beach Mort. Co. (Wash Mutual)	LML	16	30	53.3%	46.7%	0.0%
Mortgage Lenders Network USA	LML	12	20	60.0%	35.0%	5.0%
WMC Mortgage Corp.	LML	12	35	34.3%	65.7%	0.0%
Steward Financial	LML	10	20	50.0%	20.0%	30.0%
Aames Funding Corp.	LML	9	25	36.0%	28.0%	36.0%
Accredited Home Lenders Inc.	LML	9	42	21.4%	57.1%	21.4%
People's Choice Home Loan	LML	8	13	61.5%	0.0%	38.5%
Subtotal, These 20 Lenders		894	1,712	52.2%	27.4%	20.4%
Sub-subtotal, 18 LML Lenders		725	1,454	49.9%	28.7%	21.4%
Subtotal, All 39 Subprime Lenders		963	1,979	48.7%	28.3%	23.0%
B. Prime Lenders						
Countrywide Home Loans	LML	943	1,147	82.2%	2.8%	15.0%
Wells Fargo Home Mortgage	OSB	519	660	78.6%	6.7%	14.7%
Washington Mutual Bank	OSB	449	603	74.5%	17.1%	8.5%
Fleet NB	CRA	401	615	65.2%	19.2%	15.6%
NE Moves Mortgage	LML	273	332	82.2%	6.6%	11.1%
Boston Federal Savings Bank	CRA	255	317	80.4%	8.2%	11.4%
GMAC Bank	OSB	241	247	97.6%	0.8%	1.6%
Citizens^	CRA	216	354	61.0%	22.6%	16.4%
SIB Mortgage Corp.	OSB	191	298	64.1%	19.5%	16.4%
Ohio Savings Bank	OSB	174	212	82.1%	0.9%	17.0%
Sovereign Bank	CRA	171	225	76.0%	10.2%	13.8%
Guaranty Residential Lending	OSB	159	222	71.6%	3.2%	25.2%
Chase Manhattan Mortgage Corp.	LML	133	174	76.4%	12.6%	10.9%
Bank of America	OSB	130	166	78.3%	7.2%	14.5%
HSBC Mortgage Corp.	LML	123	142	86.6%	3.5%	9.9%
Subtotal, These 15 Lenders		4,378	5,714	76.6%	9.9%	13.5%
Sub-subtotal, 4 CRA Lenders		1,043	1,511	69.0%	16.3%	14.6%
Sub-subtotal, 4 LML Lenders		1,472	1,795	82.0%	4.5%	13.5%
Subtotal, All 263 Prime Lenders		7,523	9,995	75.3%	9.5%	15.2%
Total, All 302 Lenders		8,486	11,974	70.9%	12.6%	16.5%

* "Lender Type" indicates if Boston area performance in meeting community credit needs is subject to evaluation by bank regulators:

CRA: currently covered by federal and/or state Community Reinvestment Act -- banks and state-chartered credit unions with branches in Mass.

LML: Licensed Mortgage Lender, licensed by Mass. Div. of Banks, potentially subject to CRA-type evaluation under proposed state legislation.

OSB: Out-of-State Bank (or subsidiary of federally-chartered out-of-state bank), which the state of Massachusetts is powerless to regulate.

"Lending rate" is percent of applications that result in loans; "denial rate" is percent of applications that are denied; "other outcome rate" is percent of applications that are (1) approved by lender but not accepted by applicant, (2) withdrawn by applicant, or (3) never completed.

^ Citizens combines Citizens Mortgage Co. & Citizens Bank of Mass.

Table 9-B
Biggest Subprime and Prime Lenders in City of Boston, Refinance Loans Only, 2003
(The 20 Subprime Lenders with 33 or more Loans & the 15 Prime Lenders with more than 375 Loans)

Lender Name	Lender Type*	Loans	Applica-tions	Lending Rate#	Denial Rate#	Other Outcome Rate#
A. Subprime Lenders						
Option One Mort. Corp. (H&R Block)	LML	606	918	66.0%	23.6%	10.3%
Ameriquist Mortgage Co.	LML	445	3,310	13.4%	40.6%	45.9%
New Century Mortgage Corp.	LML	297	550	54.0%	26.4%	19.6%
Greenpoint Mortgage Funding	LML	240	487	49.3%	27.1%	23.6%
Full Spectrum Lending (Countrywide)	LML	198	315	62.9%	5.1%	32.1%
Freemont Investment & Loan	OSB	145	231	62.8%	19.9%	17.3%
Argent Mortgage Co.	LML	138	339	40.7%	7.1%	52.2%
Citicorp Trust Bank, FSB	OSB	110	115	95.7%	0.0%	4.3%
KeyBank USA	OSB	94	512	18.4%	20.3%	61.3%
Aegis Lending Corp.	LML	64	145	44.1%	14.5%	41.4%
Delta Funding Corp.	LML	64	165	38.8%	13.9%	47.3%
Aames Funding Corp.	LML	59	184	32.1%	21.7%	46.2%
Household Finance Corp. (HSBC)	LML	54	534	10.1%	25.5%	64.4%
American Business Financial	LML	51	427	11.9%	25.5%	62.5%
The Anyloan Co.	LML	44	66	66.7%	33.3%	0.0%
Mortgage Lenders Network USA	LML	40	94	42.6%	34.0%	23.4%
Wells Fargo Financial Mass.	LML	40	124	32.3%	46.0%	21.8%
Encore Credit Corp.	LML	36	69	52.2%	10.1%	37.7%
First Franklin Financial Corp.	OSB	33	63	52.4%	22.2%	25.4%
Homestar Mortgage Services	LML	33	65	50.8%	4.6%	44.6%
Subtotal, These 20 Lenders		2,791	8,713	32.0%	28.6%	39.4%
Sub-subtotal, 16 LML Lenders		2,409	7,792	30.9%	29.9%	39.2%
Subtotal, All 61 SubPrime Lenders		3,229	10,490	30.8%	30.0%	39.3%
B. Prime Lenders						
Washington Mutual Bank	OSB	2,194	2,929	74.9%	17.4%	7.6%
Countrywide Home Loans	LML	2,086	2,701	77.2%	2.8%	20.0%
Fleet NB	CRA	1,665	2,619	63.6%	23.8%	12.6%
Wells Fargo Home Mortgage	OSB	1,392	1,778	78.3%	9.2%	12.5%
GMAC Bank	OSB	1,259	1,288	97.7%	0.5%	1.7%
Citizens^	CRA	1,374	2,652	51.8%	33.3%	14.9%
Chase Manhattan Mortgage Corp.	LML	708	881	80.4%	9.0%	10.7%
Sovereign Bank	CRA	535	734	72.9%	13.4%	13.8%
First Horizon Home Loan Corp.	OSB	477	594	80.3%	18.2%	1.5%
GMAC Mortgage Corp.	LML	442	591	74.8%	5.6%	19.6%
HSBC Mortgage Corp.	LML	414	504	82.1%	2.8%	15.1%
National City Mortgage Corp.	OSB	410	579	70.8%	11.6%	17.6%
Citimortgage	OSB	403	500	80.6%	2.6%	16.8%
Bank of America	OSB	384	488	78.7%	7.0%	14.3%
Boston Federal SB	CRA	379	419	90.5%	2.6%	6.9%
Subtotal, These 15 Lenders		14,122	19,257	73.3%	14.1%	12.6%
Sub-subtotal, 4 CRA Lenders		3,953	6,424	61.5%	25.2%	13.3%
Sub-subtotal, 4 LML Lenders		3,650	4,677	78.0%	4.3%	17.7%
Subtotal, All 349 Prime Lenders		25,932	35,065	74.0%	12.1%	14.0%
Total, All 410 Lenders		29,161	45,555	64.0%	16.2%	19.8%

* "Lender Type" indicates if Boston area performance in meeting community credit needs is subject to evaluation by bank regulators:

CRA: currently covered by federal and/or state Community Reinvestment Act -- banks and state-chartered credit unions with branches in Mass.

LML: Licensed Mortgage Lender, licensed by Mass. Div. of Banks, potentially subject to CRA-type evaluation under proposed state legislation.

OSB: Out-of-State Bank (or subsidiary of federally-chartered out-of-state bank), which the state of Massachusetts is powerless to regulate.

"Lending rate" is percent of applications that result in loans; "denial rate" is percent of applications that are denied; "other outcome rate" is percent of applications that are (1) approved by lender but not accepted by applicant, (2) withdrawn by applicant, or (3) never completed.

^ Citizens combines Citizens Mortgage Co. & Citizens Bank of Mass.

Table 10-A
Top Five Lenders for Various Categories of Loans:
Traditionally Under-Served vs. Well-Served Borrowers and Neighborhoods
City of Boston, Home Purchase Loans Only, 2003
 (Boldface indicates Subprime Lenders; *Italics* indicates Lenders in Both Top 5 Lists)

Lender Name	Loans		Lender Name	Loans
A. Black Borrowers			White Borrowers	
Fleet	102		<i>Countrywide</i>	434
<i>Wells Fargo</i>	54		<i>Wells Fargo</i>	331
<i>Countrywide</i>	44		Washington Mutual	308
Citizens*	43		GMAC*	220
Freemont Investment & Loan	42		Boston Federal	198
B. Latino Borrowers			White Borrowers	
Citizens*	69		<i>Countrywide</i>	434
Fleet	49		Wells Fargo	331
<i>Countrywide</i>	38		Washington Mutual	308
Sovereign	35		GMAC*	220
Meritage Mortgage Corp.	28		Boston Federal	198
C. Low-Income Borrowers			Upper-Income Borrowers	
Fleet	40		<i>Countrywide</i>	443
Boston Private Bank	34		Wells Fargo	252
Citizens*	25		Washington Mutual	251
<i>Countrywide</i>	22		GMAC*	118
New England Moves	22		Boston Federal	107
D. Census Tracts >75% Black + Latino			Census Tracts >75% White	
Fleet	100		<i>Countrywide</i>	463
<i>Countrywide</i>	64		<i>Wells Fargo</i>	300
<i>Wells Fargo</i>	42		Washington Mutual	287
Freemont Investment & Loan	42		<i>Citizens*</i>	193
<i>Citizens*</i>	35		New England Moves	175
E. Low-Income Census Tracts			Upper-Income Census Tracts	
<i>Countrywide</i>	217		<i>Countrywide</i>	138
Fleet	95		<i>Wells Fargo</i>	111
<i>Wells Fargo</i>	91		<i>Washington Mutual</i>	81
<i>Washington Mutual</i>	85		New England Moves	43
Citizens*	49		GMAC*	43
F. Roxbury and Mattapan			BackBay/BeaconHill and Charlestown	
Fleet	67		<i>Countrywide</i>	146
<i>Countrywide</i>	51		<i>Wells Fargo</i>	103
<i>Wells Fargo</i>	38		Washington Mutual	72
Citizens*	31		Boston Federal	61
Sovereign	29		GMAC*	51

* "Citizens" includes the loans by both Citizens Mortgage Co. and Citizens Bank of Mass.

"GMAC" includes the loans by both GMAC Mortgage and GMAC Bank.

Table 10-B
Top Five Lenders for Various Categories of Loans:
Traditionally Under-Served vs. Well-Served Borrowers and Neighborhoods
City of Boston, Refinance Loans Only, 2003
 (Boldface indicates Subprime Lenders; *Italics* indicates Lenders in Both Top 5 Lists)

Lender Name	Loans		Lender Name	Loans
A. Black Borrowers			White Borrowers	
<i>Fleet</i>	361		<i>Washington Mutual</i>	1,368
<i>Countrywide</i>	262		GMAC*	1,077
<i>Wells Fargo</i>	250		<i>Countrywide</i>	965
Citizens*	243		<i>Fleet</i>	850
<i>Washington Mutual</i>	239		<i>Wells Fargo</i>	831
B. Latino Borrowers			White Borrowers	
Citizens*	146		<i>Washington Mutual</i>	1,368
<i>Fleet</i>	143		GMAC*	1,077
<i>Countrywide</i>	140		<i>Countrywide</i>	965
<i>Washington Mutual</i>	78		<i>Fleet</i>	850
Sovereign	70		Wells Fargo	831
C. Low-Income Borrowers			Upper-Income Borrowers	
<i>Fleet</i>	181		<i>Washington Mutual</i>	888
<i>Washington Mutual</i>	156		<i>Countrywide</i>	772
<i>Countrywide</i>	131		GMAC*	552
GMAC*	123		Wells Fargo	508
Citizens*	116		<i>Fleet</i>	459
D. Census Tracts >75% Black + Latino			Census Tracts >75% White	
<i>Fleet</i>	305		<i>Washington Mutual</i>	1,253
<i>Washington Mutual</i>	281		GMAC*	981
<i>Countrywide</i>	257		<i>Countrywide</i>	950
Option One	256		<i>Fleet</i>	759
Citizens*	221		Wells Fargo	732
E. Low-Income Census Tracts			Upper-Income Census Tracts	
<i>Countrywide</i>	395		<i>Washington Mutual</i>	372
<i>Washington Mutual</i>	333		<i>Countrywide</i>	247
<i>Fleet</i>	229		<i>Wells Fargo</i>	227
<i>Wells Fargo</i>	221		GMAC*	223
Citizens*	215		<i>Fleet</i>	193
F. Roxbury and Mattapan			BackBay/BeaconHill and Charlestown	
<i>Fleet</i>	238		<i>Washington Mutual</i>	311
<i>Countrywide</i>	222		<i>Countrywide</i>	246
<i>Washington Mutual</i>	210		GMAC*	213
Option One	189		Wells Fargo	195
Citizens*	176		<i>Fleet</i>	169

* "Citizens" includes the loans by both Citizens Mortgage Co. and Citizens Bank of Mass.

"GMAC" includes the loans by both GMAC Mortgage and GMAC Bank.

[illegible][illegible]

Table 11
Increase in Subprime Lending, MAPC Region
1994 and 1999-2003

	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime
A. Home Purchase Loans				
1994	34,448	34,173	275	0.8%
1999	47,097	45,788	1,309	2.8%
2000	43,360	41,401	1,959	4.5%
2001	43,482	40,591	2,891	6.6%
2002	44,975	42,026	2,949	6.6%
2003	47,324	43,139	4,185	8.8%
ratio: 2003 to 1994	1.37	1.26	15.22	
% change: 2002-2003	5.2%	2.6%	41.9%	
B. Refinance Loans				
1994	31,206	30,244	962	3.1%
1999	59,073	52,733	6,340	10.7%
2000	27,874	22,372	5,502	19.7%
2001	122,623	115,488	7,135	5.8%
2002	171,577	161,460	10,117	5.9%
2003	236,757	222,324	14,433	6.1%
ratio: 2003 to 1994	7.59	7.35	15.00	
% change: 2002-2003	38.0%	37.7%	42.7%	

Table 12
Subprime and Prime Lending, By Race/Ethnicity of Borrower
Metropolitan Area Planning Council Region, 2003[^]

Borrower Race/Ethnicity	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to White %
A. Home Purchase Loans					
Asian	2,638	2,438	200	7.6%	1.14
Black	1,664	1,214	450	27.0%	4.07
Latino	2,221	1,634	587	26.4%	3.98
White	33,632	31,399	2,233	6.6%	1.00
Not Reported*	6,440	5,822	618	9.6%	
Total*	47,324	43,139	4,185	8.8%	
B. Refinance Loans					
Asian	8,043	7,760	283	3.5%	0.79
Black	6,638	5,223	1,415	21.3%	4.81
Latino	4,930	4,098	832	16.9%	3.81
White	176,617	168,795	7,822	4.4%	1.00
Not Reported*	37,138	33,635	3,503	9.4%	
Total*	236,757	222,324	14,433	6.1%	

* "Not Reported" is "Information not provided...in mail or telephone application" & "Not applicable."

