



Deltona-Daytona Beach-Ormond Beach Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, one in three loans, or 32.4%, was a high-cost loan. When buying a home, borrowers of all races have a high incidence of receiving a high-cost home purchase loan. More than one in four home purchase loans in the metropolitan area, or 28.9%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006, many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Deltona-Daytona Beach-Ormond Beach area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 56.4% or one out of two, home refinance loans made to African-Americans were high-cost loans and, 40.8%, or two out of five, home refinance loans made to Latinos were high-cost loans. In contrast, only 29.0%, or less than one out of three, home refinance loans made to whites were high-cost loans.

¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	621	350	56.4%	1.9
Latino	759	310	40.8%	1.4
White	6294	1826	29.0%	
ALL ²	8806	2849	32.4%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.9 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.4 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.³ In 2006, upper-income African-American homeowners were 2.1 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.5 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.8 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.3 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 2.0 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.3 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.7 times more likely to receive a high-cost refinance loan than low-income whites, while low-income Latinos were 1.2 times more likely to receive a high-cost loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	27.6%	34.2%	46.3%	1.2	1.7
Moderate Income	32.2%	42.2%	63.2%	1.3	2.0
Middle Income	35.6%	46.7%	62.8%	1.3	1.8
Upper Income	25.5%	39.4%	52.6%	1.5	2.1

² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$59,857 for the Deltona-Daytona Beach-Ormond Beach metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$25,150; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$25,150 and \$40,240; middle-income borrowers have incomes 80-119% of median income, or between \$40,240 and \$59,857.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites. Upper-income and middle-income Latinos were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 12.3% of the high-cost refinance loans but only 4.5% of the prime refinance loans. Latinos received 10.9% of the high-cost loans originated but a smaller 7.5% of the prime loans originated. In contrast, whites received 75.0% of all prime loans originated, which is greater than their 64.1% share of all high-cost loans originated. African-Americans represent 9.1% of the population in the metropolitan area while Latinos represent 6.6% of the population⁴.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	9.1%	4.5%	12.3%
Latino	6.6%	7.5%	10.9%
White	81.9%	75.0%	64.1%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 30.7%, or one out of three, refinance loans made to low-income homeowners were high-cost loans, as were 36.1%, or more than one out of every three, refinances made to moderate-income homeowners and 39.4% or two out of five loans to middle-income homeowners. In contrast, only 28.2%, or one out of every four, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	397	122	30.7%
Moderate-Income	1584	572	36.1%
Middle-Income	2345	923	39.4%
Upper-Income	4051	1143	28.2%

In comparative terms, moderate-income homeowners were 1.3 times more likely to receive a high-cost loan.

⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Middle and Moderate income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 52.9%, or more than one out of two, home purchase loans received by African-Americans were high-cost loans and 46.3%, or almost one out of two, home purchase loans received by Latinos were high-cost loans. In contrast, only 24.0%, or one out of four, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	331	175	52.9%	2.2
Latino	949	439	46.3%	1.9
White	4463	1071	24.0%	
ALL	6348	1832	28.9%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.2 times as likely to receive a high-cost home purchase loan than whites while Latinos were 1.9 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 75.0% of the home purchase loans received by upper-income African-Americans and 50.4% of the home purchase loans received by upper-income Latinos, compared to only 31.7% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.6 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders nor government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans by Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African- American	Disparity Compared to White	
				Latino	African- American
Low Income	20.8%	--	33.3%	--	1.6
Moderate Income	24.3%	45.0%	34.4%	1.9	1.4
Middle Income	31.8%	50.4%	65.2%	1.6	2.1
Upper Income	31.7%	50.4%	75.0%	1.6	2.4

Middle-income African-Americans were 2.1 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.6 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.4 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.9 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 1.6 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans.

African-Americans were issued 9.6% of all high-cost home purchase loans but only 3.5% of the prime home purchase loans. Latinos were issued 24.0% of all high-cost loans originated and 11.3% of the prime loans originated. In contrast, whites received 75.1% of the prime loans originated, which is greater than their 58.5% share of the high-cost loans originated. African-Americans represent 9.1% of the population in the metropolitan area while Latinos represent 6.6% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	9.1%	3.5%	9.6%
Latino	6.6%	11.3%	24.0%
White	81.9%	75.1%	58.5%

Middle and Moderate income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 27% of the loans received by moderate-income

homebuyers, and 37.8% loans to middle-income homeowners were high-cost loans. In comparison, only 25.6% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	20	95	21.1%
Moderate Income	135	502	27%
Middle Income	469	1241	37.8%
Upper Income	1068	4178	25.6%

Methodology

The data for the Deltona-Daytona Beach-Ormond Beach metropolitan area includes Volusia county.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.



Fort Lauderdale-Pompano Beach- Deerfield Beach Metropolitan Area

Homeowners of all races in the metropolitan area have an extremely high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, more than two of five loans, or 42.1%, was a high-cost loan. When buying a home, borrowers of all races have a very high incidence of receiving a high-cost home purchase loan. One in three home purchase loans in the metropolitan area, or 34.2%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 point above the comparable rate on U.S. Treasury Securities. During 2006, many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Fort Lauderdale-Pompano Beach-Deerfield Beach area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans⁶

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 63.4% or nearly two of every three, home refinance loans made to African-Americans were high-cost loans and, 50.5%, or one out of two, home refinance loans made to Latinos were high-cost loans. In contrast, only 38.3%, or one out of three, home refinance loans made to whites were high-cost loans.

⁶ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	730	463	63.4%	1.7
Latino	1208	610	50.5%	1.3
White	5484	2100	38.3%	
ALL ⁷	8630	3632	42.1%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.7 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.3 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.⁸ In 2006, upper-income African-American homeowners were 1.8 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.4 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.6 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.3 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 1.3 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.3 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	56.6%	54.5%	72.9%	1.0	1.3
Moderate Income	51.6%	54.8%	67.6%	1.1	1.3
Middle Income	43.4%	54.9%	70.2%	1.3	1.6
Upper Income	31.9%	45.5%	58.8%	1.4	1.8

⁷ The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

⁸ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$72,114 for the Fort Lauderdale-Pompano Beach-Deerfield Beach metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$30,300; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$30,300 and \$48,480; middle-income borrowers have incomes 80-119% of median income, or between \$48,480 and \$72,114.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Middle-income African-Americans were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans.

African-Americans received 12.7% of the high-cost refinance loans but only 5.3% of the prime refinance loans. Latinos received 16.8% of the high-cost loans originated but a smaller 12.0% of the prime loans originated. In contrast, whites received 67.7% of all prime loans originated, which is greater than their 57.8% share of all high-cost loans originated. African-Americans represent 20.0% of the population in the metropolitan area while Latinos represent 16.7% of the population⁹.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	20.0%	5.3%	12.7%
Latino	16.7%	12.0%	16.8%
White	58.0%	67.7%	57.8%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 57.7%, or nearly three out of five, refinance loans made to low-income homeowners were high-cost loans, as were 53.8%, more than one out of every two, refinances made to moderate-income homeowners and 47.7% or nearly half of two loans to middle-income homeowners. In contrast, only 34.3%, or one out of every three, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	705	407	57.7%
Moderate-Income	1635	879	53.8%
Middle-Income	2046	975	47.7%
Upper-Income	3669	1257	34.3%

In comparative terms, low-income homeowners were 1.7 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.6 times more likely to receive a high-cost loan.

