



COMMUNITY DEVELOPMENT COUNCIL

OF GREATER MEMPHIS

2004 LENDING STUDY





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I

Introduction to the 2004 Lending Study: New Data and Key Issues

New HMDA data includes loan level indicators of subprime lending. Other variables analyzed for the first time in 2004 include reasons for denial, applications collected and loans originated by independent mortgage companies, and consumer-driven attrition during the application process. Replacing the “center city/non-center city” comparison, Shelby County planning districts and zip codes are assigned to newly defined Zones 1, 2, and 3. Data analysis suggests the emergence of a “dual mortgage market” with highly disparate outcomes based on type of lender and the demographics of applicants.

I. 1. Analysis of HMDA data has traditionally been driven by questions about redlining —reluctance on the part of lenders to invest in minority and changing neighborhoods — and equitable access to home mortgage-related credit by minority borrowers (“lending disparity”). Lending studies through 2003 reveal persistent racial and geographic disparity:

- Geographic level analysis in Memphis and Shelby County based on “Center City” versus “Non-Center City” groupings, and by twenty-four planning districts, documents greater volume and more favorable outcomes for neighborhoods outside the central city. Absent more detailed and cross-tabular data that takes into account neighborhood characteristics, however, aggregate data cannot explain *why* there are geographic disparities.
 - ✚ The 2004 lending study begins to grapple with cross-tabular data on neighborhood characteristics, introducing data that is available from other sources at the zip-code or census tract level.
- Racial disparity analysis in Memphis and Shelby County has focused on gaps in approval and denial rates that persistently favor white borrowers even when “high income” (above Area Median Income) and “low income” (below AMI) minority borrowers are compared with similarly situated white borrowers. As with geographic analysis, it is difficult to explain these differences without more detailed information on borrower qualifications. The high income and low income distinction may obscure income differences; nor does this high-low distinction take into account income to loan ratio.
 - ✚ The 2004 study introduces a more detailed income analysis, including codes for borrowers at 80%, 50%, and 30% of Area Median Income (low income), as well as codes for moderate income (between 80% and 120% of AMI) and high income (over 120% of AMI) applicants and borrowers.
- Since the effects of borrower qualifications have been difficult to estimate, lenders have argued that “due diligence”—not racial and ethnic discrimination and redlining – is responsible for apparent disparities. HMDA data alone cannot address this issue.
 - ✚ The 2004 study introduces comparative information on foreclosure rates by zip code to begin to shed light on due diligence issues.
- Disparity analyses has begun to examine how differences in loan terms – over and above approval rates by race/ethnicity and neighborhood – can disadvantage minority borrowers and neighborhoods. Loans have in the past been classified as “subprime” if they originate from lenders identified by HUD as “primarily subprime,” with at least half of loans with “B” and “C” credit and interest rates.
 - ✚ The 2004 study takes advantage of HMDA’s new loan-level data on APR terms that exceed a three point threshold for first lien loans (usually purchase or re-financing loans) and a five point threshold for subordinate liens (usually home equity.)

I. 2. Changes in regulatory conditions that favor new products and services and the entry of new players in the mortgage market since the 1990's are producing more complex geographic and disparity outcomes.

- The rapid expansion of third party mortgage brokering in Memphis and Shelby County, along with technology-driven access to national lenders — many of whom are non-depository mortgage companies — poses new questions about neighborhood impact and equitable access.
 - ✚ The 2004 study introduces new analysis on outcomes for different types of lenders, with a special comparison between local retail banks and national independent mortgage brokerages.
- *The ability to combine HMDA data with foreclosure data for Shelby County suggests that traditional redlining and disparity analyses fails to capture the strengths and weaknesses of the evolving mortgage market and – with historically low interest rates—the entry into the market of new borrowers with lower incomes.*

I. 3. The 2004 lending study takes advantage of new HMDA reporting requirements to analyze newly available data on subprime lending; includes other data from the Loan Application Register that has not been analyzed in previous years; re-organizes the geographic analyses to make more detailed distinctions; and introduces new ways of looking at racial and ethnic disparity. Data is presented in new ways to better address the issues introduced above.

The 2004 study reframes the issues to better serve two groups of inter-related stakeholders. We proceed on the premise that community development advocates and neighborhood constituents on the one hand, and local retail lenders on the other, have inter-related interests that frame the 2004 study.

Framing the Issues

- Community Development advocates and neighborhood residents favor access to credit that expands and sustains opportunities for *sound* home ownership, while minimizing risks to neighborhoods that result from foreclosure. Memphis has a persistently high foreclosure rate that accelerated with changes in mortgage markets since the mid 1990's. What can we learn from HMDA data and related sources to better pursue these policy outcomes?
- Local retail bankers are interested in growing their market share and profitability by reaching new qualified borrowers. Lenders are presumably motivated by due diligence, wish to avoid foreclosures, and are interested in meeting CRA requirements. New brokering arrangements continue to favor non-local lenders, whose share of local lending is growing. What can we learn from HMDA data and related sources to enable local banks to reach new borrowers and deliver better results for neighborhoods in Memphis and Shelby County?

I. 4. New HMDA requirements for 2004 include reporting of rate spreads of 3.00 and higher for first liens and 5.00 and higher for subordinate liens, improving our ability to gauge the reach and impact of subprime lending in Shelby County.

- The 2004 lending study uses the rate spread indicator for the first time, replacing the subprime lenders classification from previous studies.
- The 2004 study also includes lender-coded “reasons for denial” to complement the traditional analysis of approval and denial rates. Reporting is optional; about 80% of denials include this information.

I. 5. Available HMDA data not analyzed in previous studies includes not only reasons for denial, but also lien status (first or subordinate), owner-occupancy, distinctions between release-related refinancing

and home equity lending, and types of lenders (based on the reported regulatory agency to whom HMDA data is submitted).

I. 6. In addition to analysis by planning districts, more detailed data for some indicators is reported by zip code. Planning district data is aggregated into three “zones” that replace the previous “center city vs. non-center city” scheme.

- Zone 1 is the “Inner City” zone where housing (with the notable exceptions of Mud Island and other Riverfront development, downtown conversions, HOPE VI redevelopment, and other infill) was built before 1950. Apart from exceptions and their environs noted above, Zone 1 has the lowest rate of home ownership, lowest income, and highest minority population. Zone 1 has relatively little lending activity. Lending is oriented toward the exceptional development noted above, and higher income white borrowers are disproportionately represented.
- Zone 2 is the “Mid-City” zone where housing typically was built from 1950 through the 1980’s. Zone 2 includes transitional neighborhoods, where home ownership and income have been declining and minority population increasing. Middle class African American families are being joined by lower income black and Hispanic households. Poverty rates have increased while housing values have been relatively stagnant. Zone 2 includes a great deal of lending activity revolving around rate spreads and non-local lenders. Clearly, Zone 2 has not been redlined by subprime lenders. High volume lending in Zone 2, however, is highly correlated with foreclosure.
- Zone 3 is the “Outer Ring/Suburban” zone, which includes some housing stock in the “Poplar Corridor” and suburban areas of the same vintage as Zone 2. But housing is traditionally more valuable and appreciation is high. Zone 3 includes a high growth area for new construction and has the highest income and home ownership and lowest minority population. High volume lending would be expected because of new construction. Some neighborhoods in Zone 3, however, are beginning to experience Zone 2 lending patterns.

I. 7. Racial and ethnic disparity—the reasons for which remain unfortunately speculative—is about much more than approval and denial rates. The 2004 lending study begins to identify a *dual mortgage market* in Memphis and Shelby County that is skewed toward African American or white buyers.

- For African Americans, the dual market is associated with income and gender disparities (female applicants without co-applicants), but controls for income suggest that the dual market exists over and above income differences. Application patterns are different. A different stable of lenders is involved.
- Risk factors that can be measured with HMDA data—low income, high ratios of loan amount compared to income, and rate-spread subprime loans—are concentrated among African American buyers, but even when these disadvantages are absent, black buyers are more likely to have subprime loans that are concentrated in particular neighborhoods in particular zip codes.
- Non-local mortgage brokers dominate the African American market in Zone 2, where high risk patterns are most evident.
- The dual market can best be understood by comparing local retail banks with national lenders.

I. 8. The 2004 lending study introduces a new concept that is related to the dual mortgage market. “Consumer-driven attrition” includes loan applications that are initiated but not completed; those that are completed but withdrawn by the potential borrower; and those that the lender approves, but are not accepted by the borrower.

- African American borrowers in the dual mortgage market have attrition rates significantly higher than whites. The evidence points to concurrent multiple applications (which, other qualitative evidence suggests, are likely coordinated by mortgage brokers).
- Denial rates reflect applications denied — not borrowers who ultimately end up without a loan. It is important to remember with disparity analysis that concurrent multiple applications can reflect “forum shopping” where a broker is looking for a deal *that suits him or her* as well as the borrower.

Unfortunately, there is no way to factor out multiple applications for the same property from the HMDA database.

I. 9. The role of subordinate liens for purchase — where two loans taken together often cover 100% or more of the purchase price—is another indicator of disparity in the dual mortgage market. It is not possible using HMDA data to individually pair first and subordinate liens on the same property, but we can estimate that 25% of home purchase loans are accompanied by a subordinate mortgage. The pattern is more common among black buyers.

- The inclusion of smaller subordinate purchase liens in aggregate data for home purchase loans distorts analysis of loan-to-income ratios over the dataset as a whole. Buyers appear to be better qualified on this indicator than they actually are. As the lending study evolves, more and better distinctions within the data will be possible. For example, we anticipate running separate analysis on first liens only.

I. 10. It remains important to bear in mind that about 18% of HMDA records do not include race and ethnicity data. These records are excluded from racial/ethnic disparity analysis. When “unknown” is run separately, patterns fall mid-way between white and black patterns, suggesting a mix of applicants who refuse to confirm race and ethnicity in telephone applications.

- References to minority applicants and borrowers in the 2004 lending study include less than 10% Hispanic and “other race” records. In other words, 90% of “minority” data is based on the experience of black applicants and buyers in Memphis and Shelby County.
- Separate analysis of Hispanic patterns is omitted from the 2004 study. As numbers increase, we will consider ways to strengthen the analysis of the Hispanic market. “Other” races in Memphis and Shelby County are likely to be Asian and Indian; the little analysis that is possible on the small number of cases suggests that these minority applicants have experiences similar to white buyers.

I. 11. Keeping the dual mortgage market perspective in mind, data from the 2004 HMDA records and other sources are summarized from several perspectives in the following sections of the Executive Summary. More detailed tabular data for individual local banks, high volume national lenders, and by planning district and zip code is available separately from the Community Development Council. A *Glossary of Terms and Concepts* follows the outline of this report for use throughout the Summary.

2004 Lending Study Executive Summary and Analysis Outline

I. Introduction

New HMDA data includes loan level indicators of subprime lending. Other variables analyzed for the first time in 2004 include reasons for denial, applications collected and loans originated by independent mortgage companies, and consumer-driven attrition during the application process. Replacing the “center city/non-center city” comparison, Shelby County planning districts and zip codes are assigned to newly defined Zones 1, 2, and 3. Data analysis suggests the emergence of a “dual mortgage market” with highly disparate outcomes based on type of lender and the demographics of applicants.

II. An Overview

Subprime lending is well-established in Shelby County, accounting for 25% of originations. Subprime lending is likely to involve independent mortgage companies, high volume applications and originations concentrated in Zone 2, African Americans, and female-headed households. Approval rates for all types of loans from all types of lenders increased from 54% in 2003 to 64% in 2004.

III. Local Retail Banks

Applications to local retail banks decreased by 44% from 2003 to 2004. The share of applications collected by local banks also decreased from 31% to 19% in 2004. Both local banks and non-local lenders improved their approval rates; local banks from 75% to 79% and non-local lenders from 45% to 62%.

IV. Home Buying and Refinancing

Applications for refinancing have higher denial and attrition rates than purchase loans, but like purchase loans are predominantly first lien loans. Refinancing is not exclusively driven by favorable interest rates -- purchase and refinancing loans are about equally likely to be subprime. Nearly one of four purchase loans is paired at closing with a concurrent subordinate lien, another indicator of the dual mortgage market.

V. Race, Neighborhoods, and Lending Disparity: Subprime Lending and the Dual Mortgage Market

African Americans continue to experience a twenty point gap in approval rates compared to white loan applicants in Shelby County. They are more likely to have subprime loans. Even when loans are not subprime, loans for black borrowers are more likely to come from national lenders and independent mortgage companies. High volume applications and lending for African Americans is concentrated in Zone 2 in Memphis, where indicators such as high foreclosure rates are also concentrated.

Glossary of Terms and Concepts

AMI: Area Median Income as determined annually by HUD for housing assistance purposes, the AMI parallels median family income estimates provided each year by the Census Bureau. The AMI for Shelby County in 2004 was \$52,500. 80% and under is considered low income (\$42,000). Incomes from 50% to 31% are “very low income” and those with incomes at 30% and below of AMI are poor or near poor (depending on household size.)

Approval Rate: The percentage of all *completed* applications that were approved by the lender, including those that were approved but not accepted by the potential borrower.

Attrition Rate: The percentage of all *initiated* applications that did not result in origination because the applicant did not complete the application, withdrew the application, or chose not to accept an approved application.

Co-Applicant Types: “Male with female co-applicant” typically means a married couple family. “Female with no co-applicant” typically means a female-headed family.

Denial Rate: The percentage of all *completed* loan applications that were declined by the lender.

Dual Mortgage Market: The gravitation of two sets of buyers – differentiated in terms of race/ethnicity, gender/family status, income, and neighborhood – to mortgage markets with different primary lenders and different dynamics. The dual market analysis is an updated alternative to the classic concepts of redlining and racial/ethnic disparity.

Subprime Loans: Includes all first liens with a rate spread of 3.00 or greater and all subordinate liens with a rate spread of 5.00 or greater.

High Loan to Income Ratio: Loan amount equals or exceeds three times annual income.

Independent Mortgage Companies (herein “mortgage companies”): Mortgage lenders not affiliated with a regulated bank, whose only federal reporting requirements are to HUD for HMDA data. They are not bound by CRA requirements, and are subject to very little regulation. They typically work with independent or semi-independent mortgage brokers who apply for loans on behalf of customers.

Minority applicants: African American, Hispanic, and all other non-white racial groups combined. In Shelby County, 90% of minority applicants are African American.

High Risk Borrowing Loans with two or more risk factors, including subprime interest rate, high loan-to-income ratio, or borrower income below 80% of AMI.

II

An Overview of Lending in Shelby County

Subprime lending is well-established in Shelby County, accounting for 25% of originations. Subprime lending is likely to involve independent mortgage companies, high volume applications and originations concentrated in Zone 2, African Americans, and female-headed households. Approval rates for all types of loans from all types of lenders increased from 54% in 2003 to 64% in 2004.

Diversity in the overall applicant pool in Shelby County is characterized by differences between local and non-local lenders, home purchase and refinancing/home equity loans, and applications vs. approvals. The dual mortgage market also means geographic and racial/ethnic differences. Our overview here introduces the issues that will be summarized in more detail in the next sections. Indicators that are not analyzed in the 2004 lending study include the role of FHA lending (about 12% on purchase) vs. conventional loans; how loans sold to government-sponsored enterprises on the secondary mortgage market (Fannie, Ginnie, and Freddie; about 30%) might differ from other securitized loans (about 40%); and how investor applications and loans might differ from owner occupants. Interestingly, only about 10% of applications are attributed to investors; based on the high proportion of single-family rental housing in Zone 1 and transition from ownership to rental in Zone 2, this figure may be understated (and is worth looking into more closely in the future.)

