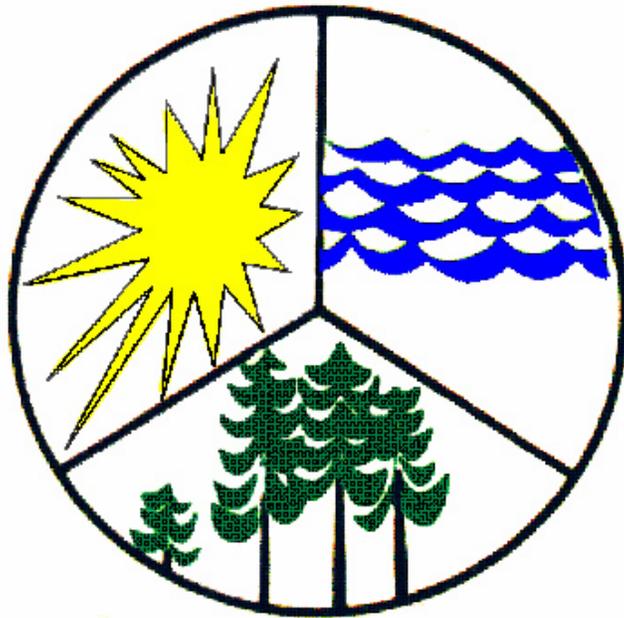


Supplemental Home Mortgage Disclosure Act Study for the Waccamaw Region



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PART ONE. INTRODUCTION AND APPROACH

The Waccamaw Region of South Carolina is located in the northeastern corner of the State and encompasses the Grand Strand coastal region. The three-county region of Horry, Georgetown and Williamsburg Counties is one of South Carolina's fastest growing areas, covering more than 2,880 square miles – an area larger than the State of Delaware. The Waccamaw region is a socio-economically and geographically diverse region – comprised of rural, agricultural and somewhat isolated inland communities in Williamsburg and western Horry Counties; industrial production in the seaport of Georgetown; African-American Gullah communities and fishing villages faced with rising development pressures; gated resort communities; and the tourism-rich, 60 miles of beaches known as the “Grand Strand.” The region's economy is dominated by service-sector and tourism employment that is characterized by susceptibility to seasonal fluctuations, moderate wages and limited benefits.

Rapid population growth in coastal Horry and Georgetown Counties has been accompanied by an unprecedented demand for land, housing, and infrastructure. Rising development pressures and a growing housing market – prompted in large part by the continued influx of retirees and expansion of the Grand Strand as a year-round tourist destination – have consequently fueled increases in housing and land costs in Horry and Georgetown Counties. Although growth in inland Williamsburg County has occurred at a much slower pace than its coastal neighbors, economic growth and opportunities in these counties impacts the well-being of Williamsburg residents. Sustained population growth and a steady rise in housing costs in Horry and Georgetown Counties have contributed to a housing market in which some residents – such as the elderly, low and moderate income, minorities, disabled, and other populations with special needs – are more likely to experience challenges in finding and maintaining affordable, safe and convenient housing options. Meanwhile, Williamsburg residents face obstacles to affordable housing and limited housing choice due to limited infrastructure, deteriorating housing stock and lack of economic opportunity.

As part of the HUD-mandated Consolidated Planning process, the Waccamaw Regional Council of Governments (WRCOG) completed its first Consolidated Plan in the spring of 2006. The 5-year Consolidated Plan represents an assessment of the economic and social state of the region, as well as local government policies and programs to improve the living environment of its low/moderate income residents. The Strategic Plan includes a vision for the region that encompasses the national objectives of the CDBG program and is accompanied by a first year Action Plan that outlines short-term activities to address community needs. As part of the planning process, the WRCOG must affirmatively further fair housing and undertake fair housing planning. This process includes the formal preparation of an *Analysis of Impediments to Fair Housing Choice*.

This *Supplemental Home Mortgage Disclosure Act (HMDA) Study* and concurrent *Analysis of Impediments to Fair Housing Choice* represent the first in-depth examination of potential barriers, opportunities and challenges to housing choice for Waccamaw residents on a regional scale. *Impediments to Fair Housing* are any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice. *Fair Housing Choice* is the ability of persons, regardless of race, color, religion, national origin, disability, gender, or familial status, of similar income levels to have the same housing choices.

The goal of the *Supplemental Home Mortgage Disclosure Act (HMDA) Study for the Waccamaw Region* is to provide an in-depth analysis of residential lending with respect to the provision of fair housing in Horry, Georgetown and Williamsburg Counties. This analysis has been accomplished primarily through the assessment of regional and county-level data provided by the Federal Financial Institutions Examinations Council (FFIEC) under the *Home Mortgage Disclosure Act*.

Under HMDA, lending institutions are required to collect and disclose data regarding applicants by Census tract including characteristics including income, race and gender of the borrower as well as the number and dollar amount of the loans made. Additional information reported includes the occupancy status of the property and the disposition of loans – including the number of loan applications it approved and denied, how many of its loan approvals were unaccepted, how many applications were withdrawn, and how many applications were incomplete. Housing loans reported under HMDA include home purchase, home improvement, and refinancing loans for single family dwellings (one to four units) and loans for multi-family units. Lenders must also disclose whether the loan was a conventional loan or a loan insured by a government agency such as the Federal Housing Administration (FHA) or the Veterans Administration (VA).

This *Supplemental HMDA Study* also draws from a variety of additional data and information sources to provide a comprehensive look at residential lending in the Waccamaw Region. A summary of relevant demographic characteristics including population growth, income, poverty, and housing costs derived from sources such as the US Census and the SC Division of Research and Statistics is provided for comparison and analysis with HMDA data at both the county and Census tract levels.

Data derived from 2004 HMDA raw data files was used to develop a variety of analyses depicting residential lending disposition by race and income and reasons for loan denials by race, income and gender at the County level, and loan disposition at the Census tract level. Using data only recently made available through HMDA, an analysis of subprime lending is provided at both the county and Census tract levels. The detailed HMDA data is provided in table format as well as mapped at the Census tract by county. The Study also includes a discussion and comparison of regional, state and national trends in residential lending.

The review of primary lending institutions in the Waccamaw Region includes the number of institutions with loan activities in 2004 and the number of loan actions for the top ten lenders with the most loan activity in Horry, Georgetown and Williamsburg Counties, as well as the Community Reinvestment Act (CRA) rating for each of these institutions. Since the passage of the *Community Reinvestment Act (CRA)* in 1977, banks have been strongly encouraged to serve the credit needs of all persons within the community, including those with low and moderate incomes. All banks must adhere to the requirements of the Act, although how they choose to meet these requirements varies from bank to bank. Each bank must maintain a CRA public comment file and is reviewed for compliance with the provisions of the Act every two years. Compliance is measured in the three areas of: 1) investment, 2) service, and 3) lending. Of these measures, lending carries the most weight and is comprised of loan programs for small businesses, community development, consumer loans, and mortgages. Under the CRA, banks are assigned one of four statutory ratings: *outstanding*, *satisfactory*, *needs to improve*, or *substantial noncompliance*.

Of growing concern in recent years are the predatory lending practices of sub-prime lenders in South Carolina. Sub-prime mortgage loans offer borrowers with low incomes or a poor credit

history access to home financing. While sub-prime loans are a necessary option for many consumers, many of these loans have terms that are considered predatory. This occurs when the loan strips the equity out of the home due to huge charges or fees that are financed with the money borrowed. The *Supplemental HMDA Study* provides an examination of subprime and predatory lending practices, both within the Waccamaw Region and statewide, as well as a discussion of the statewide anti-predatory lending legislation that went into affect in January of 2004.

While this Supplemental HMDA Study is intended to be a stand-alone document, it also serves as a companion document to the *2006 Analysis of Impediments to Fair Housing Choice (AI) for the Waccamaw Region*. Much of the data presented in this Study is summarized and included in the *Analysis of Impediments* being developed concurrently with the *Supplemental HMDA Study*. The *Analysis of Impediments* is an integral component of the fair housing planning process and consists of a review of both public and private barriers to housing choice and involves a comprehensive inventory and assessment of the conditions, practices, laws and policies that impact housing choice within a jurisdiction. The *Analysis of Impediments* and the *Supplemental HMDA Study* will ultimately serve as the foundation for fair housing planning in the Waccamaw Region.

PART TWO. OVERVIEW OF HMDA AND CRA

A. Home Mortgage Disclosure Act (HMDA)

The *Home Mortgage Disclosure Act* (HMDA) was enacted by Congress in 1974 and is implemented by the Federal Reserve Board as *Regulation C*. The intent of the Act is to provide the public with information related to financial institution lending practices and to aid public officials in targeting public capital investments to attract additional private sector investments.

Under HMDA, lending institutions are required to collect and disclose data regarding applicants by Census tracts to include characteristics such as the income, race and gender of the borrower, as well as the number and dollar amount of the loans made. Data collected under HMDA are used to help the public determine if lending institutions are meeting the housing credit needs of their communities, to help public officials target community development investment, and to help regulators enforce fair lending laws.

HMDA requires lenders to report on a number of possible actions or "dispositions" on loan applications. Each year, the lender must report the number of loan applications it approved and denied, as well as how many of its loan approvals were unaccepted (the bank approved the application but the applicant did not want the loan). The lender must also specify how many applications were withdrawn (the applicant withdrew an application before the bank made a credit decision), and how many applications were incomplete (the application was not considered because the applicant did not provide all the necessary information).

Housing loans reported by HMDA include home purchase, home improvement, and refinancing loans for single family dwellings (1 to 4 units) and loans for multi-family units. Lenders must disclose whether the loan was a conventional loan or a loan insured by a government agency such as the Federal Housing Administration (FHA), the Veterans Administration (VA), the Farm Service Agency (FSA), and the Rural Housing Service (RHS). Additional information reported includes the occupancy status of the property (owner-occupied or non owner-occupied). The lender must also indicate if the loan was purchased on the secondary market and the type of institution that bought the loan (for example, another bank or Fannie Mae or Freddie Mac).

In 2002, the Federal Reserve Board amended *HMDA Regulation C*, effective January 1, 2004, to require lenders to report data items related to loan pricing. Lenders must now report the interest rate point spread – the difference between the annual percentage rate (APR) on the loan and the applicable Treasury yield if the spread is equal to or greater than 3 percentage points for first-lien loans or equal to or greater than 5 percentage points for subordinate-lien loans. Lenders are also required to report whether an application or loan involves a manufactured home.

1. Exemptions from Reporting

The Federal Reserve Board generally requires depository lending institutions – banks, credit unions, and savings associations – to file under HMDA if they:

- Hold assets exceeding a minimum level (\$33 million at the end of 2003 to report in 2004).
- Have a home or branch office in one or more metropolitan areas.

- Originate at least one home purchase or refinancing loan on a one- to four-family dwelling in the preceding calendar year.
- Meet any one of the following conditions: is a federally insured or regulated institution; originates a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originates a loan intended for sale to Fannie Mae or Freddie Mac.

For-profit nondepository institutions (such as mortgage companies) must file HMDA if:

- The value of their home purchase or refinancing loans exceeds either \$25 million or 10% or more of their loan originations.
- They either maintain a home or branch office in one or more metropolitan areas or in a given year execute five or more home purchase or home loan applications, originations, or loan purchases for properties located in metropolitan areas.
- Hold assets exceeding a minimum level (\$10 million at the end of 2003 to report in 2004) or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

Per the *Economic Growth and Regulatory Paperwork Reduction Act of 1996*, the Federal Reserve Board adjusts the exemption threshold for depository institutions annually to take into account annual inflation as measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPIW).

2. HMDA Data Availability

HMDA disclosures are publicly available at the offices of participating lending institutions, and also at a central depository in each Metropolitan Statistical Area (MSA). These central depositories serve on a voluntary basis. In addition to each lending institution's individual disclosure statement, aggregate data tables covering the lending activity of all institutions subject to HMDA in a particular MSA are made available at the central depository. All lenders are required to maintain copies of their disclosure statements (for the past five years) at their home office and at least one office in each MSA where the bank has offices.

The Federal Financial Institutions Examinations Council (FFIEC) is an interagency council that reports the HMDA data compiled by the four federal banking agencies (the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision). The FFIEC provides HMDA data in both summarized form and raw form. Summary tables can be provided on individual lenders or on lending activities by reporting institutions within a geographic area (state, MSA, county, or Census tract) and include the number and disposition of applications by race, gender, and income for all types of home loans. The FFIEC can also provide LARs (Loan Application Registers). A LAR is the raw and unanalyzed database that a bank reports to the FFIEC. LARs for individual banks or LARs for all loan activities conducted by reporting institutions within a geographic area can be obtained from the FFIEC. While summary tables are available for MSAs such as the Myrtle Beach MSA (which includes all of Horry County), HMDA data for non-metropolitan areas such as Georgetown and Williamsburg Counties must be aggregated using the raw LAR data.

3. HMDA Data Limitations

While HMDA data is a valuable resource in examining lending practices in certain geographic areas or by particular lenders, it does have limitations that should be taken into account when analyzing lending characteristics. Caution is urged in drawing conclusions on the basis of HMDA data alone.

Because not all institutions are required to file under HMDA, mortgage lending coverage for a geographic area may be incomplete. Small lenders and lenders with offices only in non-metropolitan areas are exempt from HMDA data reporting requirements. Non-depository institutions do not have to report the Census tract location of loans made in non-metropolitan areas. For this reason, data for rural areas is often incomplete, particularly information on the location of loans within Census tracts. Coverage is particularly limited for non-metropolitan areas such as Georgetown and Williamsburg Counties and low-homeownership areas of Horry County.

According to the National Community Reinvestment Coalition, another data gap occurs with race and gender data of applications taken using methods other than in person. When applications are made in person, the loan officer is required to ask the applicant about his/her race. If the applicant refuses, the loan officer is required to record race on the basis of visual observation or applicant surname. However, when applications are received over the phone, the loan officer is not required to ask for the race and gender of the applicant. When applications are received through the mail, the lending institution is required to ask for the race and gender of the applicant. Lenders are also required to ask for race and gender when applications are received over the Internet. When lenders use electronic media with a video component, lenders are to use the same procedures as if the application is made in person. In addition, lenders are not required to report the race, gender, and income data for loans purchased from another institution.

B. Community Reinvestment Act (CRA)

Since the passage of the *Community Reinvestment Act (CRA)* in 1977, banks have been strongly encouraged to serve the credit needs of all persons within the community, including those with low and moderate incomes. Through the CRA, banks provide avenues for individuals with low or moderate incomes to obtain loans to purchase or upgrade homes that would not be available with conventional loan programs. Lending institutions have become more involved in financing affordable housing and community development in South Carolina due primarily to the *Community Reinvestment Act (CRA)* and other initiatives to encourage their increased participation in community investment financing. All banks must adhere to the requirements of the Act, although how they choose to meet these requirements varies from institution. Each bank must maintain a CRA public comment file and is subject to review for compliance with the provisions of the Act every 2 years. Compliance is measured in three areas – 1) investment, 2) service, and 3) lending. Of the three criteria, lending is the most important measure and is comprised of loan programs for small businesses, community development, consumer loans, and mortgages. The record of each reporting institution's effort related to helping meet the credit needs of the entire community is evaluated periodically. This record is taken into account in considering an institution's application for deposit facilities, including mergers and acquisitions. Evaluations are conducted by the federal agencies that are responsible for supervising depository institutions: the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the Office of the

Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS). Under the CRA, banks are assigned one of four statutory ratings: *outstanding*, *satisfactory*, *needs to improve*, or *substantial noncompliance*.

In the early years of CRA, community activists, lenders, and regulators focused on home lending activity. This was partly because HMDA data was available and because neighborhood organizing mobilized around the issues of housing, crime prevention, and other community empowerment endeavors. As CRA enforcement and activism evolved over the years, the importance of small business development became apparent, as home mortgage and repair lending alone could not revitalize neighborhoods. Small business and economic development are also necessary components of a comprehensive neighborhood revitalization strategy. When CRA regulations were revised in 1995, small business and community development data disclosure requirements were added.

The new CRA regulations mandated that lending institutions release data on small business, small farm, and community development lending activity starting with the 1996 data. The CRA regulations also require that lenders release their aggregate community development lending data. This is data on the number and dollar amounts of community development loans for social service facilities, economic development projects, and affordable housing initiatives.

All institutions regulated by the Office of the Comptroller of the Currency, Federal Reserve System, Federal Deposit Insurance Corporation, and the Office of Thrift Supervision that meet the asset size threshold are subject to data collection and reporting requirements. Lending institutions report small business and farm data, and community development data if they have total assets equal to or greater than \$250 million. Small institutions report the data if they are owned by a holding company that has assets of over \$1 billion.

While CRA regulations require the largest lenders with most of the industry's assets to report, the regulations miss the lending activities of the smaller banks with commercial loan portfolios that consist mostly of small business loans. In addition, smaller banks may be the most pre-disposed towards lending to smaller, locally-owned businesses. Therefore, an important part of the small business lending picture is missing until additional data disclosures are required and eligibility thresholds are amended.

Small business loans are defined as loans in amounts of \$1 million or less. Small farm loans are defined as loans in amounts of \$500,000 or less. The data is organized by county within metropolitan statistical areas as well as for non-metropolitan areas. The number and dollar amounts of all small business loans are listed by Census tracts or block numbering areas (BNAs). Lenders report the total number of their community development loans as well as the total dollar amount of the loans. Data on small business lending is presented in a similar manner for individual lenders as for lenders in the aggregate with one notable exception. Although data for an individual lender is grouped by income categories of Census tracts/BNAs, it is not disclosed at this geographic level. The small business and farm data includes only actual loan approvals or originations and excludes information on whether the application was denied, withdrawn by the applicant, was incomplete, or whether the loan was approved but not accepted by the applicant.

In reporting on community development loans, lenders report the total dollar amount and number of loans. However, community development lending is also not reported at the Census tract level.

PART THREE. SUMMARY OF DEMOGRAPHIC CHARACTERISTICS

A comprehensive analysis of HMDA data in the Waccamaw Region must also include an analysis of additional relevant demographic characteristics within the region. Demographic data such as population growth and density, particularly at the Census tract level, enable comparison with HMDA data based on areas of high or low growth as well as areas that are densely or sparsely developed. Race and income data can be particularly relevant when compared with HMDA data and can provide insights into correlations between these factors and loan activity.

A. Population Growth and Density

Growth rates within the counties of the Waccamaw are diverse, as evidenced by population change from 1990 to 2000. Horry County was the 3rd fastest growing county in South Carolina during that time period, experiencing a 36.5% population increase. This rate of population growth was more than double the statewide growth rate during the same decade. Population growth has continued in recent years, with an estimated 15.4% increase from 2000 to 2005 – ranking 3rd statewide. The Myrtle Beach MSA includes all of Horry County including the City of Conway and is projected to be the second fastest growing urban area in the United States over the next decade. Horry County is the State's largest county in terms of land area and had a total population of more than 226,992 residents in 2005. However, the population swells to from 400,000 to 500,000 during the height of the tourist season. As one of the more popular coastal destinations in the US, the area attracts more than 13.7 million visitors annually.