"Total" includes "American Indian" and "Other" as well as categories shown in the table.

[^] See Panel A of Tables 17-A & 17-B for annual data on subprime loans, subprime loan shares, and disparity ratios for borrowers of these races/ethnicities during the 2000-2003 period.

Table 13
Subprime and Prime Lending, By Income of Borrower
Metropolitan Area Planning Council Region, 2003[^]

Income Category*	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to Upper %
A. Home Purchase Loans					
Low	2,152	2,049	103	4.8%	0.57
Moderate	8,850	8,221	629	7.1%	0.85
Middle	13,932	12,448	1,484	10.7%	1.27
Upper	19,822	18,156	1,666	8.4%	1.00
Not Reported	2,568	2,265	303	11.8%	
Total	47,324	43,139	4,185	8.8%	
A. Refinance Loans					
Low	14,765	13,378	1,387	9.4%	2.37
Moderate	46,163	42,104	4,059	8.8%	2.22
Middle	66,317	61,675	4,642	7.0%	1.76
Upper	95,398	91,612	3,786	4.0%	1.00
Not Reported	14,114	13,555	559	4.0%	
Total	236,757	222,324	14,433	6.1%	

* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$80,000 in 2003). "Low" is less than 50% of this amount (\$11K-\$40K in 2003); "Moderate" is 50%-80% of this amount (\$41K-\$64K); "Middle" is 80%-120% of this amount (\$65K-\$97K); and "Upper" is over 120% of this amount (\$98K or more in 2003).

[^] See Panel B of Tables 17-A & 17-B for annual data on subprime loans, subprime loan shares, and disparity ratios for borrowers in these income categories during the 2000-2003 period.

Table 14
Subprime Loans by Race/Ethnicity & Income of Borrower
Number of Loans and Percent of All Loans
Metropolitan Area Planning Council Region, 2003

	Low Income*	Moderate Income*	Middle Income*	Upper Income*
A. Subprime Loans as Percent of Total: Home Purchase Loans				
Asian	0.7%	4.5%	8.3%	10.2%
Black	11.4%	14.4%	29.7%	38.9%
Latino	7.0%	15.4%	33.6%	38.0%
White	3.6%	5.7%	7.8%	6.3%
B. Home Purchase Loan Share Disparity Ratios (Ratio to White Subprime Share)				
Asian	0.19	0.79	1.06	1.62
Black	3.17	2.53	3.81	6.17
Latino	1.94	2.70	4.31	6.03
White	1.00	1.00	1.00	1.00
C. Subprime Loans as Percent of Total: Refinance Loans				
Asian	4.0%	4.1%	3.7%	3.3%
Black	21.0%	23.7%	23.6%	19.6%
Latino	12.5%	15.9%	21.1%	18.3%
White	6.7%	6.4%	5.0%	3.0%
D. Refinance Loan Share Disparity Ratios (Ratio to White Subprime Share)				
Asian	0.60	0.64	0.74	1.10
Black	3.13	3.70	4.72	6.53
Latino	1.87	2.48	4.22	6.10
White	1.00	1.00	1.00	1.00

* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$80,800 in 2003). "Low" is less than 50% of this amount (\$11K-\$40K in 2003). "Moderate" is 50%-80% of this amount (\$41K-\$64K); "Middle" is 80%-120% of this amount (\$65K-\$97K); and "Upper" is over 120% of this amount (\$98K or greater in 2003).

Chart 14-A
Subprime Loans as Percent of All Loans
By Borrower Race/Ethnicity and Income
MAPC Region, Home Purchase Loans Only, 2003

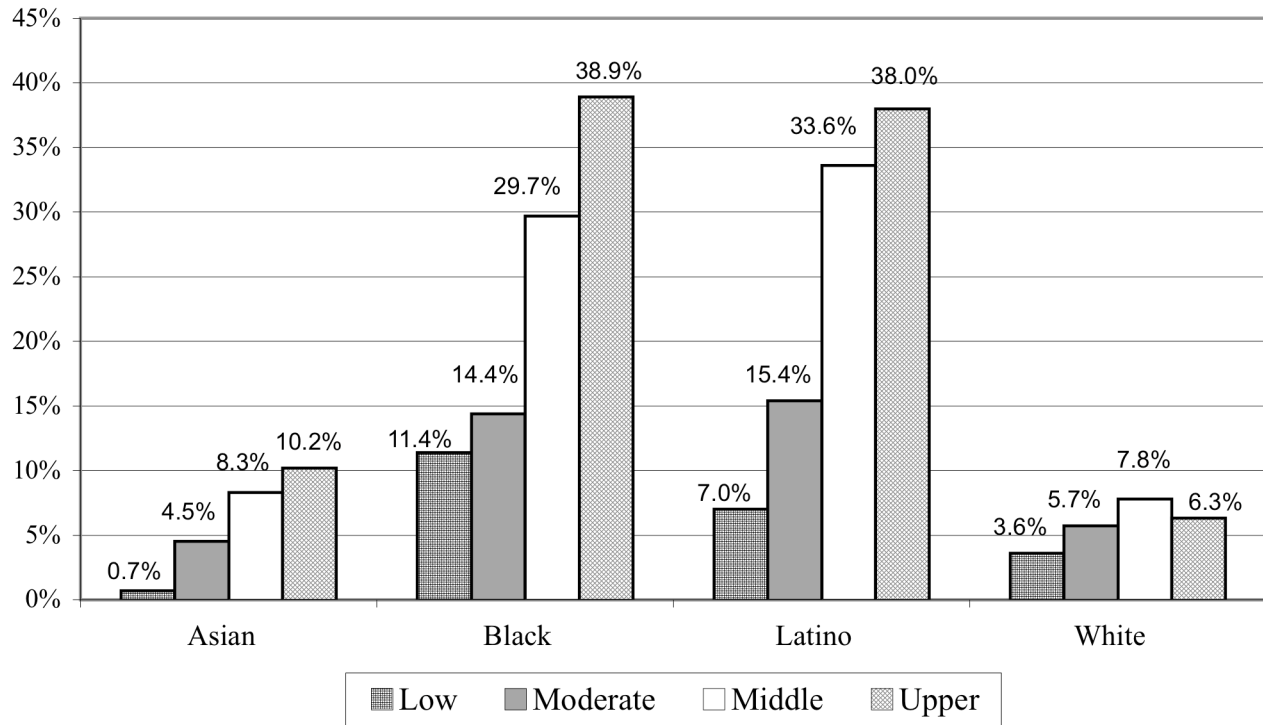


Chart 14-B
Subprime Loans as Percent of All Loans
By Borrower Race/Ethnicity and Income
MAPC Region, Refinance Loans Only, 2003

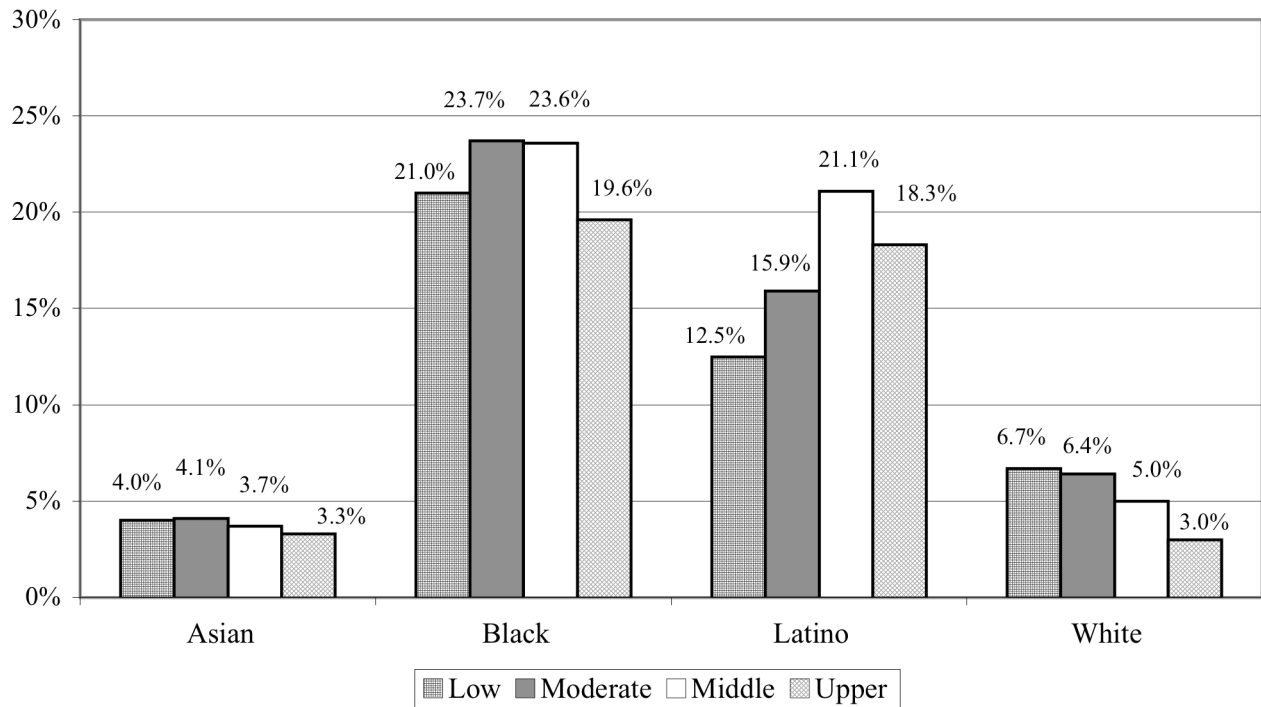


Table 15
Subprime and Prime Lending, By Percent Minority Households in Census Tract
Metropolitan Area Planning Council Region, 2003[^]

Composition of Census Tract	Number of Tracts	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to >75% White
A. Home Purchase Loans						
> 75% Minority	41	1,099	731	368	33.5%	4.76
50%-75% Minority	33	1,578	1,272	306	19.4%	2.76
25%-50% Minority	82	5,212	4,476	736	14.1%	2.01
> 75% White	487	39,435	36,660	2,775	7.0%	1.00
Total	643	47,324	43,139	4,185	8.8%	
B. Refinance Loans						
> 75% Minority	41	5,218	3,663	1,555	29.8%	6.05
50%-75% Minority	33	4,587	3,841	746	16.3%	3.30
25%-50% Minority	82	17,092	15,301	1,791	10.5%	2.13
> 75% White	487	209,860	199,519	10,341	4.9%	1.00
Total	643	236,757	222,324	14,433	6.1%	

[^] See Panel C of Tables 17-A & 17-B for annual data on subprime loans, subprime loan shares, and disparity ratios for these categories of census tracts during the 2000-2003 period.

Table 16
Subprime and Prime Lending, By Income Level of Census Tract
Metropolitan Area Planning Council Region, 2003[^]

Census Tract Income Level*	Number of Tracts#	All Lenders	Prime Lenders	Subprime Lenders	Percent Subprime	Ratio to Upper %
A. Home Purchase Loans						
Low-Income	59	2,266	1,856	410	18.1%	4.69
Moderate-Income	133	7,964	6,547	1,417	17.8%	4.61
Middle-Income	269	21,930	20,157	1,773	8.1%	2.10
Upper-Income	181	15,164	14,579	585	3.9%	1.00
Total#	642	47,324	43,139	4,185	8.8%	
B. Refinance Loans						
Low-Income	59	6,283	5,130	1,153	18.4%	6.02
Moderate-Income	133	28,376	24,702	3,674	12.9%	4.25
Middle-Income	269	109,271	102,495	6,776	6.2%	2.03
Upper-Income	181	92,827	89,997	2,830	3.0%	1.00
Total#	642	236,757	222,324	14,433	6.1%	

* A census tract is placed into an income category on the basis of the relationship, according to the 2000 census, between its Median Family Income (MFI) and the MFI of the Boston MSA. "Low" is less than 50% of the MFI of the MSA; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the MSA.

The 2000 Census did not report an MFI for tract 1501.00 (Harbor Islands).

[^] See Panel D of Tables 17-A & 17-B for annual data on subprime loans, subprime loan shares, and disparity ratios for these categories of census tracts during the 2000-2003 period.

Table 17-A
Number and Percentage of Loans by Subprime Lenders in the MAPC Region
By Type of Borrower and Neighborhood, Home Purchase Loans Only, 2000-2003

City/Town	Number of Subprime Loans				Subprime as % of Total				Disparity Ratio			
	2000	2001	2002	2003	2000	2001	2002	2003	2000	2001	2002	2003
A. By Race/Ethnicity of Borrower (see Table 12 for notes and for details on 2003 lending)												
Asian	96	168	146	200	4.1%	7.6%	5.6%	7.6%	1.12	1.31	1.00	1.14
Black	165	178	252	450	11.4%	12.8%	18.0%	27.0%	3.13	2.23	3.24	4.07
Latino	153	248	274	587	9.4%	14.0%	13.3%	26.4%	2.58	2.43	2.39	3.98
White	1,188	1,805	1,747	2,233	3.6%	5.8%	5.6%	6.6%	1.00	1.00	1.00	1.00
Not Reported	295	394	449	618	6.7%	6.6%	6.8%	9.6%				
Total	1,959	2,891	2,949	4,185	4.5%	6.6%	6.6%	8.8%				
B. By Income of Borrower (see Table 13)												
Low	69	59	51	103	3.6%	3.5%	3.3%	4.8%	1.09	0.63	0.51	0.57
Moderate	303	305	341	629	4.6%	4.6%	5.0%	7.1%	1.39	0.82	0.77	0.85
Middle	482	690	820	1,484	4.5%	6.3%	6.9%	10.7%	1.36	1.13	1.06	1.27
Upper	758	1,246	1,430	1,666	3.3%	5.6%	6.5%	8.4%	1.00	1.00	1.00	1.00
Not Reported	347	591	307	303	23.4%	27.6%	10.7%	11.8%				
Total	1,959	2,891	2,949	4,185	4.5%	6.6%	6.6%	8.8%				
C. By Percent Minority Households in Census Tract (see Table 15)												
> 75% Minority	150	142	188	368	15.9%	14.2%	18.7%	33.5%	4.16	2.44	3.32	4.76
50%-75% Minority	113	175	177	306	8.7%	13.0%	12.1%	19.4%	2.28	2.24	2.16	2.76
25%-50% Minority	295	437	460	736	6.7%	10.0%	9.7%	14.1%	1.77	1.72	1.72	2.01
> 75% White	1,401	2,137	2,124	2,775	3.8%	5.8%	5.6%	7.0%	1.00	1.00	1.00	1.00
Total	1,959	2,891	2,949	4,185	4.5%	6.6%	6.6%	8.8%				
D. By Income Level of Census Tract (see Table 16)												
Low	163	245	260	410	8.5%	11.8%	11.4%	18.1%	4.22	2.71	2.68	4.69
Moderate	620	764	772	1,417	9.3%	11.3%	10.8%	17.8%	4.60	2.59	2.54	4.61
Middle	869	1,243	1,262	1,773	4.4%	6.2%	6.2%	8.1%	2.19	1.44	1.46	2.10
Upper	307	639	655	585	2.0%	4.3%	4.3%	3.9%	1.00	1.00	1.00	1.00
Total	1,959	2,891	2,949	4,185	4.5%	6.6%	6.6%	8.8%				