⁹ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans¹⁰

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 65.6%, or more than two out of three, home purchase loans received by African-Americans were high-cost loans and 40.2%, or two out of five, home purchase loans received by Latinos were high-cost loans. In contrast, only 28.3%, or less than one out of three, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	1850	1214	65.6%	2.3
Latino	3444	1386	40.2%	1.4
White	10313	2914	28.3%	
ALL	18287	6249	34.2%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.3 times as likely to receive a high-cost home purchase loan as whites while Latinos were 1.4 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 68.2% of the home purchase loans received by upper-income African-Americans and 42.6% of the home purchase loans received by upper-income Latinos, compared to only 31.0% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.2 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

¹⁰ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.



High-cost Loans as a Percentage of All Home Purchase Loans by Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African- American	Disparity Compared to White	
				Latino	African- American
Low Income	41.8%	35.3%	63.6%	0.8	1.5
Moderate Income	37.3%	39.4%	69.1%	1.1	1.9
Middle Income	32.2%	46.6%	69.0%	1.4	2.1
Upper Income	31.0%	42.6%	68.2%	1.4	2.2

Middle-income African-Americans were 2.1 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.4 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.9 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 1.5 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 19.4% of all high-cost home purchase loans but only 5.3% of the prime home purchase loans. Latinos were issued 22.2% of all high-cost loans originated and 17.1% of the prime loans originated. In contrast, whites received 61.5% of the prime loans originated, which is greater than their 46.6% share of the high-cost loans originated. African-Americans represent 20.0% of the population in the metropolitan area while Latinos represent 16.7% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	20.0%	5.3%	19.4%
Latino	16.7%	17.1%	22.2%
White	58.0%	61.5%	46.6%

Lower income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 39.4% of the loans received by low-income homebuyers were high-cost loans, or two out of every five loans. 42% of the loans received by moderate-income homebuyers,

and 39.3% loans to middle-income homeowners were high-cost loans. In comparison, only 26.5% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	536	1360	39.4%
Moderate Income	1697	4086	42%
Middle Income	1710	4347	39.3%
Upper Income	2081	7852	26.5%

In comparative terms, low-income homebuyers were 1.5 times more likely than upper-income borrowers to receive a high-cost loan to purchase their home. Moderate-income homebuyers were 1.6 times more likely to receive a high-cost loan than upper-income homebuyers.

Methodology

The data for the Fort Lauderdale-Pompano Beach-Deerfield Beach metropolitan area includes Broward County county.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.



Gainesville FL Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, one in three loans, or 32.9%, was a high-cost loan. When buying a home, borrowers of all races have a moderate incidence of receiving a high-cost home purchase loan. One in six home purchase loans in the metropolitan area, or 16.0%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 point above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Gainesville FL area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans¹¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 61.4% or more than one out of two, home refinance loans made to African-Americans were high-cost loans and, 26.6%, or one out of four, home refinance loans made to Latinos were high-cost loans. 27.0%, or one out of four, home refinance loans made to whites were high-cost loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	249	153	61.4%	2.3
Latino	94	25	26.6%	1.0
White	1187	320	27.0%	
ALL ¹²	1819	598	32.9%	

¹¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

¹² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

African-American minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 2.3 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.¹³ In 2006, upper-income African-American homeowners were 2.1 times more likely than upper-income white homeowners to receive a high-cost refinance loan.

Middle-income African-Americans were 2.2 times more likely than middle-income whites to receive a high-cost refinance loan.

Moderate-income African-Americans were 1.9 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 2.3 times more likely to receive a high-cost refinance loan than low-income whites, while low-income Latinos were 1.5 times more likely to receive a high-cost loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	27.9%	42.9%	64.9%	1.5	2.3
Moderate Income	31.6%	30.0%	59.4%	0.9	1.9
Middle Income	32.6%	26.7%	72.3%	0.8	2.2
Upper Income	23.4%	22.8%	48.6%	1.0	2.1

Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 25.6% of the high-cost refinance loans but only 7.9% of the prime refinance loans. Whites received 71.0% of all prime loans originated which is greater than their 53.5% share of all high-cost loans originated. African-Americans represent 18.3% of the population in the metropolitan area while Latinos represent 5.5% of the population¹⁴.

¹³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$64,855 for the Gainesville FL metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$27,250; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$27,250 and \$43,600; middle-income borrowers have incomes 80-119% of median income, or between \$43,600 and \$64,855.

¹⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	18.3%	7.9%	25.6%
Latino	5.5%	5.7%	4.2%
White	70.8%	71.0%	53.5%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 39.6%, or more than one out of three, refinance loans made to low-income homeowners were high-cost loans, as were 40.1%, or over one out of every three, refinances made to moderate-income homeowners and 41.3% or two out of five loans to middle-income homeowners. In contrast, only 25.9%, or one out of every four, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	139	55	39.6%
Moderate-Income	307	123	40.1%
Middle-Income	409	169	41.3%
Upper-Income	860	223	25.9%

In comparative terms, low-income homeowners were 1.5 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.5 times more likely to receive a high-cost loan.



High-cost Home Purchase Loans¹⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

¹⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders nor government-backed loans.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 38.6%, or more than one out of three, home purchase loans received by African-Americans were high-cost loans and 22.7%, or close to one out of four, home purchase loans received by Latinos were high-cost loans. In contrast, only 13.0%, or one out of eight, home purchase loans received by whites were high-cost loans.

Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	215	83	38.6%,	3.0
Latino	299	68	22.7%	1.7
White	1938	251	13.0%,	
ALL	2990	479	16.0%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 3.0 times as likely to receive a high-cost home purchase loan than whites while Latinos were 1.7 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loan were issued to 32.1% of the home purchase loans received by upper-income African-Americans and 16.7% of the home purchase loans received by upper-income Latinos, compared to only 12.7% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.5 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.3 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	16.7%	20.0%	50.0%	1.2	3.0
Moderate Income	13.9%	41.2%	40.7%	3.0	2.9
Middle Income	12.7%	17.2%	41.1%	1.4	3.2
Upper Income	12.7%	16.7%	32.1%	1.3	2.5

Middle-income African-Americans were 3.2 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.4 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 2.9 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 3.0 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 3.0 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 1.2 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 17.3% of all high-cost home purchase loans but only 5.3% of the prime home purchase loans. Latinos were issued 14.2% of all high-cost loans originated and 9.2% of the prime loans originated. In contrast, whites received 67.2% of the prime loans originated which is greater than their 52.4% share of the high-cost loans originated. African-Americans represent 18.3% of the population in the metropolitan area while Latinos represent 5.5% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	18.3%	5.3%	17.3%
Latino	5.5%	9.2%	14.2%
White	70.8%	67.2%	52.4%

Lower income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 24.0% of the loans received by low-income homebuyers were high-cost loans, or about one out of four loans. 20% of the loans received by moderate-income homebuyers, and 16.1% loans to middle-income homeowners were high-cost loans. In comparison, only 13.5% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	18	75	24.0%
Moderate Income	77	389	20.0%
Middle Income	96	596	16.1%
Upper Income	245	1814	13.5%

In comparative terms, low-income homebuyers were 1.8 times more likely than upper-income borrowers to receive a high-cost loan to purchase their home. Moderate-income homebuyers were 1.5 times more likely to receive a high-cost loan than upper-income homebuyers.

Methodology

The data for the Gainesville FL metropolitan area includes Alachua, Gilchrist counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or "rate spread" between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas as well as recommendations.