II. 1. The number of loan applications for all purposes in Shelby County decreased by 8% from 2003 to 2004. The decrease was based on a sharp reduction in applications for refinancing, driven by favorable interest rates in 2003 compared to 2004. Nevertheless, applications for new purchase mortgages were up 25%, paralleling an increase in home sales from 2003-2004 of 10% (from 26,109 to 28,767.) The trend in applications from 2000 through 2004 is detailed in Table II.1 below.

Table II.1: Types of Loans and Percent Change, 2000 – 2004

Type of Loan	2004	2003	2002	2001	2000	Change from 2003 # %	
Home Purchase	31,937	25,405	30,719	31,403	34,493	+6,532	+25.7%
Home Improvement	3,843	2,711	2,793	4,313	6,927	+1,132	+41.8%
Refinancing	48,165	63,405	56,070	48,045	28,047	-15,240	-24.0%
Total Applications	83,945	91,521	89,582	83,761	69,467	-7,576	-8.3%

Source: HMDA data, 2004 and previous years reports

II.2 Approval/denial and origination rates as a percentage of all applications initiated or as a percentage of all applications completed can convey two different perspectives. Differences reflect the high attrition rate for Shelby County loan applicants: 26% of applications are not completed, are withdrawn by the consumer, or result in approvals that are not accepted by the consumer. The “consumer-driven attrition” rate, along with origination, approval, and denial rates for the 2004 application pool are shown in Table II.2 below.

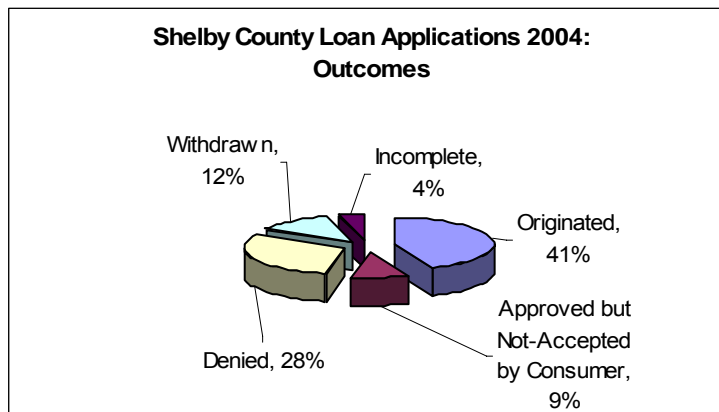
Table II.2: Shelby County Loan Applications 2004: Application Profile

Application Characteristics	Count	Percent or Summary Statistics
Total Applications	83,945	--
Home Purchase*	31,937	38%
Refinancing/Home Equity*	48,165	57%
Home Improvement*	3,843	5%
Originated*	34,427	41%
Approved but Not-Accepted by Consumer*	7,749	9%
Denied*	23,779	28%
Withdrawn*	10,289	12%
Incomplete*	3,701	4%
Approval Rate ^{1**}	42,176	64%
Denial Rate**	23,779	36%
Attrition Rate ² *	21,739	26%
Median Loan Amount Applied For*	--	\$85,000
High Loan-to-Income Ratio*	13,878	17%
Loans with Rate Spread ³	9,511	25%
Local Banks/Depository Institutions Share*	15,865	19%
Independent Mortgage Companies Share*	41,927	50%

Source: FFIEC HMDA 2004 data

* Reported as a percentage of all *initiated* applications.

** Reported as a percentage of all *completed* applications.



¹Includes both originated and approved-not accepted.

² Includes approved-not accepted by consumer, incomplete applications, and applications withdrawn by consumer.

³ 3.00+ for first liens and 5.00 for subordinate liens; data available only for originations, and reported as a percentage of all *originated* loans.

II.3 The high attrition rate – if Memphis and Shelby County replicate national trends – is associated with expanded comparison shopping on the part of potential borrowers. Comparison shopping that expands borrower options is one interpretation. An alternative interpretation is more ambiguous and is associated with the dual market.

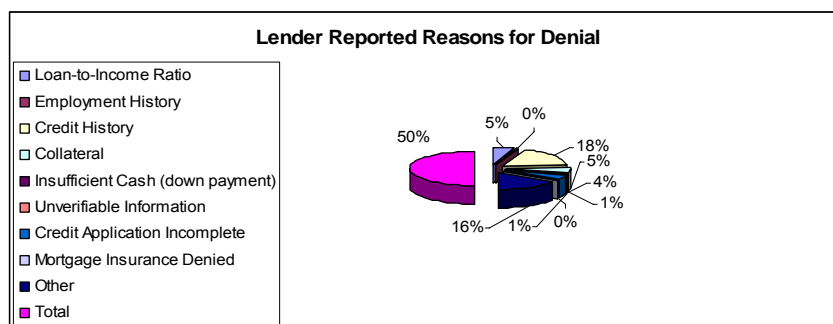
- Brokers may forum shop to make sure they find a lender for a high risk loan or may be seeking the most favorable commission for themselves – such as a high “yield spread premium” – which is the difference between an APR that a buyer would qualify for based on FICO and other indicators, and the APR that the broker persuades a borrower to accept. Lenders “split the difference” with brokers who deliver the customers. (Yields spread premiums are legal in Tennessee, but not in a growing number of states that no longer simply “let the buyer beware.”)

II.4 Inexperienced or unsophisticated borrowers may acquire subprime loans when they could qualify for better terms. 25% of originations in Shelby County for 2004 include a rate spread flag for subprime lending, but national research by Fannie Mae suggests that on the order of 30% of borrowers could have qualified for lower rates based on sound underwriting.

Table II. 3 : Lender Reported Reasons for Loan Denial

Reason for Denial	Total Number	Percent
Loan-to-Income Ratio	1928	10%
Employment History	135	.72%
Credit History	6802	36%
Collateral	1887	10%
Insufficient Cash (down payment)	217	1%
Unverifiable Information	414	2%
Credit Application Incomplete	1364	7%
Mortgage Insurance Denied	7	.03%
Other	5986	32%
Total	18740	100%

Source: HMDA 2004 data



- Local lenders familiar with the Memphis market suggest that local borrowers have special problems with credit worthiness. It is difficult to know based on HMDA analysis alone the extent to which 25% subprime lending is justified. Reasons for denial of applications are reported in Table II.3, where credit-worthiness is the number one reason for denial. HMDA does not include details on the “other” category.

II.5 Table II.3 above also reveals that 17% of applications include loan-to-income ratios of at least 3.00 (applicants wishing to borrow, for example, \$100,000 on an annual income of \$33,000 – well over the industry standard where the total purchase price and projected taxes and insurance should not exceed three times annual income).

Source: FDIC

Combined with data on borrower characteristics from Table II.4 below – where we learn that 38% of applicants have incomes at or below 80% of the AMI (the federal standard for housing assistance), it is evident that successful lending and successful home ownership in Shelby County may call for special support systems.

Table II.4 Shelby County Loan Applications 2004: Applicant Characteristics

Applicant Characteristics	Count	Percent or Summary Statistics
Total Applications	83,945	--
Minority ¹	37,503	50%
Low Income: = < 80% AMI	18,018	38%
Very Low Income: = < 50% AMI	14,811	19%
Poor/Near Poor: = < 30% AMI	1,873	2%
Moderate Income: 81- 120% AMI	18,886	25%
High Income: over 120 AMI	28,636	37%
Median Borrower Income	--	\$50,000
Zone One – Inner City	11,032	13%
Zone Two – Mid-City	44,352	53%
Zone Three – Outer Ring/Suburban/Suburban	28,561	34%

Source: HMDA 2004 data

**Shelby County Loan Applications 2004:
Applicant Characteristics**

Income Level	Count	Percent
Low Income: ≤ 80% AMI	18,018	38%
Very Low Income: ≤ 50% AMI	14,811	19%
Poor/Near Poor: ≤ 30% AMI	1,873	2%
Moderate Income: 81-120% AMI	18,886	25%
High Income: Over 120% AMI	28,636	37%

¹ Includes African American, Hispanic (2%), and Other (2%); percentage excludes applicants with missing data.

II.6 Minority applicants account for 50% of the applicant pool; 90% of minority applicants are black. Although approval/denial rates – as we shall see in Section V – favor white borrowers, multiple applications on the part of African Americans may yield results, but on less favorable terms. In other words, *disparities exist and are not exclusively defined by loan denial*.

- The geographic confluence of minority borrowers, high-risk borrowing (two or more risk factors including subprime loan, high loan-to-income ratio, and income at or below 80% AMI); high applicant attrition rates; and high volume lending by non-local independent mortgage companies (almost all on HUD's list of subprime lenders), suggests targeted marketing using the mortgage broker/mortgage lender business model.

II.7. Using the three zone analysis (instead of the traditional center city, non-center city) for Shelby County lending, Table II.4 shows how Zone 2 Mid-City is the apparent

“hotspot” for applications. This is a somewhat different – and more complicated – picture than that suggested by the traditional center city, non-center city concept.

III

Local Retail Banks and Out-of-Town Lenders in the Dual Mortgage Market

Loan applications to local retail banks decreased by 44% from 2003 to 2004. The share of applications collected by local banks also decreased from 31% to 19% in 2004. Both local banks and non-local lenders improved their approval rates; local banks from 75% to 79% and non-local lenders from 45% to 62%.

Local retail banks maintain a shrinking share of the mortgage market in Shelby County. Section III updates financial data on local retail banks and compares lending patterns of local banks with the non-local segment, which is increasingly dominated by independent mortgage companies working with independent or semi-affiliated mortgage brokers.

The comparison between lending by local retail banks and non-local financial institutions is the foundation of the dual market analysis. Racial/ethnic and geographic disparity and patterns attributable to the subprime market all follow from this foundation.

III. 1. In 2004, overall bank deposits in Shelby County for FDIC-insured institutions (“local retail banks”) rose 5.5%, from \$21,692,000,000 to \$22,878,000,000. While local banking appears healthy on this measure, local retail banks are becoming less central to the local mortgage market; it is unclear if this is by design or default.

Table III.1 Bank Deposits in Shelby County, 2000-2005

- Deposits and market share for local retail banks are included in Appendix A. The Appendix A list reflects the acquisition of NBC by SunTrust and Union Planters by Regions. 2004 lending data for NBC and Union Planters has been

Deposits	Deposit Dollars (M)	Change in Dollars (year over year)	% of Change (year over year)
2005	23,606	+728	+3.2
2004	22,878	+1,186	+5.5
2003	21,692	+4,900	+29.2
2002	16,792	+838	+5.3
2001	15,954	+32	+0.2
2000	15,922	- 0 -	- 0 -
<i>Source: FDIC 2005: Data as of June 30 of each year.</i>			

merged with SunTrust and Regions. (Not included in Appendix A are ten credit unions and four mortgage companies that – at least in 2004—had identifiable local retail operations.)

III. 2. Local depository banks and credit unions collected 15,865 mortgage-related applications in 2004. (Local credit unions collected only 313 applications).

- 2004 applications collected by local banks represent only 19% of all applications out of a total of 83,945.
- Applications decreased by 44% from 2003 (28,449) to 2004 (15,865).
- This decrease is due in part to a decline in low interest-rate driven refinancing, but the disproportionate decrease for local financial institutions compared to the smaller decrease in the overall applicant pool is also attributable to an accelerated shift by local borrowers to non-local lenders.

III. 3. The top five local banks (reconfigured to reflect mergers) listed in Table III.2. collected 73% (11,290) of all applications for local institutions.

Table III. 2:

Local Retail Banks and Other Lenders

Institution	2004		2003		Change from 2003	
	Applications Collected	% of Total Shelby Co. Apps	Applications Collected	% of Total Shelby Co. Apps	#	%
First Tennessee/First Horizon	4,661	5.7%	8,267	9.0%	3,606	-44%
Regions (Union Planters)	2,502	3.1%	3,175	3.5%	673	-21%
Bank of America	1,660	2.0%	2,162	2.4%	502	-23%
SunTrust (NBC)	1,449	1.8%	1,704	1.9%	255	-15%
AmSouth	1,018	1.2%	985	1.1%	33	3%
Top 5 Banks Total	11,290	13.8%	16,293	17.8%	5,003	-31%
All Other Local Institutions	4,575	5.6%	12,156	13.3%	7,581	62%
All Out-of-Town Institutions	68,080	80.6%	63,072	68.9%	5,008	8%
Shelby County Total	83,945	100.0%	91,521	100.0%	9,596	-10%
<i>Source: HMDA 2004 data</i>						

III. 4. The shift away from local lenders is accompanied by changes in overall lending patterns. Local lenders approved, for example, 79% of purchase loans, compared to an approval rate of 62% for non-local lenders (up from 45% in 2003.) This discrepancy continues a long tradition of higher approval for local lending, but the discrepancy is becoming smaller. It appears that local borrowers are becoming more adept at choosing the right out of town lender – or are working with mortgage brokers who have themselves become more adept.

- The distinction between local and non-local lenders is evident in Tables III.3. and III.4. below and elsewhere in this study. Evidence comparing local and non-local institutions underscores the emergence of a dual mortgage market in Shelby County, where higher income, white, and Zone 3 borrowers are most likely to patronize local banks and low-to-moderate income, African American, and Zones 1 and 2 borrowers more likely to seek loans elsewhere.

Table III.3 Local Banks and Non-Local Lenders 2004: Loan Characteristics

Loan Characteristics	Local Banks		Local Bank	Non-Local Lenders	
	Count	Percent/ Summary Statistic	Percent Share	Count	Percent/ Summary Statistic
Total Applications*	15,865	--	19%	68,080	--
Home Purchase*	7,491	47%	23%	24,446	36%
Refinancing/Home Equity*	7,485	47%	15%	40,680	60%
Home Improvement*	889	6%	23%	2,954	4%
Approved and Originated*	10,771	68%	28%	27,656	40%
Approved but Not-Accepted by Consumer*	925	6%	12%	6,824	10%
Denied*	3,075	19%	13%	20,704	30%
Withdrawn*	905	6%	8%	9,384	14%
Incomplete*	189	1%	5%	3,512	5%
Approval Rate 1**	11,696	79%	29%	34,480	62%
Attrition Rate 2 **	2,019	13%	9%	19,720	38%
High Loan-to-Income Ratio*	2,230	14%	16%	11,648	17%
Subprime Loans 3	658	6%	7%	8,853	30%

Source: HMDA 2004 data

* Reported as a percentage of *initiated* applications collected within each lender type.

** Reported as a percentage of *completed* applications within lender type.

1 Includes both originated and approved-not excepted applications.

2 Includes approved-not accepted by consumer, incomplete applications, and applications withdrawn by consumer

3 3.00+ for first liens and 5.00 for subordinate liens, reported as a percentage of all *originated* loans.