Table 17-B
Number and Percentage of Loans by Subprime Lenders in the MAPC Region
By Type of Borrower and Neighborhood, Refinance Loans Only, 2000-2003

City/Town	2000	2001	2002	2003	2000	2001	2002	2003	2000	2001	2002	2003
A. By Race/Ethnicity of Borrower (see Table 12 for notes and for details on 2003 lending)												
Asian	81	98	175	283	14.1%	2.7%	3.3%	3.5%	0.69	0.69	0.72	0.79
Black	492	640	913	1,415	41.8%	19.9%	22.5%	21.3%	5.03	5.03	4.86	4.81
Latino	169	287	456	832	28.6%	12.7%	15.4%	16.9%	3.21	3.21	3.32	3.81
White	2,827	3,528	5,544	7,822	14.5%	4.0%	4.6%	4.4%	1.00	1.00	1.00	1.00
Not Reported	1,772	2,472	2,838	3,503	31.7%	10.9%	7.7%	9.4%				
Total	5,502	7,135	10,117	14,433	19.7%	5.8%	5.9%	6.1%				
B. By Income of Borrower (see Table 13)												
Low	396	516	721	1,387	23.8%	10.5%	9.6%	9.4%	2.59	2.34	2.36	2.37
Moderate	1,406	1,695	2,434	4,059	26.9%	8.7%	9.0%	8.8%	2.17	2.20	2.21	2.22
Middle	1,850	2,280	3,244	4,642	23.9%	7.0%	7.2%	7.0%	1.74	1.76	1.77	1.76
Upper	1,672	2,349	3,349	3,786	14.6%	4.0%	4.1%	4.0%	1.00	1.00	1.00	1.00
Not Reported	178	295	369	559	9.8%	3.9%	3.7%	4.0%				
Total	5,502	7,135	10,117	14,433	19.7%	5.8%	5.9%	6.1%				
C. By Percent Minority Households in Census Tract (see Table 15)												
> 75% Minority	594	825	1,098	1,555	48.0%	30.1%	26.7%	29.8%	6.34	5.68	5.63	6.05
50%-75% Minority	278	372	593	746	33.4%	15.3%	12.3%	16.3%	3.22	2.62	2.59	3.30
25%-50% Minority	644	792	1,437	1,791	25.9%	8.7%	9.4%	10.5%	1.82	2.00	1.98	2.13
> 75% White	3,986	5,146	6,989	10,341	17.1%	4.8%	4.7%	4.9%	1.00	1.00	1.00	1.00
Total	5,502	7,135	10,117	14,433	19.7%	5.8%	5.9%	6.1%				
D. By Income Level of Census Tract (see Table 16)												
Low	467	620	768	1,153	38.5%	18.0%	17.4%	18.4%	5.37	5.27	5.30	6.02
Moderate	1,352	1,816	2,411	3,674	29.1%	11.6%	12.2%	12.9%	3.47	3.70	3.72	4.25
Middle	2,565	3,148	4,618	6,776	19.7%	5.5%	6.0%	6.2%	1.63	1.82	1.84	2.03
Upper	1,118	1,551	2,320	2,830	12.4%	3.4%	3.3%	3.0%	1.00	1.00	1.00	1.00
Total	5,502	7,135	10,117	14,433	19.7%	5.8%	5.9%	6.1%				

Table 18-A
Biggest Subprime and Prime Lenders in the MAPC Region, Home Purchase Loans Only, 2003
(The 20 Subprime Lenders with 30 or more Loans & the 15 Prime Lenders with 600 or more Loans)

Lender Name	Lender Type*	Loans	Applica-tions	Lending Rate#	Denial Rate#	Other Outcome Rate#
A. Subprime Lenders						
Option One Mort. Corp. (H&R Block)	LML	602	928	64.9%	22.0%	13.1%
Greenpoint Mortgage Funding	LML	547	1,157	47.3%	30.3%	22.5%
Fremont Investment & Loan	OSB	454	700	64.9%	19.3%	15.9%
First Franklin Financial Corp.	OSB	361	503	71.8%	11.3%	16.9%
New Century Mortgage Corp.	LML	306	532	57.5%	26.9%	15.6%
Fieldstone Mortgage Co.	LML	251	475	52.8%	24.4%	22.7%
Argent Mortgage Co.	LML	212	510	41.6%	2.7%	55.7%
Meritage Mortgage Corp.	LML	210	380	55.3%	35.8%	8.9%
Nation One Mortgage Co.	LML	129	231	55.8%	24.2%	19.9%
The Anyloan Co.	LML	113	163	69.3%	30.7%	0.0%
Long Beach Mort. Co. (Wash. Mutual)	LML	93	172	54.1%	45.9%	0.0%
Finance America	LML	83	185	44.9%	55.1%	0.0%
Chapel Mortgage	LML	82	162	50.6%	6.8%	42.6%
Full Spectrum Lending (Countrywide)	LML	76	124	61.3%	6.5%	32.3%
WMC Mortgage Corp.	LML	75	183	41.0%	55.2%	3.8%
Mortgage Lenders Network USA	LML	61	104	58.7%	30.8%	10.6%
Aames Funding Corp.	LML	57	123	46.3%	13.8%	39.8%
Accredited Home Lenders	LML	46	149	30.9%	47.0%	22.1%
People's Choice Home Loan	LML	36	54	66.7%	3.7%	29.6%
Pinnacle Direct Funding Corp.	LML	30	53	56.6%	9.4%	34.0%
Subtotal, These 20 Lenders		3,824	6,888	55.5%	24.5%	20.0%
Sub-subtotal, 15 LML Lenders		3,009	5,685	52.9%	26.3%	20.8%
Subtotal, All 70 SubPrime Lenders		4,185	8,290	50.5%	25.2%	24.3%
B. Prime Lenders						
Countrywide Home Loans	LML	3,455	4,293	80.5%	2.1%	17.4%
Wells Fargo Home Mortgage	OSB	2,848	3,571	79.8%	6.3%	13.9%
NE Moves Mortgage	LML	2,186	2,605	83.9%	3.1%	12.9%
Washington Mutual Bank	OSB	2,134	2,915	73.2%	17.3%	9.5%
GMAC Bank	OSB	1,370	1,407	97.4%	0.8%	1.8%
Fleet NB	CRA	1,357	2,019	67.2%	15.6%	17.2%
Boston Federal	CRA	1,157	1,376	84.1%	5.4%	10.5%
SIB Mortgage Corp.	OSB	854	1,210	70.6%	11.5%	17.9%
Citizens^	CRA	956	1,485	64.4%	15.6%	20.0%
Sovereign Bank	CRA	791	973	81.3%	6.2%	12.5%
Cendant Mortgage	LML	781	1,001	78.0%	0.4%	21.6%
Bank of America	OSB	777	990	78.5%	8.2%	13.3%
National City Mortgage Corp.	OSB	758	999	75.9%	8.5%	15.6%
HSBC Mortgage Corp.	LML	732	859	85.2%	3.6%	11.2%
Guaranty Residential Mortgage	OSB	709	937	75.7%	3.2%	21.1%
Subtotal, These 15 Lenders		20,865	26,640	78.3%	7.4%	14.3%
Sub-subtotal, 4 CRA Lenders		4,261	5,853	72.8%	11.6%	15.6%
Sub-subtotal, 4 LML Lenders		7,154	8,758	81.7%	2.4%	15.9%
Subtotal, All 449 Prime Lenders		43,139	55,363	77.9%	7.2%	14.8%
Total, All 504 Lenders		47,324	63,653	74.3%	9.6%	16.1%

* "Lender Type" indicates if Boston area performance in meeting community credit needs is subject to evaluation by bank regulators:

CRA: currently covered by federal and/or state Community Reinvestment Act -- banks and state-chartered credit unions with branches in Mass.

LML: Licensed Mortgage Lender, licensed by Mass. Div. of Banks, potentially subject to CRA-type evaluation under proposed state legislation.

OSB: Out-of-State Bank (or subsidiary of federally-chartered out-of-state bank), which the state of Massachusetts is powerless to regulate.

"Lending rate" is percent of applications that result in loans; "denial rate" is percent of applications that are denied; "other outcome rate" is percent of applications that are (1) approved by lender but not accepted by applicant, (2) withdrawn by applicant, or (3) never completed.

^ Citizens combines Citizens Mortgage Co. & Citizens Bank of Mass.

Table 18-B
Biggest Subprime and Prime Lenders in MAPC Region, Refinance Loans Only, 2003
(The 20 Subprime Lenders with 146 or more Loans & the 15 Prime Lenders with more than 3,000 Loans)

Lender Name	Lender Type*	Loans	Applica-tions	Lending Rate#	Denial Rate#	Other Outcome Rate#
A. Subprime Lenders						
Option One Mort. Corp. (H&R Block)	LML	2,781	3,999	69.5%	21.2%	9.3%
Ameriquist Mortgage Co.	LML	2,035	18,186	11.2%	41.8%	47.0%
Greenpoint Mortgage Funding	LML	1,153	2,302	50.1%	25.0%	24.9%
New Century Mortgage Corp.	LML	1,074	2,314	46.4%	30.2%	23.4%
Full Spectrum Lending (Countrywide)	LML	817	1,449	56.4%	7.2%	36.4%
Argent Mortgage Co.	LML	659	1,462	45.1%	5.4%	49.5%
KeyBank USA	OSB	607	3,323	18.3%	17.8%	63.9%
Fremont Investment & Loan	OSB	462	815	56.7%	25.2%	18.2%
Citicorp Trust Bank, FSB	OSB	307	323	95.0%	0.6%	4.3%
Mortgage Lenders Network USA	LML	281	541	51.9%	21.8%	26.2%
Wells Fargo Financial Mass.	LML	260	603	43.1%	34.2%	22.7%
Household Finance Corp. (HSBC)	LML	258	2,142	12.0%	25.4%	62.6%
Aegis Lending Corp.	LML	207	525	39.4%	14.3%	46.3%
Aames Funding Corp.	LML	200	778	25.7%	20.8%	53.5%
AIG Federal Savings Bank	OSB	194	414	46.9%	22.5%	30.7%
Novastar Mortgage	LML	193	435	44.4%	15.9%	39.8%
Novastar Home Mortgage	LML	179	442	40.5%	34.2%	25.3%
American Business Financial	LML	175	1,764	9.9%	26.3%	63.8%
The Anyloan Co.	LML	154	270	57.0%	43.0%	0.0%
First Franklin Financial Corp.	OSB	146	279	52.3%	18.3%	29.4%
Subtotal, These 20 Lenders		12,142	42,366	28.7%	30.1%	41.2%
Sub-subtotal, 15 LML Lenders		10,426	37,212	28.0%	31.7%	40.2%
Subtotal, All 70 SubPrime Lenders		14,433	51,964	27.8%	30.2%	42.0%
B. Prime Lenders						
Washington Mutual Bank	OSB	14,399	18,447	78.1%	14.5%	7.4%
Fleet NB	CRA	11,566	16,443	70.3%	16.1%	13.5%
Countrywide Home Loans	LML	11,359	14,649	77.5%	2.1%	20.4%
GMAC Bank	OSB	10,350	10,543	98.2%	0.7%	1.2%
Wells Fargo Home Mortgage	OSB	10,286	12,457	82.6%	5.8%	11.6%
Citizens Bank of Massachusetts	CRA	7,764	13,814	56.2%	26.9%	16.9%
Chase Manhattan Mortgage Corp.	LML	6,007	7,088	84.7%	5.3%	10.0%
HSBC Mortgage Corp.	LML	4,583	5,434	84.3%	2.2%	13.5%
Bank of America	OSB	3,889	4,829	80.5%	5.6%	13.9%
National City Mortgage Corp.	OSB	3,777	4,927	76.7%	6.0%	17.4%
First Horizon Home Loan Corp.	OSB	3,771	4,582	82.3%	15.9%	1.8%
ABN AMRO Mortgage Group	OSB	3,604	4,234	85.1%	14.5%	0.4%
GMAC Mortgage Corp.	LML	3,356	4,175	80.4%	3.7%	15.9%
Flagstar Bank	OSB	3,247	4,287	75.7%	4.8%	19.5%
Citimortgage	OSB	3,046	3,841	79.3%	1.4%	19.3%
Subtotal, These 15 Lenders		101,004	129,750	77.8%	10.0%	12.2%
Sub-subtotal, 2 CRA Lenders		19,330	30,257	63.9%	21.0%	15.1%
Sub-subtotal, 4 LML Lenders		25,305	31,346	80.7%	3.0%	16.2%
Subtotal, All 563 Prime Lenders		222,324	279,374	79.6%	7.9%	12.5%
Total, All 633 Lenders		236,757	331,338	71.5%	11.4%	17.1%

* "Lender Type" indicates if Boston area performance in meeting community credit needs is subject to evaluation by bank regulators:

CRA: currently covered by federal and/or state Community Reinvestment Act -- banks and state-chartered credit unions with branches in Mass.

LML: Licensed Mortgage Lender, licensed by Mass. Div. of Banks, potentially subject to CRA-type evaluation under proposed state legislation.

OSB: Out-of-State Bank (or subsidiary of federally-chartered out-of-state bank), which the state of Massachusetts is powerless to regulate.

"Lending rate" is percent of applications that result in loans; "denial rate" is percent of applications that are denied; "other outcome rate" is percent of applications that are (1) approved by lender but not accepted by applicant, (2) withdrawn by applicant, or (3) never completed.

^ Citizens combines Citizens Mortgage Co. & Citizens Bank of Mass.