Jacksonville Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, nearly two in five loans, or 39.0%, was a high-cost loan. When buying a home, borrowers of all races have a high incidence of receiving a high-cost home purchase loan. One in four home purchase loans in the metropolitan area, or 25.1%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Jacksonville area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans¹⁶

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 65.0% or more than three out of five, home refinance loans made to African-Americans were high-cost loans and, 43.6%, or two out of every five, home refinance loans made to Latinos were high-cost loans. In contrast, only 33.1%, or one out of three, home refinance loans made to whites were high-cost loans.

¹⁶ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	2597	1688	65.0%	2.0
Latino	663	289	43.6%	1.3
White	10350	3428	33.1%	
ALL ¹⁷	16193	6314	39.0%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 2.0 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.3 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.¹⁸ In 2006, upper-income African-American homeowners were 2.2 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.5 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.7 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.2 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 1.8 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.2 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.7 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	40.2%	39.5%	68.7%	1.0	1.7
Moderate Income	41.0%	49.3%	72.2%	1.2	1.8
Middle Income	39.4%	45.8%	68.0%	1.2	1.7
Upper Income	27.3%	40.0%	59.8%	1.5	2.2

¹⁷ The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

¹⁸ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$71,757 for the Jacksonville metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$30,150; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$30,150 and \$48,240; middle-income borrowers have incomes 80-119% of median income, or between \$48,240 and \$71,757.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 26.7% of the high-cost refinance loans but only 9.2% of the prime refinance loans. Latinos received 4.6% of the high-cost loans originated but a smaller 3.8% of the prime loans originated. In contrast, whites received 70.1% of all prime loans originated which is greater than their 54.3% share of all high-cost loans originated. African-Americans represent 21.3% of the population in the metropolitan area while Latinos represent 3.8% of the population¹⁹.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	21.3%	9.2%	26.7%
Latino	3.8%	3.8%	4.6%
White	70.9%	70.1%	54.3%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 49.2%, or one out of two, refinance loans made to low-income homeowners were high-cost loans, as were 48.7%, or almost one out of every two, refinances made to moderate-income homeowners and 44.5%, more than two out of five loans to middle-income homeowners. In contrast, only 31.7%, or nearly one out of every three, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	1171	576	49.2%
Moderate-Income	3144	1531	48.7%
Middle-Income	4304	1917	44.5%
Upper-Income	6783	2148	31.7%

In comparative terms, low-income homeowners were 1.6 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.5 times more likely to receive a high-cost loan.

¹⁹ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans²⁰

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 54.7%, or more than one out of two, home purchase loans received by African-Americans were high-cost loans and 36.6%, or greater than one out of three, home purchase loans received by Latinos were high-cost loans. In contrast, only 19.1%, or one out of five, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	2201	1205	54.7%	2.9
Latino	1225	448	36.6%	1.9
White	10672	2037	19.1%	
ALL	17079	4291	25.1%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.9 times more likely to receive a high-cost home purchase loan than whites while Latinos were 1.9 times as likely to receive a high-cost loan as whites.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 55.4% of the home purchase loans received by upper-income African-Americans and 47.8% of the home purchase loans received by upper-income Latinos, compared to only 21.6% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.6 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 2.2 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

²⁰ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans By Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African- American	Disparity Compared to White	
				Latino	African- American
Low Income	27.8%	25.4%	58.9%	0.9	2.1
Moderate Income	20.1%	34.3%	55.9%	1.7	2.8
Middle Income	21.9%	45.5%	58.8%	2.1	2.7
Upper Income	21.6%	47.8%	55.4%	2.2	2.6

Middle-income African-Americans were 2.7 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 2.1 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 2.8 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.7 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 2.1 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 28.1% of all high-cost home purchase loans but only 7.8% of the prime home purchase loans. Latinos were issued 10.4% of all high-cost loans originated and 6.1% of the prime loans originated. In contrast, whites received 67.5% of the prime loans originated which is greater than their 47.5% share of the high-cost loans originated. African-Americans represent 21.3% of the population in the metropolitan area while Latinos represent 3.8% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	21.3%	7.8%	28.1%
Latino	3.8%	6.1%	10.4%
White	70.9%	67.5%	47.5%

Lower income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 35.4% of the loans received by low-income homebuyers were high-cost loans, or more than one out of every three loans. 29% of the loans received by moderate-income

homebuyers, and 30.1% of loans to middle-income homeowners were high-cost loans. In comparison, only 19.8% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	244	689	35.4%
Moderate Income	836	2900	29%
Middle Income	1162	3857	30.1%
Upper Income	1748	8826	19.8%

In comparative terms, low-income homebuyers were 1.8 times more likely than upper-income borrowers to receive a high-cost loan to purchase their home. Moderate-income homebuyers were 1.5 times more likely to receive a high-cost loan than upper-income homebuyers.

Methodology

The data for the Jacksonville metropolitan area includes Baker, Clay, Duval, Nassau, St. Johns counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.



Lakeland Metropolitan Area

Homeowners of all races in the metropolitan area have an extremely high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, more than two of every five loans, or 41.7%, was a high-cost loan. When buying a home, borrowers of all races have a very high incidence of receiving a high-cost home purchase loan. One in three home purchase loans in the metropolitan area, or 34.2%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Lakeland area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans²¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 64.9% or almost two out of three, home refinance loans made to African-Americans were high-cost loans and, 49.7%, or one out of two, home refinance loans made to Latinos were high-cost loans. In contrast, only 37.7%, or one out of three, home refinance loans made to whites were high-cost loans.

²¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	801	520	64.9%	1.7
Latino	995	495	49.7%	1.3
White	4936	1860	37.7%	
ALL ²²	7877	3283	41.7%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.7 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.3 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.²³ In 2006, upper-income African-American homeowners were 1.7 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.6 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.6 times more likely than middle-income whites to receive a high-cost refinance loan.

Moderate-income African-Americans were 1.6 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.2 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.7 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	45.5%	37.9%	77.8%	0.8	1.7
Moderate Income	43.7%	51.2%	70.6%	1.2	1.6
Middle Income	44.7%	49.6%	70.1%	1.1	1.6
Upper Income	32.4%	53.4%	56.2%	1.6	1.7

²² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

²³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$58,905 for the Lakeland metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$24,750; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$24,750 and \$39,600; middle-income borrowers have incomes 80-119% of median income, or between \$39,600 and \$58,905.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 15.8% of the high-cost refinance loans but only 6.1% of the prime refinance loans. Latinos received 15.1% of the high-cost loans originated but a smaller 10.9% of the prime loans originated. In contrast, whites received 67.0% of all prime loans originated which is greater than their 56.7% share of all high-cost loans originated. African-Americans represent 13.5% of the population in the metropolitan area while Latinos represent 9.5% of the population²⁴.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.5%	6.1%	15.8%
Latino	9.5%	10.9%	15.1%
White	74.7%	67.0%	56.7%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 50.7%, or one out of every two, refinance loans made to low-income homeowners were high-cost loans, as were 49.0%, or one out of two, refinances made to moderate-income homeowners and 48.0% or nearly one of two loans to middle-income homeowners. In contrast, only 36.1%, or one out of every three, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	306	155	50.7%
Moderate-Income	1297	636	49.0%
Middle-Income	2225	1068	48.0%
Upper-Income	3740	1351	36.1%

In comparative terms, low-income homeowners were 1.4 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.4 times more likely to receive a high-cost loan.

²⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans²⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Moderate- and middle-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 56.2%, or almost three out of every five, home purchase loans received by African-Americans were high-cost loans and 52.2%, or one out of two, home purchase loans received by Latinos were high-cost loans. In contrast, only 25.8%, or one out of four, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	772	434	56.2%	2.2
Latino	1762	920	52.2%	2.0
White	4252	1099	25.8%	
ALL	8164	2794	34.2%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.2 times more likely to receive a high-cost home purchase loan than whites while Latinos were 2.0 times as likely to receive a high-cost loan as whites.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 63.3% of the home purchase loans received by upper-income African-Americans and 57.9% of the home purchase loans received by upper-income Latinos, compared to only 26.4% of the home purchase loans to upper-income whites.

²⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.



In comparative terms, upper-income African-Americans were 2.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 2.2 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

High-cost Loans as a Percentage of All Home Purchase Loans By Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	20.0%	30.6%	42.9%	1.5	2.1
Moderate Income	29.5%	40.8%	47.4%	1.4	1.6
Middle Income	27.8%	52.7%	61.6%	1.9	2.2
Upper Income	26.4%	57.9%	63.3%	2.2	2.4

Middle-income African-Americans were 2.2 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.9 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.6 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.4 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 2.1 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 1.5 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 15.5% of all high-cost home purchase loans but only 6.3% of the prime home purchase loans. Latinos were issued 32.9% of all high-cost loans originated and 15.7% of the prime loans originated. In contrast, whites received 58.7% of the prime loans originated which is greater than their 39.3% share of the high-cost loans originated. African-Americans represent 13.5% of the population in the metropolitan area while Latinos represent 9.5% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.5%	6.3%	15.5%
Latino	9.5%	15.7%	32.9%
White	74.7%	58.7%	39.3%

Moderate- and middle-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 34% of the loans received by moderate-income homebuyers, and 38.0% loans to middle-income homeowners were high-cost loans. In comparison, only 31.7% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	31	128	24.2%
Moderate Income	252	734	34%
Middle Income	630	1658	38.0%
Upper Income	1644	5185	31.7%

Methodology

The data for the Lakeland metropolitan area includes Polk county.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas as well as recommendations.



Miami-Miami Beach-Kendall Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, more than one in three loans, or 37.3%, was a high-cost loan. When buying a home, borrowers of all races have a extremely high incidence of receiving a high-cost home purchase loan. Nearly one in two home purchase loans in the metropolitan area, or 46.4%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Miami-Miami Beach-Kendall area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans²⁶

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 53.2% or more than one out of two, home refinance loans made to African-Americans were high-cost loans and, 37.4%, or more than one out of three, home refinance loans made to Latinos were high-cost loans. In contrast, only 27.2%, or more than one out of four, home refinance loans made to whites were high-cost loans.

²⁶ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	5155	2745	53.2%	2.0
Latino	20741	7753	37.4%	1.4
White	5573	1517	27.2%	
ALL ²⁷	34924	13024	37.3%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 2.0 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.4 times more likely to receive a high cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.²⁸ In 2006, upper-income African-American homeowners were 2.1 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.5 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.6 times more likely than middle-income whites to receive a high-cost refinance loan.

Moderate-income African-Americans were 1.5 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.8 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	23.4%	22.7%	42.7%	1.0	1.8
Moderate Income	34.3%	31.6%	50.9%	0.9	1.5
Middle Income	35.5%	40.3%	57.2%	1.1	1.6
Upper Income	26.7%	39.8%	55.0%	1.5	2.1

²⁷ The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

²⁸ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$57,477 for the Miami-Miami Beach-Kendall metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$24,150; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$24,150 and \$38,640; middle-income borrowers have incomes 80-119% of median income, or between \$38,640 and \$57,477.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites. Upper-income and middle-income Latinos were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans.

African-Americans received 21.1% of the high-cost refinance loans but only 11.0% of the prime refinance loans. Latinos received 59.5% of the high-cost loans originated and 59.3% of the prime loans originated. In contrast, whites received 18.5% of all prime loans originated which is greater than their 11.6% share of all high-cost loans originated. African-Americans represent 19.0% of the population in the metropolitan area while Latinos represent 57.3% of the population²⁹.

Distribution of High-cost Refinance Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	19.0%	11.0%	21.1%
Latino	57.3%	59.3%	59.5%
White	20.7%	18.5%	11.6%



High-cost Home Purchase Loans³⁰

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 64.4%, or more than one out of two, home purchase loans received by African-Americans were high-cost loans and 50.4%, or about one out of two, home purchase loans received by Latinos were high-cost loans. In contrast, only 26.5%, or just over one out of four, home purchase loans received by whites were high-cost loans.

²⁹ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.

³⁰ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders nor government-backed loans.



Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	2588	1667	64.4%,	2.4
Latino	26590	13400	50.4%	1.9
White	5485	1455	26.5%,	
ALL	36741	17043	46.4%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.4 times as likely to receive a high-cost home purchase loan than whites while Latinos were 1.9 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loan were issued to 67.7% of the home purchase loans received by upper-income African-Americans and 51.8% of the home purchase loans received by upper-income Latinos, compared to only 29.3% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.3 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.8 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

High-cost Loans as a Percentage of All Home Purchase Loans by Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	0.0%	9.3%	7.7%	--	--
Moderate Income	23.4%	23.9%	31.5%	1.0	1.3
Middle Income	31.5%	47.5%	60.3%	1.5	1.9
Upper Income	29.3%	51.8%	67.7%	1.8	2.3

Middle-income African-Americans were 1.9 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.5 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.3 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 9.8% of all high-cost home purchase loans but only 4.7% of the prime home purchase loans. Latinos were issued 78.6% of all high-cost loans originated and 67.0% of the prime loans originated. In contrast, whites received 20.5% of the prime loans originated which is

greater than their 8.5% share of the high-cost loans originated. African-Americans represent 19.0% of the population in the metropolitan area while Latinos represent 57.3% of the population.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	19.0%	4.7%	9.8%
Latino	57.3%	67.0%	78.6%
White	20.7%	20.5%	8.5%

Methodology

The data for the Miami-Miami Beach-Kendall metropolitan area includes Miami-Dade County.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas as well as recommendations.



Orlando-Kissimmee Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, almost one in three loans, or 32.5%, was a high-cost loan. When buying a home, borrowers of all races have a very high incidence of receiving a high-cost home purchase loan. One in three home purchase loans in the metropolitan area, or 33.6%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 point above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Orlando-Kissimmee area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans³¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 49.4% or one out of two, home refinance loans made to African-Americans were high-cost loans and, 40.1%, or more than one out of three, home refinance loans made to Latinos were high-cost loans. In contrast, only 26.7%, or one out of four, home refinance loans made to whites were high-cost loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	3634	1796	49.4%	1.9
Latino	6956	2788	40.1%	1.5
White	17530	4673	26.7%	
ALL ³²	33370	10861	32.5%	

³¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

³² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.9 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.5 times more likely to receive a high cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.³³ In 2006, upper-income African-American homeowners were 1.9 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.7 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.8 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.5 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 1.8 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.3 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.5 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	33.3%	32.8%	50.4%	1.0	1.5
Moderate Income	31.7%	41.7%	55.5%	1.3	1.8
Middle Income	30.9%	45.1%	54.8%	1.5	1.8
Upper Income	23.9%	40.0%	45.0%	1.7	1.9

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites. Upper-income and middle-income Latinos were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 16.5% of the high-cost refinance loans but only 8.2% of the prime refinance loans. Latinos received 25.7% of the high-cost loans originated but a smaller 18.5% of the prime loans