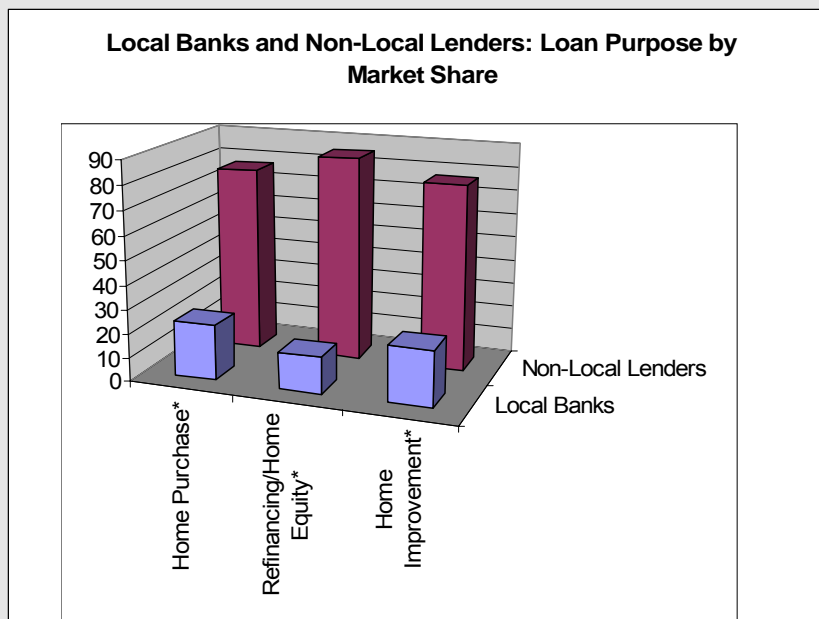


Table III.4 Local Banks and Non-Local Lenders 2004: Applicant Profile

Applicant Characteristics	Local Banks		Local Banks Share	Non-Local Lenders	
	Count	Percent/ Summary Statistic	Percent	Count	Percent/ Summary Statistics
Total Applications	15,865	--	23%	68,080	--
Minority 1	6,346	40%	16%	32,287	52%
Low Income: = < 80% AMI	1,910	12%	16%	10,374	40%
Very Low Income: = < 50% AMI	1,895	13%	13%	12,966	21%
Poor/Near Poor: = < 30% AMI	294	2%	16%	1,579	3%
Moderate Income: 81- 120% AMI	3,172	22%	17%	15,714	25%
High Income: over 120 AMI	7,040	44%	25%	21,596	35%
Zone One – Inner City	2,067	13%	19%	8,965	13%
Zone Two – Mid-City	6,488	41%	15%	37,864	56%
Zone Three – Outer Ring/Suburban	7,310	46%	26%	21,251	31%
<i>Source: HMDA 2004 data</i>					
1 Includes African American, Hispanic (5%), and Other (5%); percentage excludes applicants with missing data.					

III. 5 Local lenders do not have the market penetration represented by non-local lenders with lower and moderate income or African American borrowers.

- The non-local borrower profile suggests higher risk loans, but it is also clear that most borrowers have reasonable loan-to-income ratios and have *not* been offered subprime loans by non-local lenders.
- The shift away from local retail banks – or, put somewhat differently, the gravitation toward non-local lenders for new borrowers entering the housing market -- *appears to be both a challenge and opportunity for local banking.*

III. 6. National research suggests that both the lack of presence in lower to moderate income neighborhoods and the attractiveness of “customer service” offered by mortgage brokers in the national mortgage lending industry (some of which has been associated with predatory lending) are factors disadvantaging local banks.

- Appendix B includes a table and a map showing the location of all Shelby County retail banks and branches. It is important to bear in mind that HMDA data includes property location, not borrower neighborhood. “Mid-City” buyers in Memphis are in many cases *moving out of* neighborhoods that have a poorly established banking tradition and presence.
- National experience suggests that local retail banks increase their share of the emerging borrower market only when they change their marketing strategies. (The Fannie Mae Foundation’s www.knowledgeplex.org “expert chat” archives features several sessions on new market strategies that could be useful in Memphis.)

IV

Home Buying and Refinancing

Applications for refinancing have higher denial and attrition rates than purchase loans, but like purchase loans, are predominantly first lien loans. Refinancing is not exclusively driven by favorable interest rates -- purchase and refinancing loans are about equally likely to be subprime. Nearly one of four purchase loans is paired at closing with a concurrent subordinate lien, another indicator of the dual mortgage market.

Home purchase lending is not as distinguished from refinance lending as might be anticipated. First lien refinance loans are typically as large as purchase loans, for example. In the wake of the refinancing boon, refinancing is driven by more diverse factors which are very much related to the dual mortgage market. Tables IV.1 and IV.2 compare application and applicant characteristics for purchase and refinance applications.

Table IV. 1. Comparison of Loan Applications for Home Purchase and Refinancing Loans

Loan Characteristics	Home Purchase		Refinancing/ Home Equity	
	Count	Percent/ Summary Statistic	Count	Percent/ Summary Statistic
Total Applications+	31,937	--	48,165	--
Subordinate Purchase Liens	3,779	12%	--	--
Subordinate Home Equity Liens	--	--	3,505	8%
Originated*	20,355	64%	17,014	35%
Denied*	5,343	17%	16,250	34%
Approved but Not Accepted by Consumer*	2,903	9%	4,601	10%
Withdrawn*	2,514	8%	7,482	16%
Incomplete*	822	3%	2,818	6%
Approval Rate 1**	23,258	73%	21,615	45%
Attrition Rate 2*	6,239	20%	14,901	31%
Median Loan Amount Applied For	--	\$99,000	--	\$83,000
High Loan-to-Income Ratio	6,250	20%	7,415	15%
Subprime Loans	4,336	21%	4,818	28%
Local Banks/Depository Institutions Share	7,491	24%	7,485	16%
Independent Mortgage Companies Share	14,143	44%	26,199	54%
<p><i>Source: HMDA 2004 data</i></p> <p>+ Excludes home improvement applications.</p> <p>* Reported as a percent of <i>all</i> applications collected by loan purpose.</p> <p>** Reported as a percentage of completed applications within loan purpose.</p> <p>1 Includes both originated and approved-not accepted applications.</p> <p>2 Includes approved-not accepted by consumer, incomplete applications, and applications withdrawn by consumer.</p>				

Table IV. 2. Comparison of Applicant Characteristics for Home Purchase and Refinancing Loans

Borrower Characteristics	Home Purchase		Refinancing/ Home Equity	
	Count	Percent/ Summary Statistics	Count	Percent/ Summary Statistics
Total Applications	31,937	--	48,165	--
Minority ¹	14,705	52%	20,847	55%
Low Income: = < 80% AMI	10,802	33.8%	16,665	34.6%
Very Low Income: = < 50% AMI	5,501	17.2%	8,555	17.8%
Poor/Near Poor: = < 30% AMI	310	1.0%	1,416	2.9%
Moderate Income: 81- 120% AMI	7,494	23.5%	10,468	21.7%
High Income: over 120 AMI	12,032	37.7%	15,396	32%
Median Borrower Income	--	\$53,000	--	\$50,000
Owner-Occupant	28,015	87.7%	43,978	91.3%
Zone One – Inner City	3,671	11.5%	6,740	14%
Zone Two – Mid-City	14,777	46.3%	27,378	56.8%
Zone Three – Outer Ring/Suburban/Suburban	13,489	42.2%	14,047	29.2%
<i>Source: HMDA 2004 data</i> <i>*Reported as a percent of all applications collected.</i> <i>¹ Includes African American, Hispanic (5%), and Other (5%); percentage excludes applicants with missing data.</i>				

IV. 1 Refinancing is no longer driven exclusively by the desire and ability to get a better interest rate; in the dual mortgage market, 28% of first lien refinancing loans are in the form of subprime (and perhaps “cash out”) releases. (Home equity loans tend to be subordinate liens.) Black borrowers are especially likely to be strapped by subprime refinancing, which is usually a sign of mortgage distress and a predictor of foreclosure.

IV. 2 Home equity subordinate liens appear to be giving way to release refinancing. In 2004 only 750 subordinate lien refinance loans could be identified, along with 426 similar arrangements classified as home improvement loans.

- Home equity loans were about as likely as first lien refinancing to be subprime (31%); home improvement loans were even more likely to be subprime (41%). While there are not many subprime home improvement loans (just 177 in 2004), these are the loans that are targeted toward low income, African American, and often elderly homeowners in poor Inner City neighborhoods of Zone 1. More of these loans can no doubt be identified using sources other than HMDA; many of these lenders do not meet HMDA reporting criteria.

IV.3 The one place where refinance applications differ significantly from home purchase applications is that attrition rates are higher and approval rates lower. There is, in other words, a great deal of forum shopping going on with out-of-town lenders.

IV.4 Both home purchase and refinancing applications are a fairly accurate reflection of the demographic make-up of Shelby County. Minority applicants are 52% of the home purchase applicant pool and 55% of the refinancing pool, while loan applications for each type of loan are similarly distributed among income groups. The profile of the successful home mortgage seeker, however, begins to diverge from the applicant pool; this is where questions about racial/ethnic disparity in lending persist.

V

Race, Neighborhoods, and Lending Disparity: Subprime Lending and the Dual Mortgage Market

African Americans continue to experience a twenty point gap in approval rates compared to white loan applicants in Shelby County. They are more likely to have subprime loans. Even when loans are not subprime, black borrowers are more likely to patronize national lenders and independent mortgage companies. High volume applications and lending for African Americans is concentrated in Zone 2 in Memphis, where indicators such as high foreclosure rates are also concentrated.

The African American population in Shelby County is clearly more economically disadvantaged than the white population. If one goal is to expand successful home ownership among African Americans in Shelby County and elsewhere, economic realities demand creative approaches. Forty-five percent of black loan applicants are low income; 60% of low-income applicants are very low income at 50% or less than the AMI for Shelby County. The non-local mortgage market *has* become creative during the past ten years and home ownership *has* expanded; the fact that lower income African Americans are more likely to be home owners than ever before, does not, however, translate into successful home ownership. Application and applicant characteristics for black and white applicants in Shelby County are compared in Tables V. 1 and V.2

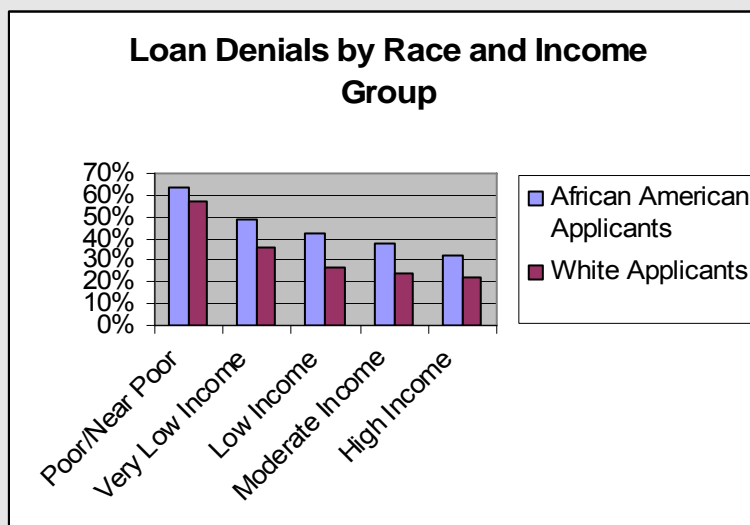
Table V.1. Comparison of Application Characteristics and Lending Disparity for African American and White Applicants

Application Characteristics	African American Applicants		White Applicants	
	Count	Percent/ Summary Statistic	Count	Percent/ Summary Statistic
Total Applications	34,133	--	31,659	--
Home Purchase	12,946	38%	13,375	42%
Refinancing/Home Equity	19,341	57%	17,098	54%
Home Improvement	1,846	5%	1,186	4%
Subordinate Purchase Liens***	1,159	33%	875	17%
Subordinate Home Equity Liens***	266	5%	308	4%
Originated*	13,223	39%	19,273	61%
Approved but Not-Accepted by Consumer*	3,553	10%	2,179	7%
Denied**	11,876	35%	5,828	18%
Withdrawn*	4,010	12%	3,187	10%
Incomplete*	1,471	4%	1,192	4%
Approval Rate 1**	16,776	49%	21,452	68%
Attrition Rate 2 *	9,034	26%	6,558	21%
Median Loan Amount Applied For	--	\$71,000	--	\$110,000
High Loan-to-Income Ratio	5,774	17%	4,765	15%
Subprime 3	5,532	42%	2,326	12%
Banks/Depository Institutions Share	4,250	13%	9,383	30%
Independent Mortgage Companies Share	19,632	58%	11,406	36%
<p><i>Source: HMDA 2004 data</i></p> <p>* Reported as a percentage of all <i>initiated</i> applications.</p> <p>** Reported as a percentage of all <i>completed</i> applications.</p> <p>*** Originated loans only; percentage on subordinate purchase liens is percentage of all buyers that have both a first and second purchase lien.</p> <p>¹Includes both originated and approved-not accepted.</p> <p>² Includes approved-not accepted by consumer, incomplete applications, and applications withdrawn by consumer.</p> <p>³ 3.00+ for first liens and 5.00 for subordinate liens, reported as a percentage of all <i>originated</i> loans.</p>				

Table V. 2. Comparison of Applicant Characteristics for African American and White Applicants

Applicant Characteristics	African American		White	
	Count	Percent/ Summary Statistic	Count	Percent/ Summary Statistics
Total Applications	34,133	52%	31,659	49%
Low Income: = < 80% AMI	15,468	45%	6,843	22%
Very Low Income: = < 50% AMI	8,286	26%	3,008	11%
Poor/Near Poor: = < 30% AMI	1,030	3%	337	1%
Moderate Income: 81- 120% AMI	8,123	26%	6,823	24%
High Income: over 120 AMI	7,896	25%	15,087	53%
Median Borrower Income		\$42,000		\$65,000
Male w/ Female Co-Applicant	5,135	15%	11,358	36%
Female w/ no Co-Applicant	14,636	43%	7,201	23%
Owner-Occupant	31,007	91%	28,200	89%
Zone One – Inner City	5,781	17%	3,016	9%
Zone Two – Mid-City	23,017	67%	11,232	35%
Zone Three – Outer Ring/Suburban	5,335	16%	17,410	55%

Source: HMDA 2004 data



V. 1 Disparity in approval rates continues to be evident when black and white loan-seekers in Shelby County are compared. For all types of loans, African Americans have an approval rate of 49% in 2004, compared to nearly 68% for whites; for home purchase mortgages approval rates are 55% and 76%. Taking income and family composition (two adult co-applicants verses single, female applicant) into account, overall disparity rates are partially, but not fully explained. Ttable V.2.compares denial rates for black and white applicants in five income categories, where at all income levels blacks are more likely to be denied.

V. 2 Higher approval rates for whites can be offset, however, by the comparatively high volume of applications among blacks: the higher the number of attempts, the more likely an approval. This appears to be standard practice in the dual mortgage market. It is important to note that some out of town lenders have *very* high approval rates. This is especially true of subprime lenders, who also tend to have high foreclosure rates. Table V.3. compares subprime borrowers with non-subprime borrowers.

Table V. 3. Comparison of Subprime Originations with Non-Subprime Originations

Loan & Borrower Characteristics	Non-Subprime Borrowers	Subprime Borrowers
Local Lenders Share	27%	7%
Independent Mortgage Companies Share	36%	63%
African American Borrowers	27%	58%
Income At or Below 80% AMI	22%	41%
High Income >120% AMI	52%	30%
High Loan-to-Income Ratio	15%	17%
<i>Source: HMDA data 2004</i>		

V. 3 African American borrowers are more likely to receive subprime offers and subprime lending is heavily focused in Zone 2 neighborhoods in Memphis. This is where racial disparity becomes geographic disparity. Instead of classical redlining where too little credit is being extended, we find the dual mortgage market thriving on subprime lending. Paralleling classic redlining, however, local retail bank lending is heavily skewed toward Zone 3. Zones and planning districts are shown in Map V.1. Tables V.4 and V.5 compare application and applicant characteristics by zone.