Table 19 (page 1 of 3)
Prime and Subprime Lending in the 101 Cities and Towns in the MAPC Region,
in the 7 Largest Cities Outside of this Region, and in Four Larger Areas,
Home Purchase and Refinance Loans, 2003

City/Town	Home Purchase Loans			Refinance Loans			%	%	Median
	All Lenders	Subprime Lenders	% Sub-Prime	All Lenders	Subprime Lenders	% Sub-Prime	Black H-holds	Latino H-holds	Family Income
A. The 101 Cities and Towns in the MAPC Region									
Acton	400	8	2.0%	2,289	50	2.2%	0.7%	1.3%	\$ 108,189
Arlington	688	19	2.8%	3,537	86	2.4%	1.6%	1.3%	\$ 78,741
Ashland	392	16	4.1%	1,992	86	4.3%	1.8%	2.4%	\$ 77,611
Bedford	152	3	2.0%	1,225	25	2.0%	1.6%	1.3%	\$ 101,081
Bellingham	353	28	7.9%	1,785	164	9.2%	0.9%	0.8%	\$ 72,074
Belmont	285	17	6.0%	1,958	35	1.8%	0.9%	1.3%	\$ 95,057
Beverly	567	41	7.2%	3,346	167	5.0%	1.0%	1.3%	\$ 66,486
Bolton	89	1	1.1%	513	14	2.7%	0.1%	0.6%	\$ 108,967
Boston	8,486	963	11.3%	29,161	3,229	11.1%	21.4%	10.8%	\$ 44,151
Boxborough	141	11	7.8%	550	6	1.1%	0.7%	0.9%	\$ 110,572
Braintree	534	38	7.1%	3,044	156	5.1%	1.0%	0.9%	\$ 73,417
Brookline	950	10	1.1%	3,939	64	1.6%	2.4%	2.8%	\$ 92,993
Burlington	274	7	2.6%	2,200	101	4.6%	1.4%	0.9%	\$ 82,072
Cambridge	1,116	29	2.6%	3,953	130	3.3%	10.5%	5.2%	\$ 59,423
Canton	300	21	7.0%	1,923	97	5.0%	2.5%	1.0%	\$ 82,904
Carlisle	60	2	3.3%	561	14	2.5%	0.2%	1.1%	\$ 142,350
Chelsea	427	92	21.5%	1,226	193	15.7%	6.0%	37.7%	\$ 32,130
Cohasset	132	14	10.6%	839	34	4.1%	0.1%	0.3%	\$ 100,137
Concord	206	3	1.5%	1,530	33	2.2%	0.7%	0.8%	\$ 115,839
Danvers	420	21	5.0%	2,477	108	4.4%	0.3%	0.5%	\$ 70,565
Dedham	374	26	7.0%	2,092	119	5.7%	1.0%	1.4%	\$ 72,330
Dover	78	5	6.4%	648	20	3.1%	0.2%	0.9%	\$ 157,168
Duxbury	220	9	4.1%	1,641	62	3.8%	0.7%	0.5%	\$ 106,245
Essex	44	4	9.1%	303	14	4.6%	0.1%	0.5%	\$ 70,152
Everett	479	131	27.3%	2,076	239	11.5%	5.4%	6.4%	\$ 49,876
Foxborough	240	24	10.0%	1,561	80	5.1%	0.7%	0.7%	\$ 78,811
Framingham	1,084	126	11.6%	4,870	338	6.9%	4.2%	7.8%	\$ 67,420
Franklin	667	34	5.1%	3,640	176	4.8%	1.0%	0.7%	\$ 81,826
Gloucester	411	30	7.3%	2,473	119	4.8%	0.5%	1.0%	\$ 58,459
Hamilton	81	3	3.7%	791	17	2.1%	0.3%	0.7%	\$ 79,886
Hanover	214	12	5.6%	1,424	64	4.5%	0.5%	0.5%	\$ 86,835
Hingham	395	20	5.1%	2,217	91	4.1%	0.4%	0.5%	\$ 98,598
Holbrook	217	24	11.1%	945	108	11.4%	3.7%	1.7%	\$ 62,532
Holliston	263	13	4.9%	1,606	82	5.1%	0.9%	1.0%	\$ 84,878
Hopkinton	249	12	4.8%	1,980	55	2.8%	0.6%	0.7%	\$ 102,550
Hudson	343	30	8.7%	1,414	107	7.6%	1.0%	2.1%	\$ 70,145
Hull	239	19	7.9%	1,284	118	9.2%	0.3%	0.6%	\$ 62,294
Ipswich	212	8	3.8%	1,296	56	4.3%	0.3%	0.8%	\$ 74,931
Lexington	389	10	2.6%	3,039	50	1.6%	1.1%	1.0%	\$ 111,899
Lincoln	78	0	0.0%	482	17	3.5%	4.5%	2.2%	\$ 87,842
Littleton	163	4	2.5%	919	38	4.1%	0.5%	0.6%	\$ 83,365

Table 19 (page 2 of 3)
Prime and Subprime Lending in the 101 Cities and Towns in the MAPC Region,
in the 7 Largest Cities Outside of this Region, and in Four Larger Areas,
Home Purchase and Refinance Loans, 2003

City/Town	Home Purchase Loans			Refinance Loans			% Black H-holds	% Latino H-holds	Median Family Income
	All Lenders	Subprime Lenders	% Sub- Prime	All Lenders	Subprime Lenders	% Sub- Prime			
A. The 101 Cities and Towns in the MAPC Region (continued)									
Lynn	1,581	394	24.9%	5,482	856	15.6%	9.0%	13.2%	\$ 45,295
Lynnfield	189	10	5.3%	1,278	34	2.7%	0.4%	0.5%	\$ 91,869
Malden	744	132	17.7%	3,195	280	8.8%	7.4%	3.6%	\$ 55,557
Manchester-btS	61	1	1.6%	457	24	5.3%	0.0%	0.4%	\$ 93,609
Marblehead	327	15	4.6%	2,472	66	2.7%	0.5%	0.5%	\$ 99,892
Marlborough	752	115	15.3%	2,848	251	8.8%	2.0%	3.9%	\$ 70,385
Marshfield	477	24	5.0%	3,005	189	6.3%	0.5%	0.4%	\$ 76,541
Maynard	237	23	9.7%	1,011	60	5.9%	0.8%	1.9%	\$ 71,875
Medfield	197	6	3.0%	1,404	27	1.9%	0.6%	0.5%	\$ 108,926
Medford	709	72	10.2%	3,962	287	7.2%	5.4%	1.7%	\$ 62,409
Medway	265	14	5.3%	1,524	57	3.7%	0.5%	0.6%	\$ 85,627
Melrose	406	21	5.2%	2,351	108	4.6%	1.0%	0.9%	\$ 78,144
Middleton	115	12	10.4%	818	22	2.7%	0.3%	0.3%	\$ 87,605
Milford	481	58	12.1%	2,418	177	7.3%	1.3%	3.3%	\$ 61,029
Millis	169	8	4.7%	826	46	5.6%	0.6%	0.8%	\$ 72,171
Milton	385	42	10.9%	2,520	137	5.4%	9.3%	1.0%	\$ 94,359
Nahant	52	1	1.9%	387	15	3.9%	0.3%	0.8%	\$ 76,926
Natick	690	25	3.6%	3,272	124	3.8%	1.6%	1.4%	\$ 85,715
Needham	460	6	1.3%	2,888	56	1.9%	0.6%	0.8%	\$ 107,570
Newton	1,159	46	4.0%	7,163	177	2.5%	1.4%	1.6%	\$ 105,289
Norfolk	137	8	5.8%	1,115	47	4.2%	0.4%	0.6%	\$ 92,001
North Reading	286	13	4.5%	1,641	74	4.5%	0.5%	0.5%	\$ 86,341
Norwell	178	3	1.7%	1,115	39	3.5%	0.5%	0.4%	\$ 96,771
Norwood	298	19	6.4%	1,980	98	4.9%	2.0%	1.2%	\$ 70,164
Peabody	656	65	9.9%	4,105	249	6.1%	0.8%	2.6%	\$ 65,483
Pembroke	293	31	10.6%	2,027	164	8.1%	0.5%	0.4%	\$ 74,985
Quincy	1,367	115	8.4%	5,676	337	5.9%	2.2%	1.6%	\$ 59,735
Randolph	639	118	18.5%	2,593	357	13.8%	18.7%	2.4%	\$ 61,942
Reading	387	17	4.4%	2,360	68	2.9%	0.4%	0.6%	\$ 89,076
Revere	747	176	23.6%	2,820	334	11.8%	2.6%	6.3%	\$ 45,865
Rockland	312	30	9.6%	1,556	155	10.0%	1.8%	0.7%	\$ 60,088
Rockport	113	4	3.5%	713	21	2.9%	0.2%	0.6%	\$ 69,263
Salem	771	78	10.1%	2,905	218	7.5%	2.1%	7.4%	\$ 55,635
Saugus	397	51	12.8%	2,471	154	6.2%	0.4%	0.6%	\$ 65,782
Scituate	328	20	6.1%	1,987	105	5.3%	0.4%	0.4%	\$ 86,058
Sharon	231	13	5.6%	2,071	65	3.1%	3.1%	0.7%	\$ 99,015
Sherborn	69	2	2.9%	492	20	4.1%	0.5%	0.7%	\$ 136,211
Somerville	821	79	9.6%	3,338	240	7.2%	5.4%	5.7%	\$ 51,243
Southborough	180	2	1.1%	1,101	41	3.7%	0.7%	0.7%	\$ 119,454
Stoneham	355	24	6.8%	1,938	77	4.0%	0.8%	1.4%	\$ 71,334
Stoughton	424	55	13.0%	2,374	212	8.9%	5.4%	1.1%	\$ 69,942

Table 19 (page 3 of 3)
Prime and Subprime Lending in the 101 Cities and Towns in the MAPC Region,
in the 7 Largest Cities Outside of this Region, and in Four Larger Areas,
Home Purchase and Refinance Loans, 2003

City/Town	Home Purchase Loans			Refinance Loans			% Black H-holds	% Latino H-holds	Median Family Income
	All Lenders	Subprime Lenders	% Sub- Prime	All Lenders	Subprime Lenders	% Sub- Prime			
A. The 101 Cities and Towns in the MAPC Region (continued)									
Stow	131	6	4.6%	687	21	3.1%	0.4%	1.2%	\$ 102,530
Sudbury	331	6	1.8%	2,036	53	2.6%	0.8%	0.8%	\$ 130,399
Swampscott	255	13	5.1%	1,539	57	3.7%	0.8%	0.8%	\$ 82,795
Topsfield	73	5	6.8%	650	18	2.8%	0.2%	0.6%	\$ 104,475
Wakefield	388	17	4.4%	2,416	90	3.7%	0.5%	0.6%	\$ 77,834
Walpole	390	18	4.6%	2,299	94	4.1%	0.4%	0.6%	\$ 84,458
Waltham	719	31	4.3%	3,438	181	5.3%	3.6%	5.9%	\$ 64,595
Watertown	410	29	7.1%	2,054	81	3.9%	1.3%	2.0%	\$ 67,441
Wayland	201	5	2.5%	1,370	50	3.6%	0.7%	0.8%	\$ 113,671
Wellesley	355	8	2.3%	2,393	35	1.5%	1.1%	1.3%	\$ 134,769
Wenham	66	2	3.0%	362	15	4.1%	0.0%	0.6%	\$ 98,004
Weston	133	5	3.8%	1,037	21	2.0%	0.8%	1.3%	\$ 181,041
Westwood	210	9	4.3%	1,493	44	2.9%	0.5%	0.6%	\$ 103,242
Weymouth	1,148	74	6.4%	4,717	334	7.1%	1.5%	1.1%	\$ 64,083
Wilmington	326	26	8.0%	2,316	131	5.7%	0.4%	0.6%	\$ 76,760
Winchester	358	12	3.4%	2,030	34	1.7%	0.8%	0.7%	\$ 110,226
Winthrop	262	38	14.5%	1,379	89	6.5%	1.5%	2.0%	\$ 65,696
Woburn	527	34	6.5%	2,907	189	6.5%	1.6%	2.4%	\$ 66,364
Wrentham	184	11	6.0%	1,226	66	5.4%	0.4%	0.6%	\$ 89,058
B. The Seven Other Massachusetts Cities with Population over 60,000									
Brockton	1,750	524	29.9%	6,341	1,501	23.7%	16.9%	6.4%	\$ 46,235
Fall River	825	127	15.4%	3,580	479	13.4%	2.1%	2.3%	\$ 37,671
Lawrence	1,053	318	30.2%	2,915	884	30.3%	2.0%	50.6%	\$ 31,809
Lowell	1,586	296	18.7%	5,167	721	14.0%	3.4%	11.4%	\$ 45,901
New Bedford	1,313	267	20.3%	4,391	731	16.6%	4.5%	7.4%	\$ 35,708
Springfield	2,376	551	23.2%	4,878	1,029	21.1%	19.4%	21.8%	\$ 36,285
Worcester	2,829	582	20.6%	8,990	1,407	15.7%	5.9%	11.8%	\$ 42,988
C. Larger Areas^									
MAPC Region	47,324	4,185	8.8%	236,757	14,433	6.1%	6.6%	4.7%	not available
Old Boston MSA	53,965	4,869	9.0%	269,712	17,396	6.4%	6.1%	4.3%	\$ 68,341
New Boston MSA	64,641	6,438	10.0%	317,957	22,675	7.1%	5.6%	5.0%	not available
Massachusetts	104,656	10,801	10.3%	485,929	38,553	7.9%	4.7%	5.0%	\$ 61,664

[^] The Metropolitan Area Planning Council (MAPC) Region consists of 101 communities (all listed in this table). The Old Boston Metropolitan Statistical Area (MSA) consists of all of the communities in the MAPC Region plus 26 more, for a total of 127 communities. The New Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, which contain a total of 147 communities. For more information on these geographical areas, see "Notes on Data and Methods."

Table 20 (page 1 of 3)
Subprime Lending to Black, Latino, and White Borrowers
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2003

City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub-prime	All Lenders	Sub-prime Lenders	% Sub-prime	All Lenders	Sub-prime Lenders	% Sub-prime	Black/White	Latino/White
A. The 101 Cities and Towns in the MAPC Region											
Acton	3	0	0.0%	6	0	0.0%	261	5	1.9%	-	-
Arlington	8	1	12.5%	12	1	8.3%	510	13	2.5%	-	-
Ashland	4	0	0.0%	16	1	6.3%	288	10	3.5%	-	-
Bedford	2	0	0.0%	0	0	n/a	111	3	2.7%	-	-
Bellingham	1	0	0.0%	5	0	0.0%	281	18	6.4%	-	-
Belmont	2	1	50.0%	3	0	0.0%	203	9	4.4%	-	-
Beverly	4	3	75.0%	8	1	12.5%	466	30	6.4%	-	-
Bolton	0	0	n/a	0	0	n/a	71	0	0.0%	-	-
Boston	780	215	27.6%	579	143	24.7%	5,129	372	7.3%	3.80	3.41
Boxborough	0	0	n/a	3	2	66.7%	92	8	8.7%	-	-
Braintree	0	0	n/a	7	0	0.0%	404	24	5.9%	-	-
Brookline	4	0	0.0%	12	1	8.3%	632	8	1.3%	-	-
Burlington	2	1	50.0%	5	0	0.0%	193	6	3.1%	-	-
Cambridge	19	0	0.0%	20	0	0.0%	735	20	2.7%	-	-
Canton	16	7	43.8%	1	0	0.0%	225	8	3.6%	-	-
Carlisle	0	0	n/a	1	0	0.0%	42	2	4.8%	-	-
Chelsea	10	1	10.0%	173	46	26.6%	175	33	18.9%	-	1.41
Cohasset	1	1	100.0%	0	0	n/a	110	9	8.2%	-	-
Concord	0	0	n/a	2	0	0.0%	173	3	1.7%	-	-
Danvers	0	0	n/a	4	1	25.0%	366	16	4.4%	-	-
Dedham	15	1	6.7%	20	5	25.0%	264	13	4.9%	-	-
Dover	0	0	n/a	0	0	n/a	60	4	6.7%	-	-
Duxbury	2	0	0.0%	1	0	0.0%	176	8	4.5%	-	-
Essex	0	0	n/a	0	0	n/a	40	3	7.5%	-	-
Everett	36	13	36.1%	101	26	25.7%	248	70	28.2%	1.28	0.91
Foxborough	4	2	50.0%	5	1	20.0%	190	17	8.9%	-	-
Framingham	38	17	44.7%	99	18	18.2%	715	76	10.6%	4.21	1.71
Franklin	7	0	0.0%	7	1	14.3%	544	32	5.9%	-	-
Gloucester	0	0	n/a	0	0	n/a	376	23	6.1%	-	-
Hamilton	0	0	n/a	0	0	n/a	74	3	4.1%	-	-
Hanover	1	0	0.0%	0	0	n/a	185	12	6.5%	-	-
Hingham	0	0	n/a	6	1	16.7%	328	16	4.9%	-	-
Holbrook	15	3	20.0%	6	2	33.3%	154	10	6.5%	-	-
Holliston	2	0	0.0%	2	0	0.0%	213	7	3.3%	-	-
Hopkinton	0	0	n/a	3	0	0.0%	200	8	4.0%	-	-
Hudson	3	0	0.0%	16	6	37.5%	271	14	5.2%	-	-
Hull	2	2	100.0%	0	0	n/a	198	13	6.6%	-	-
Ipswich	1	1	100.0%	0	0	n/a	182	6	3.3%	-	-
Lexington	2	0	0.0%	2	0	0.0%	240	5	2.1%	-	-
Lincoln	2	0	0.0%	3	0	0.0%	53	0	0.0%	-	-
Littleton	0	0	n/a	2	0	0.0%	129	4	3.1%	-	-