Georgetown County also experienced significant growth in the 1990s, ranking 9th statewide with a 20.5% increase in population during that decade. While Georgetown County is smaller in population than neighboring Horry County with 60,983 residents in 2005, it is the state's 8th largest county in terms of land area. However, Georgetown has experienced even faster and more significant growth in recent years, with an increase of 9.3% that ranked as the 5th highest in the state from 2000 to 2005.

By contrast, more rural Williamsburg County grew by only 1% from 1990 to 2000, ranking 41st out of 46 counties statewide. The County is one of the largest in the State in land area, ranking 6th out of 46 counties. As the only county in the Waccamaw Region that is not bordered by the Atlantic Ocean, the population of Williamsburg County is not as affected by the tourist season as neighboring Horry and Georgetown Counties. Rather than increasing in population, Williamsburg has actually lost residents in recent years, with a -4.9% growth from 2000 to 2005 that resulted in a ranking of 46 out of 46 counties statewide. The estimated population of Williamsburg County was 35,395 in 2005.

Table 3-1 provides data on population growth in the counties within the region and for the State from 1990 to 2000 and estimates for growth from 2000 to 2005. A map of Census tracts for the Region including tract numbers can be found in *Appendix E*.

**Table 3-1. Population Growth 1990 to 2000 and 2000 to 2005
Waccamaw Region and South Carolina**

Jurisdiction	1990	2000	2005** Estimate	1990-2000		2000-2005	
				% Growth	Rank*	% Growth	Rank*
Georgetown County	46,302	55,797	60,983	20.5%	9th	9.3%	5th
Horry County	144,053	196,629	226,992	36.5%	3rd	15.4%	3rd
Williamsburg County	36,815	37,217	35,395	1.1%	41st	-4.9%	46th
South Carolina	3,486,703	4,012,012	4,255,083	15.1%	---	6.1%	

* Rank out of the 46 Counties in South Carolina

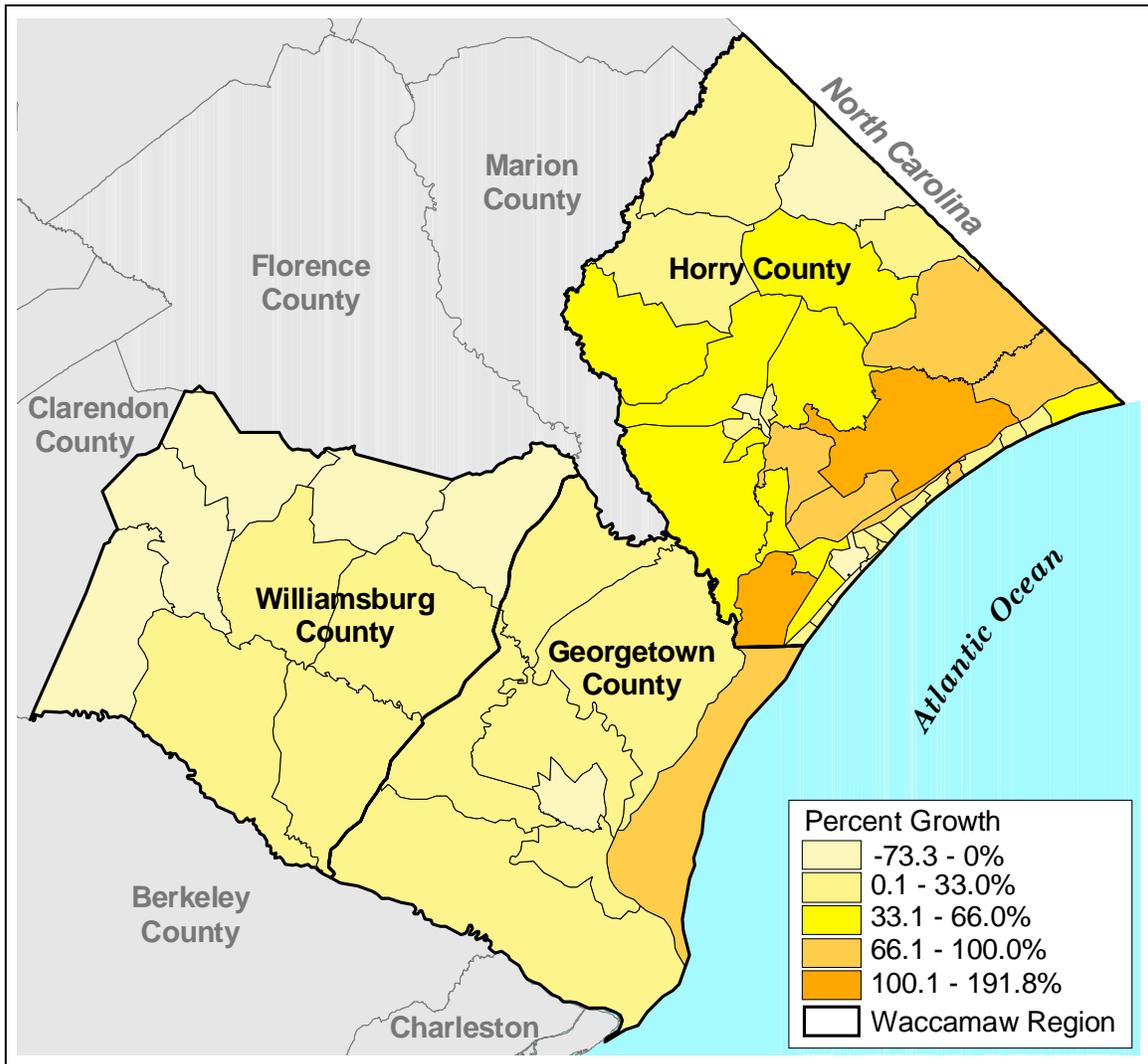
** Estimate Provided by the SC Office of Research and Statistics

Source: US Census, 2000; SC Office of Research and Statistics, 2006.

As shown on Map 3-1, the Census tracts with the highest growth rates in population from 1990 to 2000 were major growth areas for residential development. Areas that experienced growth of more than 100% are located to the north of the Cities of Myrtle Beach and North Myrtle Beach and a tract located north of the Town of Surfside Beach and along the Georgetown County border.

Most of the areas that posted population losses during the last decade are in the northern area of Williamsburg County, although several tracts are also located in Georgetown and Horry Counties. The tract that includes the northern portion of the City of Georgetown experienced population loss during that time period, as did the tract in Horry County that includes the former Myrtle Beach Air Force Base.

**Map 3-1. Population Growth, 1990-2000
Waccamaw Region by Census Tract**

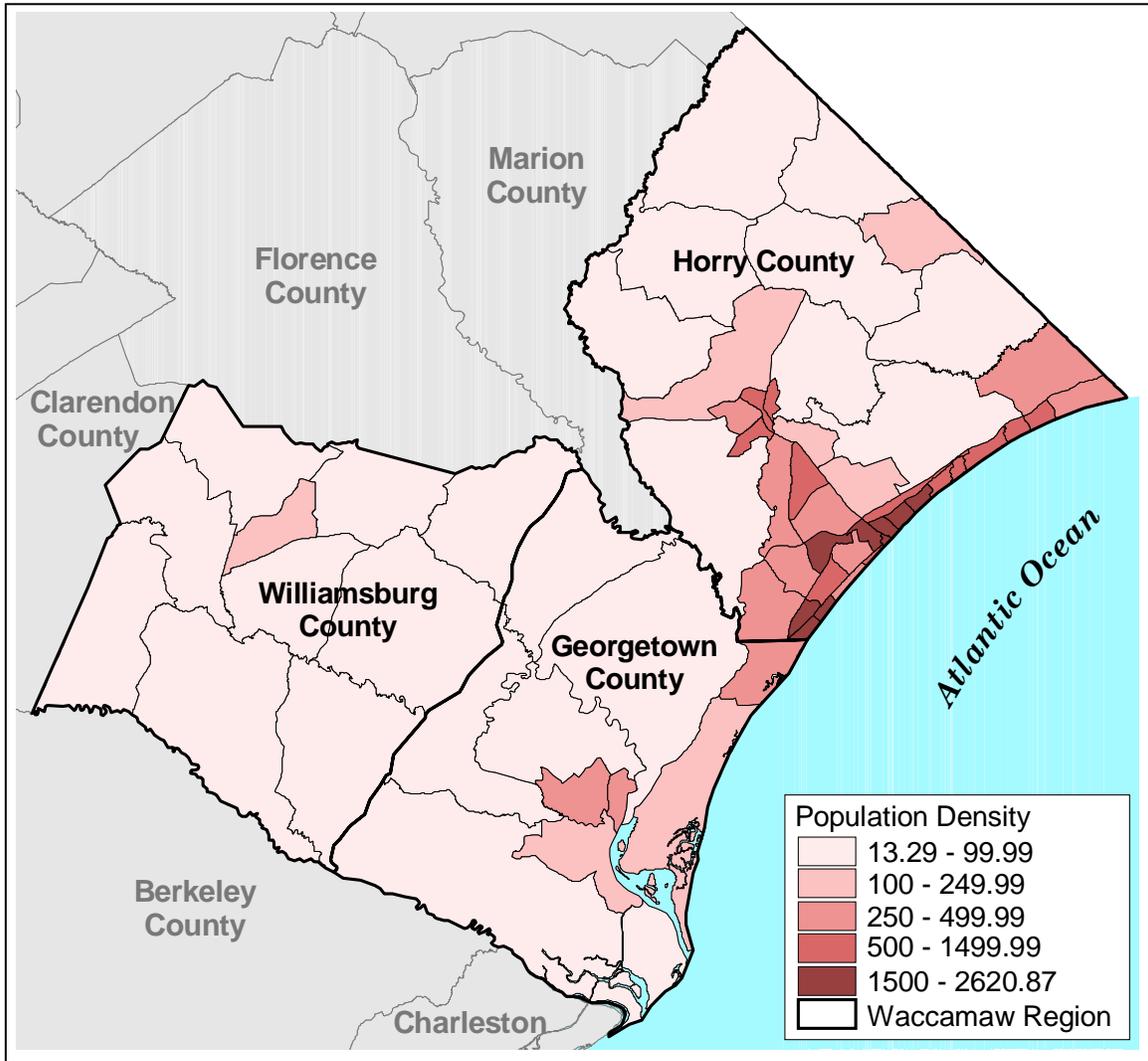


Source: US Census, 1990 and 2000.

Map 3-2 illustrates the population distribution within the Waccamaw Region. It is not surprising that most of the highest densities in the region are within the Census tracts on or near the Atlantic Ocean in Horry County. The Census 2000 tracts with the highest densities are located within the City of Myrtle Beach and surrounding communities east of the Intracoastal Waterway and along the Highway 17 corridor. Many of the tracts in and around the City of Myrtle Beach have densities of more than 1,500 persons per square mile, with tracts in and around the City of North Myrtle Beach posting densities of from 500 to 1499 persons per square mile. Densities are also higher in tracts along the US Highway 501 corridor that links the City of Myrtle Beach to the City of Conway. Tracts in Georgetown County are generally less dense, with the exception of tract 9805.02 in the Waccamaw Neck. The area known as the Waccamaw Neck in Georgetown County is a peninsula that extends from Winyah Bay to the Horry County line. The Neck is flanked by the Atlantic Ocean on the east, Winway Bay to the south, and the Intracoastal Waterway on the east. Williamsburg County is the least densely populated of the

three counties in the region, with slightly higher density in the tract that includes the Town of Kingstree.

**Map 3-2. Population Density (Persons per Square Mile), 2000
Waccamaw Region by Census Tract**



Source: US Census, 2000.

B. Age and Race

The median age for residents of the counties in the Waccamaw Region mirrors the national trend toward an aging population. At 39.1 years, the median age in Georgetown County is the oldest in the region, followed closely by Horry County with a median age of 38.3 years. The median age of residents of Williamsburg County at 35.5 years is very similar to that of residents statewide at 35.4 years. The median age of residents in the Waccamaw Region and statewide in 2000 was significantly older than in 1990, and the change in the median age for those counties was larger than that experienced statewide. The median age increased by 6.4 years for residents of Georgetown County, 4.9 years for residents of Williamsburg County, and 4.5 years for residents of Horry County from 1990 to 2000.

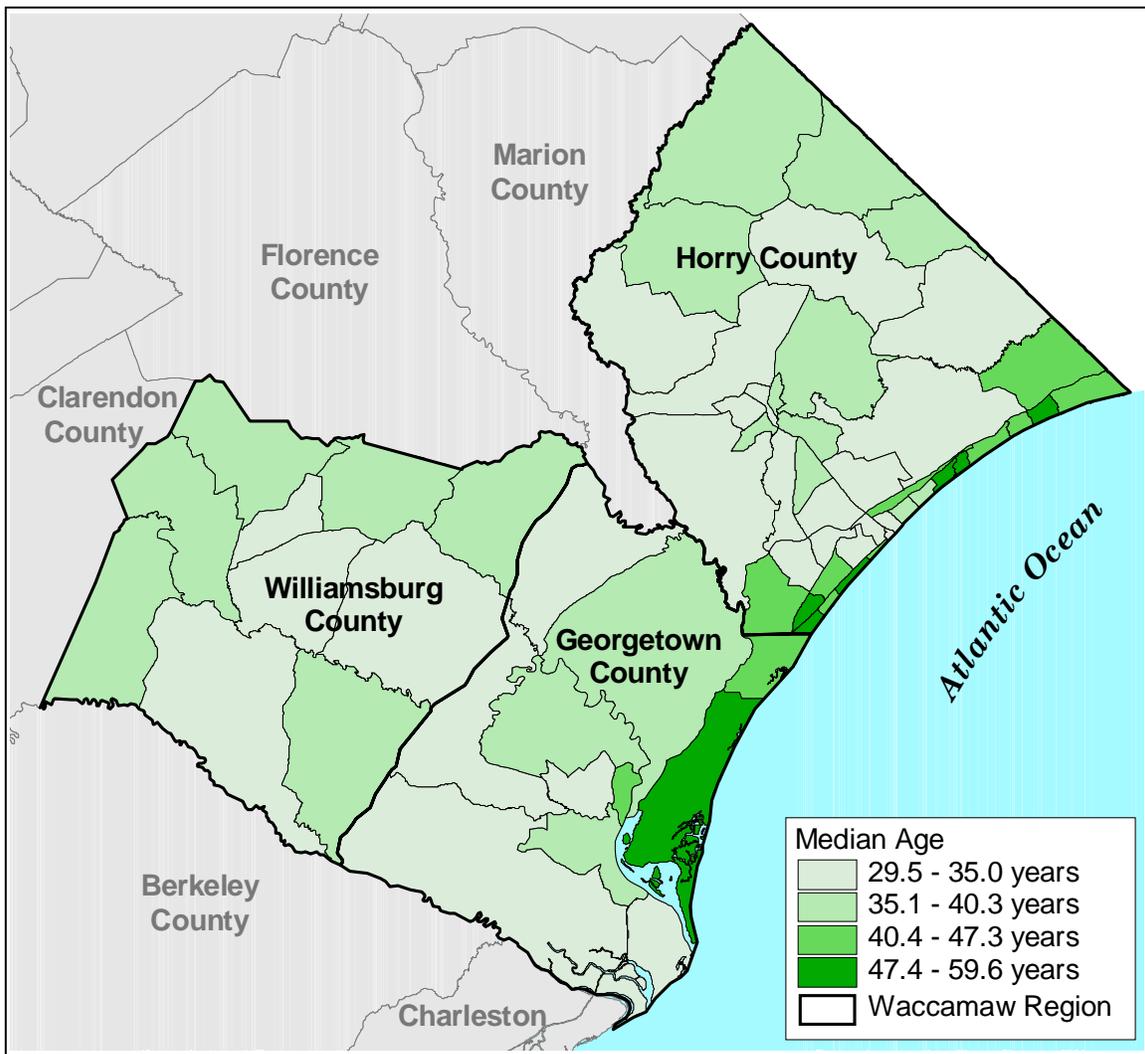
**Table 3-2. Median Age, 1990 and 2000
Waccamaw Region and South Carolina**

Jurisdiction	1990	2000	Change 1990-2000
Georgetown County	32.7 years	39.1 years	6.4 years
Horry County	33.8 years	38.3 years	4.5 years
Williamsburg County	30.6 years	35.5 years	4.9 years
South Carolina	32.0 years	35.4 years	3.4 years

Source: US Census, 2000; and SC Statistical Abstract, 2000-2001.

As detailed in Map 3-3, median ages by Census tract in the region are highest in tracts located along the coast and are youngest in the more rural areas of all three counties.

**Map 3-3. Median Age, 2000
Waccamaw Region by Census Tract**



Source: US Census, 2000.

As detailed in Table 3-3, racial composition varies widely among the counties of the Waccamaw Region. Horry County has a predominantly Caucasian population with 81% Caucasian, 15.5% African-American, and 2.6% Hispanic. By comparison, in Williamsburg County African-Americans are by far the largest racial group at 66.3%, with 32.7% Caucasian and 0.7% Hispanic. Georgetown County has the most balanced racial composition in the region, with 59.7% Caucasian, 38.6% black, and 1.6% Hispanic residents. Racial composition statewide is similar to that of Georgetown County, with 67.2% Caucasian and 29.5% African-American. The percentage of Hispanic residents statewide reflects that of Horry County at 2.4%.