Map V.1 Shelby County Planning Districts by Zones

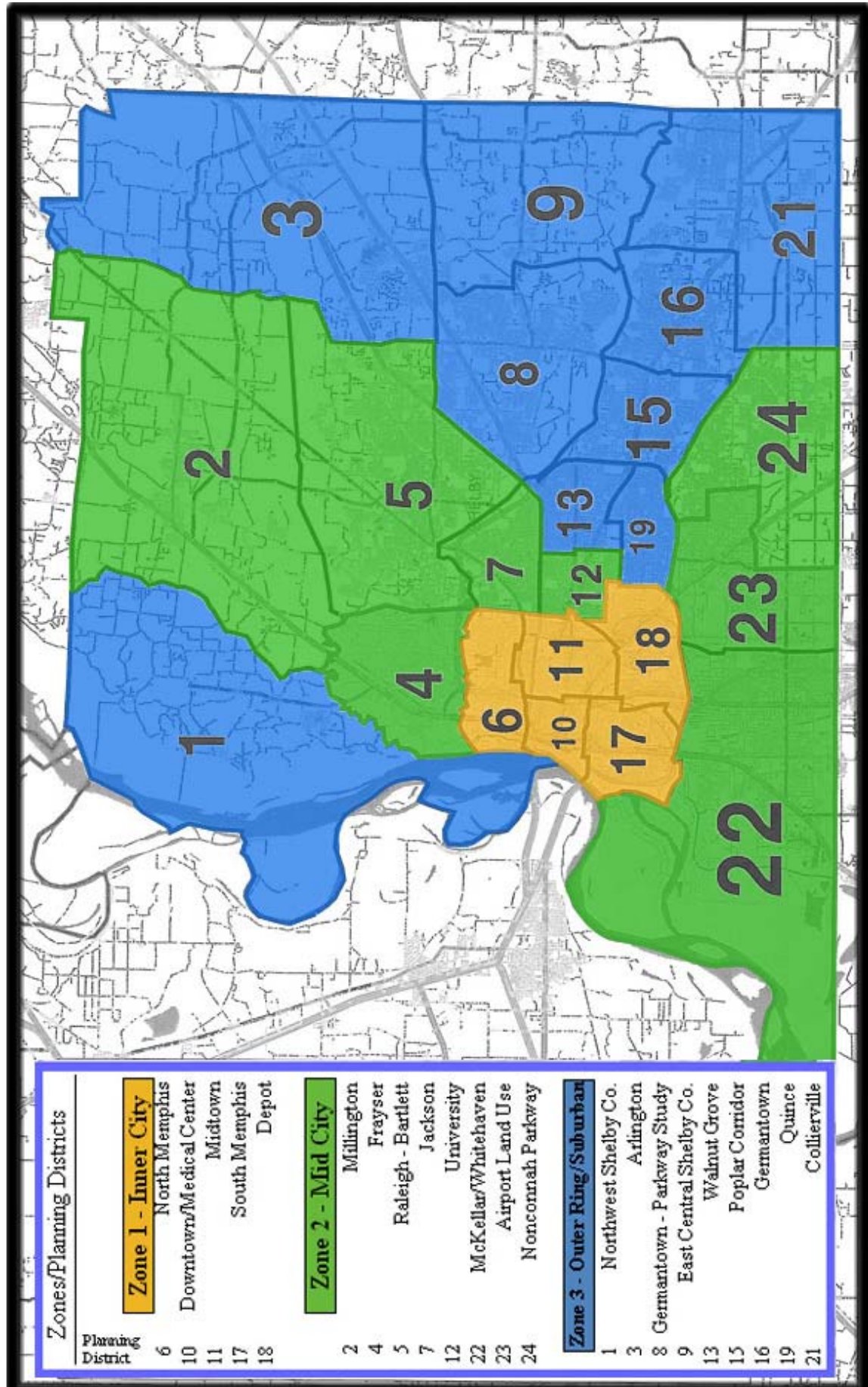


Table V. 4.

Application Characteristics by Geographic Zone 2004

Application Characteristics	Zone One Inner City		Zone Two Mid-City		Zone Three Outer Ring/Suburban	
	Count	Percent	Count	Percent	Count	Percent
Total Applications	11,031		44,349		28,561	
Home Purchase	3,671	33%	14,776	33%	13,489	47%
Refinancing/Home Equity	6,739	61%	27,376	62%	14,047	49%
Home Improvement	621	6%	2,197	5%	1,025	4%
Originated*	4,432	40%	17,276	39%	16,718	58%
Approved but Not-Accepted by Consumer*	1,155	10%	4,411	10%	2,182	8%
Denied*	3,730	34%	14,496	33%	5,552	19%
Withdrawn*	1,130	12%	5,993	13%	2,985	10%
Incomplete*	404	4%	2,173	5%	1,124	4%
Approval Rate** 1	5,587	51%	21,687	49%	18,900	66%
Attrition Rate* 2	2,869	26%	12,577	28%	6,291	22%
Median Loan Amount Applied For	\$57,000		\$77,000		\$131,000	
High Loan-to-Income Ratio	1,617	38%	5,756	33%	2,078	12%
Subprime* 3	1,617	38%	5,756	33%	2,078	12%
Local Banks/Depository Institutions Share	2,067	19%	6,488	15%	7,310	26%
Independent Mortgage Companies Share	5,745	52%	25,096	57%	11,082	39%
Source: HMDA 2004 data						
* Reported as a percentage of all <i>initiated</i> applications collected within each zone.						
** Reported as a percentage of all <i>completed</i> applications within zone.						
1 Includes both originated and approved-not excepted applications.						
2 Includes approved-not accepted by consumer, incomplete applications, and applications withdrawn by consumer						
3 3.00+ for first liens and 5.00 for subordinate liens, reported as a percentage of all <i>originated</i> loans.						

Table V. 5.

Applicant Characteristics by Geographic Zone 2004

Applicant Characteristics	Zone One Inner City		Zone Two Mid-City		Zone Three Outer Ring/Suburban	
	Count	%	Count	%	Count	%
Total Applications	11,031		44,349		28,561	
Minority 1	6,046	55%	24,579	55%	6,878	24%
Low Income: = < 80% AMI	5,132	47%	18,499	42%	5,386	19%
Very Low Income: = < 50% AMI	2,895	26%	9,652	22%	2,313	8%
Poor/Near Poor: = < 30% AMI	672	6%	983	2%	218	.8%
Moderate Income: 81- 120% AMI	2,047	19%	10,786	24%	6,052	21%
High Income: over 120 AMI	2,994	27%	10,941	25%	14,699	51%
Owner-Occupant	8,855	80%	39,925	90%	26,801	94%
Source: HMDA 2004 data						
*Reported as a percent of <i>all</i> applications collected.						
1 Includes African American, Hispanic (2%), and Other (2%); percentage excludes applicants with missing data.						

V. 4 The geographic convergence of subprime lending, economic marginality, and foreclosure undermines neighborhood stability in Zone 2. Zone 1 suffers from the same combination of indicators, but the volume of lending and foreclosures is significantly lower than in Zone 2; the housing market in Zone 1 has *already* bottomed out. Patterns in Zone 2 make it increasingly difficult for homeowners to build and sustain equity or neighborhoods to thrive.

- Zone 2 neighborhoods such as Fox Meadows, Hickory Hill, Whitehaven, Raleigh and Frayser suffer the perfect storm of geographic indicators. Tables V.6 and V.7 illustrate how Zone 2 planning districts and zip codes, namely; Airport/Nonconnah (38115, 38118, 38141); Whitehaven (38116); Raleigh (38128) and Frayser (38127) experience high rates of subprime lending and high loan-to-income ratios, economic risk factors, and high volume foreclosures. High risk Zone 2 zip codes are highlighted.
- Maps V.2 through V.7 illustrate these same threats to neighborhood stability even more graphically.

Table V.6. New Purchase Originations, Income and Foreclosures in Shelby County by Zip Code

Zip Code	Percentage of Subprime Originations*	Percentage of High Loan-to-Income Ratios**	Percent w/ Income Below 80% AMI	Percent w/ Income Below 50% AMI	Foreclosures 2000-2005	Foreclosure % Increase 2000-2005
38002	9%	22.4%	10.6%	2.5%	411	410%
38016	12.8%	21.4%	20.7%	7.4%	741	287%
38017	9.2%	21.6%	8.4%	2.5%	660	131%
38018	14.8%	23%	21.5%	7.3%	875	297%
38053	23.2%	17.6%	35.4%	18.5%	676	500%
38103	4%	14.1%	7.1%	1.1%	108	138%
38104	10.5%	14.6%	16.7%	6.2%	622	57%
38105	50%	5%	65%	20%	197	49%
38106	59.6%	6.1%	50.2%	35.1%	2056	71%
38107	23.6%	13.7%	23.2%	8.6%	1179	93%
38108	40.6%	8.8%	51.6%	35.8%	1357	43%
38109	47.2%	12.5%	47%	32.7%	3160	36%
38111	17.6%	15.1%	31.3%	17.8%	2225	70%
38112	26.3%	12.2%	26.6%	15%	876	38%
38114	47.5%	12.1%	44.8%	24.1%	1712	23%
38115	39.4%	17.9%	56.5%	31.1%	1933	71%
38116	42.1%	15.3%	44.6%	26.2%	2039	32%
38117	10.1%	17%	29.5%	15.5%	643	68%
38118	36.1%	20.4%	44.7%	25.6%	2644	109%
38119	12.9%	16.5%	18.8%	6.2%	390	57%
38120	4.9%	15.9%	14.6%	6.3%	177	162%
38122	29.4%	9.1%	48.6%	32.7%	1322	12%
38125	35.6%	21.5%	37.3%	13.8%	1771	67%
38126	22.6%	5.7%	79.2%	52.9%	191	246%
38127	48.1%	9.5%	52.5%	35.6%	3600	10%
38128	36.9%	15.3%	49.6%	28.9%	2597	62%
38133	8.7%	16.6%	23.6%	8.6%	672	71%
38134	21.2%	21.5%	42.4%	18.1%	1045	119%
38135	13.4%	22.4%	22.6%	8.3%	729	106%
38138	4.7%	17%	4.7%	1.2%	352	151%
38141	45.5%	16.3%	62.6%	35.9%	2303	133%
Countywide Percentages	21.3%	18.3%	28.8%	14.3%	Total = 37101	Percent Difference = 79%

Source: HMDA 2004 data and CBANA analysis of public records.

* Originations include applicants who made new purchases at 3.0 or higher above prime and applicants who took second mortgages at 5.00 or higher above prime.

** High Loan-to-Income ratio is defined as the loan amount being three or more times higher than annual income.

Table V. 7. All Loan Originations, Income and Foreclosures in Shelby County by Zip Code

Zip Code	Percentage of Subprime Originations*	Percentage of High Loan-to-Income Ratios**	Percent w/ Income Below 80% AMI	Percent w/ Income Below 50% AMI	Foreclosures 2000-2005	Foreclosure % Increase 2000-2005
38002	10.7%	21.5%	10.9%	3.3%	411	410%
38016	11.8%	16.8%	16.8%	6.5%	741	287%
38017	10.4%	19.6%	8.3%	3.3%	660	131%
38018	14.1%	20%	17.8%	6.5%	875	297%
38053	24.1%	14%	27.9%	15%	676	500%
38103	6.4%	12.1%	6.4%	1.6%	108	138%
38104	13.4%	13.1%	18.1%	7.6%	622	57%
38105	47.4%	7%	45.6%	16.7%	197	49%
38106	59.5%	7.3%	53.2%	34.6%	2056	71%
38107	33.9%	11.4%	28.5%	14.6%	1179	93%
38108	43.5%	6.8%	47.7%	30.4%	1357	43%
38109	56.9%	10.1%	47.8%	31%	3160	36%
38111	23.8%	11.5%	30.3%	18.6%	2225	70%
38112	31.8%	10.4%	46.4%	16.8%	876	38%
38114	52.8%	10.3%	43.2%	24.5%	1712	23%
38115	37.3%	13.9%	36.4%	23%	1933	71%
38116	45.9%	12.2%	26.3%	19.5%	2039	32%
38117	12.6%	14.7%	26.3%	13.7%	643	68%
38118	37.6%	15.2%	38.1%	22.9%	2644	109%
38119	11.9%	14.4%	17.3%	5.3%	390	57%
38120	6.8%	13.1%	12.4%	5%	177	162%
38122	31.9%	7%	45.8%	29.5%	1322	12%
38125	31.3%	16.4%	28%	10.5%	1771	67%
38126	38.4%	5.8%	66.3%	42.5%	191	246%
38127	47.2%	7%	44.9%	29.9%	3600	10%
38128	37.2%	10.3%	38.3%	21.9%	2597	62%
38133	11.8%	12.6%	19.5%	8.4%	672	71%
38134	20.9%	14.6%	31.9%	14.8%	1045	119%
38135	14.5%	18.6%	18.6%	7.4%	729	106%
38138	6.1%	15.3%	4.6%	1.4%	352	151%
38141	40.9%	11.8%	47.1%	26.7%	2303	133%
Countywide Percentages	24.7%	14.5%	26.7%	14%	Total = 37101	Percent Difference = 79%

Source: FDIC 2005: Data as of June 30 of each year.

* Originations include applicants who made new purchases at 3.0 or higher above prime and applicants who took second mortgages at 5.00 or higher above prime.
** High Loan-to-Income ratio is defined as the loan amount being three or more times higher than annual income.

Subprime: Originations include applicants who made new purchases at 3.0 or higher above prime and applicants who took second mortgages at 5.0 or higher above prime.

Legend
Zip Codes
Percentage of Subprime Originations

- 6.1 - 14.5
- 14.6 - 24.1
- 24.2 - 43.5
- 43.6 - 59.5
- No Data Available

Source: HMDA 2004 Data

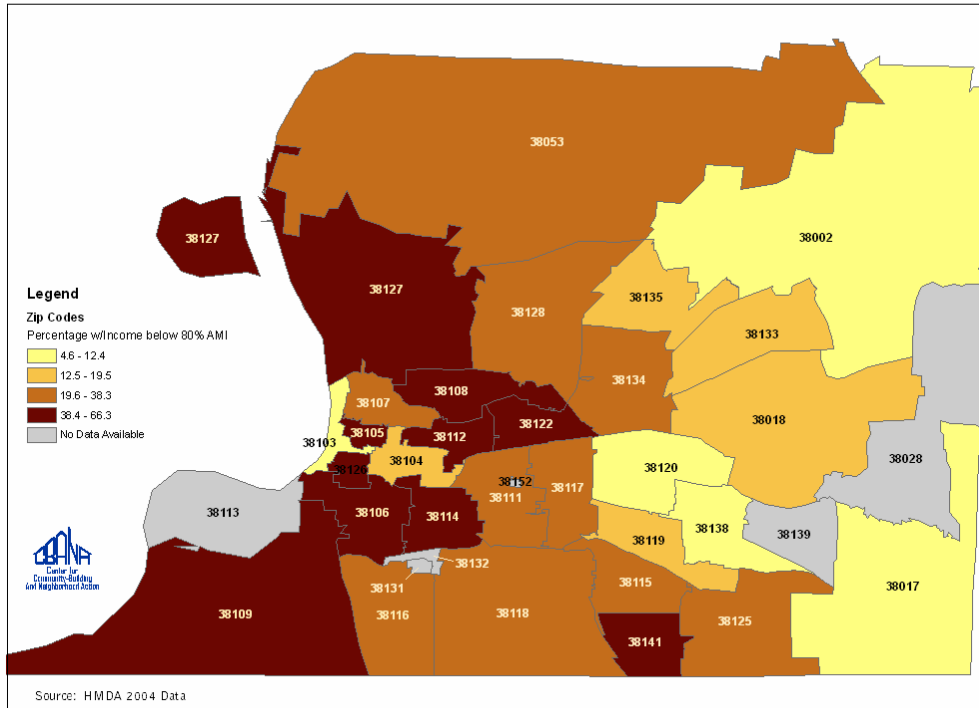
High Loan-to-Income ratio is defined as the loan amount being three or more times higher than annual income.