Table 20 (page 2 of 3)
Subprime Lending to Black, Latino, and White Borrowers
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2003

City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	Black/ White	Latino/ White
A. The 101 Cities and Towns in the MAPC Region (continued)											
Lynn	143	48	33.6%	372	153	41.1%	817	124	15.2%	2.21	2.71
Lynnfield	0	0	n/a	1	0	0.0%	168	8	4.8%	-	-
Malden	50	18	36.0%	66	27	40.9%	375	54	14.4%	2.50	2.84
Manchester-btS	0	0	n/a	1	0	0.0%	51	0	0.0%	-	-
Marblehead	1	0	0.0%	1	0	0.0%	293	11	3.8%	-	-
Marlborough	12	2	16.7%	48	14	29.2%	540	83	15.4%	-	2.71
Marshfield	0	0	n/a	4	1	25.0%	417	20	4.8%	-	-
Maynard	4	2	50.0%	3	2	66.7%	194	17	8.8%	-	-
Medfield	0	0	n/a	2	1	50.0%	160	3	1.9%	-	-
Medford	40	10	25.0%	22	5	22.7%	488	40	8.2%	3.05	-
Medway	1	1	100.0%	2	1	50.0%	220	8	3.6%	-	-
Melrose	0	0	n/a	6	0	0.0%	336	16	4.8%	-	-
Middleton	0	0	n/a	2	0	0.0%	102	10	9.8%	-	-
Milford	11	1	9.1%	22	4	18.2%	365	41	11.2%	-	-
Millis	0	0	n/a	4	1	25.0%	131	4	3.1%	-	-
Milton	48	15	31.3%	2	0	0.0%	265	15	5.7%	5.52	-
Nahant	0	0	n/a	0	0	n/a	46	1	2.2%	-	-
Natick	2	0	0.0%	11	1	9.1%	512	14	2.7%	-	-
Needham	5	2	40.0%	4	0	0.0%	362	3	0.8%	-	-
Newton	14	0	0.0%	11	1	9.1%	815	23	2.8%	-	-
Norfolk	1	0	0.0%	0	0	n/a	118	8	6.8%	-	-
North Reading	1	0	0.0%	0	0	n/a	251	12	4.8%	-	-
Norwell	2	0	0.0%	0	0	n/a	155	3	1.9%	-	-
Norwood	7	2	28.6%	6	0	0.0%	224	13	5.8%	-	-
Peabody	3	0	0.0%	28	5	17.9%	525	48	9.1%	-	1.95
Pembroke	0	0	n/a	4	2	50.0%	253	26	10.3%	-	-
Quincy	23	4	17.4%	17	2	11.8%	884	67	7.6%	-	-
Randolph	171	44	25.7%	38	10	26.3%	221	29	13.1%	1.96	2.01
Reading	1	0	0.0%	1	0	0.0%	325	13	4.0%	-	-
Revere	12	1	8.3%	183	53	29.0%	398	76	19.1%	-	1.52
Rockland	2	1	50.0%	1	0	0.0%	285	28	9.8%	-	-
Rockport	0	0	n/a	0	0	n/a	99	4	4.0%	-	-
Salem	7	2	28.6%	32	15	46.9%	636	51	8.0%	-	5.85
Saugus	6	2	33.3%	19	4	21.1%	319	42	13.2%	-	-
Scituate	0	0	n/a	3	0	0.0%	295	19	6.4%	-	-
Sharon	8	1	12.5%	1	0	0.0%	162	7	4.3%	-	-
Sherborn	0	0	n/a	1	0	0.0%	61	2	3.3%	-	-
Somerville	14	3	21.4%	29	5	17.2%	555	39	7.0%	-	2.45
Southborough	3	0	0.0%	5	1	20.0%	129	1	0.8%	-	-
Stoneham	2	0	0.0%	6	1	16.7%	305	22	7.2%	-	-
Stoughton	33	15	45.5%	16	5	31.3%	294	23	7.8%	5.81	-

Table 20 (page 3 of 3)
Subprime Lending to Black, Latino, and White Borrowers
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2003

City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	Black/White	Latino/White
A. The 101 Cities and Towns in the MAPC Region (continued)											
Stow	0	0	n/a	4	0	0.0%	107	3	2.8%	-	-
Sudbury	0	0	n/a	4	0	0.0%	269	4	1.5%	-	-
Swampscott	2	0	0.0%	6	1	16.7%	215	11	5.1%	-	-
Topsfield	1	0	0.0%	0	0	n/a	66	5	7.6%	-	-
Wakefield	1	1	100.0%	8	0	0.0%	313	14	4.5%	-	-
Walpole	2	0	0.0%	5	2	40.0%	342	14	4.1%	-	-
Waltham	11	1	9.1%	34	4	11.8%	523	23	4.4%	-	2.68
Watertown	4	0	0.0%	7	2	28.6%	296	13	4.4%	-	-
Wayland	0	0	n/a	0	0	n/a	159	4	2.5%	-	-
Wellesley	1	0	0.0%	1	0	0.0%	272	4	1.5%	-	-
Wenham	0	0	n/a	0	0	n/a	59	2	3.4%	-	-
Weston	3	0	0.0%	1	0	0.0%	105	5	4.8%	-	-
Westwood	0	0	n/a	0	0	n/a	170	9	5.3%	-	-
Weymouth	11	2	18.2%	16	0	0.0%	966	60	6.2%	-	-
Wilmington	0	0	n/a	1	0	0.0%	282	24	8.5%	-	-
Winchester	2	0	0.0%	4	0	0.0%	265	10	3.8%	-	-
Winthrop	6	2	33.3%	18	4	22.2%	195	25	12.8%	-	-
Woburn	5	1	20.0%	6	3	50.0%	411	26	6.3%	-	-
Wrentham	2	0	0.0%	2	1	50.0%	159	8	5.0%	-	-
B. The Seven Other Massachusetts Cities with Population over 60,000											
Brockton	480	178	37.1%	121	41	33.9%	778	163	21.0%	1.77	1.62
Fall River	33	15	45.5%	37	10	27.0%	681	75	11.0%	4.13	2.45
Lawrence	60	21	35.0%	596	216	36.2%	264	49	18.6%	1.89	1.95
Lowell	105	31	29.5%	128	43	33.6%	909	107	11.8%	2.51	2.85
New Bedford	71	22	31.0%	93	22	23.7%	944	162	17.2%	1.81	1.38
Springfield	312	89	28.5%	559	175	31.3%	1,156	191	16.5%	1.73	1.89
Worcester	270	106	39.3%	272	78	28.7%	1,677	242	14.4%	2.72	1.99
C. Larger Areas^											
MAPC Region	1,664	450	27.0%	2,221	587	26.4%	33,632	2,233	6.6%	4.07	3.98
Old Boston MSA	1,746	466	26.7%	2,302	608	26.4%	39,226	2,749	7.0%	3.81	3.77
New Boston MSA	2,446	712	29.1%	3,374	953	28.2%	46,157	3,365	7.3%	3.99	3.87
Massachusetts	3,569	1,035	29.0%	5,101	1,396	27.4%	77,466	6,009	7.8%	3.74	3.53

* "Subprime share disparity ratios" are calculated by dividing the percentage of refinance loans to blacks [or Latinos] that were made by subprime lenders by the share of refinance loans to whites that were made by subprime lenders. These ratios are only calculated for communities where blacks [or Latinos] received at least 25 total home purchase loans.

^ The Metropolitan Area Planning Council (MAPC) Region consists of 101 communities (all listed in this table). The Old Boston Metropolitan Statistical Area (MSA) consists of all of the communities in the MAPC Region plus 26 more, for a total of 127 communities. The New Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, which contain a total of 147 communities. For more information on these geographical areas, see "Notes on Data and Methods."

Table 21 (page 1 of 3)
Subprime Lending to Black, Latino, and White Borrowers
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Refinance Loans Only, 2003

City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub-prime	All Lenders	Sub-prime Lenders	% Sub-prime	All Lenders	Sub-prime Lenders	% Sub-prime	Black/ White	Latino/ White
A. The 101 Cities and Towns in the MAPC Region											
Acton	6	0	0.0%	10	1	10.0%	1,540	30	1.9%	-	-
Arlington	30	0	0.0%	27	0	0.0%	2,770	63	2.3%	0.00	0.00
Ashland	21	2	9.5%	26	2	7.7%	1,444	44	3.0%	-	2.52
Bedford	10	0	0.0%	10	0	0.0%	908	18	2.0%	-	-
Bellingham	11	0	0.0%	14	0	0.0%	1,468	115	7.8%	-	-
Belmont	3	0	0.0%	15	1	6.7%	1,539	24	1.6%	-	-
Beverly	8	1	12.5%	34	4	11.8%	2,815	113	4.0%	-	2.93
Bolton	0	0	n/a	2	0	0.0%	399	9	2.3%	-	-
Boston	3,815	982	25.7%	1,494	283	18.9%	17,056	949	5.6%	4.63	3.40
Boxborough	0	0	n/a	1	0	0.0%	372	5	1.3%	-	-
Braintree	10	0	0.0%	12	1	8.3%	2,392	98	4.1%	-	-
Brookline	34	2	5.9%	32	0	0.0%	2,846	38	1.3%	4.41	0.00
Burlington	16	3	18.8%	10	0	0.0%	1,626	74	4.6%	-	-
Cambridge	119	11	9.2%	70	3	4.3%	2,735	71	2.6%	3.56	1.65
Canton	22	3	13.6%	13	0	0.0%	1,458	63	4.3%	-	-
Carlisle	1	1	100.0%	4	0	0.0%	418	10	2.4%	-	-
Chelsea	36	2	5.6%	377	90	23.9%	593	58	9.8%	0.57	2.44
Cohasset	1	0	0.0%	1	0	0.0%	709	24	3.4%	-	-
Concord	6	0	0.0%	6	1	16.7%	1,231	24	1.9%	-	-
Danvers	2	0	0.0%	10	1	10.0%	2,119	81	3.8%	-	-
Dedham	13	2	15.4%	26	6	23.1%	1,664	77	4.6%	-	4.99
Dover	3	0	0.0%	2	0	0.0%	498	12	2.4%	-	-
Duxbury	2	0	0.0%	5	0	0.0%	1,365	47	3.4%	-	-
Essex	0	0	n/a	0	0	n/a	254	8	3.1%	-	-
Everett	114	18	15.8%	170	25	14.7%	1,383	132	9.5%	1.65	1.54
Foxborough	7	4	57.1%	12	0	0.0%	1,263	48	3.8%	-	-
Framingham	92	12	13.0%	189	33	17.5%	3,391	188	5.5%	2.35	3.15
Franklin	14	2	14.3%	18	2	11.1%	3,001	121	4.0%	-	-
Gloucester	7	2	28.6%	14	4	28.6%	2,126	79	3.7%	-	-
Hamilton	1	0	0.0%	2	0	0.0%	655	13	2.0%	-	-
Hanover	3	2	66.7%	5	0	0.0%	1,189	40	3.4%	-	-
Hingham	4	0	0.0%	4	0	0.0%	1,837	63	3.4%	-	-
Holbrook	24	5	20.8%	15	2	13.3%	696	60	8.6%	-	-
Holliston	7	2	28.6%	12	0	0.0%	1,277	53	4.2%	-	-
Hopkinton	8	0	0.0%	12	1	8.3%	1,580	39	2.5%	-	-
Hudson	6	1	16.7%	21	5	23.8%	1,115	63	5.7%	-	-
Hull	4	0	0.0%	6	2	33.3%	1,042	75	7.2%	-	-
Ipswich	4	0	0.0%	8	1	12.5%	1,112	41	3.7%	-	-
Lexington	19	2	10.5%	16	0	0.0%	2,062	33	1.6%	-	-
Lincoln	3	0	0.0%	2	0	0.0%	361	10	2.8%	-	-
Littleton	2	0	0.0%	5	0	0.0%	724	25	3.5%	-	-

Table 21 (page 2 of 3)
Subprime Lending to Black, Latino, and White Borrowers
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City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	Black/ White	Latino/ White
A. The 101 Cities and Towns in the MAPC Region (continued)											
Lynn	264	62	23.5%	560	164	29.3%	3,616	384	10.6%	2.21	2.76
Lynnfield	3	0	0.0%	3	0	0.0%	1,070	26	2.4%	-	-
Malden	166	26	15.7%	129	14	10.9%	2,059	151	7.3%	2.14	1.48
Manchester-btS	0	0	n/a	1	0	0.0%	376	17	4.5%	-	-
Marblehead	4	0	0.0%	8	0	0.0%	2,148	51	2.4%	-	-
Marlborough	47	10	21.3%	89	15	16.9%	2,112	167	7.9%	2.69	2.13
Marshfield	11	0	0.0%	9	0	0.0%	2,493	127	5.1%	-	-
Maynard	9	2	22.2%	9	0	0.0%	791	40	5.1%	-	-
Medfield	5	0	0.0%	7	0	0.0%	1,129	18	1.6%	-	-
Medford	130	20	15.4%	72	14	19.4%	2,999	170	5.7%	2.71	3.43
Medway	5	0	0.0%	6	0	0.0%	1,222	42	3.4%	-	-
Melrose	13	3	23.1%	15	2	13.3%	1,879	75	4.0%	-	-
Middleton	1	0	0.0%	9	0	0.0%	704	18	2.6%	-	-
Milford	22	7	31.8%	40	3	7.5%	1,905	119	6.2%	-	1.20
Millis	5	0	0.0%	6	1	16.7%	662	36	5.4%	-	-
Milton	181	26	14.4%	32	3	9.4%	1,755	59	3.4%	4.27	2.79
Nahant	2	0	0.0%	2	0	0.0%	310	10	3.2%	-	-
Natick	29	2	6.9%	21	0	0.0%	2,527	81	3.2%	2.15	-
Needham	4	0	0.0%	15	1	6.7%	2,255	43	1.9%	-	-
Newton	52	4	7.7%	58	3	5.2%	5,361	104	1.9%	3.97	2.67
Norfolk	4	2	50.0%	3	1	33.3%	881	28	3.2%	-	-
North Reading	7	0	0.0%	6	0	0.0%	1,375	62	4.5%	-	-
Norwell	2	0	0.0%	3	0	0.0%	934	28	3.0%	-	-
Norwood	15	4	26.7%	21	2	9.5%	1,558	56	3.6%	-	-
Peabody	30	3	10.0%	58	9	15.5%	3,428	180	5.3%	1.90	2.96
Pembroke	7	1	14.3%	7	0	0.0%	1,690	117	6.9%	-	-
Quincy	53	4	7.5%	61	4	6.6%	4,071	220	5.4%	1.40	1.21
Randolph	495	103	20.8%	72	13	18.1%	1,211	114	9.4%	2.21	1.92
Reading	5	1	20.0%	9	0	0.0%	2,007	52	2.6%	-	-
Revere	40	10	25.0%	233	36	15.5%	1,963	174	8.9%	2.82	1.74
Rockland	16	2	12.5%	12	1	8.3%	1,275	111	8.7%	-	-
Rockport	0	0	n/a	3	0	0.0%	620	17	2.7%	-	-
Salem	22	3	13.6%	70	17	24.3%	2,379	135	5.7%	-	4.28
Saugus	14	2	14.3%	29	7	24.1%	2,070	106	5.1%	-	4.71
Scituate	3	0	0.0%	13	0	0.0%	1,679	73	4.3%	-	-
Sharon	42	4	9.5%	10	0	0.0%	1,534	34	2.2%	4.30	-
Sherborn	1	0	0.0%	3	1	33.3%	381	14	3.7%	-	-
Somerville	108	7	6.5%	152	21	13.8%	2,300	144	6.3%	1.04	2.21
Southborough	8	1	12.5%	8	1	12.5%	793	26	3.3%	-	-
Stoneham	6	1	16.7%	14	0	0.0%	1,620	56	3.5%	-	-
Stoughton	96	13	13.5%	27	7	25.9%	1,774	112	6.3%	2.14	4.11