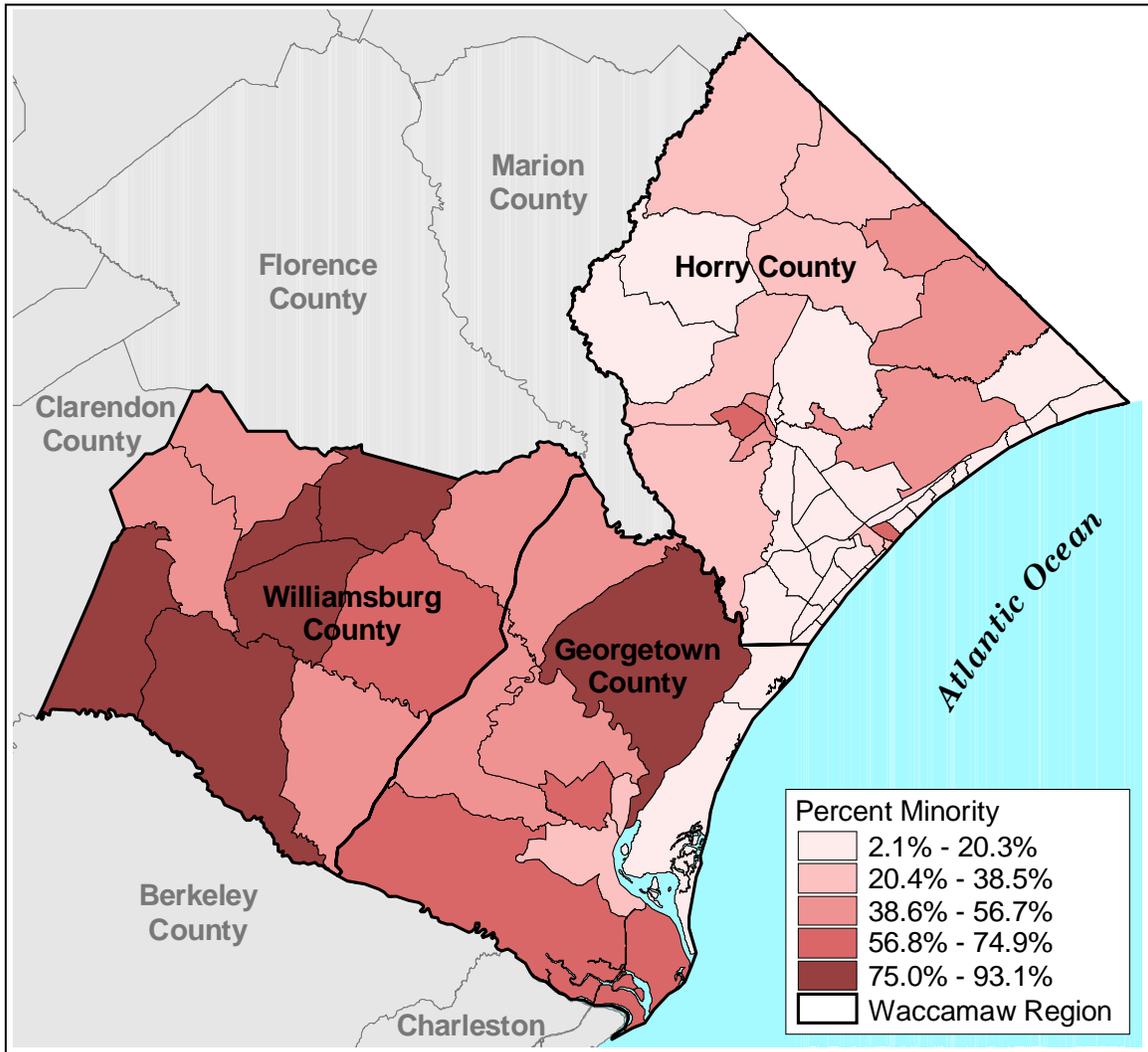
**Table 3-3. Racial Composition, 2000
Waccamaw Region and South Carolina**

Race	Georgetown		Horry		Williamsburg		South Carolina	
	#	%	#	%	#	%	#	%
Total	55,797	100.0%	196,629	100.0%	37,217	100.0%	4,012,012	100.0%
White	33,307	59.7%	159,363	81.0%	12,184	32.7%	2,695,560	67.2%
Black	21,541	38.6%	30,468	15.5%	24,660	66.3%	1,185,216	29.5%
Other	949	1.7%	6,798	3.5%	373	1.0%	131,236	3.3%
Hispanic	919	1.6%	5,057	2.6%	273	0.7%	95,076	2.4%

Source: US Census, 2000

As shown in Map 3-4, most of the Census tracts with the highest minority concentrations are located in Williamsburg County. Five tracts in Williamsburg County and one in northern Georgetown County range in percentage of minority population from 75 to 93.1%. Tracts with the lowest percentages of minority residents are located along and near the coast in Georgetown and Horry Counties, along the US Highway 501 corridor area from Myrtle Beach to Conway, and in northwestern Horry County.

**Map 3-4. Percentage Minority Population, 2000
Waccamaw Region by Census Tract**



Source: US Census, 2000.

While Georgetown County’s population grew by nearly 21% between 1990 and 2000, the County’s Caucasian population increased by a higher rate of 27.4% during that time period. By contrast, the African-American population in Georgetown County grew by only 7.8%. In Horry County, the Caucasian population increased by 36.1% - only slightly lower than the 36.5% increase countywide. The African-American population in Horry County increased by 21.1% in that decade – much higher than the increase in that racial group in both Georgetown and Williamsburg Counties, but lower than the overall rate of increase in all races in Horry County. While the African-American population increased by 4.3% in Williamsburg County – higher than the growth for the total population at only 1.1%, the County experienced a decrease of nearly 7% in the Caucasian population from 1990 to 2000.

Perhaps even more significant was the tremendous increases in other minority populations, including Native American, Asian and Hispanic, in the region from 1990 to 2000. Other minorities increased by 455% in Georgetown County, 366.3% in Williamsburg County, and

nearly 279% in Horry County over the decade. The Hispanic population increased by 391.4% in Georgetown County, 301.7% in Horry County, and 111.6% in Williamsburg County during that same time period.

**Table 3-6. Change in Racial Composition, 1990-2000
Waccamaw Region**

Race	Georgetown County			Horry County			Williamsburg County		
	1990	2000	% Change	1990	2000	% Change	1990	2000	% Change
Total	46,302	55,797	20.5%	144,053	196,629	36.5%	36,815	37,217	1.1%
White	26,151	33,307	27.4%	117,098	159,363	36.1%	13,092	12,184	-6.9%
Black	19,980	21,541	7.8%	25,160	30,468	21.1%	23,643	24,660	4.3%
Other	171	949	455.0%	1,795	6,798	278.7%	80	373	366.3%
Hispanic	187	919	391.4%	1,259	5,057	301.7%	129	273	111.6%

Source: US Census, 2000.

C. Income and Poverty

Table 3-7 provides per capita income data for the counties in the Waccamaw Region and South Carolina. In 1999, the per capita personal income in Williamsburg County was very low at \$12,794 when compared with Georgetown County at \$19,805 and Horry County at \$19,949 – both similar to per capita income statewide at \$18,795. Per capita income trends within racial/ethnic groups varied widely among the three counties. While per capita income for Caucasians in Horry County at \$22,044 was similar to Caucasians statewide at \$22,095, per capita income in that group was significantly higher in Georgetown County at \$26,293 and much lower in Williamsburg County at \$17,920. Per capita income for African-Americans was very similar among the counties in the region at more than \$10,000, though slightly lower than African-Americans statewide at \$11,776. Hispanics in Horry County posted a per capita income of \$12,534 – very similar to the income for Hispanics statewide at \$12,143. However, per capita income for Hispanics in Georgetown and Williamsburg Counties was significantly lower at \$8,950 and \$7,507, respectively.

**Table 3-7. Per Capita Income, 1999
Waccamaw Region and South Carolina**

	Total	White	Black	Hispanic
Georgetown County	\$19,805	\$26,293	\$10,178	\$8,950
Horry County	\$19,949	\$22,044	\$10,390	\$12,534
Williamsburg County	\$12,794	\$17,920	\$10,295	\$7,507
South Carolina	\$18,795	\$22,095	\$11,776	\$12,143

Source: US Census, 2000.

An individual is described as living in poverty when he/she has insufficient resources to meet basic living expenses, including the costs of food, shelter, clothing, transportation and medical expenses. In 1999, 12% of Horry County residents, 17.1% of Georgetown residents and 27.9% of Williamsburg County residents were living below poverty status. The percentage of persons living in poverty in Williamsburg County was double that of the percentage statewide at 14.1%. Census figures indicate that a significant percentage of persons living in poverty within the Waccamaw Region are age 65 or older – 12.3% in Georgetown County, 11.9% in Williamsburg

County and 10.7% in Horry County. More than one-third of the residents of all the counties in the region who are living in poverty are children under the age of 18. Table 3-8 provides data related to persons living below poverty.

**Table 3-8. Income Below Poverty by Age, 1999
Waccamaw Region and South Carolina**

	Georgetown		Horry		Williamsburg		South Carolina	
	#	%	#	%	#	%	#	%
Total Population	55,263	---	193,974	---	36,889	---	3,883,329	---
Below poverty	9,439	17.1%	23,356	12.0%	10,294	27.9%	547,869	14.1%
Under 5 years	830	8.8%	2,042	8.7%	926	9.0%	52,453	9.6%
5 years	139	1.5%	468	2.0%	158	1.5%	10,403	1.9%
6 to 11 years	1,347	14.3%	2,669	11.4%	1,350	13.1%	66,197	12.1%
12 to 17 years	1,286	13.6%	2,384	10.2%	1,410	13.7%	58,222	10.6%
18 to 64 years	4,678	49.6%	13,296	56.9%	5,220	50.7%	295,906	54.0%
65 years & over	1,159	12.3%	2,497	10.7%	1,230	11.9%	64,688	11.8%

Source: US Census, 2000.

In 1999 the estimated median household income varied widely among the 3 counties in the region, but all were lower than household income statewide at \$37,082. Median household income was \$36,470 for Horry County, \$35,312 for Georgetown County, and \$24,214 for Williamsburg County. As shown in Table 3-9, median household income was highest for Caucasians in Georgetown County at \$44,444, while household income was lower for Caucasians in Horry County and Williamsburg County than for persons in the racial group statewide. Median household income for African-Americans was lower in all counties in the region than statewide, and much lower in Williamsburg County at only \$19,331. Median household income for Hispanics was higher in Georgetown County than statewide at \$34,375 but much lower in Williamsburg County at only \$17,917.

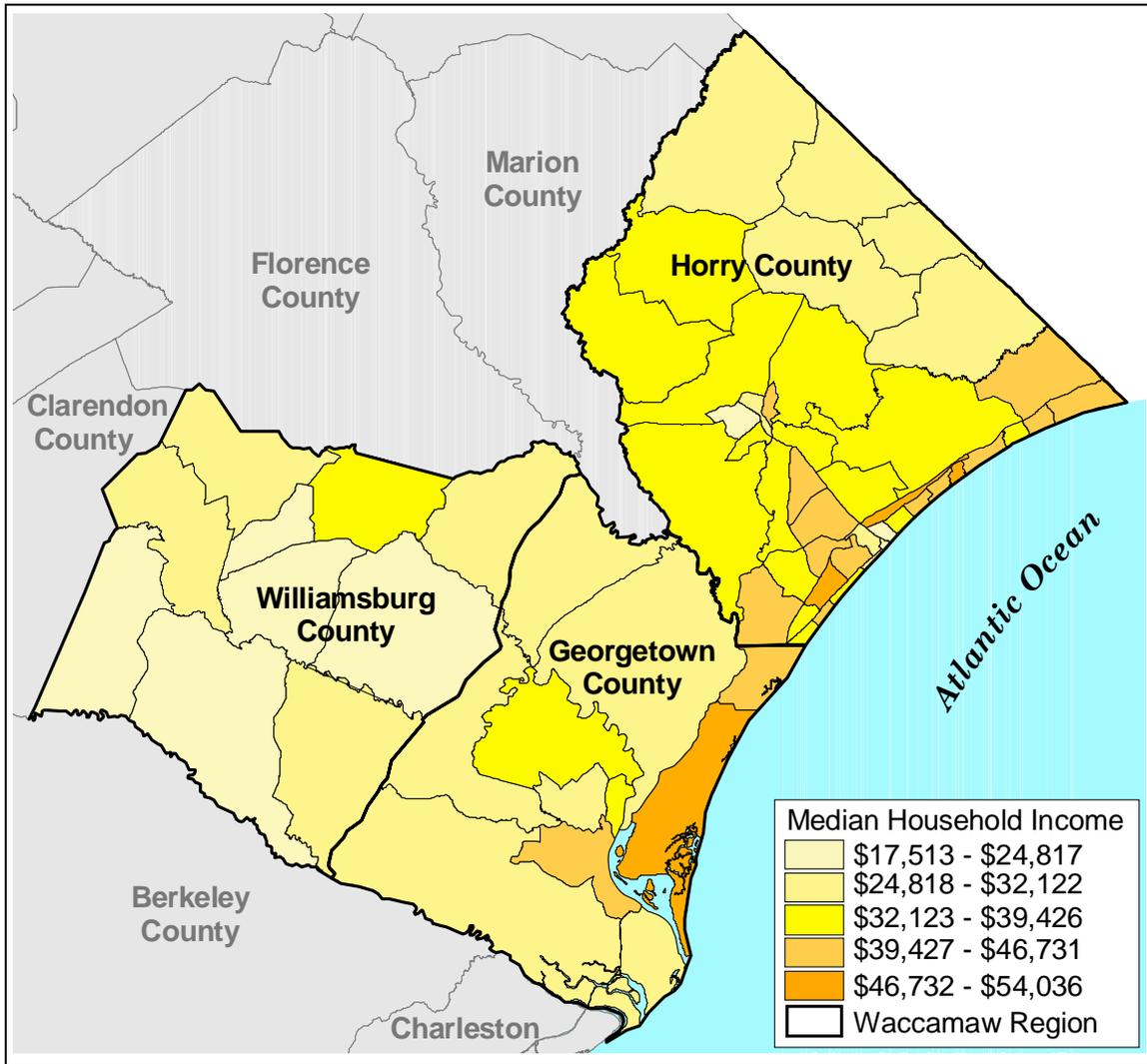
**Table 3-9. Median Household Income, 1999
Waccamaw Region and South Carolina**

	Total	White	Black	Hispanic
Georgetown County	\$35,312	\$44,444	\$22,393	\$34,375
Horry County	\$36,470	\$38,847	\$23,484	\$31,250
Williamsburg County	\$24,214	\$34,417	\$19,331	\$17,917
South Carolina	\$37,082	\$42,068	\$25,032	\$31,645

Source: US Census, 2000.

As illustrated in Map 3-5, the Census tracts with highest median household incomes are primarily located on or in close proximity to the Atlantic Ocean in Georgetown and Horry Counties. Nearly all of the tracts with the lowest median household incomes are located in Williamsburg County.

**Map 3-5. Median Household Income, 1999
Waccamaw Region by Census Tract**



Source: US Census, 2000.

Comprehensive Housing Affordability Strategy (CHAS) data is a special tabulation and adjustment of 2000 Census household and income data commissioned by HUD for use by CDBG grantees in the development of local consolidated plans. This data includes valuable information on household income for low income residents and provides information on the percentage of households within each income category that are cost-burdened. It should be noted that the Census Bureau uses a special rounding scheme on special tabulation data such as the CHAS data, resulting in small discrepancies between the CHAS data and the data provided in conventional Census data files. HUD defines cost burden as the fraction of a household's total gross income that is spent on housing costs. For renters, housing costs include rent paid by the tenant plus utility costs. Housing costs for owners include mortgage payments, taxes, insurance, and utility costs. A household is considered cost-burdened if its occupants are paying more than 30% of their income for housing costs.

Table 3-10 depicts income as a percentage of the Median Family Income (MFI) for each county in the Waccamaw Region. HUD defines low and moderate income (LMI) households as those households with incomes below 80% of MFI. More than half (54.7%) of all Williamsburg County households, 40.8% of Georgetown County households and 36.9% of Horry County households are considered to be LMI. Poverty is more prevalent in rental households, with more than three-fourths (76.8%) of renter households in Williamsburg County, and more than half of rental households in Georgetown (61.3%) and Horry (53.5%) counties considered to be LMI. By contrast, less than half (49.4%) of owner households in Williamsburg County, 36.1% of owner households in Georgetown County and 30.8% of owner households in Horry County are LMI. CHAS data indicates that the percentage of LMI owner households increases in relation to income category. Overall, owners in both Georgetown and Williamsburg counties comprise 62.1% and owners in Horry County 53.5% of *extremely low income* households. Owners account for 80.3% of *very low income* households in Williamsburg County, 71.9% in Georgetown County and 57.9% in Horry County. Within the *other low income* category, the majority of households are owners – 81.5% in Williamsburg County, 79.6% in Georgetown County, and 66.5% in Horry County.

**Table 3-10. CHAS Households of Low and Moderate Income by Tenure, 2000
Waccamaw Region**

Households	Extremely Low Income (0-30% MFI)		Very Low Income (31-50% MFI)		Other Low Income (51-80% MFI)		Moderate Income (>80% MFI)		All Households	
	#	%	#	%	#	%	#	%	#	%
Georgetown County										
Total	2,823	100.0%	2,363	100.0%	3,642	100.0%	12,793	100.0%	21,621	100.0%
Renters	1,069	37.9%	663	28.1%	744	20.4%	1,563	12.2%	4,039	18.7%
Owners	1,754	62.1%	1,700	71.9%	2,898	79.6%	11,230	87.8%	17,582	81.3%
Horry County										
Total	7,511	100.0%	8,232	100.0%	14,445	100.0%	51,565	100.0%	81,753	100.0%
Renters	3,493	46.5%	3,463	42.1%	4,835	33.5%	10,265	19.9%	22,056	27.0%
Owners	4,018	53.5%	4,769	57.9%	9,610	66.5%	41,300	80.1%	59,697	73.0%
Williamsburg County										
Total	3,206	100.0%	1,979	100.0%	2,309	100.0%	6,218	100.0%	13,712	100.0%
Renters	1,214	37.9%	390	19.7%	427	18.5%	613	9.9%	2,644	19.3%
Owners	1,992	62.1%	1,589	80.3%	1,882	81.5%	5,605	90.1%	11,068	80.7%

Source: US Dept. of Housing & Urban Development, Community Planning & Development, 2006.

Income is a primary concern for elderly Waccamaw residents, touching nearly every facet of life from housing and health care to basic needs such as food and medications. More than 67% of all Williamsburg County households, 47.1% of Georgetown County households and 41.6% of Horry County households are considered to be of low and moderate income – with incomes less than 80% of the MFI for the area. As provided in Table 3-11, nearly one-third (30.4%) of elderly Williamsburg County residents, 17.4% of Georgetown's older residents and 11.5% of the elderly population of Horry County are considered to have extremely low incomes, making less than 30% of the median family income for the area.