³³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$68,306 for the Orlando-Kissimmee metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$28,700; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$28,700 and \$45,920; middle-income borrowers have incomes 80-119% of median income, or between \$45,920 and \$68,306.

originated. In contrast, whites received 57.1% of all prime loans originated which is greater than their 43.0% share of all high-cost loans originated. African-Americans represent 13.3% of the population in the metropolitan area while Latinos represent 16.5% of the population³⁴.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.3%	8.2%	16.5%
Latino	16.5%	18.5%	25.7%
White	65.1%	57.1%	43.0%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 36.4%, or one out of three, refinance loans made to low-income homeowners were high-cost loans, as were 38.7%, or more than one out of every three, refinances made to moderate-income homeowners and 37.9% or more than one of three loans to middle-income homeowners. In contrast, only 28.8%, or one out of every four, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	1518	552	36.4%
Moderate-Income	5646	2185	38.7%
Middle-Income	8733	3313	37.9%
Upper-Income	15558	4488	28.8%

In comparative terms, low-income homeowners were 1.3 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.3 times more likely to receive a high-cost loan.



High-cost Home Purchase Loans³⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.

³⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.

³⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders nor government-backed loans.

2. Minority homebuyers were much more likely than white homebuyers to receive to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 51.8%, or over one out of two, home purchase loans received by African-Americans were high-cost loans and 49.4%, or one out of two, home purchase loans received by Latinos were high-cost loans. In contrast, only 23.7%, or less than one out of four, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	2562	1326	51.8%,	2.2
Latino	9877	4881	49.4%	2.1
White	15539	3690	23.7%,	
ALL	33430	11233	33.6%	

Minority homebuyers were much more likely than white homebuyers to receive to receive a high-cost loan. African-American homebuyers were 2.2 times as likely to receive a high-cost home purchase loan than whites while Latinos were 2.1 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loan were issued to 57.9% of the home purchase loans received by upper-income African-Americans and 58.2% of the home purchase loans received by upper-income Latinos, compared to only 24.3% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 2.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

High-cost Loans as a Percentage of All Home Purchase Loans by Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	18.5%	34.5%	29.5%	1.9	1.6
Moderate Income	23.7%	44.1%	51.6%	1.9	2.2
Middle Income	24.6%	56.6%	58.0%	2.3	2.4
Upper Income	24.3%	58.2%	57.9%	2.4	2.4

Middle-income African-Americans were 2.4 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 2.3 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 2.2 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.9 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 1.6 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 1.9 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 11.8% of all high-cost home purchase loans but only 5.6% of the prime home purchase loans. Latinos were issued 43.5% of all high-cost loans originated and 22.5% of the prime loans originated. In contrast, whites received 53.4% of the prime loans originated which is greater than their 32.8% share of the high-cost loans originated. African-Americans represent 13.3% of the population in the metropolitan area while Latinos represent 16.5% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.3%	5.6%	11.8%
Latino	16.5%	22.5%	43.5%
White	65.1%	53.4%	32.8%

Methodology

The data for the Orlando-Kissimmee metropolitan area includes Lake, Orange, Osceola, Seminole counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or "rate spread" between the APR on the loan and the

comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas as well as recommendations.



Pensacola-Ferry Pass-Brent Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, more than one in three loans, or 37.4%, was a high-cost loan. When buying a home, borrowers of all races have a moderate incidence of receiving a high-cost home purchase loan. One in five home purchase loans in the metropolitan area, or 20.2%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006, many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Pensacola-Ferry Pass-Brent area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans³⁶

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 60.2% or three out of five, home refinance loans made to African-Americans were high-cost loans and, 37.9%, or more than one out of three, home refinance loans made to Latinos were high-cost loans. In contrast, only 33.1%, or one out of three, home refinance loans made to whites were high-cost loans.

³⁶ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	518	312	60.2%	1.8
Latino	124	47	37.9%	1.1
White	3332	1104	33.1%	
ALL ³⁷	4715	1763	37.4%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.8 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.³⁸ In 2006, upper-income African-American homeowners were 2.1 times more likely than upper-income white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.5 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.6 times more likely than middle-income whites to receive a high-cost refinance loan.

Moderate-income African-Americans were 1.5 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.6 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	43.5%	20.0%	68.4%	0.5	1.6
Moderate Income	41.9%	31.6%	61.4%	0.8	1.5
Middle Income	37.1%	32.3%	60.7%	0.9	1.6
Upper Income	27.5%	41.9%	58.8%	1.5	2.1

³⁷ The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

³⁸ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$61,761 for the Pensacola-Ferry Pass-Brent metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$25,950; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$25,950 and \$41,520; middle-income borrowers have incomes 80-119% of median income, or between \$41,520 and \$61,761.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 17.7% of the high-cost refinance loans but only 7.0% of the prime refinance loans. Latinos received 2.7% of the high-cost loans originated and 2.6% of the prime loans originated. In contrast, whites received 75.5% of all prime loans originated, which is greater than their 62.6% share of all high-cost loans originated. African-Americans represent 16.4% of the population in the metropolitan area while Latinos represent 2.6% of the population³⁹.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	16.4%	7.0%	17.7%
Latino	2.6%	2.6%	2.7%
White	76.1%	75.5%	62.6%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 47.6%, or almost one out of two, refinance loans made to low-income homeowners were high-cost loans, as were 46.9%, or nearly one out of every two, refinances made to moderate-income homeowners and 41.5% or more than two out of five loans to middle-income homeowners. In contrast, only 31.1%, or less than one out of every three, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	294	140	47.6%
Moderate-Income	876	411	46.9%
Middle-Income	1208	501	41.5%
Upper-Income	2092	651	31.1%

In comparative terms, low-income homeowners were 1.5 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.5 times more likely to receive a high-cost loan.

³⁹ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans⁴⁰

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 30.9%, or about one out of three, home purchase loans received by African-Americans were high-cost loans and 35.5%, or one out of three, home purchase loans received by Latinos were high-cost loans. In contrast, only 18.3%, or less than one out of five, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	395	122	30.9%	1.7
Latino	152	54	35.5%	1.9
White	3348	614	18.3%	
ALL	4675	944	20.2%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 1.7 times as likely to receive a high-cost home purchase loan than whites while Latinos were 1.9 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loan were issued to 25.8% of the home purchase loans received by upper-income African-Americans and 38.5% of the home purchase loans received by upper-income Latinos, compared to only 20.5% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 1.3 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.9 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

⁴⁰ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans By Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African- American	Disparity Compared to White	
				Latino	African- American
Low Income	22.1%	50.0%	25.6%	2.3	1.2
Moderate Income	19.7%	25.0%	27.0%	1.3	1.4
Middle Income	20.1%	31.1%	28.2%	1.5	1.4
Upper Income	20.5%	38.5%	25.8%	1.9	1.3

Middle-income African-Americans were 1.4 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.5 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.4 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.3 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 1.2 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 2.3 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Middle-income African-American homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans.