Table 21 (page 3 of 3)
Subprime Lending to Black, Latino, and White Borrowers
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Refinance Loans Only, 2003

City/Town	Black Borrowers			Latino Borrowers			White Borrowers			Subprime Share Disparity Ratios*	
	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	All Lenders	Sub-prime Lenders	% Sub prime	Black/ White	Latino/ White
A. The 101 Cities and Towns in the MAPC Region (continued)											
Stow	3	0	0.0%	3	0	0.0%	547	16	2.9%	-	-
Sudbury	2	0	0.0%	17	1	5.9%	1,552	37	2.4%	-	-
Swampscott	8	0	0.0%	11	1	9.1%	1,315	44	3.3%	-	-
Topsfield	1	0	0.0%	2	0	0.0%	522	10	1.9%	-	-
Wakefield	5	1	20.0%	4	1	25.0%	2,053	67	3.3%	-	-
Walpole	7	2	28.6%	14	1	7.1%	1,896	66	3.5%	-	-
Waltham	62	14	22.6%	93	8	8.6%	2,421	98	4.0%	5.58	2.13
Watertown	18	2	11.1%	25	1	4.0%	1,605	57	3.6%	-	1.13
Wayland	3	1	33.3%	5	0	0.0%	1,020	35	3.4%	-	-
Wellesley	9	1	11.1%	5	0	0.0%	1,843	27	1.5%	-	-
Wenham	0	0	n/a	0	0	n/a	297	11	3.7%	-	-
Weston	5	1	20.0%	2	1	50.0%	758	12	1.6%	-	-
Westwood	7	0	0.0%	9	0	0.0%	1,191	34	2.9%	-	-
Weymouth	29	2	6.9%	37	2	5.4%	3,816	230	6.0%	1.14	0.90
Wilmington	8	0	0.0%	12	0	0.0%	1,871	94	5.0%	-	-
Winchester	9	2	22.2%	9	0	0.0%	1,552	27	1.7%	-	-
Winthrop	12	1	8.3%	25	3	12.0%	1,116	54	4.8%	-	2.48
Woburn	31	6	19.4%	35	5	14.3%	2,280	120	5.3%	3.68	2.71
Wrentham	4	0	0.0%	5	0	0.0%	1,013	48	4.7%	-	-
B. The Seven Other Massachusetts Cities with Population over 60,000											
Brockton	924	309	33.4%	277	85	30.7%	3,521	581	16.5%	2.03	1.86
Fall River	34	8	23.5%	40	7	17.5%	3,018	312	10.3%	2.28	1.69
Lawrence	60	22	36.7%	1,295	492	38.0%	1,083	192	17.7%	2.07	2.14
Lowell	132	36	27.3%	257	55	21.4%	3,448	355	10.3%	2.65	2.08
New Bedford	183	37	20.2%	142	29	20.4%	3,382	440	13.0%	1.55	1.57
Springfield	526	147	27.9%	572	157	27.4%	2,851	403	14.1%	1.98	1.94
Worcester	417	131	31.4%	481	92	19.1%	6,095	740	12.1%	2.59	1.58
C. Larger Areas^											
MAPC Region	6,638	1,415	21.3%	4,930	832	16.9%	176,617	7,822	4.4%	4.81	3.81
Old Boston MSA	6,882	1,460	21.2%	5,164	876	17.0%	203,653	9,805	4.8%	4.41	3.52
New Boston MSA	8,156	1,836	22.5%	7,400	1,596	21.6%	238,795	12,371	5.2%	4.35	4.16
Massachusetts	10,366	2,362	22.8%	10,163	2,162	21.3%	374,276	22,282	6.0%	3.83	3.57

* "Subprime share disparity ratios" are calculated by dividing the percentage of refinance loans to blacks [or Latinos] that were made by subprime lenders by the share of refinance loans to whites that were made by subprime lenders. These ratios are only calculated for communities where blacks [or Latinos] received at least 25 total refinance loans.

^ The Metropolitan Area Planning Council (MAPC) Region consists of 101 communities (all listed in this table). The Old Boston Metropolitan Statistical Area (MSA) consists of all of the communities in the MAPC Region plus 26 more, for a total of 127 communities. The New Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, which contain a total of 147 communities. For more information on these geographical areas, see "Notes on Data and Methods."

Table 22 (page 1 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region												
Acton	424	444	400	1,268	16	15	8	39	3.8%	3.4%	2.0%	3.1%
Arlington	654	633	688	1,975	23	20	19	62	3.5%	3.2%	2.8%	3.1%
Ashland	435	398	392	1,225	26	25	16	67	6.0%	6.3%	4.1%	5.5%
Bedford	163	147	152	462	5	5	3	13	3.1%	3.4%	2.0%	2.8%
Bellingham	316	296	353	965	23	15	28	66	7.3%	5.1%	7.9%	6.8%
Belmont	270	308	285	863	12	14	17	43	4.4%	4.5%	6.0%	5.0%
Beverly	592	477	567	1,636	31	22	41	94	5.2%	4.6%	7.2%	5.7%
Bolton	85	88	89	262	0	3	1	4	0.0%	3.4%	1.1%	1.5%
Boston	7,261	7,902	8,486	23,649	573	600	963	2,136	7.9%	7.6%	11.3%	9.0%
Boxborough	101	131	141	373	0	2	11	13	0.0%	1.5%	7.8%	3.5%
Braintree	469	468	534	1,471	28	14	38	80	6.0%	3.0%	7.1%	5.4%
Brookline	911	963	950	2,824	64	29	10	103	7.0%	3.0%	1.1%	3.6%
Burlington	241	295	274	810	12	8	7	27	5.0%	2.7%	2.6%	3.3%
Cambridge	941	979	1,116	3,036	42	38	29	109	4.5%	3.9%	2.6%	3.6%
Canton	311	313	300	924	19	18	21	58	6.1%	5.8%	7.0%	6.3%
Carlisle	74	73	60	207	1	5	2	8	1.4%	6.8%	3.3%	3.9%
Chelsea	372	420	427	1,219	45	57	92	194	12.1%	13.6%	21.5%	15.9%
Cohasset	108	133	132	373	7	8	14	29	6.5%	6.0%	10.6%	7.8%
Concord	204	250	206	660	7	11	3	21	3.4%	4.4%	1.5%	3.2%
Danvers	392	335	420	1,147	15	9	21	45	3.8%	2.7%	5.0%	3.9%
Dedham	362	388	374	1,124	35	27	26	88	9.7%	7.0%	7.0%	7.8%
Dover	83	94	78	255	5	7	5	17	6.0%	7.4%	6.4%	6.7%
Duxbury	226	224	220	670	5	15	9	29	2.2%	6.7%	4.1%	4.3%
Essex	35	45	44	124	0	6	4	10	0.0%	13.3%	9.1%	8.1%
Everett	420	446	479	1,345	66	68	131	265	15.7%	15.2%	27.3%	19.7%
Foxborough	249	205	240	694	24	10	24	58	9.6%	4.9%	10.0%	8.4%
Framingham	1,004	1,085	1,084	3,173	105	125	126	356	10.5%	11.5%	11.6%	11.2%
Franklin	623	657	667	1,947	37	27	34	98	5.9%	4.1%	5.1%	5.0%
Gloucester	388	348	411	1,147	22	10	30	62	5.7%	2.9%	7.3%	5.4%
Hamilton	96	88	81	265	1	3	3	7	1.0%	3.4%	3.7%	2.6%
Hanover	208	201	214	623	2	10	12	24	1.0%	5.0%	5.6%	3.9%
Hingham	351	358	395	1,104	16	15	20	51	4.6%	4.2%	5.1%	4.6%
Holbrook	172	155	217	544	12	13	24	49	7.0%	8.4%	11.1%	9.0%
Holliston	209	208	263	680	6	13	13	32	2.9%	6.3%	4.9%	4.7%
Hopkinton	311	312	249	872	7	8	12	27	2.3%	2.6%	4.8%	3.1%
Hudson	346	311	343	1,000	35	24	30	89	10.1%	7.7%	8.7%	8.9%
Hull	255	224	239	718	20	15	19	54	7.8%	6.7%	7.9%	7.5%
Ipswich	238	220	212	670	6	5	8	19	2.5%	2.3%	3.8%	2.8%
Lexington	388	442	389	1,219	15	15	10	40	3.9%	3.4%	2.6%	3.3%
Lincoln	77	69	78	224	4	2	0	6	5.2%	2.9%	0.0%	2.7%
Littleton	145	175	163	483	2	8	4	14	1.4%	4.6%	2.5%	2.9%

Table 22 (page 2 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region (continued)												
Lynn	1,495	1,564	1,581	4,640	189	235	394	818	12.6%	15.0%	24.9%	17.6%
Lynnfield	206	199	189	594	7	11	10	28	3.4%	5.5%	5.3%	4.7%
Malden	632	701	744	2,077	83	61	132	276	13.1%	8.7%	17.7%	13.3%
Manchester-btS	84	76	61	221	1	2	1	4	1.2%	2.6%	1.6%	1.8%
Marblehead	372	382	327	1,081	13	20	15	48	3.5%	5.2%	4.6%	4.4%
Marlborough	774	700	752	2,226	93	86	115	294	12.0%	12.3%	15.3%	13.2%
Marshfield	441	530	477	1,448	27	33	24	84	6.1%	6.2%	5.0%	5.8%
Maynard	243	238	237	718	14	18	23	55	5.8%	7.6%	9.7%	7.7%
Medfield	162	203	197	562	8	8	6	22	4.9%	3.9%	3.0%	3.9%
Medford	630	672	709	2,011	39	44	72	155	6.2%	6.5%	10.2%	7.7%
Medway	279	259	265	803	14	21	14	49	5.0%	8.1%	5.3%	6.1%
Melrose	374	412	406	1,192	11	16	21	48	2.9%	3.9%	5.2%	4.0%
Middleton	105	139	115	359	4	10	12	26	3.8%	7.2%	10.4%	7.2%
Milford	530	502	481	1,513	27	37	58	122	5.1%	7.4%	12.1%	8.1%
Millis	156	155	169	480	8	9	8	25	5.1%	5.8%	4.7%	5.2%
Milton	390	350	385	1,125	15	18	42	75	3.8%	5.1%	10.9%	6.7%
Nahant	65	59	52	176	4	2	1	7	6.2%	3.4%	1.9%	4.0%
Natick	657	592	690	1,939	35	20	25	80	5.3%	3.4%	3.6%	4.1%
Needham	415	414	460	1,289	15	14	6	35	3.6%	3.4%	1.3%	2.7%
Newton	981	1,092	1,159	3,232	57	51	46	154	5.8%	4.7%	4.0%	4.8%
Norfolk	136	166	137	439	6	5	8	19	4.4%	3.0%	5.8%	4.3%
North Reading	253	219	286	758	13	9	13	35	5.1%	4.1%	4.5%	4.6%
Norwell	166	192	178	536	9	10	3	22	5.4%	5.2%	1.7%	4.1%
Norwood	342	329	298	969	19	17	19	55	5.6%	5.2%	6.4%	5.7%
Peabody	574	585	656	1,815	44	36	65	145	7.7%	6.2%	9.9%	8.0%
Pembroke	324	296	293	913	12	23	31	66	3.7%	7.8%	10.6%	7.2%
Quincy	1,262	1,294	1,367	3,923	64	75	115	254	5.1%	5.8%	8.4%	6.5%
Randolph	510	561	639	1,710	55	85	118	258	10.8%	15.2%	18.5%	15.1%
Reading	378	348	387	1,113	14	12	17	43	3.7%	3.4%	4.4%	3.9%
Revere	686	688	747	2,121	90	87	176	353	13.1%	12.6%	23.6%	16.6%
Rockland	322	246	312	880	26	26	30	82	8.1%	10.6%	9.6%	9.3%
Rockport	94	100	113	307	0	2	4	6	0.0%	2.0%	3.5%	2.0%
Salem	728	663	771	2,162	49	38	78	165	6.7%	5.7%	10.1%	7.6%
Saugus	386	412	397	1,195	35	34	51	120	9.1%	8.3%	12.8%	10.0%
Scituate	329	301	328	958	13	18	20	51	4.0%	6.0%	6.1%	5.3%
Sharon	264	277	231	772	14	12	13	39	5.3%	4.3%	5.6%	5.1%
Sherborn	65	53	69	187	5	2	2	9	7.7%	3.8%	2.9%	4.8%
Somerville	702	779	821	2,302	72	45	79	196	10.3%	5.8%	9.6%	8.5%
Southborough	166	148	180	494	9	6	2	17	5.4%	4.1%	1.1%	3.4%
Stoneham	307	272	355	934	17	10	24	51	5.5%	3.7%	6.8%	5.5%
Stoughton	334	431	424	1,189	29	45	55	129	8.7%	10.4%	13.0%	10.8%