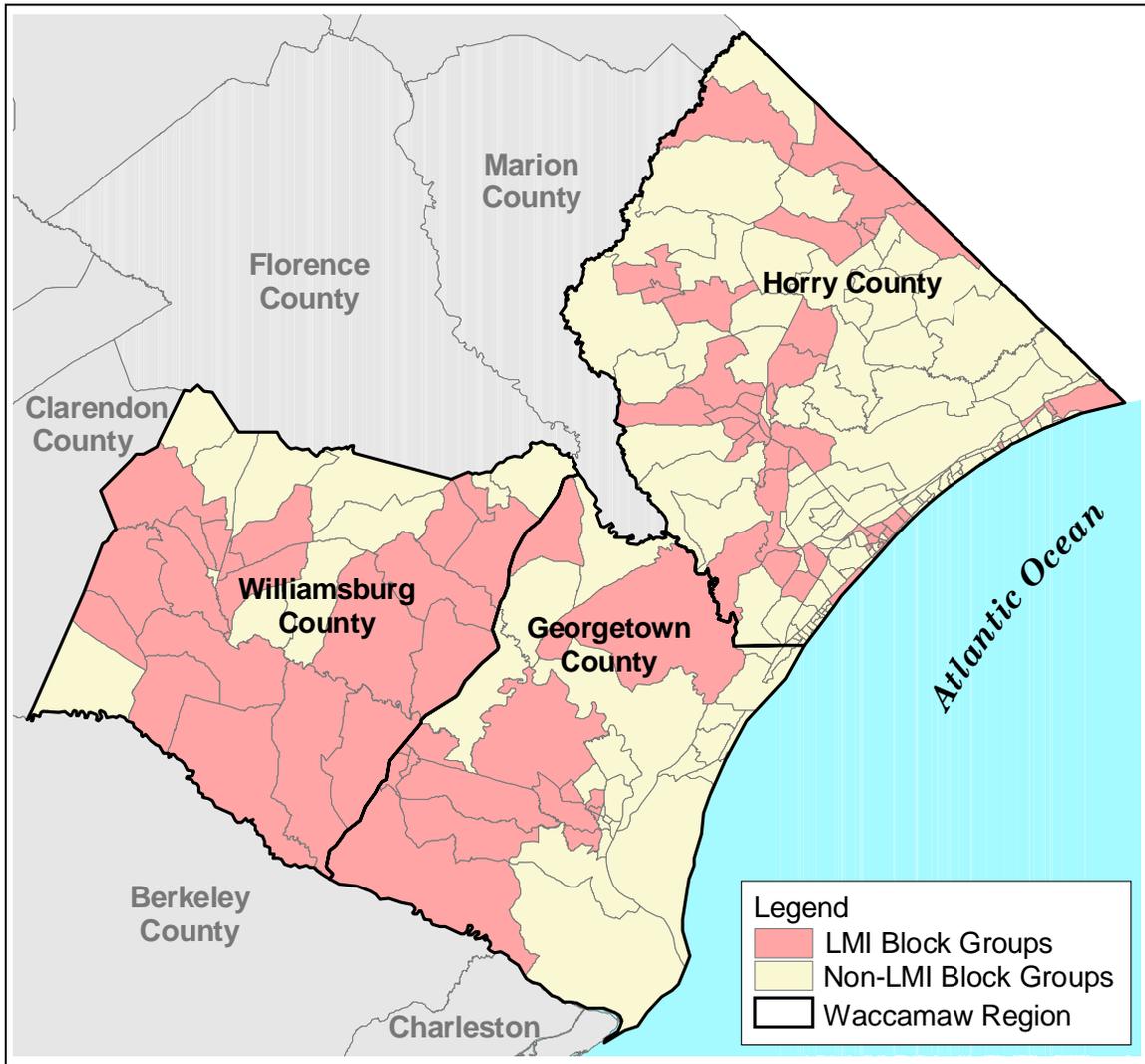
**Table 3-11. Income Estimates for Elderly Households, 2000
Waccamaw Region**

Income Categories	Georgetown		Horry		Williamsburg	
	#	%	#	%	#	%
Extremely Low Income (0-30% MFI)	984	17.4%	2,513	11.5%	992	30.4%
Very Low Income (31-50% MFI)	689	12.2%	2,584	11.8%	591	18.1%
Other Low-Income (51-80% MFI)	990	17.5%	4,005	18.3%	607	18.6%
Moderate Income (> 81% MFI)	2,985	52.9%	12,760	58.4%	1,068	32.8%
Total Households	5,648	100.0%	21,862	100.0%	3,258	100.0%

Source: US Dept. of Housing & Urban Development, Community Planning & Development, 2006.

Data provided by the US Department of Housing and Urban Development can be used to determine the location of Census block groups with at least 51% of households having low or moderate incomes (LMI) and therefore typically defined as LMI areas. As shown on Map 3-6, LMI areas exist throughout all three of the counties in the Waccamaw Region. In Williamsburg County 65% of the block groups (20 out of 30) are LMI. Forty-one percent (16 out of 23) of the block groups in Georgetown County and 32% of the block groups in Horry County are LMI. It should be noted that the block groups in less densely populated areas are much larger in land area than those in the more urbanized areas. This is particularly true in more rural Williamsburg County, where there are only 30 block groups. By contrast, more urbanized Horry County has 148 block groups within its borders.

**Map 3-6. Areas of Low and Moderate Income, 2000
Waccamaw Region by Census Block Group**



Source: US Dept of Housing & Urban Development, Census 2000 Low and Moderate Income Data, 2006.

D. Housing Characteristics and Construction Trends

As provided in Table 3-11, single-family detached homes comprise more than half of the housing units in Georgetown and Williamsburg Counties and 44.7% of housing units in Horry County (Table 3-10). Horry County has by far the largest percentage of multi-family units at nearly 30%, while in Williamsburg County only 4% of housing units are multi-family. Manufactured housing plays a significant role in the housing market of all three counties, comprising more than one-third of units (38.4%) in Williamsburg County, nearly one-fourth of units (24.3%) in Georgetown County and one-fifth (20.2%) of units in Horry County.

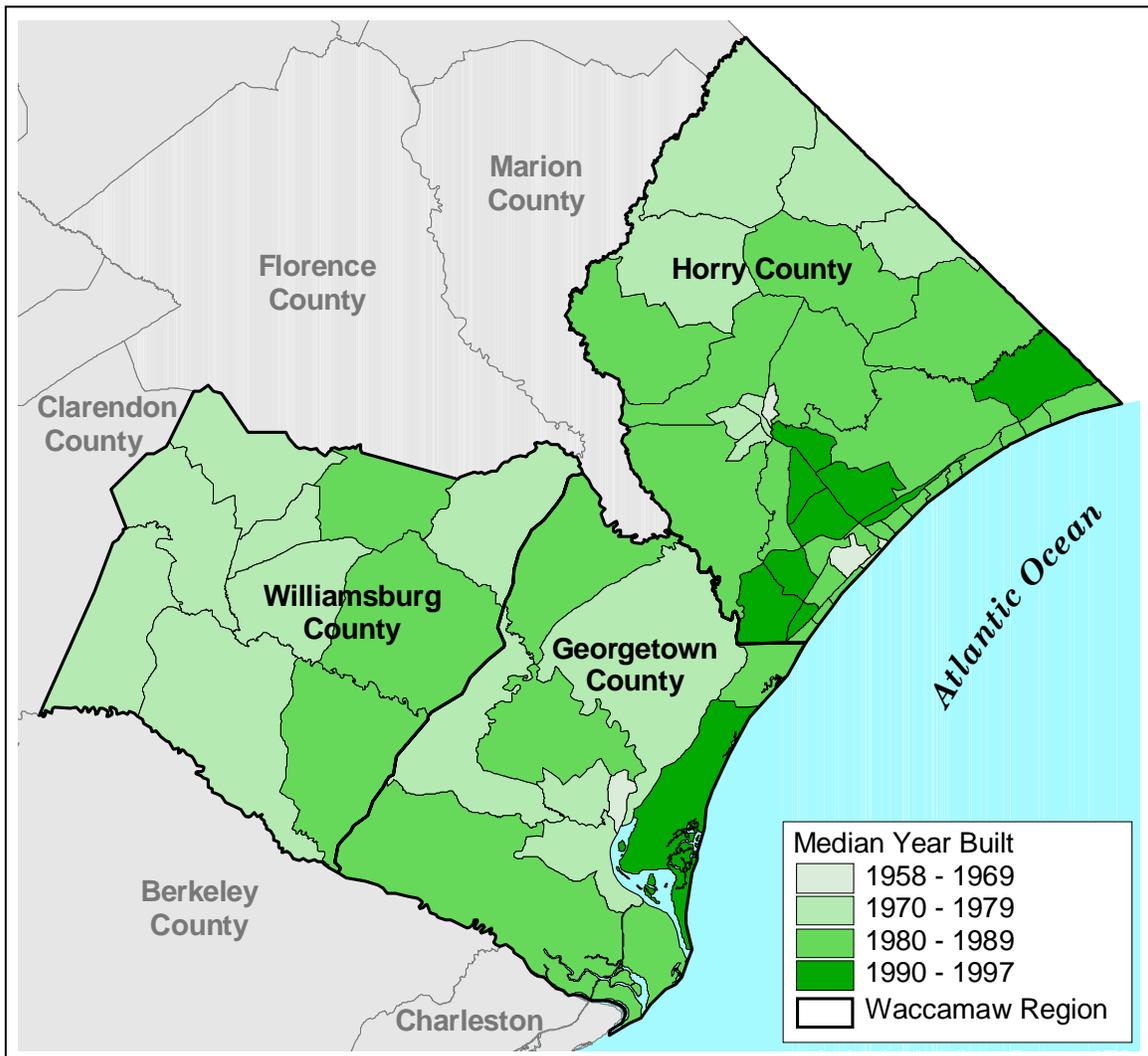
**Table 3-11. Housing Unit Type, 2000
Waccamaw Region**

	Georgetown		Horry		Williamsburg	
	#	%	#	%	#	%
Total	28,282	100.0%	122,085	100.0%	15,552	100.0%
1 unit, detached	16,677	59.0%	54,586	44.7%	8,629	55.5%
1 unit, attached	1,102	3.9%	3,300	2.7%	213	1.4%
Duplex	492	1.7%	2,970	2.4%	128	0.8%
Multi-Family	3,120	11.0%	36,229	29.7%	603	3.9%
Mobile home	6,878	24.3%	24,666	20.2%	5,974	38.4%
Boat, RV, van, etc.	13	0.0%	334	0.3%	5	0.0%

Source: US Census, 2000.

The housing stock in Williamsburg County is much older than the other counties in the region, with the median year that the structure was built of 1977. Housing is much more current in Horry County and Georgetown Counties, where the median year built is 1986 and 1984, respectively. Some of the tracts with the oldest housing are located within the older, established urbanized areas of Myrtle Beach, Conway, and Georgetown. Other tracts with older housing are located in the more rural areas of all three counties. Tracts with more recent housing are located within close proximity to the ocean and on the fringes of established urban areas in Horry and Georgetown counties such as the Waccamaw Neck, Socastee, and the Little River/Longs communities, and also along US Highway 501 linking the cities of Myrtle Beach and Conway. Map 3-7 illustrates the median age of housing in the Census tracts within the Waccamaw Region.

**Map 3-7. Median Year Housing Units Built, 2000
Waccamaw Region by Census Tract**



Source: US Census, 2000.

The median housing value in Williamsburg County in 2000 was \$49,100 – a little more than half the median housing value in Horry County at \$95,400. The median value for occupied units in Georgetown County was similar to the median value statewide at \$83,700. Table 3-12 provides median housing value for occupied units in the Waccamaw Region and South Carolina.

**Table 3-12. Housing Value for Occupied Units, 2000
Waccamaw Region and South Carolina**

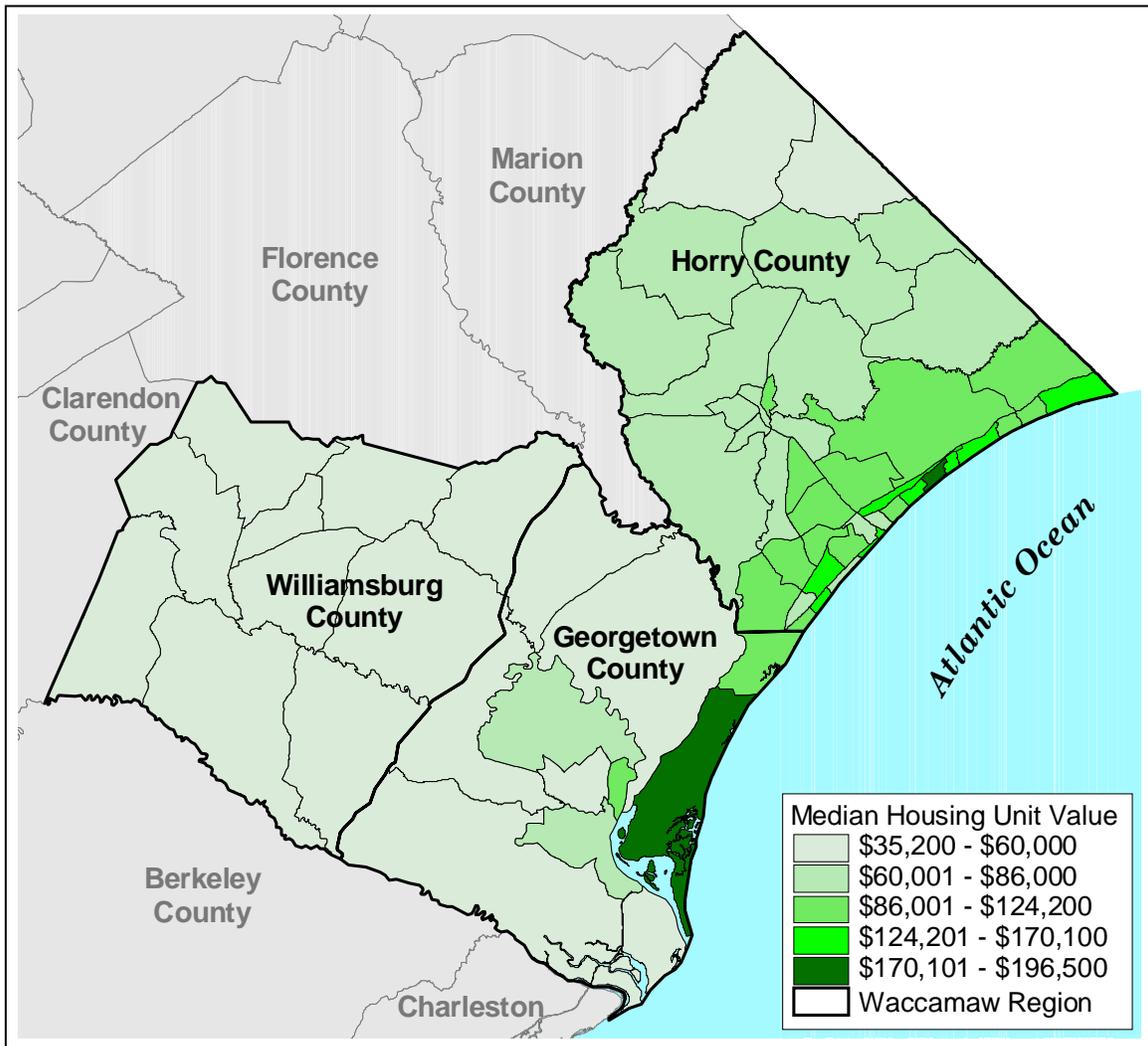
Jurisdiction	Median Housing Unit Value*
Georgetown County	\$83,700
Horry County	\$95,400
Williamsburg County	\$49,100
South Carolina	\$83,100

*Owner-occupied units

Source: US Census, 2000.

As shown in Map 3-8, tracts with the highest median housing values in the Region are located primarily along and within close proximity of the Atlantic Ocean, including the Waccamaw Neck and areas on both sides of US Highway 17 that runs parallel to the coastline and US Highway 501 that connects the cities of Myrtle Beach and Conway. Tracts with the lowest median housing values are in more rural areas. All of the tracts in Williamsburg County fall within the lowest category that ranges from \$35,200 to \$60,000

**Map 3-8. Median Value for all Owner-Occupied Units Housing Units, 2000
Waccamaw Region by Census Tract**



Source: US Census, 2000.

The Region's counties have experienced disparate trends in housing growth since 2000. According to permit data included in Table 3-13, Horry County added a total of 46,753 housing units from 2000 to 2004. Georgetown County added 7,486 housing units and Williamsburg County added only 466 units during that time period. Almost all (95.3%) of the new housing in Williamsburg County and nearly three-fourths (72.5%) of the new units in Georgetown County were single-family construction, while nearly half (48%) of the units constructed in Horry County were multi-family.

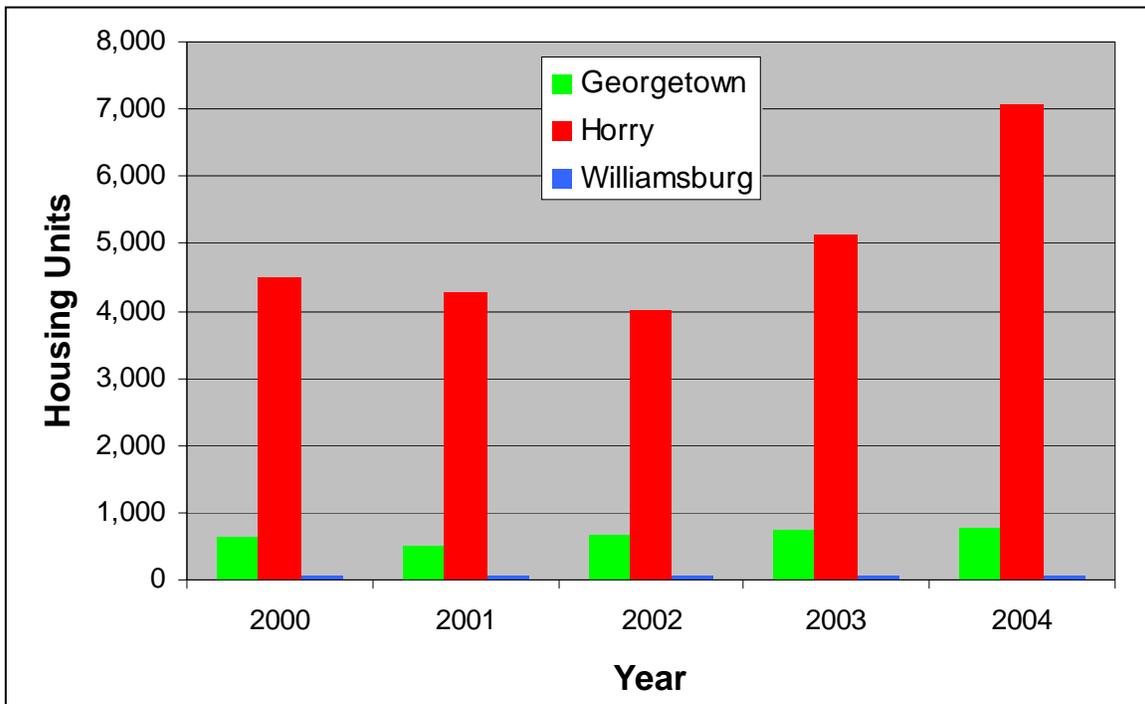
**Table 3-13. Housing Unit Permits Issued, 2000-2004
Waccamaw Region**

Year	Georgetown			Horry County			Williamsburg County		
	Single-Family	Multi-Family	Total Units	Single-Family	Multi-Family	Total Units	Single-Family	Multi-Family	Total Units
2000	483	164	647	1,907	2,585	4,492	50	0	50
2001	478	51	529	2,030	2,238	4,268	58	20	78
2002	537	129	666	2,432	1,585	4,017	55	0	55
2003	508	219	727	3,363	1,767	5,130	51	0	51
2004	604	183	787	4,253	2,815	7,068	49	0	49
Total	5,429	2,057	7,486	24,281	22,472	46,753	444	22	466

Source: US HUD, State of the Cities Data Systems, 2006.