African-Americans were issued 12.9% of all high-cost home purchase loans but only 7.3% of the prime home purchase loans. Latinos were issued 5.7% of all high-cost loans originated and 2.6% of the prime loans originated. In contrast, whites received 73.3% of the prime loans originated, which is greater than their 65.0% share of the high-cost loans originated. African-Americans represent 16.4% of the population in the metropolitan area while Latinos represent 2.6% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	16.4%	7.3%	12.9%
Latino	2.6%	2.6%	5.7%
White	76.1%	73.3%	65.0%

Lower income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 23.3% of the loans received by low-income homebuyers were high-

cost loans, or about one out of four loans. 21% of the loans received by moderate-income homebuyers, and 21.9% loans to middle-income homeowners were high-cost loans. In comparison, only 17.5% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	38	163	23.3%
Moderate Income	159	756	21%
Middle Income	262	1198	21.9%
Upper Income	423	2415	17.5%

In comparative terms, low-income homebuyers were 1.3 times more likely than upper-income borrowers to receive a high-cost loan to purchase their home. Moderate-income homebuyers were 1.2 times more likely to receive a high-cost loan than upper-income homebuyers.

Methodology

The data for the Pensacola-Ferry Pass-Brent metropolitan area includes Escambia, Santa Rosa counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.



Tallahassee Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, more than one in three loans, or 35.4%, was a high-cost loan. When buying a home, borrowers of all races have a moderate incidence of receiving a high-cost home purchase loan. One in five home purchase loans in the metropolitan area, or 19.9%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006 many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Tallahassee area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans⁴¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. African-Americans received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 60.5% or three out of five, home refinance loans made to African-Americans were high-cost loans and, 27.5%, or one out of four, home refinance loans made to Latinos were high-cost loans. In contrast, 27.0%, or one out of four, home refinance loans made to whites were high-cost loans.

⁴¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	683	413	60.5%	2.2
Latino	80	22	27.5%	1.0
White	1756	474	27.0%	
ALL ⁴²	2953	1044	35.4%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 2.2 times more likely to receive a high-cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.⁴³ In 2006, upper-income African-American homeowners were 2.4 times more likely than upper-income, white homeowners to receive a high-cost refinance loan

Middle-income African-Americans were 1.9 times more likely than middle-income whites to receive a high-cost refinance loan.

Moderate-income African-Americans were 1.9 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.9 times more likely to receive a high-cost refinance loan than low-income whites, while low-income Latinos were 1.3 times more likely to receive a high-cost loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	37.2%	50.0%	71.6%	1.3	1.9
Moderate Income	36.5%	36.4%	68.9%	1.0	1.9
Middle Income	33.8%	38.5%	64.5%	1.1	1.9
Upper Income	20.4%	15.4%	48.8%	0.8	2.4

⁴² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

⁴³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$69,615 for the Tallahassee metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$29,250; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$29,250 and \$46,800; middle-income borrowers have incomes 80-119% of median income, or between \$46,800 and \$69,615.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites.

African-Americans received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 39.6% of the high-cost refinance loans but only 14.1% of the prime refinance loans. In contrast, whites received 67.2% of all prime loans originated, which is greater than their 45.4% share of all high-cost loans originated. African-Americans represent 32.0% of the population in the metropolitan area while Latinos represent 3.7% of the population⁴⁴.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	32.0%	14.1%	39.6%
Latino	3.7%	3.0%	2.1%
White	61.6%	67.2%	45.4%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 53.7%, or more than one out of two, refinance loans made to low-income homeowners were high-cost loans, as were 48.5%, or nearly one out of every two, refinances made to moderate-income homeowners and 42.7% or more than two out of five loans to middle-income homeowners. In contrast, only 25.0%, or one out of every four, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	190	102	53.7%
Moderate-Income	532	258	48.5%
Middle-Income	785	335	42.7%
Upper-Income	1318	329	25.0%

In comparative terms, low-income homeowners were 2.1 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.9 times more likely to receive a high-cost loan.

⁴⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans⁴⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 41.6%, or almost two out of five, home purchase loans received by African-Americans were high-cost loans and 22.7%, or almost one out of four, home purchase loans received by Latinos were high-cost loans. In contrast, only 14.2%, or one out of seven, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	517	215	41.6%	2.9
Latino	176	40	22.7%	1.6
White	2082	296	14.2%	
ALL	3158	628	19.9%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.9 times as likely to receive a high-cost home purchase loan than whites while Latinos were 1.6 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 50.0% of the home purchase loans received by upper-income African-Americans and 27.8% of the home purchase loans received by upper-income Latinos, compared to only 14.5% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 3.4 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.9 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

⁴⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans By Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	5.3%	--	11.1%	--	2.1
Moderate Income	14.3%	20.0%	39.0%	1.4	2.7
Middle Income	13.5%	25.7%	46.2%	1.9	3.4
Upper Income	14.5%	27.8%	50.0%	1.9	3.4

Middle-income African-Americans were 3.4 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.9 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 2.7 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.4 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 2.1 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 34.2% of all high-cost home purchase loans but only 11.9% of the prime home purchase loans. Latinos were issued 6.4% of all high-cost loans originated and 5.4% of the prime loans originated. In contrast, whites received 70.6% of the prime loans originated, which is greater than their 47.1% share of the high-cost loans originated. African-Americans represent 32.0% of the population in the metropolitan area while Latinos represent 3.7% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	32.0%	11.9%	34.2%
Latino	3.7%	5.4%	6.4%
White	61.6%	70.6%	47.1%

Methodology

The data for the Tallahassee metropolitan area includes Gadsden, Jefferson, Leon, Wakulla counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or "rate spread" between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.





Tampa-St. Petersburg-Clearwater Metropolitan Area

Homeowners of all races in the metropolitan area have a very high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, one in three loans, or 34.7%, was a high-cost loan. When buying a home, borrowers of all races have a very high incidence of receiving a high-cost home purchase loan. Almost one in three home purchase loans in the metropolitan area, or 29.3%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006, many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the Tampa-St. Petersburg-Clearwater area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans⁴⁶

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 55.5% or more than one out of two, home refinance loans made to African-Americans were high-cost loans and, 43.2%, or more than two out of five, home refinance loans made to Latinos were high-cost loans. In contrast, only 31.3%, or less than one out of three, home refinance loans made to whites were high-cost loans.

⁴⁶ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	3475	1927	55.5%	1.8
Latino	4387	1894	43.2%	1.4
White	28328	8868	31.3%	
ALL ⁴⁷	41976	14549	34.7%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.8 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.4 times more likely to receive a high cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.⁴⁸ In 2006, upper-income African-American homeowners were 1.9 times more likely than upper-income, white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 1.5 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.6 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.3 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 1.7 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.2 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income African-Americans were 1.6 times more likely to receive a high-cost refinance loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	33.9%	31.5%	55.2%	0.9	1.6
Moderate Income	37.3%	44.2%	62.9%	1.2	1.7
Middle Income	36.4%	48.9%	59.0%	1.3	1.6
Upper Income	27.7%	42.3%	52.0%	1.5	1.9

⁴⁷ The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

⁴⁸ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$64,736 for the Tampa-St. Petersburg-Clearwater metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$27,200; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$27,200 and \$43,520; middle-income borrowers have incomes 80-119% of median income, or between \$43,520 and \$64,736.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Upper-income and middle-income African-Americans were more likely to receive a high-cost refinance loan than low-income whites. Upper-income and middle-income Latinos were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 13.2% of the high-cost refinance loans but only 5.6% of the prime refinance loans. Latinos received 13.0% of the high-cost loans originated but a smaller 9.1% of the prime loans originated. In contrast, whites received 71.0% of all prime loans originated, which is greater than their 61.0% share of all high-cost loans originated. African-Americans represent 9.9% of the population in the metropolitan area while Latinos represent 10.4% of the population⁴⁹.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	9.9%	5.6%	13.2%
Latino	10.4%	9.1%	13.0%
White	76.0%	71.0%	61.0%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 36.8%, or more than one out of three, refinance loans made to low-income homeowners were high-cost loans, as were 41.1%, or more than two out of five, refinances made to moderate-income homeowners and 40.3% or two out of five loans to middle-income homeowners. In contrast, only 30.7%, less than one in three, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	2105	775	36.8%
Moderate-Income	7047	2898	41.1%
Middle-Income	10761	4334	40.3%
Upper-Income	19862	6089	30.7%

In comparative terms, low-income homeowners were 1.2 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.3 times more likely to receive a high-cost loan.