Table 22 (page 3 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Home Purchase Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region (continued)												
Stow	92	121	131	344	4	2	6	12	4.3%	1.7%	4.6%	3.5%
Sudbury	282	352	331	965	5	13	6	24	1.8%	3.7%	1.8%	2.5%
Swampscott	224	271	255	750	11	20	13	44	4.9%	7.4%	5.1%	5.9%
Topsfield	80	71	73	224	3	1	5	9	3.8%	1.4%	6.8%	4.0%
Wakefield	363	314	388	1,065	11	12	17	40	3.0%	3.8%	4.4%	3.8%
Walpole	349	353	390	1,092	21	23	18	62	6.0%	6.5%	4.6%	5.7%
Waltham	618	651	719	1,988	32	49	31	112	5.2%	7.5%	4.3%	5.6%
Watertown	393	433	410	1,236	23	9	29	61	5.9%	2.1%	7.1%	4.9%
Wayland	182	184	201	567	10	13	5	28	5.5%	7.1%	2.5%	4.9%
Wellesley	328	380	355	1,063	6	14	8	28	1.8%	3.7%	2.3%	2.6%
Wenham	79	57	66	202	2	2	2	6	2.5%	3.5%	3.0%	3.0%
Weston	117	141	133	391	4	2	5	11	3.4%	1.4%	3.8%	2.8%
Westwood	180	210	210	600	9	7	9	25	5.0%	3.3%	4.3%	4.2%
Weymouth	874	977	1,148	2,999	49	52	74	175	5.6%	5.3%	6.4%	5.8%
Wilmington	305	328	326	959	15	15	26	56	4.9%	4.6%	8.0%	5.8%
Winchester	302	365	358	1,025	7	13	12	32	2.3%	3.6%	3.4%	3.1%
Winthrop	238	244	262	744	17	10	38	65	7.1%	4.1%	14.5%	8.7%
Woburn	447	416	527	1,390	21	25	34	80	4.7%	6.0%	6.5%	5.8%
Wrentham	200	200	184	584	8	10	11	29	4.0%	5.0%	6.0%	5.0%
B. The Seven Other Massachusetts Cities with Population over 60,000												
Brockton	1,638	1,725	1,750	5,113	248	314	524	1,086	15.1%	18.2%	29.9%	21.2%
Fall River	775	917	825	2,517	66	126	127	319	8.5%	13.7%	15.4%	12.7%
Lawrence	933	999	1,053	2,985	116	143	318	577	12.4%	14.3%	30.2%	19.3%
Lowell	1,402	1,408	1,586	4,396	147	172	296	615	10.5%	12.2%	18.7%	14.0%
New Bedford	1,137	1,268	1,313	3,718	117	173	267	557	10.3%	13.6%	20.3%	15.0%
Springfield	1,946	2,154	2,376	6,476	259	312	551	1,122	13.3%	14.5%	23.2%	17.3%
Worcester	2,365	2,759	2,829	7,953	262	365	582	1,209	11.1%	13.2%	20.6%	15.2%
C. Larger Areas[^]												
MAPC Region	43,482	44,975	47,324	135,781	2,891	2,949	4,185	10,025	6.6%	6.6%	8.8%	7.4%
Old Boston MSA	49,920	51,618	53,965	155,503	3,330	3,360	4,869	11,559	6.7%	6.5%	9.0%	7.4%
New Boston MSA	59,992	61,482	64,641	186,115	4,203	4,340	6,438	14,981	7.0%	7.1%	10.0%	8.0%
Massachusetts	96,408	99,519	104,656	300,583	6,562	7,186	10,801	24,549	6.8%	7.2%	10.3%	8.2%

[^] The Metropolitan Area Planning Council (MAPC) Region consists of 101 communities (all listed in this table). The Old Boston Metropolitan Statistical Area (MSA) consists of all of the communities in the MAPC Region plus 26 more, for a total of 127 communities. The New Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, which contain a total of 147 communities. For more information on these geographical areas, see "Notes on Data and Methods."

Table 23 (page 1 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Refinance Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region												
Acton	1,143	1,793	2,289	5,225	38	42	50	130	3.3%	2.3%	2.2%	2.5%
Arlington	1,562	2,447	3,537	7,546	56	70	86	212	3.6%	2.9%	2.4%	2.8%
Ashland	1,003	1,440	1,992	4,435	46	61	86	193	4.6%	4.2%	4.3%	4.4%
Bedford	607	891	1,225	2,723	17	22	25	64	2.8%	2.5%	2.0%	2.4%
Bellingham	1,008	1,238	1,785	4,031	88	117	164	369	8.7%	9.5%	9.2%	9.2%
Belmont	852	1,487	1,958	4,297	25	42	35	102	2.9%	2.8%	1.8%	2.4%
Beverly	1,855	2,377	3,346	7,578	90	122	167	379	4.9%	5.1%	5.0%	5.0%
Bolton	261	407	513	1,181	6	10	14	30	2.3%	2.5%	2.7%	2.5%
Boston	15,831	21,103	29,161	66,095	1,654	2,065	3,229	6,948	10.4%	9.8%	11.1%	10.5%
Boxborough	253	426	550	1,229	7	17	6	30	2.8%	4.0%	1.1%	2.4%
Braintree	1,619	2,146	3,044	6,809	72	102	156	330	4.4%	4.8%	5.1%	4.8%
Brookline	1,956	3,086	3,939	8,981	44	67	64	175	2.2%	2.2%	1.6%	1.9%
Burlington	1,139	1,582	2,200	4,921	51	63	101	215	4.5%	4.0%	4.6%	4.4%
Cambridge	1,753	2,954	3,953	8,660	71	97	130	298	4.1%	3.3%	3.3%	3.4%
Canton	1,048	1,373	1,923	4,344	35	60	97	192	3.3%	4.4%	5.0%	4.4%
Carlisle	253	413	561	1,227	9	14	14	37	3.6%	3.4%	2.5%	3.0%
Chelsea	637	804	1,226	2,667	105	137	193	435	16.5%	17.0%	15.7%	16.3%
Cohasset	497	639	839	1,975	10	26	34	70	2.0%	4.1%	4.1%	3.5%
Concord	731	1,151	1,530	3,412	16	38	33	87	2.2%	3.3%	2.2%	2.5%
Danvers	1,316	1,698	2,477	5,491	49	96	108	253	3.7%	5.7%	4.4%	4.6%
Dedham	1,191	1,559	2,092	4,842	75	98	119	292	6.3%	6.3%	5.7%	6.0%
Dover	279	502	648	1,429	7	7	20	34	2.5%	1.4%	3.1%	2.4%
Duxbury	906	1,341	1,641	3,888	47	59	62	168	5.2%	4.4%	3.8%	4.3%
Essex	152	214	303	669	8	14	14	36	5.3%	6.5%	4.6%	5.4%
Everett	1,124	1,437	2,076	4,637	126	197	239	562	11.2%	13.7%	11.5%	12.1%
Foxborough	794	1,169	1,561	3,524	51	66	80	197	6.4%	5.6%	5.1%	5.6%
Framingham	2,627	3,617	4,870	11,114	199	247	338	784	7.6%	6.8%	6.9%	7.1%
Franklin	1,909	2,669	3,640	8,218	71	109	176	356	3.7%	4.1%	4.8%	4.3%
Gloucester	1,358	1,711	2,473	5,542	63	103	119	285	4.6%	6.0%	4.8%	5.1%
Hamilton	385	588	791	1,764	12	21	17	50	3.1%	3.6%	2.1%	2.8%
Hanover	730	1,003	1,424	3,157	34	48	64	146	4.7%	4.8%	4.5%	4.6%
Hingham	1,188	1,685	2,217	5,090	41	67	91	199	3.5%	4.0%	4.1%	3.9%
Holbrook	512	631	945	2,088	49	64	108	221	9.6%	10.1%	11.4%	10.6%
Holliston	758	1,153	1,606	3,517	34	54	82	170	4.5%	4.7%	5.1%	4.8%
Hopkinton	931	1,415	1,980	4,326	37	56	55	148	4.0%	4.0%	2.8%	3.4%
Hudson	738	1,057	1,414	3,209	42	70	107	219	5.7%	6.6%	7.6%	6.8%
Hull	693	890	1,284	2,867	56	78	118	252	8.1%	8.8%	9.2%	8.8%
Ipswich	671	926	1,296	2,893	23	37	56	116	3.4%	4.0%	4.3%	4.0%
Lexington	1,441	2,318	3,039	6,798	41	68	50	159	2.8%	2.9%	1.6%	2.3%
Lincoln	222	388	482	1,092	3	12	17	32	1.4%	3.1%	3.5%	2.9%
Littleton	489	675	919	2,083	20	25	38	83	4.1%	3.7%	4.1%	4.0%

Table 23 (page 2 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Refinance Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region (continued)												
Lynn	3,105	3,783	5,482	12,370	374	543	856	1,773	12.0%	14.4%	15.6%	14.3%
Lynnfield	601	908	1,278	2,787	17	23	34	74	2.8%	2.5%	2.7%	2.7%
Malden	1,731	2,135	3,195	7,061	139	199	280	618	8.0%	9.3%	8.8%	8.8%
Manchester-btS	240	344	457	1,041	8	11	24	43	3.3%	3.2%	5.3%	4.1%
Marblehead	1,212	1,869	2,472	5,553	33	55	66	154	2.7%	2.9%	2.7%	2.8%
Marlborough	1,651	2,110	2,848	6,609	105	159	251	515	6.4%	7.5%	8.8%	7.8%
Marshfield	1,694	2,133	3,005	6,832	71	135	189	395	4.2%	6.3%	6.3%	5.8%
Maynard	534	726	1,011	2,271	32	45	60	137	6.0%	6.2%	5.9%	6.0%
Medfield	648	1,058	1,404	3,110	26	27	27	80	4.0%	2.6%	1.9%	2.6%
Medford	2,074	2,665	3,962	8,701	135	171	287	593	6.5%	6.4%	7.2%	6.8%
Medway	723	1,026	1,524	3,273	32	42	57	131	4.4%	4.1%	3.7%	4.0%
Melrose	1,184	1,682	2,351	5,217	34	81	108	223	2.9%	4.8%	4.6%	4.3%
Middleton	398	574	818	1,790	20	19	22	61	5.0%	3.3%	2.7%	3.4%
Milford	1,361	1,713	2,418	5,492	88	111	177	376	6.5%	6.5%	7.3%	6.8%
Millis	428	614	826	1,868	18	17	46	81	4.2%	2.8%	5.6%	4.3%
Milton	1,171	1,820	2,520	5,511	58	102	137	297	5.0%	5.6%	5.4%	5.4%
Nahant	169	249	387	805	7	11	15	33	4.1%	4.4%	3.9%	4.1%
Natick	1,760	2,431	3,272	7,463	69	107	124	300	3.9%	4.4%	3.8%	4.0%
Needham	1,383	2,266	2,888	6,537	29	54	56	139	2.1%	2.4%	1.9%	2.1%
Newton	3,197	5,556	7,163	15,916	89	155	177	421	2.8%	2.8%	2.5%	2.6%
Norfolk	570	717	1,115	2,402	18	26	47	91	3.2%	3.6%	4.2%	3.8%
North Reading	836	1,184	1,641	3,661	37	55	74	166	4.4%	4.6%	4.5%	4.5%
Norwell	513	793	1,115	2,421	27	38	39	104	5.3%	4.8%	3.5%	4.3%
Norwood	986	1,375	1,980	4,341	29	67	98	194	2.9%	4.9%	4.9%	4.5%
Peabody	2,228	2,775	4,105	9,108	117	148	249	514	5.3%	5.3%	6.1%	5.6%
Pembroke	1,093	1,477	2,027	4,597	63	122	164	349	5.8%	8.3%	8.1%	7.6%
Quincy	2,930	3,901	5,676	12,507	153	242	337	732	5.2%	6.2%	5.9%	5.9%
Randolph	1,420	1,862	2,593	5,875	143	249	357	749	10.1%	13.4%	13.8%	12.7%
Reading	1,261	1,796	2,360	5,417	33	75	68	176	2.6%	4.2%	2.9%	3.2%
Revere	1,587	1,927	2,820	6,334	166	207	334	707	10.5%	10.7%	11.8%	11.2%
Rockland	876	1,067	1,556	3,499	56	109	155	320	6.4%	10.2%	10.0%	9.1%
Rockport	371	466	713	1,550	15	14	21	50	4.0%	3.0%	2.9%	3.2%
Salem	1,630	2,030	2,905	6,565	102	130	218	450	6.3%	6.4%	7.5%	6.9%
Saugus	1,398	1,730	2,471	5,599	86	106	154	346	6.2%	6.1%	6.2%	6.2%
Scituate	1,035	1,502	1,987	4,524	47	70	105	222	4.5%	4.7%	5.3%	4.9%
Sharon	993	1,531	2,071	4,595	44	60	65	169	4.4%	3.9%	3.1%	3.7%
Sherborn	239	364	492	1,095	7	8	20	35	2.9%	2.2%	4.1%	3.2%
Somerville	1,671	2,287	3,338	7,296	134	162	240	536	8.0%	7.1%	7.2%	7.3%
Southborough	510	872	1,101	2,483	18	35	41	94	3.5%	4.0%	3.7%	3.8%
Stoneham	1,048	1,392	1,938	4,378	35	61	77	173	3.3%	4.4%	4.0%	4.0%
Stoughton	1,237	1,657	2,374	5,268	87	149	212	448	7.0%	9.0%	8.9%	8.5%

Table 23 (page 3 of 3)
Number and Percentage of Loans by Subprime Lenders
In the 101 Cities & Towns in the MAPC Region, in the 7 Largest Cities Outside of
this Region, and in Four Larger Areas, Refinance Loans Only, 2001-2003

City/Town	All Lenders				Subprime Lenders				Percent Subprime			
	2001	2002	2003	Total	2001	2002	2003	Total	2001	2002	2003	Total
A. The 101 Cities and Towns in the MAPC Region (continued)												
Stow	315	526	687	1,528	8	17	21	46	2.5%	3.2%	3.1%	3.0%
Sudbury	979	1,572	2,036	4,587	32	41	53	126	3.3%	2.6%	2.6%	2.7%
Swampscott	790	1,099	1,539	3,428	29	37	57	123	3.7%	3.4%	3.7%	3.6%
Topsfield	302	454	650	1,406	13	11	18	42	4.3%	2.4%	2.8%	3.0%
Wakefield	1,258	1,718	2,416	5,392	48	87	90	225	3.8%	5.1%	3.7%	4.2%
Walpole	1,120	1,664	2,299	5,083	35	75	94	204	3.1%	4.5%	4.1%	4.0%
Waltham	1,675	2,359	3,438	7,472	107	132	181	420	6.4%	5.6%	5.3%	5.6%
Watertown	902	1,462	2,054	4,418	37	51	81	169	4.1%	3.5%	3.9%	3.8%
Wayland	748	1,100	1,370	3,218	29	35	50	114	3.9%	3.2%	3.6%	3.5%
Wellesley	1,168	2,000	2,393	5,561	21	35	35	91	1.8%	1.8%	1.5%	1.6%
Wenham	186	274	362	822	10	13	15	38	5.4%	4.7%	4.1%	4.6%
Weston	475	828	1,037	2,340	19	18	21	58	4.0%	2.2%	2.0%	2.5%
Westwood	732	1,120	1,493	3,345	20	37	44	101	2.7%	3.3%	2.9%	3.0%
Weymouth	2,421	3,395	4,717	10,533	150	210	334	694	6.2%	6.2%	7.1%	6.6%
Wilmington	1,339	1,629	2,316	5,284	71	75	131	277	5.3%	4.6%	5.7%	5.2%
Winchester	1,038	1,619	2,030	4,687	21	39	34	94	2.0%	2.4%	1.7%	2.0%
Winthrop	763	951	1,379	3,093	41	52	89	182	5.4%	5.5%	6.5%	5.9%
Woburn	1,658	2,162	2,907	6,727	85	138	189	412	5.1%	6.4%	6.5%	6.1%
Wrentham	636	875	1,226	2,737	30	46	66	142	4.7%	5.3%	5.4%	5.2%
B. The Seven Other Massachusetts Cities with Population over 60,000												
Brockton	3,282	4,150	6,341	13,773	548	884	1,501	2,933	16.7%	21.3%	23.7%	21.3%
Fall River	1,305	2,124	3,580	7,009	101	256	479	836	7.7%	12.1%	13.4%	11.9%
Lawrence	1,503	2,017	2,915	6,435	295	459	884	1,638	19.6%	22.8%	30.3%	25.5%
Lowell	2,833	3,406	5,167	11,406	294	469	721	1,484	10.4%	13.8%	14.0%	13.0%
New Bedford	1,887	2,806	4,391	9,084	187	423	731	1,341	9.9%	15.1%	16.6%	14.8%
Springfield	2,217	2,945	4,878	10,040	407	520	1,029	1,956	18.4%	17.7%	21.1%	19.5%
Worcester	4,249	6,136	8,990	19,375	470	780	1,407	2,657	11.1%	12.7%	15.7%	13.7%
C. Larger Areas^												
MAPC Region	122,623	171,577	236,757	530,957	7,135	10,117	14,433	31,685	5.8%	5.9%	6.1%	6.0%
Old Boston MSA	140,497	194,808	269,712	605,017	8,406	12,084	17,396	37,886	6.0%	6.2%	6.4%	6.3%
New Boston MSA	173,369	237,797	317,957	729,123	10,879	15,924	22,675	49,478	6.3%	6.7%	7.1%	6.8%
Massachusetts	245,830	339,805	485,929	1,071,564	16,397	24,617	38,553	79,567	6.7%	7.2%	7.9%	7.4%

^ The Metropolitan Area Planning Council (MAPC) Region consists of 101 communities (all listed in this table). The Old Boston Metropolitan Statistical Area (MSA) consists of all of the communities in the MAPC Region plus 26 more, for a total of 127 communities. The New Boston MSA consists of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, which contain a total of 147 communities. For more information on these geographical areas, see "Notes on Data and Methods."