2004 was the busiest year in terms of single-family residential permitting for both Horry and Georgetown Counties in the five-year period from 2000 to 2004. Permitting peaked for Williamsburg County in 2001 with 78 permits issued. Permitting has increased steadily in Georgetown County since 2001, and has increased substantially in Horry County since 2002. Issuance for residential permits has been much lighter in Williamsburg County and has gradually decreased since 2001. As illustrated in Figure 3-1, Horry County experienced a substantial increase of nearly 38% in residential permitting from 2003 (5,130 permits) to 2004 (7,068 permits).

**Figure 3-1. Housing Unit Permits Issued, 2000-2004
Waccamaw Region**



Source: US HUD, State of the Cities Data Systems, 2006.

E. Housing Affordability

A more detailed analysis of housing affordability on the County level is provided by the National Low Income Housing Coalition (NLIHC). The NLIHC is an organization dedicated to ending the affordable housing crisis in America. The Coalition works toward this end by providing up-to-date information to the public, formulating policy, and educating the public on housing need and strategies to meet identified needs. One of the obstacles that the NLIHC has targeted is the lack of knowledge on the part of the general public on the extent of the affordability problem in their own communities. The NLIHC publication entitled *Out of Reach* disseminates information on income and rental housing costs by state, metropolitan area, and county to policy makers and advocates. For each, it calculates: 1) the income that renter households need in order to afford rental housing; 2) estimates the number of households that can not afford to pay the Fair Market Rent (FMR); and 3) determines what these households would need to earn in order to pay the rent and maintain housing costs at 30% of their income. FMRs for fiscal year 2005 are estimated by HUD based on 2000 base information. Likewise, State average owner median incomes and renter median incomes are based on 2000 median income data as a percent of household median income and assume the relationship between renter and owner incomes remains unchanged since 2000.

2005 NLIHC data reveals that it is very difficult for persons of low and moderate incomes to afford housing in the Waccamaw area, particularly in Horry County. Rent ranges widely within the three counties, with current Fair Market Rent (FMR) at \$684 in Horry County, \$569 in Georgetown County, and \$504 in Williamsburg County. In order to afford this level of rent and utility expense (paying less than 30% of income for housing expenses), households must earn \$2,280 per month (\$27,360 annually) in Horry County, \$1,897 monthly (\$22,760 annually) in Georgetown County and \$1,680 per month (\$20,160 per year) in Williamsburg County. Assuming a 40-hour work week for 52 weeks of the year, these income levels translate into a Housing Wage of \$13.15 in Horry County, \$10.94 in Georgetown County and \$9.69 in Williamsburg County.

Federally determined minimum wage workers in the Region earn \$5.15 per hour. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner (or earners) must work 102 hours per week (for 52 weeks per year) in Horry County, 85 hours a week in Georgetown County and 75 hours per week in Williamsburg County to afford the FMR for a two-bedroom apartment. For a household with two workers in the labor force this may be attainable, but for single parents these required work hours are all but impossible to meet. Monthly Supplemental Security Income (SSI) payments for an individual are estimated to be \$579 for the counties in the Region. If SSI represents an individual's sole source of income, a resident in the Waccamaw on SSI can only afford a monthly rent of \$174. FMR for a one-bedroom apartment is more than 3 times that amount (\$586) in Horry County, nearly three times that amount (\$472) in Georgetown County and more than twice FMR for a one-bedroom apartment (\$420) in Williamsburg County.

As shown in Table 3-14, a Horry County household would have to earn \$13.15 per hour for 40 hours a week to afford a two-bedroom unit at the area's FMR. This represents 255% of the present Federal Minimum Wage and is higher than the percentage statewide at 221%. In Georgetown County, a household would have to earn \$10.94 per hour for 40 hours a week to afford a two-bedroom unit at the area's FMR – 212% of the current minimum wage. For Williamsburg County households a wage of \$9.69 per hour for a 40-hour work week would enable them to afford a two-bedroom unit at the area FMR – an amount equal to 188% of the current minimum wage.

**Table 3-14. Maximum Affordable Housing Cost, 2005
Waccamaw Region and South Carolina**

Location	Housing Wage				Work Hours/Week Necessary at Federal Min. Wage to Afford	
	Hourly Wage Needed to Afford (@ 40 hours./week)		As % of Federal Minimum Wage (\$5.15/hour)			
	One Bedroom FMR	Two Bedroom FMR	One Bedroom	Two Bedroom	One Bedroom FMR	Two Bedroom FMR
Georgetown County	\$9.08	\$10.94	176%	212%	71	85
Horry County	\$11.27	\$13.15	219%	255%	88	102
Williamsburg County	\$8.08	\$9.69	157%	188%	63	75
South Carolina	\$9.99	\$11.36	194%	221%	78	88

Source: National Low Income Housing Coalition, "Out of Reach," 2005.

CHAS data also includes valuable information on the percentage of households within each income category that are cost-burdened. The CHAS data provided in Table 3-15 indicates that among the households in the Region with *moderate* to *extremely low* incomes, a significant percentage are paying more for their housing than they can afford. More than half of all households with *extremely low incomes* in each of the counties in the Waccamaw Region (69.9% in Horry, 61% in Georgetown and 58% in Williamsburg County) are cost-burdened – paying more than 30% of their income for housing costs. Among households with *very low incomes* – incomes of 0% to 30% of median family income (MFI) for the area – 61% of Horry County households, 50% of Georgetown households, and 38% of Williamsburg Households are cost-burdened. Forty-two percent of households with incomes of 31% to 50% of MFI (*very low income*) in Horry County, and 32% and 20% of households in that income category in Georgetown and Williamsburg Counties, respectively, pay more than 30% of their income for housing costs. The percentage of households that are cost-burdened drops dramatically to only 11% in *moderate income* households in Horry and Georgetown counties and 5.2% in Williamsburg County households with incomes of 81% to 95% of MFI.

Among owner households, the percentage of cost-burdened households is much higher in the lowest income categories. Of owner-occupied households with *extremely low incomes*, nearly 70% of those households in Horry County, 68.2% in Georgetown County, and 58.4% of households in that category in Williamsburg County are cost-burdened. The percentages of owner-occupied households with incomes of from 51-80% of MFI (*other low-income*) in Georgetown and Williamsburg counties are more than twice that of the percentages of owner-occupied households with *extremely low incomes*. The difference between the percentages of cost-burdened homeowners in the income groups in Horry County was nearly as significant. The percentage of cost-burdened owner households with *moderate incomes* (more than 81% of MFI) is comparatively much lower – 12.3% in Horry County, 11.8% in Georgetown County and only 5.8% in Williamsburg County.

**Table 3-15. Percentage of Households with Cost Burden Greater than 30% by Income Level, 2000
Waccamaw Region**

Income Categories	Georgetown			Horry			Williamsburg		
	Rent	Own	All	Rent	Own	All	Rent	Own	All
Extremely Low Income (0-30% MFI)	49.0%	68.2%	61.0%	64.9%	69.9%	68.0%	57.2%	58.4%	58.0%
Very Low Income (31-50% MFI)	56.1%	48.1%	50.0%	69.8%	53.9%	61.0%	23.6%	41.5%	38.0%
Other Low-Income (51-80% MFI)	35.1%	31.1%	32.0%	44.5%	40.6%	42.0%	11.5%	21.4%	20.0%
Moderate Income (> 81% MFI)	6.5%	11.8%	11.0%	5.1%	12.3%	11.0%	0.0%	5.8%	5.2%
Total Households	31.1%	24.1%	25.0%	33.4%	24.0%	27.0%	31.6%	23.0%	25.0%

Source: US Dept. of Housing & Urban Development, Community Planning & Development, 2006.

Although many elderly households enjoy quality and accessible housing, there are a significant number of elderly residents who face substandard, inaccessible and costly housing options. Major concerns of the elderly population include health care, Medicare, Social Security, mental health, crime and safety, income stability, housing, and abuse and neglect issues. Elderly residents experience multiple risk factors that can influence housing need, accessibility, and affordability.

A growing concern for elderly residents as life expectancy lengthens is the provision for basic necessities such as food, shelter and medical expenses within the context of a fixed income. Social Security benefits represent a percentage of an individual's earnings averaged over their working lifetime. Although intended only as a supplement to individual savings, investments, and pensions, many seniors rely heavily on such benefits. It is estimated that two-thirds of the nation's elderly population depend on Social Security as their major (50% or more) source of income. For up to 40% of seniors, these benefits represent a precariously thin line between poverty and the ability to meet the basic costs of daily living.

With such income limitations, housing emerges as a key concern for elderly residents. These concerns range from performing basic home maintenance and repairs, to remodeling to accommodate physical conditions, to transitioning from independent living to assisted-living and nursing care facilities. As with the general population, elderly households are considered to be *cost-burdened* if their housing costs are more than 30 percent of gross income. As shown in Table 3-16, more than two-thirds of homeowners aged 62 and older in all three of the counties in the Region (70.1% in Georgetown, 66.9% in Horry, and 60.6% in Williamsburg) are cost-burdened – spending more for housing costs that they can afford. Of elderly homeowners with *very low incomes*, more than one-third (39.6% in Horry, 34.6% in Georgetown and 33.9% in Williamsburg) are cost-burdened. As with the general population, among elderly households the percentage of cost-burdened households is much higher in the lowest income categories. The percentage of cost-burdened elderly homeowners with extremely low incomes was more than 4 times higher than that of elderly homeowners with incomes of from 51% to 80% of MFI in Williamsburg County, more than 3 times larger in Georgetown County, and more than double in Horry County.

**Table 3-16. Percentage of Elderly Households with Cost Burden Greater than 30% by Income Level, 2000
Waccamaw Region**

Income Categories	Georgetown		Horry		Williamsburg	
	Renters	Owners	Renters	Owners	Renters	Owners
Extremely Low Income (0-30% MFI)	34.7%	70.1%	51.6%	66.9%	50.5%	60.6%
Very Low Income (31-50% MFI)	45.3%	34.6%	59.9%	39.6%	10.4%	33.9%
Other Low-Income (51-80% MFI)	61.5%	21.7%	46.5%	27.9%	8.2%	14.9%
Moderate Income (> 81% MFI)	14.6%	11.8%	4.9%	9.7%	0.0%	4.7%
Total Households	35.2%	24.5%	37.2%	21.5%	33.4%	26.3%

Source: US Dept. of Housing & Urban Development, Community Planning & Development, 2006.

To help alleviate housing costs, South Carolina provides tax exemptions to residents who are over 65 and/or disabled and have lived in the State for at least one year. These exclusions, known as homestead tax exemptions, allow the first \$50,000 in fair market value of a home to be exempt from municipal, county, school and special assessment real property taxes.

A recent report by *The Sun News* examined data from the National Homebuilders Association's Housing Opportunity Index (HOI) and noted that Horry County is among the least affordable areas for single-family homes in the State. The HOI is driven by two key variables – income and housing cost. The Index ranking is determined by the share of homes sold in a particular region that would have been affordable to a family earning the region's median income as defined by HUD's annual median family income estimates for metropolitan areas.

The Myrtle Beach-Horry County area ranked well behind other MSAs such as Columbia, Greenville-Spartanburg-Anderson, and Charlotte-Gastonia-Rock Hill in housing affordability and was ranked nearly equal to the high-priced Charleston-North Charleston region. Based on an estimated 2004 median family income of \$51,500, a family in Horry County could only afford approximately 61-66% of single family homes on the market. Comparatively, the Columbia MSA ranked as the third most affordable region in the South, in which a family earning the area's median income can afford 84% of the area's single-family homes.

PART FOUR. ANALYSIS OF 2004 HMDA DATA

Since enactment of the *Home Mortgage Disclosure Act* (HMDA) in 1974, lending institutions have been required to collect and disclose data regarding applicants including location of the loan (by Census tract); income, race and gender of the borrower; the number and dollar amount of each loan; the property type; the loan type; the loan purpose; whether the property is owner-occupied; the action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one to four family units, manufactured housing and multi-family developments. The loan type indicates if the loan is conventional, insured by the Federal Housing Administration (FHA), guaranteed by the Veterans Administration, or is through the Farm Service Agency or Rural Housing Service. Loan purpose describes whether the loan is for home purchase, home improvement, or is a refinancing. Loan actions describe the activity completed for each application and include loan origination, approval but not acceptance of the application, denial of the application by the financial institution, application withdrawn by the applicant, and file closed due to incomplete information.

Since amendment to the Act in 2002, lenders have also been required to report the interest rate point spread for each loan – the difference between the annual percentage rate (APR) on the loan and the applicable Treasury yield if the spread is equal to or greater than 3 percentage points for first-lien loans or equal to or greater than 5 percentage points for subordinate-lien loans.

HMDA data is a very valuable tool in accessing lending practices and trends within a region. While many financial institutions are required to report loan activities, it is important to note that not all institutions are required to participate. Depository lending institutions – banks, credit unions, and savings associations – must file under HMDA if they hold assets exceeding \$33 million for 2004, have a home or branch office in one or more metropolitan areas, originated at least one home purchase or refinancing loan on a one- to four-family dwelling in the preceding calendar year, or meet any one of the following conditions: is a federally insured or regulated institution; originates a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originates a loan intended for sale to Fannie Mae or Freddie Mac. For-profit non-depository institutions (such as mortgage companies) must file HMDA if the value of their home purchase or refinancing loans exceeds either \$25 million or 10% or more of their loan originations; they either maintain a home or branch office in one or more metropolitan areas or in a given year execute five or more home purchase or home loan applications, originations, or loan purchases for properties located in metropolitan areas; or hold assets exceeding \$10 million or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered on its own, but must be considered in light of other factors. For instance, while it is possible to develop conclusions simply on the basis of race data, it is more accurate when all possible factors are considered, particularly in relation to loan denials and loan pricing. According to the FFIEC, “with few exceptions, controlling for borrower-related factors reduces the differences among racial and ethnic groups.” Borrower-related factors include income, loan amount, lender, and other relevant information included in the HMDA data. Further, the FFIEC cautions that the information in the HMDA data, even when controlled for borrower-related factors and the lender, “is insufficient to account fully for racial or ethnic differences in the incidence of higher-priced lending.” The FFIEC suggests that a more thorough analysis of the differences may require additional details from sources other than HMDA about factors including the specific credit circumstances of each borrower, the specific

loan products that they are seeking, and the business practices of the institutions that they approach for credit.

A. Disposition of Loans by Race and Income by County

The counties in the Waccamaw Region vary widely in terms of loan activity. As shown in Table 4-1, there were 16,755 HMDA loan applications for conventional home purchase loans for 1- to 4- family dwellings and manufactured home dwellings received in Horry County in 2004 – more than 8 times the 2,085 applications submitted in Georgetown County. There were only 350 loan applications received in Williamsburg County during that same time period. Loan denials for conventional home purchase loans differed greatly as well, with nearly 44% of applications for Williamsburg County residents denied – more than twice the percentage of loan applications denied in Georgetown County at 16.3% and more than three times the percentage denied in Horry County at 12.1%.

The percentage of loan application denials for conventional home purchase loans for 1- to 4-family housing and manufactured homes with regard to race and ethnicity are also vary by each county in the region. Nearly 45% of loan applications from African-American residents, 23.1% of applications from Hispanic residents, 11.9% of applications from Caucasian residents, and 17.7% of applicants from residents of other races in Georgetown County were denied. In Horry County, 32.6% of applications from African-Americans, 19.5% from Hispanics, 10.8% from Caucasians, and 14.2% from applicants of other races were denied. Denials for residents of Williamsburg County were higher in all racial and ethnic groups. More than half (53.1%) of loan applications from African-American residents, 29.7% of applications from Caucasian residents, and 28.6% of applications from residents of other races were denied, as was the one application made by a Hispanic resident (100%).

**Table 4-1. Disposition of Applications for Conventional Home Purchase Loans
by Race of Applicant, 2004
Waccamaw Region**

Race	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With- drawn	Files Closed - Incomplete	% Loans Denied
Georgetown County							
Total all Races	2,085	1,404	151	339	142	49	16.3%
Black	239	64	35	107	17	16	44.8%
Hispanic*	13	6	2	3	0	2	23.1%
White	1,626	1,204	99	193	103	27	11.9%
Other**	220	136	17	39	22	6	17.7%
Horry County							
Total all Races	16,755	12,136	1,292	2,029	1,078	220	12.1%
Black	625	299	77	204	35	10	32.6%
Hispanic*	215	142	15	42	14	2	19.5%
White	13,784	10,317	984	1,492	811	180	10.8%
Other**	2346	1520	231	333	232	30	14.2%
Williamsburg County							
Total all Races	350	110	58	153	26	3	43.7%
Black	211	52	36	112	10	1	53.1%
Hispanic*	1	0	0	1	0	0	100.0%
White	111	50	15	33	11	2	29.7%
Other**	28	8	7	8	5	0	28.6%

* Hispanic is considered an ethnicity; therefore totals combine Black, White and Other categories.

** Includes category of race not available.

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

Loan activity related to the refinancing of 1- to 4-family dwellings and manufactured homes in the Waccamaw Region was similar to that of conventional home purchase loans (Table 4-2). Horry County experienced the greatest refinancing activity in 2004, with 11,136 applications received – more than 4 times the applications received in Georgetown County (2,653). Refinancing activity was much less in Williamsburg County with only 742 applications received during that time period. It is notable that while applications for home purchase exceeded applications for refinancings in Horry County by 50.5%, the opposite was true for Williamsburg and Georgetown Counties, where refinancings exceeded home purchase loans by 112% and 27.2%, respectively.

Denial rates for refinancing loans for 1- to 4- family housing and manufactured homes were much higher in Williamsburg County at 46.6% than in neighboring Georgetown County at 28% and Horry County at 26.6%. While denials were only slightly higher for refinancings at 46.6% than for conventional home purchase loans (43.7%) in Williamsburg County, denials of refinancing loans (26.6%) were more than double conventional home purchase loan denials (12.1%) in Horry County and significantly higher at 28% than home purchase loan denials (16.3%) in Georgetown County.

The denial rate for refinancing loans was generally high in all categories related to race and ethnicity throughout the region when compared to the percentage of denials of conventional home purchase loans. In Williamsburg County, 80% of applications for refinancing submitted by

Hispanics, 51.3% submitted by African-Americans, 34.1% submitted by Caucasians, and half (50%) submitted by residents of other races were denied. Of applications for refinancing submitted in Georgetown County, 44.6% of those received from African-Americans, 36% from Hispanics, 19.7% from Caucasians, and 34.7% from applicants of other races were denied. More than 38% of applications for refinancing made by African-American residents of Horry County, 23.2% of those submitted by Caucasian residents, 34.4% of applications submitted by other races, and only 3% of applications received from Hispanic residents were denied.