Legend
Zip Codes
 Percentage High Loan to Income Ratios

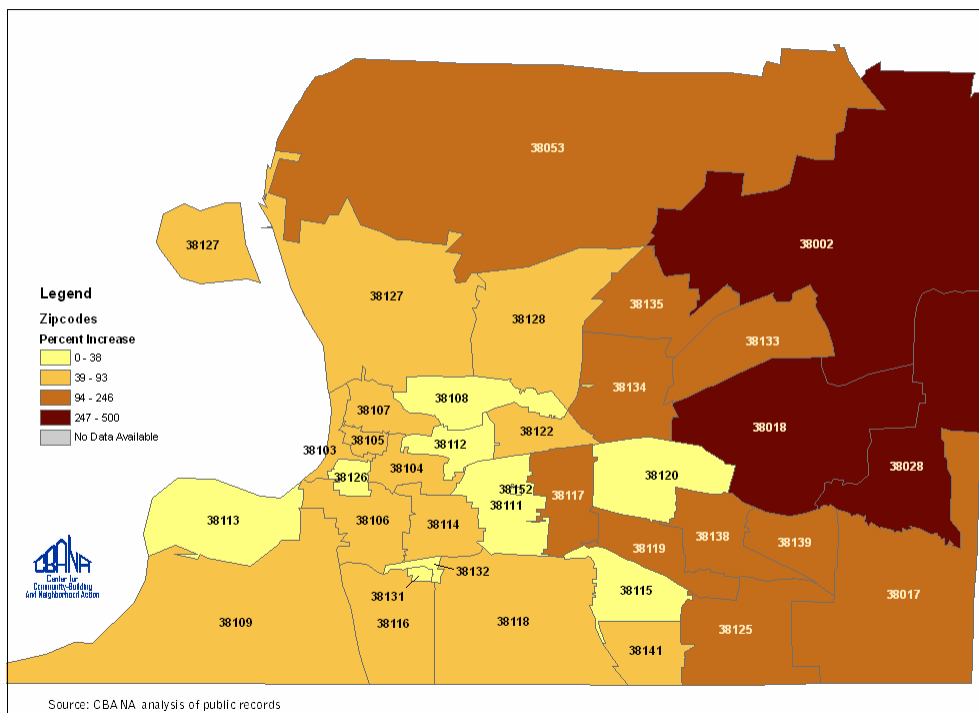
- 5.8 - 7.3
- 7.4 - 12.6
- 12.7 - 16.4
- 16.5 - 21.5
- No Data Available

Source: HMDA 2004 Data

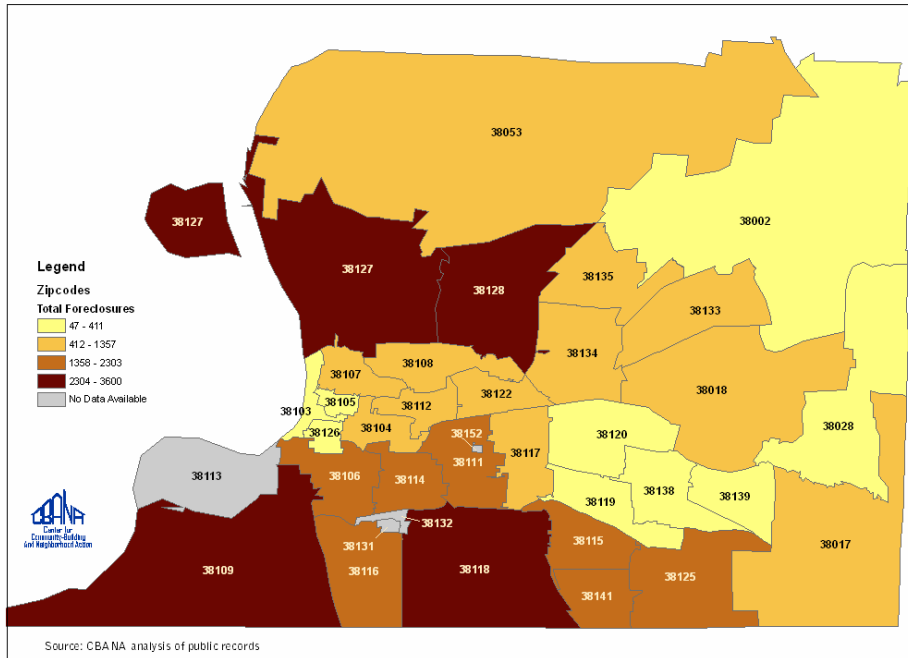
Map V.4 Percentage of Borrowers with Income Below 80% AMI 2004



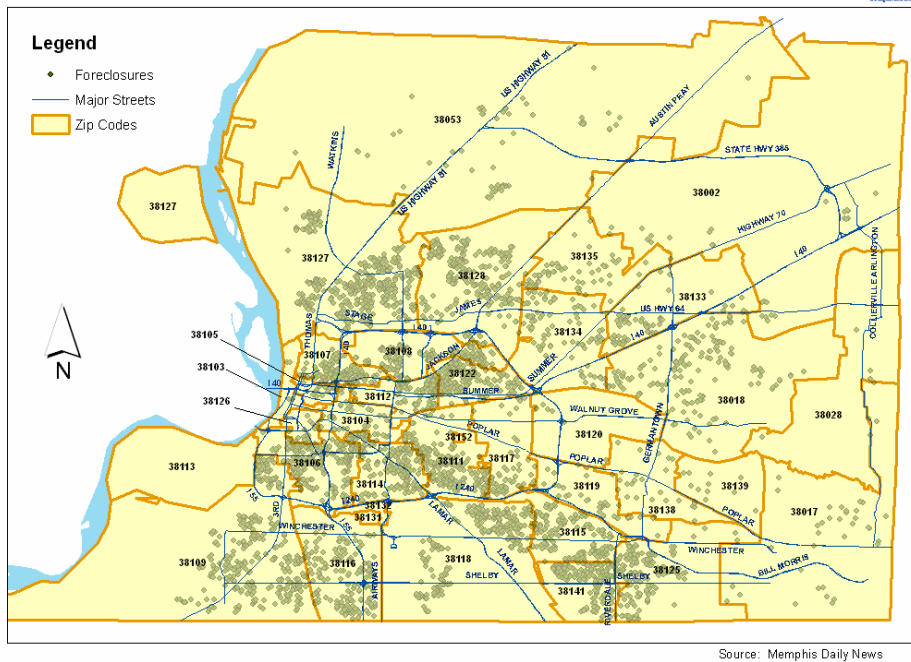
Map V.5 Shelby County Zipcodes by Percent Increase in Foreclosure Notices 2000-2005



Map V.6 Shelby County Zipcodes by Number of Foreclosure Notices 2000-2005



Map V.7 Completed Foreclosures in Shelby County 2005



Conclusion

It is the neighborhoods with high concentrations of upwardly mobile African Americans that are most likely to suffer from the dual mortgage market; the market extends both opportunity and predatory practices to traditionally *underbanked* populations. It is also clear that local retail banks have *not* played a significant part in the expansion of homeownership for black Memphians. It is more of an open question as to whether these banks *could* do a better job than the non-local lenders who have created the dual mortgage market.

It is easier to describe *what is happening* than to prescribe how community developers could more effectively work with local banks to bring a different kind of mortgage market to Memphis neighborhoods. It is important to conclude, however, by noting that even though the dual market has reinforced geographic disparities that accompany subprime lending and foreclosures, **most low to moderate income buyers are *not* defaulting on their mortgages**. The continued integration of HMDA data with other housing market-related data sources will enable us to better distinguish ways in which the dual mortgage market is offering positive benefits, and identify ways in which local lenders might grow a more effective relationship with neighborhoods where the dual market is most evident.

Appendices

Appendix A

Appendix A.1 Deposits and Market Shares of Shelby County Banks from 2000 to 2005 in Order by Market Share

LOCAL BANKS	2005			2004			2003			2002			2001			2000		
	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE
First Tennessee, NA	50	\$14,826,455	62.81%	48	\$9,650,893	42.18%	48	\$9,813,591	45.24%	49	\$6,858,317	40.84%	54	\$6,639,518	41.62%	51	\$6,646,790	41.75%
Regions Bank	46	\$2,501,012	10.59%	13	\$361,152	1.58%	11	\$324,065	1.49%	11	\$311,573	1.86%	11	\$332,435	2.08%	11	\$346,868	2.18%
SunTrust Bank	38	\$1,394,293	5.91%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bank of America, NA	18	\$762,375	3.23%	18	\$603,007	2.64%	18	\$565,205	2.61%	18	\$530,269	3.16%	17	\$553,759	3.47%	20	\$632,917	3.98%
AmSouth Bank	15	\$602,730	2.55%	15	\$560,323	2.45%	16	\$509,214	2.35%	16	\$465,056	2.77%	19	\$474,072	2.97%	19	\$499,822	3.14%
Independent Bank	5	\$400,044	1.69%	4	\$374,188	1.64%	4	\$325,371	1.50%	4	\$288,072	1.72%	3	\$213,975	1.34%	2	\$164,434	1.03%
Bank of Barlett	7	\$367,595	1.56%	7	\$339,836	1.49%	7	\$341,622	1.57%	7	\$368,892	2.20%	6	\$421,514	2.64%	6	\$357,910	2.25%
Trust One Bank	7	\$351,081	1.49%	6	\$334,533	1.46%	6	\$345,158	1.59%	6	\$305,423	1.82%	6	\$292,775	1.84%	6	\$297,212	1.87%
Trustmark	11	\$270,316	1.15%	11	\$267,450	1.17%	11	\$296,324	1.37%	8	\$310,078	1.85%	6	\$233,123	1.46%	--	--	--
BancorpSouth	8	\$268,923	1.14%	8	\$283,743	1.24%	7	\$285,898	1.32%	7	\$209,327	1.25%	7	\$180,477	1.13%	6	\$136,705	0.86%
Enterprise National	4	\$220,877	0.94%	4	\$238,840	1.04%	4	\$205,828	0.95%	4	\$197,422	1.18%	4	\$204,214	1.28%	3	\$182,956	1.15%
Renasant Bank	2	\$213,732	0.91%	2	\$185,493	--	2	\$194,532	0.90%	2	\$164,049	0.98%	--	--	--	--	--	--
Financial Federal	1	\$204,982	0.87%	1	\$213,669	0.93%	1	\$170,498	0.79%	1	\$141,650	0.84%	1	\$150,539	0.94%	1	\$143,945	0.90%
First Trust	2	\$159,985	0.68%	3	\$128,259	0.56%	3	\$135,873	0.63%	3	\$85,885	0.51%	2	\$79,927	0.50%	2	\$74,225	0.47%
BankTennessee	4	\$136,634	0.58%	4	\$136,843	0.60%	4	\$137,970	0.64%	4	\$136,631	0.81%	4	\$146,095	0.92%	4	\$135,345	0.85%
Wachovia Bank, NA	6	\$112,265	0.48%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Tri-State Bank	5	\$105,083	0.45%	5	\$118,216	0.52%	5	\$106,603	0.49%	5	\$114,278	0.68%	5	\$125,562	0.79%	5	\$104,172	0.65%
Commercial Bank	3	\$100,833	0.43%	3	\$109,909	0.48%	3	\$71,716	0.33%	3	\$58,903	0.35%	3	\$41,843	0.26%	2	\$27,007	0.17%
Insouth Bank	3	\$98,768	0.42%	3	\$110,898	0.48%	3	\$144,261	0.67%	3	\$124,643	0.74%	3	\$129,411	0.81%	3	\$108,398	0.68%
First Citizens	4	\$96,129	0.41%	3	\$72,166	0.32%	3	\$60,604	0.28%	--	--	--	--	--	--	--	--	--
First Alliance Bank	2	\$82,142	0.35%	1	\$66,458	--	1	\$55,870	0.26%	1	\$44,390	0.26%	1	\$27,542	0.17%	1	\$17,511	0.11%
Patriot Bank	2	\$78,711	0.33%	2	\$67,477	0.29%	1	\$50,312	0.23%	--	--	--	--	--	--	--	--	--
First Capital Bank	1	\$62,847	0.27%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Paragon Nat'l Bank	1	\$51,863	0.22%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Pulaski Bank & Trust	1	\$44,395	0.19%	1	\$109	0.00%	1	\$0	0.00%	--	--	--	--	--	--	--	--	--
MemphisFirst	1	\$23,572	0.10%	1	\$23,292	0.10%	1	\$26,752	0.12%	1	\$23,718	0.14%	1	\$20,683	0.13%	1	\$15,368	0.10%
Oakland Deposit Bank	1	\$19,902	0.08%	1	\$19,368	0.08%	1	\$17,992	0.08%	--	--	--	--	--	--	--	--	--
Community Bank NA	1	\$16,619	0.07%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Appendix A.1 Deposits and Market Shares of Shelby County Banks from 2000 to 2005 in Order by Market Share

LOCAL BANKS	2005			2004			2003			2002			2001			2000		
	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE
First Bank	1	\$14,231	0.06%	1	\$14,560	0.06%	1	\$17,525	0.08%	1	\$4,539	0.03%	1	\$2,824	0.02%	--	--	--
Brighton Bank	1	\$12,376	0.05%	1	\$10,649	--	1	\$9,955	0.05%	1	\$8,543	0.05%	1	\$11,928	0.07%	1	\$10,811	0.07%
First State Bank	1	\$5,537	0.02%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Beacon Federal	--	--	--	--	--	--	1	\$3,103	0.01%	1	\$2,995	0.02%	1	\$2,786	0.02%	1	\$2,682	0.02%
Community Commer.	--	--	--	--	--	--	--	--	--	--	--	--	2	116604	0.73%	2	\$86,578	0.54%
Concord EFS	--	--	--	--	--	--	1	\$125,083	0.58%	--	--	--	--	--	--	--	--	--
EFS Federal	--	--	--	--	--	--	--	--	--	1	\$169,854	1.01%	1	\$143,895	0.90%	1	\$67,464	0.42%
EFS National Bank	--	--	--	--	--	--	--	--	--	1	\$63,650	0.38%	1	\$34,780	0.22%	1	\$43,245	0.27%
First Market, FSB	--	--	--	1	\$2,259	0.01%	1	\$2,584	0.01%	1	\$2,370	0.01%	1	\$1	0.00%	1	\$1	0.00%
First Source Bank	--	--	--	1	\$35,123	0.15%	1	\$3,802	0.02%	--	--	--	--	--	--	--	--	--
Morgan Keegan	--	--	--	--	--	--	--	--	--	1	\$500	0.00%	--	--	--	1	\$500	0.00%
Munford Union Bank	--	--	--	--	--	--	--	--	--	2	\$35,765	0.21%	2	\$34,693	0.22%	2	\$24,669	0.15%
Nashoba Bank	--	--	--	--	--	--	--	--	--	--	--	--	2	\$152,106	0.95%	2	\$132,927	0.83%
NBC	--	--	--	37	\$4,608,887	20.15%	38	\$3,732,946	17.21%	35	\$3,111,865	18.53%	33	\$2,869,447	17.99%	32	\$2,832,863	17.79%
NBC Bank, FSB	--	--	--	1	\$77	0.00%	1	\$304	0.00%	1	\$259	0.00%	1	\$1	0.00%	1	\$1	0.00%
Peoples Bank	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	\$220,150	1.38%
Security Bank	--	--	--	--	--	--	--	--	--	1	\$19,784	0.12%	--	--	--	--	--	--
SouthTrust, NA	--	--	--	6	\$239,346	1.05%	6	\$108,884	0.50%	4	\$212,609	1.27%	4	\$166,051	1.04%	4	\$145,943	0.92%
Synergy Federal	--	--	--	--	--	--	--	--	--	--	--	--	1	\$7,559	0.05%	1	\$7,771	0.05%
Union Planters, NA	--	--	--	33	\$3,701,270	--	33	\$3,502,778	16.15%	32	\$2,420,910	14.42%	32	\$2,143,492	13.44%	34	\$2,454,842	15.42%
TOTAL:	252	\$23,606,307	100.00%	245	\$22,878,293	100.00%	246	\$21,692,223	100.00%	236	\$16,792,219	100.00%	236	\$15,953,631	100.00%	232	\$15,922,032	100.00%