⁴⁹ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans⁵⁰

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Middle and Moderate income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 52.8%, or more than one out of two, home purchase loans received by African-Americans were high-cost loans and 48.0%, or almost one out of two, home purchase loans received by Latinos were high-cost loans. In contrast, only 23.3%, or one out of four, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	2243	1185	52.8%	2.3
Latino	6278	3016	48.0%	2.1
White	22420	5218	23.3%	
ALL	35795	10499	29.3%	

Minority homebuyers were much more likely than white homebuyers to receive a high-cost loan. African-American homebuyers were 2.3 times as likely to receive a high-cost home purchase loan as whites while Latinos were 2.1 times as likely to receive a high-cost loan.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 61.0% of the home purchase loans received by upper-income African-Americans and 52.5% of the home purchase loans received by upper-income Latinos, compared to only 28.5% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 2.1 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.8 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

⁵⁰ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans by Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African- American	Disparity Compared to White	
				Latino	African- American
Low Income	19.3%	30.7%	41.9%	1.6	2.2
Moderate Income	25.1%	41.7%	49.0%	1.7	2.0
Middle Income	27.0%	49.7%	55.8%	1.8	2.1
Upper Income	28.5%	52.5%	61.0%	1.8	2.1

Middle-income African-Americans were 2.1 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.8 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 2.0 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.7 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 2.2 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 1.6 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Upper-income and middle-income African-Americans homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans were issued 11.3% of all high-cost home purchase loans but only 4.2% of the prime home purchase loans. Latinos were issued 28.7% of all high-cost loans originated and 12.9% of the prime loans originated. In contrast, whites received 68.0% of the prime loans originated, which is greater than their 49.7% share of the high-cost loans originated. African-Americans represent 9.9% of the population in the metropolitan area while Latinos represent 10.4% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	9.9%	4.2%	11.3%
Latino	10.4%	12.9%	28.7%
White	76.0%	68.0%	49.7%

Middle and Moderate income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 30% of the loans received by moderate-income

homebuyers, and 33.9% loans to middle-income homeowners were high-cost loans. In comparison, only 26.6% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	141	637	22.1%
Moderate Income	1060	3538	30%
Middle Income	2487	7329	33.9%
Upper Income	5909	22185	26.6%

Methodology

The data for the Tampa-St. Petersburg-Clearwater metropolitan area includes Hernando, Hillsborough, Pasco, Pinellas counties.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

High-cost loans are defined as loans originated with an Annual Percentage Rate (APR) at least 3 points above the comparable rate on U.S. Treasury Securities. As such, HMDA regulations require that these loans include information on the difference or “rate spread” between the APR on the loan and the comparable Treasury Rate. Prime loans as counted in this report were loans where no rate spread was reported because the APR on that loan was less than 3 points above the comparable Treasury rate.

This report analyzed data on first liens and does not include government-backed loans (FHA, VA, FmHA).

HMDA data reports race in addition to ethnicity of the applicant. For this report, any borrower of Latino ethnicity is not included in a racial group but only in the Latino category. For example, a borrower of Latino ethnicity and white race is counted as Latino and not counted as white.

See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.



West Palm Beach-Boca Raton- Boynton Beach Metropolitan Area

Homeowners of all races in the metropolitan area have an extremely high incidence of receiving a high-cost loan when refinancing. Out of all refinance loans made in the metropolitan area, about one in two loans, or 48.9%, was a high-cost loan. When buying a home, borrowers of all races have an extremely high incidence of receiving a high-cost home purchase loan. More than two in five home purchase loans in the metropolitan area, or 41.8%, were high-cost loans.

For the purposes of this report high-cost loans are defined as loans originated with an Annual Percentage Rate (APR) of at least 3 points above the comparable rate on U.S. Treasury Securities. During 2006, many of these loans are also exploding ARMs which are likely to lead to foreclosures.

In this summary of lending in the West Palm Beach-Boca Raton-Boynton Beach area, we examine data for the area concerning refinance loans, including the disparities in the issuance of high-cost loans by race and income, and the data concerning purchase loans including the disparities in the issuance of high-cost loans by race and income.



High-cost Refinance Loans⁵¹

For refinance loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home refinance loans made to minorities.
2. Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing.
3. Racial disparities persisted even among homeowners of the same income level.
4. Minorities received a greater proportion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers.

High-cost loans made up a significant proportion of the home refinance loans made to minorities. In 2006, 70.0% or almost three out of four, home refinance loans made to African-Americans were high-cost loans and, 71.4%, or nearly three of every four, home refinance loans made to Latinos were high-cost loans. In contrast, only 40.3%, or two out of five, home refinance loans made to whites were high-cost loans.

⁵¹ Includes conventional 1st lien refinances and does not include government-backed refinance loans.

REFINANCE LOANS BY BORROWER RACE AND ETHNICITY 2006				
Race/Ethnicity	# Refinance Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	90	63	70.0%	1.7
Latino	91	65	71.4%	1.8
White	477	192	40.3%	
ALL ⁵²	765	374	48.9%	

Minority homeowners were more likely than white homeowners to receive a high-cost loan when refinancing. In relative terms, African-Americans were 1.7 times more likely to receive a high-cost loan than whites. Latino homeowners were 1.8 times more likely to receive a high cost loan than whites.

Racial disparities persisted even among homeowners of the same income level.⁵³ In 2006, upper-income African-American homeowners were 1.6 times more likely than upper-income, white homeowners to receive a high-cost refinance loan. Upper-income Latinos were 2.2 times more likely to receive a high-cost loan than upper-income whites.

Middle-income African-Americans were 1.7 times more likely than middle-income whites to receive a high-cost refinance loan, while middle-income Latinos were 1.4 times more likely to receive a high-cost loan than middle-income whites.

Moderate-income African-Americans were 1.4 times more likely to receive a high-cost refinance loan than moderate-income whites, while moderate-income Latinos were 1.5 times more likely to receive a high-cost refinance loan than moderate-income whites.

Low-income Latinos were 1.2 times more likely to receive a high-cost loan than low-income whites.

High-cost Loans as a Percentage of Refinance Loans By Borrower Race and Ethnicity Among Income Levels 2006					
Borrower Income Level	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	61.1%	75.0%	66.7%	1.2	1.1
Moderate Income	52.4%	80.0%	73.1%	1.5	1.4
Middle Income	47.7%	69.0%	82.1%	1.4	1.7
Upper Income	34.3%	74.1%	55.6%	2.2	1.6

⁵² The category ALL loans includes borrowers from other racial/ethnic groups as well as borrowers who did not self-declare their race.

⁵³ Upper-income is defined as borrowers with incomes 120% or greater than the area median income or greater than \$76,636 for the West Palm Beach-Boca Raton-Boynton Beach metropolitan area. Low-income borrowers have incomes below 50% of the median income, or less than \$32,200; moderate-income borrowers have incomes between 50% and 79% of median income, or between \$32,200 and \$51,520; middle-income borrowers have incomes 80-119% of median income, or between \$51,520 and \$76,636.