**Table 4-2. Disposition of Applications for Residential Refinancing Loans by Race of Applicant, 2004
Waccamaw Region**

Race	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With-drawn	Files Closed - Incomplete	% Loans Denied
Georgetown County							
Total all Races	2,653	1,182	203	744	407	117	28.0%
Black	556	129	62	248	99	18	44.6%
Hispanic*	25	6	0	9	7	3	36.0%
White	1,544	898	95	304	197	50	19.7%
Other**	553	155	46	192	111	49	34.7%
Horry County							
Total all Races	11,136	5,342	726	2,965	1,570	533	26.6%
Black	744	267	63	284	100	30	38.2%
Hispanic*	86	28	6	35	14	3	3.0%
White	7,962	4,348	494	1,844	960	316	23.2%
Other**	2,430	727	169	837	510	187	34.4%
Williamsburg County							
Total all Races	742	190	48	346	120	38	46.6%
Black	339	83	24	174	46	12	51.3%
Hispanic*	5	1	0	4	0	0	80.0%
White	185	77	12	63	27	6	34.1%
Other**	218	30	12	109	47	20	50.0%

* Hispanic is considered an ethnicity; therefore totals combine Black, White and Other categories.

** Includes category of race not available.

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

However, Tables 4-3 and 4-4 indicate that applicant income may play an even more significant role in the success of loan applications. Under HMDA reporting, loan applicants are categorized by the ratio of their reported income to the Median Family Income (MFI) of the Metropolitan Statistical Area (MSA/MD). The Median Family Income of the MSA/MD is based on annual estimates developed by the US Department of Housing and Urban Development (HUD). HUD estimated 2004 Median Family Incomes for the Waccamaw Region are \$45,400 for Georgetown and Williamsburg Counties and \$49,700 for Horry County. Income for *Low-income* applicants is less than 50% of the MFI for the county, for *Moderate-income* applicants is from 50 to 79% of the county MFI, for *Middle-income* applicants is 80 to 119% of the county MFI, and for *Upper-income* loan applicants is 120% or more of the MFI for the county.

In all three counties, denial rates increased significantly for applicants in lower income categories in 2004 (Table 4-3). Sixty-two percent (62%) of the applications for conventional

home purchase loans received from low-income residents in Williamsburg County, 57.3% from low-income residents in Georgetown County and 30.7% received from low-income residents in Horry County were denied. Nearly half (44.8%) of applications from residents with moderate incomes in Williamsburg County, 26.6% of applications from moderate income residents in Georgetown County and 19.2% of applications from Horry County residents with moderate incomes were denied. Generally, denial rates increased as income categories rose within the Region with one notable exception – nearly one-third (32.8%) of applications for conventional home purchase loans submitted by upper-income residents in Williamsburg County were denied – an increase from the 25% of applications received from middle-income residents that were denied.

**Table 4-3. Disposition of Applications for Conventional Home Purchase Loans by Income of Applicant, 2004
Waccamaw Region**

	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With-drawn	Files Closed - Incomplete	% Loans Denied
Georgetown County							
Total all Incomes	2,085	1,404	151	339	142	49	16.3%
Low-Income	131	37	8	75	9	2	57.3%
Moderate-Income	293	157	34	78	21	3	26.6%
Middle-Income	350	227	19	63	25	16	18.0%
Upper-Income	1,217	913	85	112	81	26	9.2%
Income Not Available	94	70	5	11	6	2	11.7%
Horry County							
Total all Incomes	16,755	12,136	1,292	2,029	1,078	220	12.1%
Low-Income	968	484	112	297	63	12	30.7%
Moderate-Income	2,235	1,409	214	430	146	36	19.2%
Middle-Income	2,806	1,981	235	352	202	36	12.5%
Upper-Income	9,700	7,476	683	865	556	120	8.9%
Income Not Available	1,046	786	48	85	111	16	8.1%
Williamsburg County							
Total all Incomes	350	110	58	153	26	3	43.7%
Low-Income	100	16	16	62	6	0	62.0%
Moderate-Income	125	39	16	56	13	1	44.8%
Middle-Income	60	23	21	15	1	0	25.0%
Upper-Income	61	30	5	20	4	2	32.8%
Income Not Available	4	2	0	0	2	0	0.0%

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

As provided in Table 4-4, denial rates for applications received for home refinancing were generally higher than for conventional home purchase loans. Throughout the Waccamaw Region, denials for refinancing loans decreased as income levels increased. Forty-six percent (46%) of applications submitted by low-income residents in Georgetown County, 34.1% submitted by residents with moderate-incomes, 33.4% by applicants with middle-incomes and 20.3% of applications received from upper-income residents were denied. Of applications submitted by residents in Horry County, 40.1% received from low-income residents, 33.2% from moderate-income residents, 30.6% from middle-income residents and 19.5% from upper-income residents were denied. Denial rates were higher in Williamsburg County, with 55.7% of

applications from moderate-income residents, 37% from middle-income residents and 29.9% from upper-income residents denied. Williamsburg County residents had a denial rate of 58.6% for low-income applicants for refinancing loans. In Williamsburg County, two-thirds (66.7%) of loans were denied to loans in which the applicant income was not available – significantly higher than the denial rate for all conventional home purchase loans.

**Table 4-4. Disposition of Applications for Residential Refinancing Loans
by Income of Applicant, 2004
Waccamaw Region**

	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With- drawn	Files Closed - Incomplete	% Loans Denied
Georgetown County							
Total all Incomes	2,653	1,182	203	744	407	117	28.0%
Low-Income	245	55	25	113	47	5	46.1%
Moderate-Income	464	167	42	158	75	22	34.1%
Middle-Income	569	205	56	190	91	27	33.4%
Upper-Income	1,244	677	74	252	180	61	20.3%
Income Not Available	131	78	6	31	14	2	23.7%
Horry County							
Total all Incomes	11,136	5,342	726	2965	1,570	533	26.6%
Low-Income	915	320	71	367	121	36	40.1%
Moderate-Income	2,091	849	164	695	286	97	33.2%
Middle-Income	2,657	1,101	173	814	431	138	30.6%
Upper-Income	4,746	2,652	277	924	640	253	19.5%
Income Not Available	727	420	41	165	92	9	22.7%
Williamsburg County							
Total all Incomes	742	190	48	346	120	38	46.6%
Low-Income	140	24	5	82	26	3	58.6%
Moderate-Income	230	45	18	128	30	9	55.7%
Middle-Income	162	56	14	60	21	11	37.0%
Upper-Income	174	60	11	52	37	14	29.9%
Income Not Available	36	5	0	24	6	1	66.7%

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

When the denial rate for home purchase loans for each racial group is examined within the context of income, it is evident that Caucasian applicants generally have a consistently lower loan application denial rate, while African-Americans generally have a comparatively higher rate of denial. Of note is the comparatively high rate of denial for African-Americans in the upper-income category in all three counties, which exceeds denials for Caucasians in the upper-income, middle-income and moderate-income groups within those counties. Table 4-5 summarizes the disposition of applications for conventional home purchase loans grouped by income and by race for each county. The tables in *Appendix B* provide the full versions of this data for each county in the Region and include further information on loan actions in addition to denials.

In Georgetown County, applications from Caucasian residents comprised the greatest percentage of applications received in 2004, ranging from 49.6% from low-income residents to 86.1% from upper-income residents. African-American residents submitted the next highest

percentage of applications in all income categories except for upper-income, where persons of other races submitted 10% of applications as compared with applications from African-Americans at only 3.8%. Applications received from Georgetown's Hispanic residents represented the lowest percentage of any racial/ethnic group in all income categories.

Denial rates in Georgetown County were highest for Hispanics in the low-income (100%) and moderate-income categories (50%). However, only 2 applications from Hispanics were received from residents in each of those income categories in 2004. Low-income, African-American applicants had the second highest rate of denial in the region at 73.1%, with denials for African-Americans in other income groups ranging from 32.6% to 39.7%. Percentage of denials was highest for persons of other races in both the low-income and middle-income categories and was highest for Caucasians in the low- and moderate-income ranges. Denial rates for loan applications submitted by African-Americans within each income group ranged from 13.1% to 23.4% greater than the denial rates for each income group as a whole, and from 17.2% to 25.4% higher than the denial rates for Caucasians in each income group.

The majority of applications for home purchase loans received from Horry County residents were from Caucasian applicants, ranging from nearly three-fourths of applications (74.4%) in the low-income group to 84.8% in the upper-income category. The next highest percentage of applications was from persons of other races in all income categories, but these percentages were much lower compared to those in Caucasian income groups and ranged from 12.1% in the middle-income category to 13.1% in the upper-income group. The percentage of applications received from African-Americans decreased as income level increased, from 12.9% for applications from low-income residents to only 2.1% for applications for residents in the upper-income category. Applications received from the County's Hispanic residents comprised the smallest percentage of any racial/ethnic group in all income categories.

In Horry County, the percentage of denials was consistently greatest for African-Americans and lowest for Caucasians in all income categories. The highest rate of denials was for applications from low-income African-Americans at 51.2% and the lowest denial rate was for applications from Caucasians in the upper-income group at 8%. Differences in denial rates for African-American applicants ranged from 10.7% to 21.3% greater than denial rates for each income group as a whole and from 11.6% to 24.6% higher than denial rates for Caucasians in each income category.

The percentage of applications from African-American residents in Williamsburg County at 39.3% was greatest in relation to the other racial/ethnic group in all income categories, with the exception of the 57.4% of applications submitted by Caucasians in the upper-income group. Applications from African-American applications comprised 74% of low-income applications received, 60.8% of applications from moderate-income residents, and 60% of applications from residents in the middle-income category. The percentage of applications from Caucasian residents rose as income levels increased, ranging from 19% in the low-income category to 57.4% in the upper-income group. There was only one application received from Hispanic residents in the moderate-income category, with no others submitted from Hispanic residents in other income groups.

Denials for applications received from African-American residents were highest within all income categories in Williamsburg County, with two exceptions. In the moderate-income category, the one loan application submitted by a Hispanic resident was denied and in the upper-income category one of the two loan applications that were submitted by persons of other races was denied. Denial rates for Caucasian applicants were lower than all income categories as a

whole. Rates were also lower for applicants of other races in all but the upper-income group, where the denial rate was 50% as compared to the denial rate for the income group at 32.8%. Denial percentages for loan applications received from African-Americans within each income group ranged from 4.2% to 17.2% higher than percentages for each income group as a whole, and from 11.6% to 30% (upper-income) higher than the percentage of denials for Caucasians in each income group.

**Table 4-5. Disposition of Applications for Conventional Home Purchase Loans by Income and Race of Applicant, 2004
Waccamaw Region**

Income and Race	Georgetown Applications				Horry Applications				Williamsburg Applications			
	Received		Denied		Received		Denied		Received		Denied	
	#	% Income Group	#	% Loans Denied	#	% Income Group	#	% Loans Denied	#	% Income Group	#	% Loans Denied
Low-Income	131	100.0%	75	57.3%	968	100.0%	297	30.7%	100	100.0%	62	62.0%
Black	52	39.7%	38	73.1%	125	12.9%	64	51.2%	74	74.0%	49	66.2%
Hispanic	2	1.5%	2	100.0%	20	2.1%	7	35.0%	0	0.0%	0	0.0%
White	65	49.6%	31	47.7%	717	74.1%	191	26.6%	19	19.0%	10	52.6%
Other	14	10.7%	6	42.9%	126	13.0%	42	33.3%	7	7.0%	3	42.9%
Moderate-Income	293	100.0%	78	26.6%	2,235	100.0%	430	19.2%	125	100.0%	56	44.8%
Black	78	26.6%	31	39.7%	158	7.1%	64	40.5%	76	60.8%	40	52.6%
Hispanic	2	0.7%	1	50.0%	40	1.8%	13	32.5%	1	0.8%	1	100.0%
White	178	60.8%	40	22.5%	1,803	80.7%	314	17.4%	36	28.8%	12	33.3%
Other	37	12.6%	7	18.9%	274	12.3%	52	19.0%	13	10.4%	4	30.8%
Middle-Income	350	100.0%	63	18.0%	2,806	100.0%	352	12.5%	60	100.0%	15	25.0%
Black	56	16.0%	20	35.7%	115	4.1%	33	28.7%	36	60.0%	11	30.6%
Hispanic	0	0.0%	0	0.0%	33	1.2%	7	21.2%	0	0.0%	0	0.0%
White	268	76.6%	33	12.3%	2,351	83.8%	262	11.1%	21	35.0%	4	19.0%
Other	26	7.4%	10	38.5%	340	12.1%	57	16.8%	3	5.0%	0	0.0%
Upper-Income	1,217	100.0%	112	9.2%	9,700	100.0%	865	8.9%	61	100.0%	20	32.8%
Black	46	3.8%	15	32.6%	199	2.1%	39	19.6%	24	39.3%	12	50.0%
Hispanic	9	0.7%	0	0.0%	109	1.1%	14	12.8%	0	0.0%	0	0.0%
White	1,048	86.1%	82	7.8%	8,230	84.8%	662	8.0%	35	57.4%	7	20.0%
Other	123	10.1%	15	12.2%	1,271	13.1%	164	12.9%	2	3.3%	1	50.0%

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

B. Disposition of Loans by Census Tract

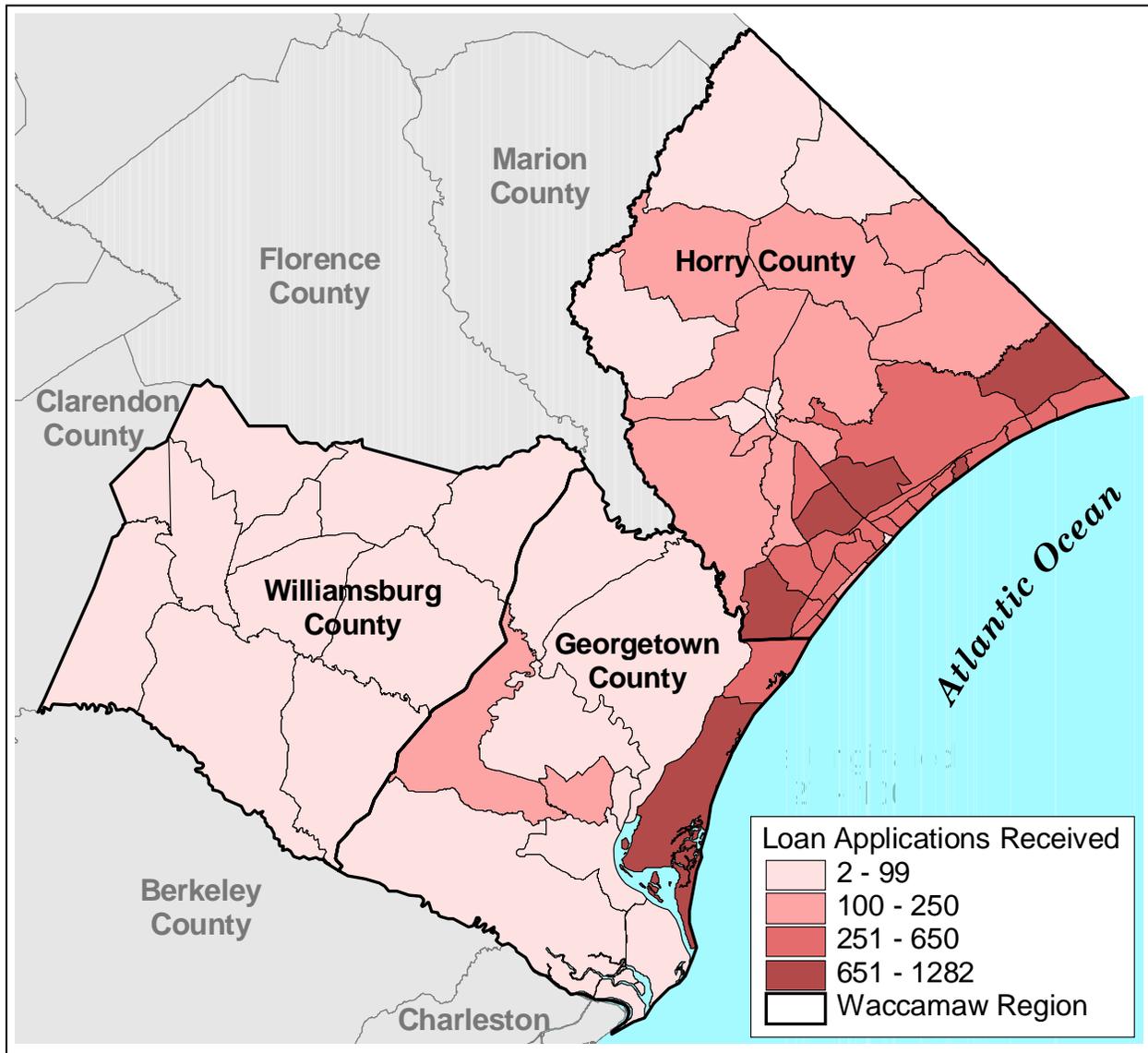
An examination of the disposition of conventional loans for 1- to 4- family dwellings and manufactured homes at a smaller geographic level provides important information about regional lending trends. Data related to the numbers and types of loans and the disposition of loans for 2004 is available at the Census tract level for counties in the Waccamaw Region and

is detailed in table form for each county in *Appendix C*. A map of Census tracts for the Region including tract numbers can be found in *Appendix E*.

HMDA information at the Census tract level indicates that tracts with the largest numbers of applications received for conventional loans for 1- to 4- family dwellings and manufactured homes are located in the fast growing areas along and within close proximity of the coast in Horry and Georgetown Counties. The tract with the largest number of applications in 2004 was tract 401, located in the northeastern area of Horry County along the North Carolina border, with 1,282 applications submitted. More than 1,000 applications were also received from tract 602.01, located along the US Highway 501 corridor that connects the City of Myrtle Beach to the City of Conway. A total of 969 applications were submitted from tract 9805.02, located along the Atlantic coast on the Waccamaw Neck. Areas with the largest numbers of applications received also were some of the fastest growing in the Region, tended to be more densely populated, and have newer housing. Tract 9805.02 located on the Waccamaw Neck of Georgetown, also ranked among the oldest in median age, and among the highest in median household incomes and median housing unit values in the Region.

Within the Waccamaw Region the tracts with the lowest numbers of applications submitted are concentrated primarily in the more rural areas, with most in Williamsburg County. There were only 2 loan applications submitted in 2004 from tract 401, located on the northern border of Williamsburg County. Tracts 9709 and 9704, both located along the eastern border of Williamsburg County, had 19 and 20 applications submitted, respectively. Tract 9702 has one of the highest percentages of minority population in the Region, while tracts 9709 and 9704 are comprised entirely of Census block groups with at least 51% of households having low or moderate incomes (LMI) and therefore are defined as LMI areas. Map 4-1 depicts the number of 2004 applications received for conventional home loans for 1- to 4- family dwellings and manufactured homes by Census tract.