Appendix A.2 Deposits and Market Shares of Shelby County Banks from 2000 to 2005 in Alpha Order

LOCAL BANKS	2005			2004			2003			2002			2001			2000		
	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE
AmSouth Bank	15	\$602,730	2.55%	15	\$560,323	2.45%	16	\$509,214	2.35%	16	\$465,056	2.77%	19	\$474,072	2.97%	19	\$499,822	3.14%
BancorpSouth	8	\$268,923	1.14%	8	\$283,743	1.24%	7	\$285,898	1.32%	7	\$209,327	1.25%	7	\$180,477	1.13%	6	\$136,705	0.86%
Bank of America, NA	18	\$762,375	3.23%	18	\$603,007	2.64%	18	\$565,205	2.61%	18	\$530,269	3.16%	17	\$553,759	3.47%	20	\$632,917	3.98%
Bank of Bartlett	7	\$367,595	1.56%	7	\$339,836	1.49%	7	\$341,622	1.57%	7	\$368,892	2.20%	6	\$421,514	2.64%	6	\$357,910	2.25%
Bank Tennessee	4	\$136,634	0.58%	4	\$136,843	0.60%	4	\$137,970	0.64%	4	\$136,631	0.81%	4	\$146,095	0.92%	4	\$135,345	0.85%
Beacon Federal	--	--	--	--	--	--	1	\$3,103	0.01%	1	\$2,995	0.02%	1	\$2,786	0.02%	1	\$2,682	0.02%
Brighton Bank	1	\$12,376	0.05%	1	\$10,649	0.05%	1	\$9,955	0.05%	1	\$8,543	0.05%	1	\$11,928	0.07%	1	\$10,811	0.07%
Commercial Bank	3	\$100,833	0.43%	3	\$109,909	0.48%	3	\$71,716	0.33%	3	\$58,903	0.35%	3	\$41,843	0.26%	2	\$27,007	0.17%
Community Bank NA	1	\$16,619	0.07%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Community Commer.	--	--	--	--	--	--	--	--	--	--	--	--	2	116604	0.73%	2	\$86,578	0.54%
Concord EFS	--	--	--	--	--	--	1	\$125,083	0.58%	--	--	--	--	--	--	--	--	--
EFS Federal	--	--	--	--	--	--	--	--	--	1	\$169,854	1.01%	1	\$143,895	0.90%	1	\$67,464	0.42%
EFS National Bank	--	--	--	--	--	--	--	--	--	1	\$63,650	0.38%	1	\$34,780	0.22%	1	\$43,245	0.27%
Enterprise National	4	\$220,877	0.94%	4	\$238,840	1.04%	4	\$205,828	0.95%	4	\$197,422	1.18%	4	\$204,214	1.28%	3	\$182,956	1.15%
Financial Federal	1	\$204,982	0.87%	1	\$213,669	0.93%	1	\$170,498	0.79%	1	\$141,650	0.84%	1	\$150,539	0.94%	1	\$143,945	0.90%
First Alliance Bank	2	\$82,142	0.35%	1	\$66,458	0.29%	1	\$55,870	0.26%	1	\$44,390	0.26%	1	\$27,542	0.17%	1	\$17,511	0.11%
First Bank	1	\$14,231	0.06%	1	\$14,560	0.06%	1	\$17,525	0.08%	1	\$4,539	0.03%	1	\$2,824	0.02%	--	--	--
First Capital Bank	1	\$62,847	0.27%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
First Citizens	4	\$96,129	0.41%	3	\$72,166	0.32%	3	\$60,604	0.28%	--	--	--	--	--	--	--	--	--
First Market, FSB	--	--	--	1	\$2,259	0.01%	1	\$2,584	0.01%	1	\$2,370	0.01%	1	\$1	0.00%	1	\$1	0.00%
First Source Bank	--	--	--	1	\$35,123	0.15%	1	\$3,802	0.02%	--	--	--	--	--	--	--	--	--
First State Bank	1	\$5,537	0.02%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
First Tennessee, NA	50	\$14,826,455	62.81%	48	\$9,650,893	42.18%	48	\$9,813,591	45.24%	49	\$6,858,317	40.84%	54	\$6,639,518	41.62%	51	\$6,646,790	41.75%
First Trust	2	\$159,985	0.68%	3	\$128,259	0.56%	3	\$135,873	0.63%	3	\$85,885	0.51%	2	\$79,927	0.50%	2	\$74,225	0.47%
Independent Bank	5	\$400,044	1.69%	4	\$374,188	1.64%	4	\$325,371	1.50%	4	\$288,072	1.72%	3	\$213,975	1.34%	2	\$164,434	1.03%
Insouth Bank	3	\$98,768	0.42%	3	\$110,898	0.48%	3	\$144,261	0.67%	3	\$124,643	0.74%	3	\$129,411	0.81%	3	\$108,398	0.68%
MemphisFirst	1	\$23,572	0.10%	1	\$23,292	0.10%	1	\$26,752	0.12%	1	\$23,718	0.14%	1	\$20,683	0.13%	1	\$15,368	0.10%
Morgan Keegan	--	--	--	--	--	--	--	--	--	1	\$500	0.00%	--	--	--	1	\$500	0.00%
Munford Union Bank	--	--	--	--	--	--	--	--	--	2	\$35,765	0.21%	2	\$34,693	0.22%	2	\$24,669	0.15%

Appendix A.2 Deposits and Market Shares of Shelby County Banks from 2000 to 2005 in Alpha Order

LOCAL BANKS	2005			2004			2003			2002			2001			2000		
	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE	# Offices	DEPOSITS	MARKET SHARE
Nashoba Bank	--	--	--	--	--	--	--	--	--	--	--	--	2	\$152,106	0.95%	2	\$132,927	0.83%
NBC	--	--	--	37	\$4,608,887	20.15%	38	\$3,732,946	17.21%	35	\$3,111,865	18.53%	33	\$2,869,447	17.99%	32	\$2,832,863	17.79%
NBC Bank, FSB	--	--	--	1	\$77	0.00%	1	\$304	0.00%	1	\$259	0.00%	1	\$1	0.00%	1	\$1	0.00%
Oakland Deposit Bank	1	\$19,902	0.08%	1	\$19,368	0.08%	1	\$17,992	0.08%	--	--	--	--	--	--	--	--	--
Paragon Nat'l Bank	1	\$51,863	0.22%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Patriot Bank	2	\$78,711	0.33%	2	\$67,477	0.29%	1	\$50,312	0.23%	--	--	--	--	--	--	--	--	--
Peoples Bank	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	\$220,150	1.38%
Pulaski Bank & Trust	1	\$44,395	0.19%	1	\$109	0.00%	1	\$0	0.00%	--	--	--	--	--	--	--	--	--
Regions Bank	46	\$2,501,012	10.59%	13	\$361,152	1.58%	11	\$324,065	1.49%	11	\$311,573	1.86%	11	\$332,435	2.08%	11	\$346,868	2.18%
Renasant Bank	2	\$213,732	0.91%	2	\$185,493	0.81%	2	\$194,532	0.90%	2	\$164,049	0.98%	--	--	--	--	--	--
Security Bank	--	--	--	--	--	--	--	--	--	1	\$19,784	0.12%	--	--	--	--	--	--
SouthTrust, NA	--	--	--	6	\$239,346	1.05%	6	\$108,884	0.50%	4	\$212,609	1.27%	4	\$166,051	1.04%	4	\$145,943	0.92%
SunTrust Bank	38	\$1,394,293	5.91%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Synergy Federal	--	--	--	--	--	--	--	--	--	--	--	--	1	\$7,559	0.05%	1	\$7,771	0.05%
Tri-State Bank	5	\$105,083	0.45%	5	\$118,216	0.52%	5	\$106,603	0.49%	5	\$114,278	0.68%	5	\$125,562	0.79%	5	\$104,172	0.65%
Trust One Bank	7	\$351,081	1.49%	6	\$334,533	1.46%	6	\$345,158	1.59%	6	\$305,423	1.82%	6	\$292,775	1.84%	6	\$297,212	1.87%
Trustmark	11	\$270,316	1.15%	11	\$267,450	1.17%	11	\$296,324	1.37%	8	\$310,078	1.85%	6	\$233,123	1.46%	--	--	--
Union Planters, NA	--	--	--	33	\$3,701,270	16.18%	33	\$3,502,778	16.15%	32	\$2,420,910	14.42%	32	\$2,143,492	13.44%	34	\$2,454,842	15.42%
Wachovia Bank, NA	6	\$112,265	0.48%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
TOTAL:	252	\$23,606,307	100.00%	245	\$22,878,293	100.00%	246	\$21,692,223	100.00%	236	\$16,792,219	100.00%	236	\$15,953,631	100.00%	232	\$15,922,032	100.00%