Minority homeowners with higher incomes were more likely to receive a high-cost refinance loan than white homeowners with lower incomes. Middle-income African-Americans were more likely to receive a high-cost loan than low-income whites. Upper-income Latinos were more likely to receive a high-cost refinance loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans. African-Americans received 16.8% of the high-cost refinance loans but only 6.9% of the prime refinance loans. Latinos received 17.4% of the high-cost loans originated but a smaller 6.6% of the prime loans originated. In contrast, whites received 72.9% of all prime loans originated, which is greater than their 51.3% share of all high-cost loans originated. African-Americans represent 13.5% of the population in the metropolitan area while Latinos represent 12.4% of the population⁵⁴.

Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.5%	6.9%	16.8%
Latino	12.4%	6.6%	17.4%
White	70.6%	72.9%	51.3%

Lower-income homeowners of all races were more likely to receive a high-cost loan than upper-income borrowers. In 2006, 64.0%, or more than three out of every five, refinance loans made to low-income homeowners were high-cost loans, as were 64.1%, or more than three of five, refinances made to moderate-income homeowners and 56.3% or one of two loans to middle-income homeowners. In contrast, only 40.3%, or two out of five, refinances to upper-income homeowners were high-cost loans.

	# Refinance Loans	# High-Cost Loans	% High-cost
Low-Income	50	32	64.0%
Moderate-Income	128	82	64.1%
Middle-Income	190	107	56.3%
Upper-Income	362	146	40.3%

In comparative terms, low-income homeowners were 1.6 times more likely to receive a high-cost loan than upper-income homeowners and moderate-income homeowners were 1.6 times more likely to receive a high-cost loan.

⁵⁴ 2000 Census data based on the counties that are included in the metropolitan area. See methodology section for a list of counties included for this metropolitan area.



High-cost Home Purchase Loans⁵⁵

For home purchase loans, our findings show that in 2006:

1. High-cost loans made up a significant proportion of the home purchase loans made to minorities.
2. Minority homebuyers were much more likely than white homebuyers to receive to receive a high-cost loan.
3. The racial disparity persisted even among borrowers of the same income level.
4. Minorities received a greater portion of high-cost loans than they received of prime loans.
5. Lower-income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers.

High-cost loans made up a significant proportion of the home purchase loans made to minorities. In 2006, 74.5%, or three out of four, home purchase loans received by African-Americans were high-cost loans and 68.8%, or two out of three, home purchase loans received by Latinos were high-cost loans. In contrast, only 30.9%, or less than one out of three, home purchase loans received by whites were high-cost loans.

Home Purchase Loans By Borrower Race and Ethnicity 2006				
Race/Ethnicity	# Home Purchase Loans	# High Cost Loans	% High Cost	Disparity to White
African-American	110	82	74.5%	2.4
Latino	141	97	68.8%	2.2
White	614	190	30.9%	
ALL	1008	421	41.8%	

Minority homebuyers were much more likely than white homebuyers to receive to receive a high-cost loan. African-American homebuyers were 2.4 times as likely to receive a high-cost home purchase loan than whites while Latinos were 2.2 times as likely to receive a high-cost loan as whites.

The racial disparity persists even among borrowers of the same income level. High-cost loans were issued to 62.5% of the home purchase loans received by upper-income African-Americans and 66.7% of the home purchase loans received by upper-income Latinos, compared to only 38.2% of the home purchase loans to upper-income whites.

In comparative terms, upper-income African-Americans were 1.6 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home. Upper-income Latinos were 1.7 times more likely than upper-income whites to be issued a high-cost loan when purchasing a home.

⁵⁵ Includes 1st lien conventional home purchase loans made to owner-occupied households and does not include loans made by manufactured lenders or government-backed loans.

High-cost Loans as a Percentage of All Home Purchase Loans By Borrower Race and Ethnicity Among Income Levels 2006					
	White	Latino	African-American	Disparity Compared to White	
				Latino	African-American
Low Income	52.9%	61.9%	85.7%	1.2	1.6
Moderate Income	43.5%	77.3%	84.6%	1.8	1.9
Middle Income	38.8%	73.0%	77.8%	1.9	2.0
Upper Income	38.2%	66.7%	62.5%	1.7	1.6

Middle-income African-Americans were 2.0 times more likely than middle-income whites to be issued a high-cost home purchase loan, while middle-income Latinos were 1.9 times more likely to be issued a high-cost purchase loan than middle-income whites.

Moderate-income African-Americans were 1.9 times more likely to be issued a high-cost home purchase loan than moderate-income whites, while moderate-income Latinos were 1.8 times more likely to be issued a high-cost home purchase loan than moderate-income whites.

Low-income African-Americans were 1.6 times more likely to be issued a high-cost home purchase loan than low-income whites, while low-income Latinos were 1.2 times more likely to be issued a high-cost home purchase loan than low-income whites.

Minority homebuyers with higher incomes were more likely to receive a high-cost loan than white homebuyers with lower incomes. Middle-income African-American homebuyers were more likely to receive a high-cost loan than low-income whites. Upper-income and middle-income Latino homebuyers were more likely to receive a high-cost loan than low-income whites.

Minorities received a greater proportion of high-cost loans than they received of prime loans.

African-Americans were issued 19.5% of all high-cost home purchase loans but only 4.8% of the prime home purchase loans. Latinos were issued 23.0% of all high-cost loans originated and 7.5% of the prime loans originated. In contrast, whites received 72.2% of the prime loans originated, which is greater than their 45.1% share of the high-cost loans originated. African-Americans represent 13.5% of the population in the metropolitan area while Latinos represent 12.4% of the population.

Distribution of High-cost Home Purchase Loans by Borrower Race and Ethnicity 2006			
Race/Ethnicity	Share of Population	Share of Prime Loans	Share of High-cost Loans
African-American	13.5%	4.8%	19.5%
Latino	12.4%	7.5%	23.0%
White	70.6%	72.2%	45.1%

Lower income homeowners of all races are more likely to receive a high-cost loan than upper-income homebuyers. In 2006, 57.7% of the loans received by low-income homebuyers were high-cost loans, or nearly three out of five loans. 58% of the loans received by moderate-income homebuyers, and 48.5% loans to middle-income homeowners were high-cost loans. In comparison, only 31.7% of loans made to upper-income homebuyers were high-cost loans.

High-cost Lender Share of Home Purchase Loans by Borrower Income Level 2006			
	High-cost Loans	All Loans	% High-cost
Low Income	30	52	57.7%
Moderate Income	102	177	58%
Middle Income	113	233	48.5%
Upper Income	164	518	31.7%

In comparative terms, low-income homebuyers were 1.8 times more likely than upper-income borrowers to receive a high-cost loan to purchase their home. Moderate-income homebuyers were 1.8 times more likely to receive a high-cost loan than upper-income homebuyers.

Methodology

The data for the West Palm Beach-Boca Raton-Boynton Beach metropolitan area includes Palm Beach county.

This report analyzes data available to the public under the Home Mortgage Disclosure Act (HMDA). It uses a sample of 363 individual lenders owned by 19 different parent companies. They represent the largest mortgage lenders in the country and include the largest subprime mortgage lenders.

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See the main text of the report (www.acorn.org) for the complete list of lenders, analysis of national data comparisons of different metropolitan areas and recommendations.