**Map 4-1. Applications Received for Conventional Home Loans, 2004
Waccamaw Region by Census Tract**



Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

C. Reasons for Loan Denials

An in-depth analysis of the reasons for loan denial reveals that the largest contributor to loan denial for residents of the Waccamaw Region is credit history, followed by debt-to-income ratio (Tables 4-6, 4-7 and 4-8). It is important to note that financial institutions are not required to report reasons for loan denials, though many do. Also, while many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan. Through an examination of the reasons for loan denial at the county level, it is possible to uncover specific issues that can be addressed by the Waccamaw Regional Council of Governments, local governments, and other community partners.

Table 4-6 outlines 2004 loan denial data for conventional home purchase loans for Georgetown County. The data reveals that of all denied loan applications, 42.5% were denied because of the applicant's credit history. Nearly 22% of loan denials countywide were due to debt-to-income-ratio. Lack of collateral resulted in 7.7% of denials, with incomplete credit application (3.6%), insufficient cash (3.2%) and employment history (1.6%) each comprising smaller percentages of the reasons for denial.

With regard to race and ethnicity, more than half (55.3%) of loan denials to African-American applicants in Georgetown County, 37.4% of loan denials to Caucasian applicants, and 33.3% of loan denials to applicants of other races were due to credit history. Both of the two loans submitted by Hispanic residents were denied due to credit history. Twenty-five percent (25%) of denials of loans submitted by residents of other races, 23.8% of loan denials for Caucasians, and 17.1% of denials for African-Americans were attributed to debt-to-income ratio. Both of the denials of loans to Hispanic applicants were attributed to credit history.

Credit history was by far the most significant reason for loan denials for both genders in Georgetown County. Applications of nearly 44% of female applicants and 41.3% of male applicants were denied because of credit history. Denial due to debt-to-income ratio was more prevalent for males at 23.9% than females at 19.8% and lack of collateral was more significant for male applicants at 8.7% than female applicants at 7.3%.

Within income groups in Georgetown County, credit history was the most significant factor in loan application denials, followed by debt-to-income ratio. Data in Table 4-6 shows that 61.1% of low-income applications and nearly half of moderate- and middle-income loan applications (47.2% and 48.8%, respectively) were denied because of credit history. Problems with credit history were not attributed to only the lower incomes – 27.5% of applications from residents in the upper-income category were also denied because of credit history. Debt-to-income ratio became slightly less significant as a factor in loan denial as income increased. In the upper-income group, debt-to-income ratio was nearly as important a factor for denial as credit history, accounting for 26.4% of denials. Debt-to-income ratio was also a significant factor in loan denials in other income groups, comprising 20.4% of denials to low-income applicants, 18.9% of denials to applicants of moderate-income and 19.5% of loan denials for middle-income applicants. Lack of collateral accounted for a small but significant percentage of loan denials in all income groups except for the low-income category, but most notably in the upper-income category where it accounted for 11% of denials.

Table 4-6. Reasons for Denial of Applications for Conventional Home Purchase Loans by Race, Gender and Income of Applicant, 2004 Georgetown County

Characteristics	Total*	Debt-to-Income Ratio		Employment History		Credit History		Collateral		Insufficient Cash		Credit App. Incomplete	
		#	%	#	%	#	%	#	%	#	%	#	%
Race	247	54	21.9%	4	1.6%	105	42.5%	19	7.7%	8	3.2%	9	3.6%
Black	76	13	17.1%	0	0.0%	42	55.3%	4	5.3%	0	0.0%	1	1.3%
Hispanic	2	0	0.0%	0	0.0%	2	100.0%	0	0.0%	0	0.0%	0	0.0%
White	147	35	23.8%	4	2.7%	55	37.4%	13	8.8%	8	5.4%	5	3.4%
Other	24	6	25.0%	0	0.0%	8	33.3%	2	8.3%	0	0.0%	3	12.5%
Gender	247	54	21.9%	4	1.6%	105	42.5%	19	7.7%	8	3.2%	9	3.6%
Male	138	33	23.9%	1	0.7%	57	41.3%	12	8.7%	5	3.6%	1	0.7%
Female	96	19	19.8%	3	3.1%	42	43.8%	7	7.3%	3	3.1%	6	6.3%
Gender Not Available	13	2	15.4%	0	0.0%	6	46.2%	0	0.0%	0	0.0%	2	15.4%
Income	247	54	21.9%	4	1.6%	105	42.5%	19	7.7%	8	3.2%	9	3.6%
Low-Income	54	11	20.4%	1	1.9%	33	61.1%	1	1.9%	0	0.0%	2	3.7%
Moderate-Income	53	10	18.9%	1	1.9%	25	47.2%	4	7.5%	2	3.8%	1	1.9%
Middle-Income	41	8	19.5%	0	0.0%	20	48.8%	3	7.3%	4	9.8%	0	0.0%
Upper-Income	91	24	26.4%	2	2.2%	25	27.5%	10	11.0%	2	2.2%	5	5.5%
Income Not Available	8	1	12.5%	0	0.0%	2	25.0%	1	12.5%	0	0.0%	1	12.5%

* Institutions are not required to report reasons for loan denials.

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

An analysis of the reasons for denial of loan applications in Horry County provided in Table 4-7 indicates that credit history is the primary reason for denial countywide, followed closely by debt-to-income ratio and lack of collateral. Nearly 28% of denials in the County were because of credit history, 18.7% due to debt-to-income ratio, 16.6% attributed to lack of collateral, 6.3% because of an incomplete credit application, and nearly 5% due to insufficient cash.

Credit history is also a major factor in denials when examined within the context of the race and ethnicity of Horry County Applicants. Nearly 47% of loans submitted by African-Americans, 21.1% by Hispanics, 26.3% by Caucasians, and 23.9% by persons of other races were denied because of credit history. While debt-to-income ratio was the second leading factor in loan denial for all races, lack of collateral accounted for a significant percentage of denials as well. The percentage of loan denials attributed to debt-to-income ratio ranged from 15.8% for Hispanic applicants to 21.8% for persons of other races. Loan denials attributed to lack of collateral ranged from 10.4% of denials for African-American applicants to 17.9% for Caucasian applicants.

While credit history was the primary reason for loan denial for applicants of both genders in Horry County (25.4% for males and 36% for females), the secondary reason for denial for males was lack of collateral at 19.7%. Among female applicants, debt-to-income ratio was the second most significant reason for loan denial at 17%.

An examination of loan denial by income group reveals that credit history is the leading cause of denials in all income categories except for applicants in the upper-income group, where 25.5% of denials were attributed to lack of collateral. The percentage of denials based upon credit history and debt-to-income ratio decreased as income increased, while the percentage of

denials because of lack of collateral increased as income increased. Loan applications from nearly 41% of low-income applicants, 37.8% of moderate-income applicants, 28.9% of middle-income applicants and 17.6% of upper-income applicants were denied because of credit history. Twenty-eight percent (28%) of applications from low-income residents, 20.9% from moderate-income residents, 17.1% from middle-income residents, and 15.7% from upper-income residents were denied because of debt-to-income ratio. Denials attributed to collateral comprised much smaller, but significant percentages of denials for low-income applicants (6.9%), moderate-income applicants (10%) and middle-income applicants (12.7%).

**Table 4-7. Reasons for Denial of Applications for Conventional Home Purchase Loans by Race, Gender and Income of Applicant, 2004
Horry County**

Characteristics	Total*	Debt-to-Income Ratio		Employment History		Credit History		Collateral		Insufficient Cash		Credit App. Incomplete	
		#	%	#	%	#	%	#	%	#	%	#	%
Race	1,970	368	18.7%	54	2.7%	548	27.8%	328	16.6%	96	4.9%	124	6.3%
Black	182	32	17.6%	5	2.7%	85	46.7%	19	10.4%	6	3.3%	8	4.4%
Hispanic	38	6	15.8%	2	5.3%	8	21.1%	6	15.8%	0	0.0%	0	0.0%
White	1,470	268	18.2%	37	2.5%	387	26.3%	263	17.9%	79	5.4%	84	5.7%
Other	318	68	21.4%	12	3.8%	76	23.9%	46	14.5%	11	3.5%	32	10.1%
Gender	1,970	368	18.7%	54	2.7%	548	27.8%	328	16.6%	96	4.9%	124	6.3%
Male	727	120	16.5%	22	3.0%	185	25.4%	143	19.7%	29	4.0%	42	5.8%
Female	483	82	17.0%	17	3.5%	174	36.0%	54	11.2%	22	4.6%	29	6.0%
Gender Not Available	760	166	21.8%	15	2.0%	189	24.9%	131	17.2%	45	5.9%	53	7.0%
Income	1,970	368	18.7%	54	2.7%	548	27.8%	328	16.6%	96	4.9%	124	6.3%
Low-Income	321	90	28.0%	12	3.7%	131	40.8%	22	6.9%	19	5.9%	4	1.2%
Moderate-Income	421	88	20.9%	13	3.1%	159	37.8%	42	10.0%	19	4.5%	15	3.6%
Middle-Income	322	55	17.1%	14	4.3%	93	28.9%	41	12.7%	24	7.5%	12	3.7%
Upper-Income	835	131	15.7%	13	1.6%	147	17.6%	213	25.5%	31	3.7%	84	10.1%
Income Not Available	71	4	5.6%	2	2.8%	18	25.4%	10	14.1%	3	4.2%	9	12.7%

* Institutions are not required to report reasons for loan denials.

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

Table 4-8 provides data related to the reasons for denial of loan applications from residents of Williamsburg County for 2004. As with the other counties in the Region, credit history is the primary reason for loan denial, accounting for 60.5% of denials countywide. Debt-to-income ratio ranks as the second leading cause of loan denials at 16.7%, followed by lack of collateral at 3.5% and employment history at 2.6%. Insufficient cash and incomplete credit application comprise smaller percentages of the reasons for denial at only 1.8% and 0.9%, respectively.

Credit history accounts for the highest percentage of loan denials for Williamsburg County residents in all racial/ethnic groups except for persons of other races. Sixty-seven percent (67.1%) of applications received from African-Americans was denied due to credit history and 17.1% were denied because of debt-to-income ratio. Credit history was also the leading cause of loan denials for Caucasian applicants at 48.1%, however lack of collateral was the second highest leading cause of denial at 11.1%. Of loan denials for persons of other races, 80% were attributed to debt-to-income ratio and 20% to credit history.

With regard to gender, credit history accounted for more than half of all loan denials for both males and females in the County, although denials for that reason were higher for women at 63.3% than for males at 57.4%. Debt-to-income ratio accounted for the next highest percentage of denials for both genders, with 11.7% of denials for women and 22.2% of denials for men attributed to that reason.

Among the income categories in Williamsburg County, credit history accounted for the largest percentage of denials in all income groups, followed again by debt-to-income ratio. Denials due to insufficient cash were also significant in the higher income categories, comprising 7.1% of denials in the middle-income group and 9.1% of denials in the upper-income group. Nearly 70% of denials of loans submitted by residents in the moderate-income category, 64.3% of denials to middle-income residents, 54.3% of denials to low-income residents and 45.5% of denials to upper-income residents were attributed to credit history. Debt-to-income ratio accounted for 21.7% of loan denials to low-income applicants, 21.4% of denials to middle-income applicants, 11.6% of denials to moderate-income applicants, and 9.1% of denials to upper-income applicants.

Table 4-8. Reasons for Denial of Applications for Conventional Home Purchase Loans by Race, Gender and Income of Applicant, 2004 Williamsburg County

Characteristics	Total*	Debt-to-Income Ratio		Employment History		Credit History		Collateral		Insufficient Cash		Credit App. Incomplete	
		#	%	#	%	#	%	#	%	#	%	#	%
Race	114	19	16.7%	3	2.6%	69	60.5%	4	3.5%	2	1.8%	1	0.9%
Black	82	14	17.1%	1	1.2%	55	67.1%	1	1.2%	2	2.4%	1	1.2%
Hispanic	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
White	27	1	3.7%	2	7.4%	13	48.1%	3	11.1%	0	0.0%	0	0.0%
Other	5	4	80.0%	0	0.0%	1	20.0%	0	0.0%	0	0.0%	0	0.0%
Gender	114	19	16.7%	3	2.6%	69	60.5%	4	3.5%	2	1.8%	1	0.9%
Male	60	7	11.7%	2	3.3%	38	63.3%	4	6.7%	2	3.3%	0	0.0%
Female	54	12	22.2%	1	1.9%	31	57.4%	0	0.0%	0	0.0%	1	1.9%
Gender Not Available	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Income	114	19	16.7%	3	2.6%	69	60.5%	4	3.5%	2	1.8%	1	0.9%
Low-Income	46	10	21.7%	2	4.3%	25	54.3%	0	0.0%	0	0.0%	0	0.0%
Moderate-Income	43	5	11.6%	1	2.3%	30	69.8%	3	7.0%	0	0.0%	1	2.3%
Middle-Income	14	3	21.4%	0	0.0%	9	64.3%	1	7.1%	1	7.1%	0	0.0%
Upper-Income	11	1	9.1%	0	0.0%	5	45.5%	0	0.0%	1	9.1%	0	0.0%
Income Not Available	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

* Institutions are not required to report reasons for loan denials.

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

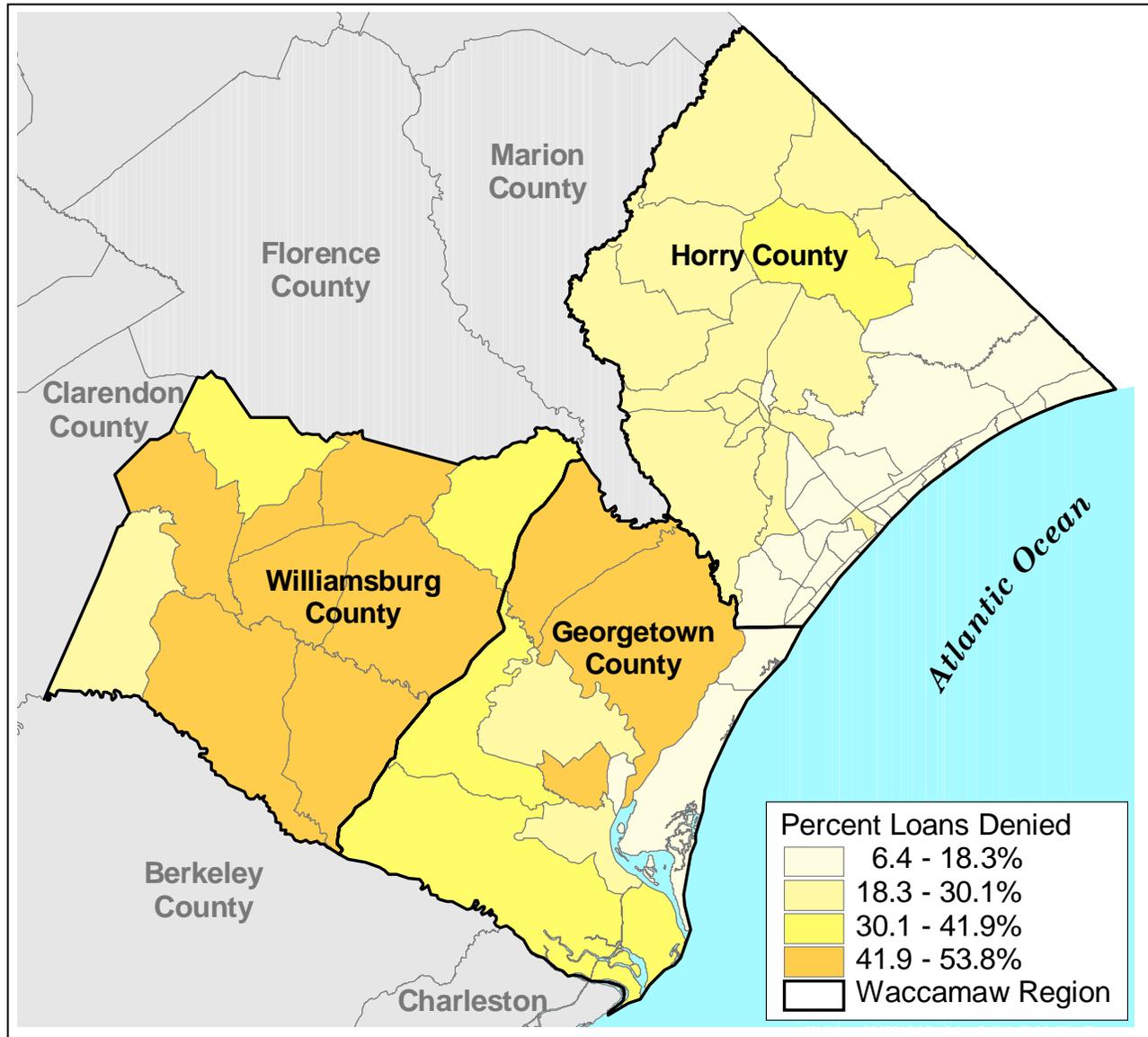
D. Loan Denials by Census Tract

As illustrated in Map 4-2, areas with the highest percentages of denials for conventional home loans are primarily located in Williamsburg and Georgetown Counties. The three tracts posting the highest denial rates at greater than 50% are located in Williamsburg County. Tract 9708 is located on the southwestern border of the County and experienced a 53.8% denial rate in 2004. The denial rate in tract 9705.01, located in the center of the County, was 52.9%. In tract 9702, located on the northern border of the County, the denial percentage was 50% - one of the two

loans received in the tract was denied. These tracts were among the least densely populated, and had among the highest percentage minority population and the lowest median housing unit value in the Region. Tracts 9708 and 9705.01 experienced some of the slowest growth in the Region from 1990 to 2000, and Tract 9702 actually experienced population loss during that decade. Tracts 9708 and 9705.01 were also among the tracts in the Region with the lowest median household incomes and were among the tracts with the oldest homes based on median year built. Tract 9708 is comprised of all LMI block groups, while tract 9705.01 includes one LMI block group.

Areas with the lowest denial rates are generally located along or in close proximity to the coast in Horry and Georgetown Counties. The tract with the lowest percentage of loan denials was tract 502, located north of Myrtle Beach on the Coast, at only 6.4%. Fast-growing tract 9805.02, comprising most of the Waccamaw Neck and located along the coast in Georgetown County, experienced a denial rate of only 7.2%. The percentage of denials in tract 505, located on the Coast in the heart of Myrtle Beach, was only 7.3% in 2004. These tracts were among the more densely populated in the Region, with tract 505 being among the most densely populated areas. The percentages of minority residents in these tracts were among the Region's lowest. Residents in tracts 502 and 9805.02 were some of the oldest in the Region based on median age and had the highest median household incomes. Housing in tract 9805.02 was among the most recently built in the Region, along with one of the highest median housing unit values. Map 4-2 illustrates the percentage of denials for conventional home loans for 1- to 4- family dwellings and manufactured homes by Census tract in 2004.