Appendix B

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UIID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
AmSouth Bank	245333	1130 West Poplar Avenue	Collierville	38017	262174	23,004	3.82%	0.10%
AmSouth Bank	245333	1045 North Germantown Parkwa	Cordova	38018	40242	30,111	5.00%	0.13%
AmSouth Bank	245333	7550 West Farmington Bouleva	Germantown	38138	262173	55,399	9.19%	0.23%
AmSouth Bank	245333	117 South Main	Memphis	38103	10932	11,733	1.95%	0.05%
AmSouth Bank	245333	1415 Union Avenue	Memphis	38104	238894	29,855	4.95%	0.13%
AmSouth Bank	245333	5969 Winchester Road	Memphis	38115	238906	28,699	4.76%	0.12%
AmSouth Bank	245333	2491 Winchester Boulevard	Memphis	38116	205808	199	0.03%	0.00%
AmSouth Bank	245333	3471 Elvis Presley Blvd	Memphis	38116	238896	30,876	5.12%	0.13%
AmSouth Bank	245333	4485 Poplar Avenue	Memphis	38117	238895	30,724	5.10%	0.13%
AmSouth Bank	245333	4894 Poplar Avenue	Memphis	38117	14875	146,784	24.35%	0.62%
AmSouth Bank	245333	5679 Quince Road	Memphis	38117	238901	23,037	3.82%	0.10%
AmSouth Bank	245333	6165 Poplar Ave	Memphis	38119	238902	134,558	22.32%	0.57%
AmSouth Bank	245333	3715 Malco Way	Memphis	38125	238898	14,335	2.38%	0.06%
AmSouth Bank	245333	2595 James Road	Memphis	38127	238899	13,055	2.17%	0.06%
AmSouth Bank	245333	5090 Stage Road	Memphis	38128	238903	30,361	5.04%	0.13%
BancorpSouth Bank	11813	604 West Poplar Avenue	Collierville	38017	225723	23,728	8.82%	0.10%
BancorpSouth Bank	11813	9265 Poplar Avenue	Germantown	38138	225717	74,092	27.55%	0.31%
BancorpSouth Bank	11813	6363 Poplar Avenue, Suite 12	Memphis	38119	225721	55,780	20.74%	0.24%
BancorpSouth Bank	11813	50 Humphrey Center, Suite #	Memphis	38120	359517	15,157	5.64%	0.06%
BancorpSouth Bank	11813	7800 Winchester	Memphis	38125	419379	5,229	1.94%	0.02%
BancorpSouth Bank	11813	6675 Stage Road	Memphis	38134	221610	65,594	24.39%	0.28%
BancorpSouth Bank	11813	8166 Stage Road	Memphis	38134	225719	5,252	1.95%	0.02%
BancorpSouth Bank	11813	8146 Highway 51 N	Millington	38053	273325	24,091	8.96%	0.10%
Bank of America, NA	13044	252 Byhalia Road	Collierville	38017	257573	37,125	4.87%	0.16%
Bank of America, NA	13044	1591 N Germantown Parkway	Cordova	38018	364709	32,018	4.20%	0.14%
Bank of America, NA	13044	2915 Forest Hill/Irene Road	Germantown	38138	253270	20,753	2.72%	0.09%
Bank of America, NA	13044	100 Peabody Place	Memphis	38103	222259	23,833	3.13%	0.10%
Bank of America, NA	13044	945 South Cooper	Memphis	38104	219570	3,905	0.51%	0.02%
Bank of America, NA	13044	3945 Park Avenue	Memphis	38111	219551	36,493	4.79%	0.15%
Bank of America, NA	13044	2731 Union Avenue	Memphis	38112	219553	24,551	3.22%	0.10%
Bank of America, NA	13044	6725 Winchester Road	Memphis	38115	219571	31,582	4.14%	0.13%
Bank of America, NA	13044	1725 East Brooks Road	Memphis	38116	219557	16,958	2.22%	0.07%
Bank of America, NA	13044	4350 Highway 51 South	Memphis	38116	219554	17,618	2.31%	0.07%
Bank of America, NA	13044	2710 South Mendenhall Road	Memphis	38118	219563	18,390	2.41%	0.08%
Bank of America, NA	13044	3741 Winchester Road	Memphis	38118	219562	16,169	2.12%	0.07%
Bank of America, NA	13044	5270 Poplar Avenue	Memphis	38119	15005	35,055	4.60%	0.15%
Bank of America, NA	13044	6060 Poplar Avenue	Memphis	38119	219560	367,508	48.21%	1.56%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
Bank of America, NA	13044	4750 Summer Avenue	Memphis	38122	219552	26,081	3.42%	0.11%
Bank of America, NA	13044	8025 Winchester Road	Memphis	38125	424783	15,217	2.00%	0.06%
Bank of America, NA	13044	3378 Austin Peay Highway	Memphis	38128	219559	12,834	1.68%	0.05%
Bank of America, NA	13044	6186 Stage Road	Memphis	38134	219558	26,285	3.45%	0.11%
Bank of Bartlett	23123	1020 West Poplar Avenue	Collierville	38017	363818	15,095	4.11%	0.06%
Bank of Bartlett	23123	678 North Germantown Parkway	Cordova	38018	255929	30,084	8.18%	0.13%
Bank of Bartlett	23123	1870 Kirby Parkway	Germantown	38138	255928	52,157	14.19%	0.22%
Bank of Bartlett	23123	7708 Poplar Avenue	Germantown	38138	255930	20,149	5.48%	0.09%
Bank of Bartlett	23123	3196 Austin Peay Highway	Memphis	38128	255927	43,822	11.92%	0.19%
Bank of Bartlett	23123	7984 US Highway 64	Memphis	38133	255931	50,034	13.61%	0.21%
Bank of Bartlett	23123	6281 Stage Road	Memphis	38134	16198	156,254	42.51%	0.66%
BankTennessee	831576	100 West Mulberry Street	Collierville	38017	273306	8,976	6.57%	0.04%
BankTennessee	831576	1125 West Poplar Ave	Collierville	38017	42011	45,619	33.39%	0.19%
BankTennessee	831576	150 East Court Avenue	Memphis	38103	273303	34,691	25.39%	0.15%
BankTennessee	831576	5540 Poplar Ave	Memphis	38119	273302	47,348	34.65%	0.20%
Brighton Bank	9189	6489 Quail Hollow	Memphis	38120	424189	12,376	100.00%	0.05%
Commercial Bank & Trust Co	8660	50 North Front Street Suite	Memphis	38103	218805	6,024	5.97%	0.03%
Commercial Bank & Trust Co	8660	2000 Union Avenue	Memphis	38104	218804	41,516	41.17%	0.18%
Commercial Bank & Trust Co	8660	510 S Mendenhall	Memphis	38137	360452	53,293	52.85%	0.23%
Community Bank, NA		6465 Quail Hollow Road	Memphis	38137	61200	16,619	100.00%	0.07%
Enterprise National Bank	21972	7878 Farmington Blvd	Germantown	38138	289058	35,878	16.24%	0.15%
Enterprise National Bank	21972	2926 Ridgeway	Memphis	38115	361985	0	0.00%	0.00%
Enterprise National Bank	21972	571 South Mendenhall	Memphis	38117	289057	125,299	56.73%	0.53%
Enterprise National Bank	21972	6075 Poplar Ave, Suite 120	Memphis	38119	45784	59,700	27.03%	0.25%
Financial FSB	7523	6305 Humphreys Blvd Suite	Memphis	38120		204,982	100.00%	0.87%
First Alliance Bank	15115	51 Germantown Court, # 100	Cordova	38018	76802	70,247	85.52%	0.30%
First Alliance Bank	15115	464 North Front Street	Memphis	38105	420384	11,895	14.48%	0.05%
First Bank	8663	6482 Poplar Avenue	Memphis	38119	443174	14,231	100.00%	0.06%
First Capital Bank		2171 Judicial Drive	Germantown	38138	365471	62,847	100.00%	0.27%
First Citizens National Bank		5845 Airline Road	Arlington	38002	366118	12,190	12.68%	0.05%
First Citizens National Bank		2150 West Poplar Ave Suite 1	Collierville	38017	441814	1,417	1.47%	0.01%
First Citizens National Bank		7580 Highway 70	Memphis	38133	220278	46,631	48.51%	0.20%
First Citizens National Bank		8170 Highway 51 North	Millington	38053	220276	35,891	37.34%	0.15%
First State Bank		1661 International Drive, Co	Memphis	38120	440855	5,537	100.00%	0.02%
First Tennessee Bank	336	1182 West Poplar Avenue	Collierville	38017	205902	\$109,969	0.74%	0.47%
First Tennessee Bank	336	2055 S Houston-Levee Rd	Collierville	38017	443582	\$10,332	0.07%	0.04%
First Tennessee Bank	336	275 New Byhalia Road	Collierville	38017	432434	\$27	0.00%	0.00%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UIID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
First Tennessee Bank	336 9185 Winchester Road	Collierville	38017	206027		\$9,274	0.06%	0.04%
First Tennessee Bank	336 8000 Trinity Road	Cordova	38018	205949		\$73,634	0.50%	0.31%
First Tennessee Bank	336 1150 North Germantown Parkwa	Cordova	38018	206026		\$8,645	0.06%	0.04%
First Tennessee Bank	336 1845 Kirby Parkway	Germantown	38138	205939		\$68,734	0.46%	0.29%
First Tennessee Bank	336 1980 South Germantown Road	Germantown	38138	205946		\$11,544	0.08%	0.05%
First Tennessee Bank	336 3150 Village Shops Drive	Germantown	38138	205970		\$11,654	0.08%	0.05%
First Tennessee Bank	336 7640 Poplar Avenue	Germantown	38138	205903		\$131,639	0.89%	0.56%
First Tennessee Bank	336 7808 Farmington Avenue	Germantown	38138	263879		\$64,393	0.43%	0.27%
First Tennessee Bank	336 165 Madison Avenue	Memphis	38101	3319		\$13,336,520	89.95%	56.50%
First Tennessee Bank	336 315 Poplar Avenue	Memphis	38103	362191		\$5,209	0.04%	0.02%
First Tennessee Bank	336 910 Madison Avenue	Memphis	38103	205908		\$25,199	0.17%	0.11%
First Tennessee Bank	336 1338 Union Avenue	Memphis	38104	205911		\$56,283	0.38%	0.24%
First Tennessee Bank	336 1620 Madison Avenue	Memphis	38104	205955		\$16,998	0.11%	0.07%
First Tennessee Bank	336 1200 South Third Street	Memphis	38106	205920		\$16,263	0.11%	0.07%
First Tennessee Bank	336 8790 Walnut Grove	Memphis	38108	443585		\$16,723	0.11%	0.07%
First Tennessee Bank	336 3409 Poplar Avenue	Memphis	38111	205916		\$68,677	0.46%	0.29%
First Tennessee Bank	336 3444 Plaza Avenue	Memphis	38111	430761		\$1,132	0.01%	0.00%
First Tennessee Bank	336 2284 Lamar Avenue	Memphis	38114	205904		\$18,184	0.12%	0.08%
First Tennessee Bank	336 3129 South Mendenhall Road	Memphis	38115	205934		\$2	0.00%	0.00%
First Tennessee Bank	336 6595 Kirby Center Cove	Memphis	38115	205947		\$33,974	0.23%	0.14%
First Tennessee Bank	336 1277 East Shelby Drive	Memphis	38116	205928		\$6,610	0.04%	0.03%
First Tennessee Bank	336 2015 East Brooks Road	Memphis	38116	205933		\$17,723	0.12%	0.08%
First Tennessee Bank	336 4180 Elvis Presley Boulevard	Memphis	38116	205999		\$48,269	0.33%	0.20%
First Tennessee Bank	336 4655 Poplar Avenue	Memphis	38117	205931		\$71,555	0.48%	0.30%
First Tennessee Bank	336 4990 Poplar Avenue	Memphis	38117	205919		\$95,376	0.64%	0.40%
First Tennessee Bank	336 799 Truse Parkway	Memphis	38117	206036		\$4,769	0.03%	0.02%
First Tennessee Bank	336 3180 Perkins Road	Memphis	38118	205925		\$42,466	0.29%	0.18%
First Tennessee Bank	336 3770 Lamar Avenue	Memphis	38118	205918		\$14,510	0.10%	0.06%
First Tennessee Bank	336 1250 Park Place	Memphis	38119	253884		\$26,626	0.18%	0.11%
First Tennessee Bank	336 6005 Park Avenue	Memphis	38119	253882		\$209	0.00%	0.00%
First Tennessee Bank	336 6060 Quince Road	Memphis	38119	205936		\$87	0.00%	0.00%
First Tennessee Bank	336 6100 Quince Road	Memphis	38119	205965		\$9,989	0.07%	0.04%
First Tennessee Bank	336 80 Humphreys	Memphis	38120	443584		\$131	0.00%	0.00%
First Tennessee Bank	336 4330 Summer Avenue	Memphis	38122	205910		\$60,967	0.41%	0.26%
First Tennessee Bank	336 9915 Macon Rd	Memphis	38122	443581		\$5,009	0.03%	0.02%
First Tennessee Bank	336 7080 Shelby Drive	Memphis	38125	205983		\$12,139	0.08%	0.05%
First Tennessee Bank	336 7942 Winchester Road	Memphis	38125	362187		\$7,760	0.05%	0.03%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
First Tennessee Bank	336	2664 North Hollywood	Memphis	38127	430762	\$16	0.00%	0.00%
First Tennessee Bank	336	3391 North Watkins Street	Memphis	38127	205912	\$29,326	0.20%	0.12%
First Tennessee Bank	336	3225 Austin Peay Highway	Memphis	38128	205906	\$38,798	0.26%	0.16%
First Tennessee Bank	336	3860 Austin Peay Highway	Memphis	38128	206000	\$4,652	0.03%	0.02%
First Tennessee Bank	336	6891 Summer Avenue	Memphis	38133	205951	\$112,770	0.76%	0.48%
First Tennessee Bank	336	2750 North Germantown Parkwa	Memphis	38133	205992	\$37,718	0.25%	0.16%
First Tennessee Bank	336	2942 Kirby Whitten Parkway	Memphis	38134	206028	\$1,529	0.01%	0.01%
First Tennessee Bank	336	5931 Stage Road	Memphis	38134	205941	\$53,791	0.36%	0.23%
First Tennessee Bank	336	7615 Highway 70 (Summer Aven	Memphis	38135	206033	\$1,534	0.01%	0.01%
First Tennessee Bank	336	5052 Navy Road	Millington	38053	205923	\$27,117	0.18%	0.11%
First Trust Bank for Savings	15525	894 Germantown Pkwy Suite 4	Cordova	38018		35,872	22.42%	0.15%
First Trust Bank for Savings	15525	6525 Quail Hollow Rd	Memphis	38120		124,113	77.58%	0.53%
Independent Bank	34728	2116 West Poplar	Collierville	38017	361516	14,462	3.62%	0.06%
Independent Bank	34728	1711 Union Avenue	Memphis	38104	363479	18,723	4.68%	0.08%
Independent Bank	34728	3295 Poplar Avenue	Memphis	38111	441455	320	0.08%	0.00%
Independent Bank	34728	6209 Poplar Avenue	Memphis	38119	334329	33,073	8.27%	0.14%
Independent Bank	34728	5050 Poplar Avenue	Memphis	38157	61412	333,466	83.36%	1.41%
InSouth Bank	22020	6141 Walnut Grove Road	Memphis	38120	17034	38,382	38.86%	0.16%
InSouth Bank	22020	4362 Summer Avenue	Memphis	38122	257474	21,080	21.34%	0.09%
InSouth Bank	22020	7696 Highway 51 North	Millington	38053	257473	39,306	39.80%	0.17%
MemphisFirst Community Bank	34982	4230 Elvis Presley Blvd, # 1	Memphis	38116	62156	23,572	100.00%	0.10%
Oakland Deposit Bank	10320	5810 Airline Rd	Arlington	38002	222276	19,902	100.00%	0.08%
Paragon National Bank		6300 Poplar Ave, Suite 117	Memphis	38119	428718	51,863	100.00%	0.22%
Patriot Bank	3120646	354 Byhalia Road	Collierville	38017	423142	10,833	13.76%	0.05%
Patriot Bank	3120646	8376 Highway 51 North	Millington	38053	363408	67,878	86.24%	0.29%
Pulaski Bank & Trust Co	5106	1605 N Germantown Parkway S	Cordova	38016	6100	44,395	100.00%	0.19%
Regions Bank	233031	1300 West Poplar Avenue	Collierville	38017	206162	53,178	2.13%	0.23%
Regions Bank	233031	397 New Byhalia	Collierville	38017	271527	13,380	0.53%	0.06%
Regions Bank	233031	1245 North Germantown Parkwa	Cordova	38018	360178	5,988	0.24%	0.03%
Regions Bank	233031	640 N Germantown Pkwy	Cordova	38018	264037	72,469	2.90%	0.31%
Regions Bank	233031	7130 Goodlett Farms Parkway	Cordova	38018	206163	130,563	5.22%	0.55%
Regions Bank	233031	8040 Walnut Run	Cordova	38018	289141	11,577	0.46%	0.05%
Regions Bank	233031	7744 Poplar Avenue	Germentown	38138	264028	124,480	4.98%	0.53%
Regions Bank	233031	147 Jefferson Avenue	Memphis	38103	250004	31,664	1.27%	0.13%
Regions Bank	233031	158 Madison Avenue	Memphis	38103	40726	141,915	5.67%	0.60%
Regions Bank	233031	50 North Front Street, Suite	Memphis	38103	430815	3,287	0.13%	0.01%
Regions Bank	233031	1451 Madison Avenue	Memphis	38104	264022	33,338	1.33%	0.14%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
Regions Bank	233031	2053 Union Avenue	Memphis	38104	206128	33,827	1.35%	0.14%
Regions Bank	233031	270 North Cleveland Street	Memphis	38104	206117	31,846	1.27%	0.13%
Regions Bank	233031	42 South Claybrook Street	Memphis	38104	250009	17,463	0.70%	0.07%
Regions Bank	233031	1889 South Third	Memphis	38109	206111	20,384	0.82%	0.09%
Regions Bank	233031	3307 Poplar Avenue	Memphis	38111	264019	43,013	1.72%	0.18%
Regions Bank	233031	3485 Plaza Avenue	Memphis	38111	206127	39,125	1.56%	0.17%
Regions Bank	233031	2800 Lamar Avenue	Memphis	38114	264021	15,658	0.63%	0.07%
Regions Bank	233031	3535 Kirby Road	Memphis	38115	366239	0	0.00%	0.00%
Regions Bank	233031	3545 Kirby Parkway	Memphis	38115	264035	44,762	1.79%	0.19%
Regions Bank	233031	3558 South Mendenhall Avenue	Memphis	38115	264027	45,871	1.83%	0.19%
Regions Bank	233031	1190 East Shelby Drive	Memphis	38116	206133	48,137	1.92%	0.20%
Regions Bank	233031	4134 Elvis Presley Boulevard	Memphis	38116	206132	23,322	0.93%	0.10%
Regions Bank	233031	4135 Elvis Presley Boulevard	Memphis	38116	250005	15,005	0.60%	0.06%
Regions Bank	233031	4615 Quince Avenue	Memphis	38117	206109	73,763	2.95%	0.31%
Regions Bank	233031	4790 Poplar Avenue	Memphis	38117	206129	39,882	1.59%	0.17%
Regions Bank	233031	3751 Lamar	Memphis	38118	206134	19,907	0.80%	0.08%
Regions Bank	233031	4805 American Way	Memphis	38118	206135	19,350	0.77%	0.08%
Regions Bank	233031	5281 Winchester Road	Memphis	38118	250007	30,110	1.20%	0.13%
Regions Bank	233031	1171 Ridgeway Road	Memphis	38119	206147	40,313	1.61%	0.17%
Regions Bank	233031	5384 Poplar Avenue	Memphis	38119	13697	38,465	1.54%	0.16%
Regions Bank	233031	6200 Poplar Avenue	Memphis	38119	3321	600,446	24.01%	2.54%
Regions Bank	233031	6263 Poplar Avenue	Memphis	38119	41744	78,521	3.14%	0.33%
Regions Bank	233031	1100 Ridgeway Loop, Suite 10	Memphis	38120	430825	14,626	0.58%	0.06%
Regions Bank	233031	4383 Summer Avenue	Memphis	38122	264020	119,451	4.78%	0.51%
Regions Bank	233031	4725 Summer Avenue	Memphis	38122	264387	20,729	0.83%	0.09%
Regions Bank	233031	7060 Winchester	Memphis	38125	206171	4,274	0.17%	0.02%
Regions Bank	233031	2595 Frayser Boulevard	Memphis	38127	264026	44,536	1.78%	0.19%
Regions Bank	233031	3535 Austin Peay Highway	Memphis	38128	206142	63,977	2.56%	0.27%
Regions Bank	233031	2269 Democrat Road	Memphis	38132	206138	13,034	0.52%	0.06%
Regions Bank	233031	7790 Highway 64	Memphis	38133	206164	38,864	1.55%	0.16%
Regions Bank	233031	3020 Kirby Whitten	Memphis	38134	271528	22,202	0.89%	0.09%
Regions Bank	233031	5702 Stage Road	Memphis	38134	250008	29,133	1.16%	0.12%
Regions Bank	233031	6231 Stage Road	Memphis	38134	264029	102,524	4.10%	0.43%
Regions Bank	233031	5100 Poplar Ave, Suite 90	Memphis	38137	264025	55,323	2.21%	0.23%
Regions Bank	233031	4643 Riverdale Road	Memphis	38141	277689	31,330	1.25%	0.13%
Renasant Bank	35132	1890 North Germantown Pkwy S	Cordova	38016	290892	21,374	10.00%	0.09%
Renasant Bank	35132	2177 Germantown	Germantown	38138	74921	192,358	90.00%	0.81%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
SunTrust Bank	817833	9050 Highway 64	Arlington	38002	206088	16,723	1.20%	0.07%
SunTrust Bank	817833	1175 West Poplar Avenue	Collierville	38017	361789	37,164	2.67%	0.16%
SunTrust Bank	817833	240 New Byhalia Road	Collierville	38017	206075	15,693	1.13%	0.07%
SunTrust Bank	817833	252 New Byhalia Road	Collierville	38017	190022	24,493	1.76%	0.10%
SunTrust Bank	817833	3685 Houston Levee Road	Collierville	38017	361787	4,381	0.31%	0.02%
SunTrust Bank	817833	1136 North Germantown Parkwa	Cordova	38018	206105	27,627	1.98%	0.12%
SunTrust Bank	817833	1230 North Houston Levee Roa	Cordova	38018	422879	2,947	0.21%	0.01%
SunTrust Bank	817833	676 Germantown Parkway	Cordova	38018	206084	24,984	1.79%	0.11%
SunTrust Bank	817833	2130 Exeter Road	Germantown	38138	206063	21,479	1.54%	0.09%
SunTrust Bank	817833	7770 Poplar Avenue	Germantown	38138	206085	82,528	5.92%	0.35%
SunTrust Bank	817833	910 Madison Avenue	Memphis	38103	206049	16,609	1.19%	0.07%
SunTrust Bank	817833	1366 Poplar Avenue	Memphis	38104	206080	9,068	0.65%	0.04%
SunTrust Bank	817833	1895 Union Avenue	Memphis	38104	206040	60,951	4.37%	0.26%
SunTrust Bank	817833	177 North Highland	Memphis	38111	206094	4,412	0.32%	0.02%
SunTrust Bank	817833	3441 Poplar Avenue	Memphis	38111	206059	54,310	3.90%	0.23%
SunTrust Bank	817833	3565 Riverdale	Memphis	38115	206097	10,530	0.76%	0.04%
SunTrust Bank	817833	4770 South Germantown Road,	Memphis	38115	206083	15,068	1.08%	0.06%
SunTrust Bank	817833	6075 Winchester Road	Memphis	38115	206065	38,992	2.80%	0.17%
SunTrust Bank	817833	3338 Elvis Presley Boulevard	Memphis	38116	206051	51,448	3.69%	0.22%
SunTrust Bank	817833	464 Perkins Street Extended	Memphis	38117	206047	79,739	5.72%	0.34%
SunTrust Bank	817833	540 South Mendenhall, Suite	Memphis	38117	206074	28,736	2.06%	0.12%
SunTrust Bank	817833	4700 Knight-Arnold Road	Memphis	38118	206053	43,697	3.13%	0.19%
SunTrust Bank	817833	2835 Kirby Road	Memphis	38119	418620	4,186	0.30%	0.02%
SunTrust Bank	817833	5350 Poplar Avenue, Suite 10	Memphis	38119	362636	15,150	1.09%	0.06%
SunTrust Bank	817833	5680 Ridgeway Center Parkway	Memphis	38119	206064	50,837	3.65%	0.22%
SunTrust Bank	817833	1211 Union Avenue, Suite 161	Memphis	38120	418865	10,867	0.78%	0.05%
SunTrust Bank	817833	50 Humphries Center	Memphis	38120	365428	12,045	0.86%	0.05%
SunTrust Bank	817833	4264 Summer Avenue	Memphis	38122	206086	10,660	0.76%	0.05%
SunTrust Bank	817833	5049 Summer Avenue	Memphis	38122	206044	39,689	2.85%	0.17%
SunTrust Bank	817833	3585 Hacks Cross Road	Memphis	38125	365423	20,062	1.44%	0.08%
SunTrust Bank	817833	990 College Park Drive, Suit	Memphis	38126	363163	1,491	0.11%	0.01%
SunTrust Bank	817833	2632 Frayser Blvd	Memphis	38127	206045	11,449	0.82%	0.05%
SunTrust Bank	817833	3550 Austin Peay Highway	Memphis	38128	206060	36,354	2.61%	0.15%
SunTrust Bank	817833	5995 Stage Road	Memphis	38134	206073	12,041	0.86%	0.05%
SunTrust Bank	817833	6633 Stage Road	Memphis	38134	206087	61,333	4.40%	0.26%
SunTrust Bank	817833	6660 Poplar Avenue	Memphis	38134	206071	20,012	1.44%	0.08%
SunTrust Bank	817833	1 Commerce Square	Memphis	38150	3320	416,538	29.87%	1.76%