NOTES ON DATA AND METHODS

These notes are intended to supplement the information provided in the text and in notes to the tables, and not all of the information provided in those places is repeated here.

Predatory vs. Subprime Lending

The distinction between the terms *subprime lending* and *predatory lending* has been clearly expressed by former Massachusetts Banking Commissioner Thomas Curry:

Subprime lending generally refers to borrowers who do not meet standard underwriting criteria because they have impaired credit and do not qualify for ‘prime’ or conventional mortgage financing terms. Lenders that engage in subprime lending responsibly offer loans at a price or with terms that reasonably compensate the lender for the increased risk associated with subprime loans. Such prices and terms are also done in a manner that is clearly understood by the consumer. When done responsibly, subprime lending can help consumers who have impaired credit histories due to past financial difficulties or who need temporary financial relief to help avoid bankruptcy or foreclosure.

Predatory lending is a pernicious form of lending that can have a destabilizing effect on low- and moderate-income neighborhoods, as these lenders often attack the most vulnerable segments of the population. Predatory lending usually involves high rates, points, fees, and onerous loan terms, and often is accompanied by high pressure sales tactics or advertising. Predatory lending invariably leaves consumers worse off than when they entered into the transaction, even if their payments are lower in the short-term.

(From letter accompanying the distribution of the Division of Banks’ proposal for revised regulations on high rate mortgage loans, August 3, 2000.) A much more detailed discussion of how predatory lending might best be defined is offered in Deborah Goldstein, “Understanding Predatory Lending: Moving Toward a Common Definition and Workable Solutions” (Joint Center for Housing Studies of Harvard University, Working Paper W99-11, Sept. 1999, pages 7-20 – available at www.jchs.harvard.edu/publications/finance/goldstein_w99-11.pdf).

Subprime Lenders

Each year the U.S. Department of Housing and Urban Development (HUD) prepares a list of HMDA-reporting lenders that it has identified as subprime lenders. On the basis of a several sources of information, including direct contact with each lender, HUD determines that these are lenders that specialize in subprime lending or for whom subprime loans make up at least a majority of loans originated. Randall Scheessele of HUD has provided the annual lists to me in electronic form. Information on how the lists are compiled and the lists themselves are available at: www.huduser.org/datasets/manu.html.

Eighty of the lenders on HUD’s subprime lenders list for 2003 made at least one loan in Massachusetts in 2003. These are the *subprime lenders* referred to in this report. To facilitate comparisons, all other lenders are referred to in this report as *prime lenders*. The HUD lists separately identify subprime lenders and manufactured home lenders; the latter are important in some areas, but they do very little business in the Boston area and in this report they are included among subprime lenders.

It is important to recognize that the HMDA-reported loans by these *subprime lenders* are only an approximation to the number of *subprime loans* that were made. One important reason for this is that some of the loans made by subprime lenders are prime loans, and some of the loans made by prime lenders are subprime loans – although there is no good basis for estimating how many loans there are in either of these categories. In addition, some important subprime lenders have been exempt from HMDA reporting because mortgage lending constituted less than one-tenth of their total lending; Household Finance and Beneficial (both subsidiaries of Household International, which was acquired by HSBC in 2003) were for this reason exempt from HMDA reporting until 2001, even though Household had consistently been the largest or second largest originator of subprime mortgage loans in the nation. Furthermore, although many subprime loans take the form of second mortgage loans or home equity loans, HMDA regulations do not require either of these types of loans to be reported.

Home Mortgage Disclosure Act (HMDA) Data

Data on loans, applications, and denials were calculated from HMDA data, as collected, processed, and made available each year by the Federal Financial Institutions Examination Council (FFIEC – see www.ffiec.gov). Among the HMDA data provided for each loan application are: the identity of the lending institution; the census tract in which the property is located; the race and sex of the applicant (and co-applicant, if any); the income of the applicant(s); the purpose of the loan (home purchase, refinancing of existing mortgage, or home improvement for a one-to-four family building; or any loan for a building with five or more dwelling units); the amount of the loan or request; and the disposition of the application (loan originated, approved but not accepted by applicant, denied, application withdrawn, or file closed for incompleteness).

Conventional and government-backed (VA & FHA) loans are identified in HMDA data. Some studies of subprime lending include only conventional loans (that is, they exclude government-backed loans – those backed by the Federal Housing Administration or the Department of Veterans Affairs). In this report all loans are included. In fact, there are very few government-backed loans in Boston. For example, in the city of Boston in 2003, only 1.6% of home purchase loans and only 1.0% of refinance loans were government-backed loans.

Income categories for applicants/borrowers are defined in relationship to the median family income (MFI) of the Boston Metropolitan Statistical Area (MSA) as reported annually by the U.S. Department of Housing and Urban Development. The MFIs for the years covered in this report are: \$62,700 in 1999, \$65,500 in 2000, \$70,000 in 2001, \$74,200 in 2002, and \$80,800 in 2003. The borrower income categories are as follows – low: below 50% of the MSA median; moderate: between 50% and 80% of the MSA median; middle: between 80% and 120% of the MSA median; upper: over 120% of the MSA median. Using these definitions, specific income ranges were calculated for each category for each year. Applicants/borrowers were assigned to income categories on the basis of their income as reported (to the nearest \$1000) in the HMDA data. Note that while information on the MFIs for census tracts and for cities and towns are only available from the decennial census, current borrower incomes are reported in HMDA data and these incomes can be compared to the annually updated data from HUD on the MFI in each MSA.

Racial/Ethnic categories provided in HMDA data are: “American Indian or Alaskan Native,” “Asian or Pacific Islander,” “Black,” “Hispanic,” “White,” “Other,” “Information not provided by applicant in mail or telephone application,” and “Not available.” In this report, “Asian,” is used as shorthand for “Asian or Pacific Islander”; “Latino” is substituted for “Hispanic”; and only data on the race of applicants are used (that is, data on the race of co-applicants are ignored). Beginning in 2003, HMDA regulations require that all loan applicants be asked their race/ethnicity; in earlier years, lenders were not required to ask if an application was made entirely by phone. If the applicant chooses not to provide the information, the lender must note the applicant’s race/ethnicity “on the basis of visual observation or surname, to the extent possible.”

Data on Population and Income from the 2000 Census

All population and income data presented in this report for geographical areas (census tracts, neighborhoods, cities and towns, the MAPC Region, the Boston MSA, and the state of Massachusetts) are from the 2000 Census. Rolf Goetze of the Policy Development and Research Department at the Boston Redevelopment Authority (BRA) provided me with 2000 Census data in electronic form on requested population variables for all of the census tracts in the city of Boston. Roy Williams of the Massachusetts Institute for Social and Economic Research (MISER) at UMass/Amherst provided me with census data for all Massachusetts cities and towns and for all census tracts in the state. Additional data from the 2000 Census were obtained using the “American FactFinder” feature on the website of the U.S. Census Bureau (www.census.gov).

Racial/Ethnic composition of geographic areas may be defined in a number of ways as a result of the fact that the 2000 Census allowed individuals to choose two or more racial categories for themselves, in addition to classifying themselves as either Hispanic/Latino or not (the 2000 Census regards the terms “Latino” and “Hispanic” as equivalent; this report uses the term “Latino”). The percentage for Latinos consists of all those who classified themselves as Latino, regardless of the race or races that they selected. The terms “Asian,” “black,” and “white” are used in this report as shorthand for “non-Latino Asian,” “non-Latino black,” and “non-Latino white,” respectively. *The percentage for a single race is calculated as the average of (1) the percentage that chose that race alone and (2) the percentage that chose that race alone or together with one or more other races.* One advantage of this method is that the sum of the percentages for all of the races equals very close to 100% (the sum of all percentages based on each race alone is less than 100%, while the sum of all percentages based on each race alone or together with one or more other races is greater than 100%). The percentage “minority” is defined as 100% minus the percentage non-Latino white (as defined just above). Common usage of the term “minority” is followed in spite of the fact that “minorities” constitute the majority of the population in many geographical areas (including the world as a whole – but not, by the definition used here, the city of Boston.)

Racial/Ethnic composition may be reported either as percentage of the entire population or as percentage of households, where a household is defined as one or more persons living in a single housing unit. (In many cases, a household consists of a family, but there are also many non-family households consisting of a single individual or a set of unrelated individuals.) In most cases, this report uses household percentages rather than population percentages because households provide a better indicator of the number of potential home owners. The race/ethnicity of a household is determined by the race of the individual identified as the householder.

HMDA data for 2003 are, for the first time, reported for 2000 census tracts. The record for each mortgage application in the HMDA data provides information on the census tract in which the home is located, including the percentage of minority residents in the census tract, the ratio of the median family income (MFI) in the census tract to the MFI of the MSA in which the tract is located, and the number of owner-occupied housing units in the tract. In most cases, census tracts are the same in the 2000 Census as they were in the 1990 Census. However, in some cases census tract definitions (boundaries) were changed between the 1990 Census and the 2000 Census. In Boston, for example, there were 165 census tracts for the 1990 Census, but only 157 census tracts for the 2000 Census; this net reduction of 8 census tracts resulted from five single tracts being divided into pairs of tracts (+5 tracts) and 23 former tracts being consolidated into ten new tracts (-13 tracts). (For detailed information, see the Boston Redevelopment Authority’s Research Report #544, available at www.ci.boston.ma.us/bra/publications.asp.) Although

2001 and 2002 HMDA data used 1990 census tracts, my analysis of lending in those two years classifies those tracts on the basis of race and income data from the 2000 census.

Major categories of lenders

The biggest individual subprime and prime lenders listed in Tables 9 and 18 are each classified into one of three major categories in order to indicate their status with respect to current and potential evaluation, by government regulators, of their performance in meeting the mortgage lending needs of Boston-area communities. “**CRA**” indicates lenders whose local lending is currently covered by the federal and/or Massachusetts Community Reinvestment Act (CRA). These lenders consist of Massachusetts banks, defined as any bank with one or more branches in the state. (Massachusetts-chartered credit unions also fall into this category, although none are among the lenders listed in these two tables.) “**LML**” (for “licensed mortgage lender”) indicates lenders that were required to obtain a license from the Massachusetts Division of Banks (DoB) in order to make mortgage loans in the state. These lenders consist of independent mortgage companies, mortgage company affiliates of federally-chartered non-Massachusetts banks, and mortgage company subsidiaries or affiliates of non-Massachusetts banks chartered by other states. (Mortgage company subsidiaries or affiliates of “Massachusetts banks” based in other states that require a license to make mortgage loans in Massachusetts are classified, in this report, as “CRA” lenders; the most important example is Citizens Mortgage Company, a subsidiary of Citizens Bank of Rhode Island but an affiliate of Citizens Bank of Massachusetts because it is within the same bank holding company.) Licensed mortgage lenders that make 50 loans per year would be subject to DoB evaluation of their performance in meeting the mortgage credit needs of local communities under the provisions of proposed Massachusetts legislation (the “Homeownership Investment Act”). “**OSB**” (for “out-of-state bank”) indicates lenders (other than CRA lenders) able to make mortgage loans in the state without a license from the DoB. These lenders consist of federally-chartered banks (or credit unions) and their subsidiaries and banks (or credit unions) chartered by other states. These lenders are exempt from regulation by the Massachusetts government and therefore would not be subject to the provisions of the proposed Massachusetts legislation.

Geographical areas

Panel C in Tables 19-23 presents information for three multi-community geographic areas as well as for the state as a whole. The *Metropolitan Area Planning Council Region (MAPC Region)*, consisting of 101 cities and towns, is defined by the Metropolitan Area Planning Council (MAPC), a regional planning agency established by the state in 1963 (see www.mapc.org). The Massachusetts portion of the “old” *Boston Metropolitan Statistical Area (MSA)*, consisting of 127 cities and towns, includes the entire MAPC Region. The old Boston MSA has a pair of arms extending northwest and another pair extending southeast, bordering “gulfs” created by the Lowell, Lawrence, and Brockton MSAs. The “new” *Boston MSA* consists of the 147 communities in Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, and therefore includes the cities of Lawrence, Lowell, and Brockton. The “new” MSAs were defined by the U.S. Office of Management and Budget [OMB] in June 2003 [www.whitehouse.gov/omb/bulletins/b03-04.html] and will be used for the first time in 2004 HMDA reporting.

As a result of the new OMB metropolitan area definitions, New England now has both “New England City and Town Metropolitan Areas” (NECTAs) – defined in terms of cities and towns – and MSAs. For the first time, MSAs in New England are like those in the rest of the U.S. in that they consist of entire counties. *Borrowing Trouble IV* reported data for the Massachusetts portion of the *Boston-Cambridge-Quincy MA-NH Metropolitan New England City and Town Area (Boston NECTA)*. The Boston NECTA consists of 155 cities and towns, including 121 of the 127 communities in the old Boston MSA. It differs from the new Boston MSA by excluding one community from Middlesex County (Ashby), two communities from Norfolk County (Bellingham and Plainville), and four communities from Plymouth County (Marion, Mattapoisett, Rochester, and Wareham) and by including seven communities from Bristol County (Berkley, Dighton, Easton, Mansfield, Norton, Raynham, and Taunton) and eight communities from Worcester County (Berlin, Bolton, Harvard, Hopedale, Mendon, Milford, Southborough, and Upton). The Boston NECTA may be a somewhat more meaningful definition of the metropolitan area, but the differences between it and the new Boston MSA, which seems likely to be much more commonly used, are quite minor.