Appendix B Shelby County Branch Locations by Bank Share & Total Market Share: Parent Bank Alpha Order

Bank	UUID	Address	City	Zip	UBID	Deposits (x1000)	Bank Share	Market Share
SunTrust Bank	817833	One Commerce Square	Memphis	38150	41714	0	0.00%	0.00%
Tri-State Bank of Memphis	16511	180 S Main Street At Beale	Memphis	38101	10666	75,932	72.26%	0.32%
Tri-State Bank of Memphis	16511	2240 Elvis Presley Boulevard	Memphis	38106	238230	14,045	13.37%	0.06%
Tri-State Bank of Memphis	16511	1367 North Hollywood Street	Memphis	38108	238231	4,653	4.43%	0.02%
Tri-State Bank of Memphis	16511	2267 Lamar Avenue	Memphis	38114	238232	3,157	3.00%	0.01%
Tri-State Bank of Memphis	16511	4606 Elvis Presley Boulevard	Memphis	38116	238233	7,296	6.94%	0.03%
Trust One Bank	34059	2015 South Houston Levee	Collierville	38017	442214	9,618	2.74%	0.04%
Trust One Bank	34059	1010 Germantown Parkway N	Cordova	38018	290344	15,672	4.46%	0.07%
Trust One Bank	34059	3100 Forest Hill-Irene Road	Germantown	38138	290340	32,408	9.23%	0.14%
Trust One Bank	34059	7540 North Street	Germantown	38138	290343	129,713	36.95%	0.55%
Trust One Bank	34059	370 Grove Park	Memphis	38117	290342	68,970	19.65%	0.29%
Trust One Bank	34059	1760 International Drive	Memphis	38119	290341	46,205	13.16%	0.20%
Trustmark National Bank	10523	1715 Aaron Brenner Drive	Memphis	38120	56138	48,495	13.81%	0.21%
Trustmark National Bank	10523	11915 Highway 70	Arlington	38002	219618	21,790	8.06%	0.09%
Trustmark National Bank	10523	9931 Highway 64	Arlington	38002	362533	4,991	1.85%	0.02%
Trustmark National Bank	10523	3714 Canada Road	Arlington	38002	219625	10,355	3.83%	0.04%
Trustmark National Bank	10523	305 Poplar View	Collierville	38017	219619	50,822	18.80%	0.22%
Trustmark National Bank	10523	595 West Poplar Street	Collierville	38017	219620	7,008	2.59%	0.03%
Trustmark National Bank	10523	1405 South Germantown Parkwa	Germantown	38138	45817	57,156	21.14%	0.24%
Trustmark National Bank	10523	3785 Riverdale Road	Memphis	38115	289062	17,992	6.66%	0.08%
Trustmark National Bank	10523	8398 US Highway 64	Memphis	38133	357396	8,132	3.01%	0.03%
Trustmark National Bank	10523	6767 Summer Avenue	Memphis	38134	219624	35,290	13.06%	0.15%
Trustmark National Bank	10523	9105 Barret Road	Millington	38053	5879	12,722	4.71%	0.05%
Trustmark National Bank	10523	8008 Highway 51 North	Millington	38053	219622	44,058	16.30%	0.19%
Wachovia Bank, NA	1	19059 Highway 64	Arlington	38002	261920	14,501	12.92%	0.06%
Wachovia Bank, NA	1	1365 North Germantown Parkwa	Cordova	38018	261916	12,679	11.29%	0.05%
Wachovia Bank, NA	1	19301 Poplar Avenue	Germantown	38138	261919	12,307	10.96%	0.05%
Wachovia Bank, NA	1	16445 Poplar Avenue	Memphis	38119	261915	61,222	54.53%	0.26%
Wachovia Bank, NA	1	13611 Hacks Cross Road	Memphis	38125	186248	6,008	5.35%	0.03%
Wachovia Bank, NA	1	17435 Highway 64	Memphis	38133	420061	5,548	4.94%	0.02%

Appendix B.2

Distribution of Local Retail Banks In Shelby County By Zip Codes

Legend

Planning Districts

- Zone 1 - Inner City Planning Districts
- Zone 2 - Mid-city Planning Districts
- Zone 3 - Outer Ring/Suburban Planning Districts

Banks

- First Tier - First Tennessee Bank
- Second Tier by Market Share
 - Peoples Bank
 - SBA Trust Bank
 - Bank of America, NA
 - AmSouth Bank
 - Independent Bank
 - Bank of South Ct
 - Truist One Bank
 - Truist Bank National Bank
 - Bank of South Ct Bank
- Third Tier by Market Share



Appendix C

**Appendix C.1 Subprime Lending in Shelby County 2004:
All Lenders with at Least 100 Loans**

Bank	Originated Loans	Percent	Cumulative Percent
Aames Funding Corporation	222	2.3%	2.3%
Accredited Home Lenders, Inc.	163	1.7%	4.0%
AmeriQuest Mortgage Company	488	5.1%	9.1%
Argent Mortgage Company	753	7.9%	17.0%
BancorpSouth Bank	113	1.2%	18.2%
Centex Home Equity Company LLC	100	1.1%	19.3%
CitiFinancial, Inc.	312	3.3%	22.6%
Countrywide Home Loans	383	4.0%	26.6%
Decision One Mortgage	341	3.6%	30.2%
EquiFirst Corporation	184	1.9%	32.1%
Fieldstone Mortgage Company	144	1.5%	33.6%
Finance America, LLC	102	1.1%	34.7%
First Horizon Home Loan Corp.	122	1.3%	36.0%
First NLC Financial Services	151	1.6%	37.6%
Fremont Investment & Loan	268	2.8%	40.4%
HFC	158	1.7%	42.1%
Homecomings Financial Network	357	3.8%	45.9%
Long Beach Mortgage Corp.	333	3.5%	49.4%
National City Bank, Indiana	535	5.6%	55.0%
New Century Mortgage Corp.	176	1.9%	56.9%
Novastar Mortgage, Inc.	315	3.3%	60.2%
Option One Mortgage Corp.	229	2.4%	62.6%
Peoples State Bank	105	1.1%	63.7%
Sebring Capital Partners, LP	113	1.2%	64.9%
South Star Funding, LLC	200	2.1%	67.0%
Union Planters Bank, NA	106	1.1%	68.1%
Wells Fargo Bank, NA	189	2.0%	70.1%
Wells Fargo Financial Tennessee	301	3.2%	73.3%
WMC Mortgage Corporation	121	1.3%	74.6%
<i>Named Lenders</i>	<i>7,084</i>	<i>74.6%</i>	<i>74.6%</i>
<i>All Other Non-Local</i>	<i>1,756</i>	<i>18.5%</i>	<i>81.7%</i>
<i>All Other Local Lenders</i>	<i>673</i>	<i>7.1%</i>	<i>100.0%</i>
TOTAL	9,513	100%	100%

**Appendix C.2 Subprime Lending in Shelby County 2004:
Local Retail Banks with Subprime Loans**

Bank	Originated Loans	Percent	Cumulative Percent
American Savings Credit Union	8	0.1%	0.1%
AmSouth Bank	9	0.1%	0.2%
BancorpSouth Bank	113	1.2%	1.4%
Bank of America, NA	3	0.0%	1.4%
BankTennessee	4	0.0%	1.4%
Brighton Bank	5	0.1%	1.5%
Diversified Capital	14	0.1%	1.6%
Enterprise National Bank	2	0.0%	1.6%
FAA Federal Credit Union	1	0.0%	1.6%
Financial FSB	1	0.0%	1.6%
First Bank	5	0.1%	1.7%
First Tennessee/First Horizon	183	1.9%	3.6%
1st Trust Bank for Savings	15	0.2%	3.8%
Independent Bank	2	0.0%	3.8%
InSouth Bank	1	0.0%	3.8%
National Bank of Commerce	61	0.6%	4.4%
Oakland Deposit Bank	40	0.4%	4.8%
Patriot Bank	6	0.1%	4.9%
Regions Bank	23	0.2%	5.1%
Renasant Bank	7	0.1%	5.2%
Shelby County Employees FCU	19	0.2%	5.4%
SunTrust Bank	1	0.0%	5.4%
Tri-State Bank of Memphis	3	0.0%	5.4%
Trust One Bank	13	0.1%	5.5%
Trustmark National Bank	28	0.3%	5.8%
Union Planters	106	1.1%	6.9%
Local Lenders	673	6.9%	6.9%
Non-Local Lenders	8876	93.3%	100.0%
TOTAL	10,222	100%	100%

Appendix D

**Appendix D1:
Home Purchase Loan Originations
by Zip Code**

Zip Code	Total Number	Percent
38002	1296	6.4
38016	1479	7.3
38017	1885	9.3
38018	1801	8.8
38053	426	2.1
38103	99	0.5
38104	486	2.4
38105	20	0.1
38106	245	1.2
38107	517	2.5
38108	217	1.1
38109	489	2.4
38111	867	4.3
38112	278	1.4
38114	297	1.5
38115	480	2.4
38116	439	2.2
38117	811	4.0
38118	1338	6.6
38119	340	1.7
38120	453	2.2
38122	296	1.5
38125	517	2.5
38126	53	0.3
38127	503	2.5
38128	799	3.9
38133	356	1.7
38134	959	4.7
38135	951	4.7
38138	1150	5.6
38141	508	2.5
Total	20355	100.0

**Appendix D2:
Home Purchase Loan Originations
by Planning District**

Planning District	Total Number	Percent
Airport Land Use	487	2.4
Arlington	1296	6.4
Collierville	1885	9.3
Depot	347	1.7
Downtown— Medical Center	131	0.6
East Central Shelby County	868	4.3
Frayser	503	2.5
Germantown	945	4.6
Germantown Parkway Study Area	2789	13.7
Jackson	571	2.8
McKellar/Whitehaven	858	4.2
Midtown	891	4.4
Millington	344	1.7
Nonconnah Parkway	2356	11.6
North Memphis	470	2.3
Northwest	82	0.4
Poplar Corridor	664	3.3
Quince	776	3.8
Raleigh	2648	13.0
South Memphis	264	1.3
University	585	2.9
Walnut Grove	594	2.9
Total	20355	100.0