**Map 4-2. Percentage of Conventional Home Loans Denials, 2004
Waccamaw Region by Census Tract**



Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

E. Subprime Loans

Of growing concern in recent years are the predatory lending practices of subprime lenders in South Carolina. Subprime mortgage loans offer borrowers with low incomes or a poor credit history access to home financing, while a prime loan is a loan made to a borrower with good credit at prevailing interest rates. The higher rates of subprime loans compensate lenders for the added risks of lending to borrowers with a greater risk of default. Quite often first-time home buyers, young and inexperienced consumers and elderly consumers are the recipients of subprime loans. While subprime loans are a necessary option for many consumers, many of these loans have terms that are considered predatory. Predatory loans are a subset of subprime loans, and are designed to exploit vulnerable and unsophisticated borrowers. A

predatory loan has one or more of the following features: 1) charges more in interest and fees than is required to cover the added risk of lending to borrowers with credit imperfections, 2) contains terms and conditions can lead to increased indebtedness, 3) does not take into account the borrower's ability to repay the loan, and 4), often violates fair lending laws by targeting women, minorities or persons with language barriers. Some of these loans leave the borrower with a large final "balloon" payment that must be paid in full to satisfy the debt and will generally need to be refinanced by the consumer, with new fees and points charged once again.

Determining the full scope and impact of predatory lending at the local level can be difficult, since at the time of this report the HMDA data did not specifically distinguish between a subprime loan and a prime loan. A report on "Quantifying the Economic Cost of Predatory Lending" by the Coalition for Responsible Lending estimates that the economic cost of predatory lending in South Carolina is extensive, with the cost of predatory lending to consumers estimated at more than \$10.7 million in 2001. Analysis of 2002 HMDA data by the FFIEC revealed that the denial rate for subprime lenders nationwide was much higher at 26.7% than conventional prime lenders at 8.7%. Subprime lenders accounted for 9.4% of both conventional home purchase originations and conventional home refinances originations in 2002.

In 2002, the Federal Reserve Board amended *HMDA Regulation C*, effective January 1, 2004, to require lenders to report the interest rate point spread – the difference between the annual percentage rate (APR) on the loan and the applicable Treasury yield if the spread is equal to or greater than 3 percentage points for first-lien loans. According to the National Community Reinvestment Coalition (NCRC), this data can be used to determine general subprime lending trends within a community. The National Community Reinvestment Coalition (NCRC), a national organization formed to work with community reinvestment organizations nationwide to increase the flow of private capital into traditionally underserved communities, provides valuable advice to communities related to the use of HMDA data for analysis of lending practices and trends.

Utilizing HMDA data related to the "rate spread" of a loan, it is possible to determine whether a loan could be considered a subprime loan. The rate spread as defined by HMDA and used by financial institutions in their reporting is the spread between the Annual Percentage Rate (APR) on a loan and the rate on Treasury securities with comparable maturity periods for loan originations in which the APR exceeds the applicable rate by a percentage specified by the Board. The rate spread must be reported on originations of home purchase loans, dwelling-secured home improvement loans (2nd and other additional mortgages) and refinancings. According to information provided by both the FFIEC and the NCRC, a rate spread of 3 percentage points or higher indicates that a loan is could be subprime. However, it should be noted that the FFIEC cautions that it was not possible to identify higher priced loans that originated in 2004 but had application dates preceding that year, therefore some unknown portion of the higher-priced loans may be incorrectly reported.

HMDA data provided in Table 4-9 indicates that 8.3% of all loan applications received in the Waccamaw Region in 2004 were for subprime loans. The percentage of subprime loans was highest in Williamsburg County, where 13.5% of loan applications were for subprime loans. More than 8% of loans in Horry County and 7.6% in Georgetown County were at subprime rates.

**Table 4-9. Percentage of Applications Received for Subprime Loans, 2004
Waccamaw Region**

Jurisdiction	Total Applications Received	Subprime Applications Received	% Subprime Applications
Georgetown County	5,048	382	7.6%
Horry County	28,507	2,335	8.2%
Williamsburg County	1,224	165	13.5%
Waccamaw Region	34,779	2,882	8.3%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

More than half of the loan applications (51.4%) in the Waccamaw Region were for home purchase loans, with the remainder (43.6%) sought for refinancing. The percentage of loans intended for refinancing was highest in Williamsburg County at 57%, with 56.3% of loans in Georgetown County and 40.6% of loans in Horry County intended for refinancing.

More than three-fourths (76.6%) of subprime loan applications in the Region were for the purchase of 1- to 4- family dwellings and 23.2% were for the purchase of manufactured housing. The percentage of subprime loans sought for manufactured home purchase was highest in Williamsburg County at 34.5%, followed by Horry County at 23% and Georgetown County at 19.6%. Table 4-10 provides data related to the disposition of applications for subprime loans in the Waccamaw Region.

**Table 4-10. Disposition of Applications for Subprime Loans, 2004
Waccamaw Region**

Jurisdiction	Subprime Applications Received	Property Type				Loan Purpose			
		1-4 Family		Manufactured Housing		Home Purchase		Refinancing	
		#	%	#	%	#	%	#	%
Georgetown County	382	307	80.4%	75	19.6%	138	36.1%	215	56.3%
Horry County	2,335	1,794	76.8%	538	23.0%	1287	55.1%	948	40.6%
Williamsburg County	165	108	65.5%	57	34.5%	57	34.5%	94	57.0%
Waccamaw Region	2,882	2,209	76.6%	670	23.2%	1,482	51.4%	1,257	43.6%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

An examination of the percentage of subprime loan applications with regards to race and ethnicity (Table 4-11) reveals that the percentage of subprime loans submitted by African-Americans is significantly higher than the percentage of all loans submitted by that racial group. While there were no significant differences between the percentages of subprime loans and all loans submitted by Caucasians and Hispanics, a significantly lower percentage of subprime loans were received from persons of other races region wide.

In Georgetown County, more than half (58.6%) of subprime applications were received from Caucasian applicants, as compared to the 66.2% of all loan applications received from that racial group. Nearly 30% (29.6%) of loans submitted by African-Americans were for subprime

loans – higher than the 17.7% of applications for all loans submitted by persons in that racial group.

Among Horry County loan applications, more than three-fourths (77.8%) of subprime applications were received from Caucasian applicants – a slightly lower percentage than applications received for all loans in that racial group at 78.3%. The 10.7% of subprime applications submitted by African-Americans was double the percentage of all applications submitted by that racial group at 5.3%.

Nearly 62% of subprime loan applications received for Williamsburg County were from African-American applicants – higher than the 51.1% of all loan applications received from that racial group. Caucasian applicants accounted for 27.3% of subprime loans received, as compared to the 26.6% of all loan applications received from that racial group.

In all counties in the Region, the percentage of subprime applications submitted by persons of other races was lower than the percentage of all applications submitted by persons in that racial group. Persons of other races accounted for 11.8% of applications received for subprime loans in Georgetown County, 11.5% in Horry County, and 10.9% in Williamsburg County. Of applications received for all loans, 16.1% of the applications in Georgetown County, 16.4% of the applications in Horry County and 22.4% of the applications in Williamsburg County were from persons of other races.

**Table 4-11. Disposition of Applications for Subprime Loans by Race, 2004
Waccamaw Region**

Race	Total Applications Received		Subprime Applications Received		Subprime % - Total %
	#	%	#	%	
Georgetown County	5,048	100.0%	382	100.0%	
Black	891	17.7%	113	29.6%	11.9%
Hispanic	4	0.1%	4	1.0%	0.9%
White	3,342	66.2%	224	58.6%	-7.6%
Other	815	16.1%	45	11.8%	-4.3%
Horry County	28,507	100.0%	2,335	100.0%	
Black	1,502	5.3%	250	10.7%	5.4%
Hispanic	372	1.3%	50	2.1%	0.8%
White	22,321	78.3%	1,817	77.8%	-0.5%
Other	4,684	16.4%	268	11.5%	-4.9%
Williamsburg County	1,224	100.0%	165	100.0%	
Black	625	51.1%	102	61.8%	10.7%
Hispanic	6	0.5%	1	0.6%	0.1%
White	325	26.6%	45	27.3%	0.7%
Other	274	22.4%	18	10.9%	-11.5%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

When the percentage of subprime applications received is examined within the context of income, the only clear region wide trend is the substantially higher percentage of subprime loans received from applicants in the middle-income category as compared to all applications received from applicants in that income group (Table 4-12). However, in both Georgetown and

Horry counties there was also a significantly higher percentage of subprime applications submitted from persons in the moderate-income group and a substantially lower percentage of subprime applications from persons in the upper-income group as compared to the percentages of all applications submitted from those income categories.

In Georgetown County, 34.6% of subprime applications were received from applicants in the upper-income group, 29.8% from middle-income applicants, 23.6% from moderate-income applicants, and only 9.4% were received from applicants in the low-income category. The percentage of subprime loans submitted by persons in the upper-income group was 16.2% lower than the percentage of all loans submitted by that group, while the percentage of subprime loans received from persons in the middle-income and moderate-income were higher than for all loans at 9.9% and 7.3%, respectively. There was very little difference in the percentages of subprime and all loans submitted by low-income persons in Georgetown County in 2004.

Similarly, 36.5% of subprime loans in Horry County were submitted by persons in the upper-income group, 25.1% in the middle-income group, 24% in the moderate-income group and only 10.5% by persons in the low-income category. The percentage of subprime loans submitted by upper-income residents was 14.4% lower than the percentage of all loans submitted by that income group. However, the percentage of subprime loans exceeded that of all loans received in the moderate-income group (8.2%), the middle-income group (5.2%), and the low-income group 3.5%.

In Williamsburg County 31.5% of subprime loans were received from persons of moderate-income, 30.3% from middle-income residents, 21.8% from low-income residents, and 16.4% from upper-income residents. The percentage of subprime loans received from persons in the middle-income group was 9.7% higher than the percentage of all loans received from applicants in that income group. However, the percentage of subprime loans submitted was actually lower than that of all loans submitted from applicants in all other income groups.

**Table 4-12. Disposition of Applications for Subprime Loans by Income, 2004
Waccamaw Region**

Income	Total Applications Received		Subprime Applications Received		Subprime % - Total %
	#	%	#	%	
Georgetown County	5,048		382		
Low-income	426	8.4%	36	9.4%	1.0%
Moderate-income	822	16.3%	90	23.6%	7.3%
Middle-income	1,006	19.9%	114	29.8%	9.9%
Upper-income	2,563	50.8%	132	34.6%	-16.2%
Income Not Available	231	4.6%	10	2.6%	-2.0%
Horry County	28,507		2,335		
Low-income	2,004	7.0%	245	10.5%	3.5%
Moderate-income	4,515	15.8%	561	24.0%	8.2%
Middle-income	5,669	19.9%	586	25.1%	5.2%
Upper-income	14,500	50.9%	853	36.5%	-14.4%
Income Not Available	1,819	6.4%	90	3.9%	-2.5%
Williamsburg County	1,224		165		
Low-income	276	22.5%	36	21.8%	-0.7%
Moderate-income	398	32.5%	52	31.5%	-1.0%
Middle-income	252	20.6%	50	30.3%	9.7%
Upper-income	255	20.8%	27	16.4%	-4.4%
Income Not Available	43	3.5%	0	0.0%	-3.5%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

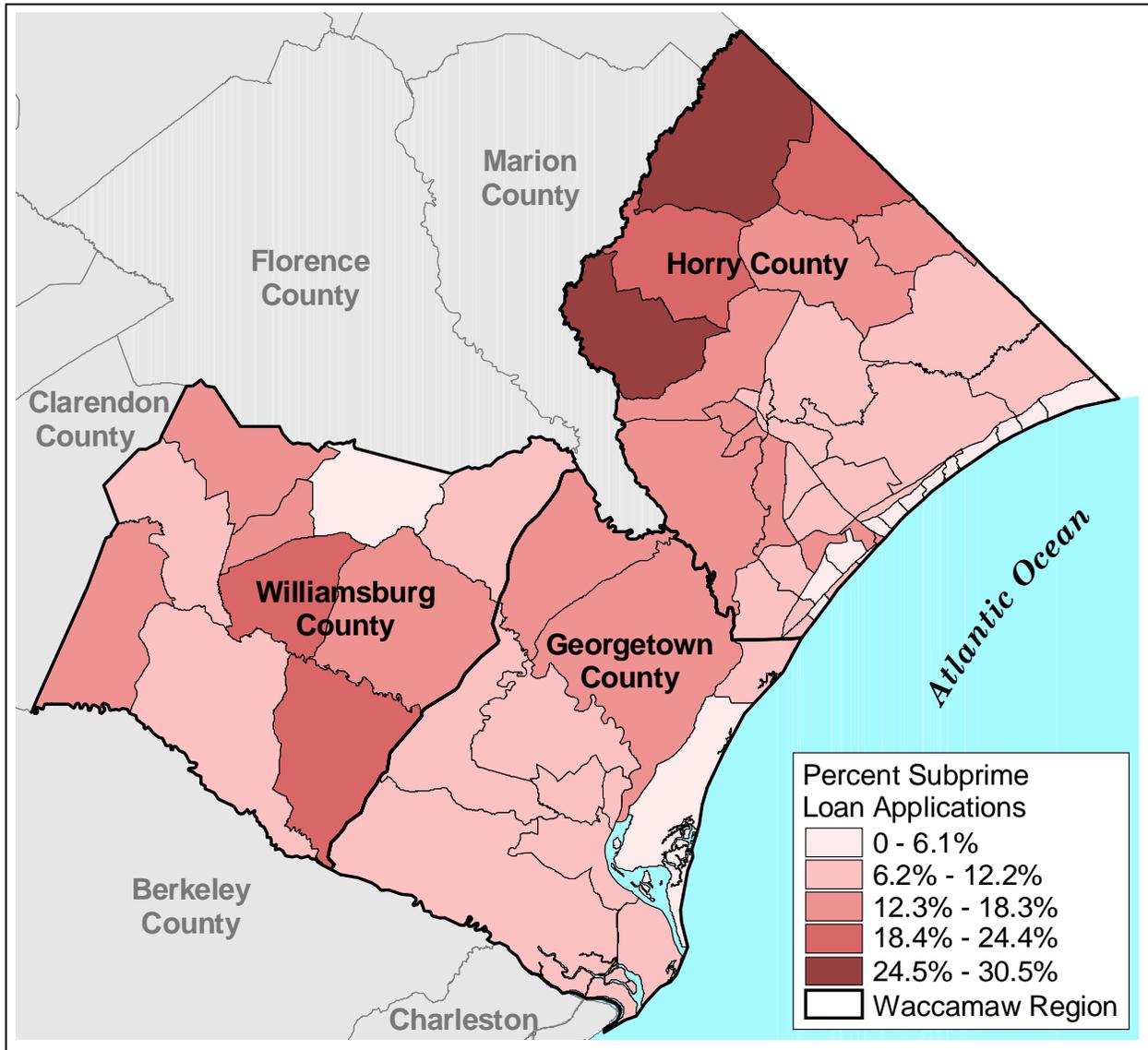
F. Subprime Loans by Census Tract

An examination of the percentage of loans that can be classified as subprime at a smaller geographic level provides insight into subprime lending trends region wide. Data related to the numbers and percentages of subprime loans received from each Census tract in 2004 is detailed in table form for each county in the Waccamaw Region in *Appendix D*. A map of Census tracts for the Region including tract numbers can be found in *Appendix E*.

As illustrated in Map 4-3 and enumerated in *Appendix D*, Horry County is home to tracts with the highest percentages of subprime loans as well as most of the Census tracts posting the lowest percentages of subprime loans. The tracts with the highest percentage of subprime loans are all located in northern Horry County. Tract 802, located in the northwestern corner of the County, posted the highest percentage of subprime loans at 30.5%, followed by tract 101 in the northernmost corner of the County at 30.2%, tract 201 on the northeastern border at 24.4% and tract 801 on the northwestern border at 20.4%.

Ironically, all but one of the tracts with the lowest percentage of subprime loans submitted in 2004 were also located in Horry County. The tract with the lowest percentage of subprime loans was tract 9702 in Williamsburg County – neither of the two loan applications submitted from that tract were for subprime loans. In Horry County, subprime loans accounted for 2.1% of loans submitted from tract 508, 2.7% of loans from tract 502, and 3.5% of loans submitted from tract 404 – all located along the Coast and located in or within close proximity of the Cities of North Myrtle Beach and Myrtle Beach.

**Map 4-3. Percentage of Subprime Loan Applications, 2004
Waccamaw Region by Census Tract**



Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2006.

Among the Census tracts with both the highest and lowest percentages of subprime loans in 2004, none could be considered high growth areas during the decade from 1990 to 2000. Tracts 201 in Horry County and 9702 in Williamsburg County actually experienced a loss in population during that time period. The tracts with the lowest percentages of subprime loans all had low denial rates on conventional home purchase loans in 2004 (except for tract 9702, in which neither of the 2 loans submitted were subprime), and were among tracts with higher densities and higher median values for housing units in the Region. Percentage minority ranked among the lowest in the Region for the tracts in Horry County, but was among the highest in Tract 9702 in Williamsburg County.

The tracts within the Waccamaw Region that posted the highest percentage of subprime loans were among the lowest in density and in the percentage of minority residents. Tracts 101, 201

and 801 had comparatively newer housing, however tracts 101 and 201 had among the lowest median housing unit values in the Region. Portions of tracts 101, 201 and 801 include LMI block groups.

G. Regional and National Trends

A comparison of HMDA data at the regional and national level provides perspective on lending trends and practices in the diverse counties of the Waccamaw Region. As provided in Table 4-13, the percentage of loan denials for applicants of all races in Georgetown and Horry Counties at 16.3% and 12.1%, respectively, is similar to the percentage nationwide at 14.9%. However, the denial rate in Williamsburg County at 43.7% is nearly three times that of the denial rate nationwide.

**Table 4-13. Percentage of Conventional Home Purchase Loans Denied, 2004
Waccamaw Region and the United States**

	Percentage of Loans Denied
Georgetown County	16.3%
Horry County	12.1%
Williamsburg County	43.7%
United States	14.9%

*Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2006
and National Aggregate Data, 2006.*

Denial rates were much higher in all income categories in Williamsburg County as compared to the rate nationwide – more than double in the low- and moderate-income groups and nearly triple in the upper-income category (Table 4-14). The percentage of denials was also significantly higher for applicants in the low- and moderate-income groups in Georgetown County. Denial rates for all income groups in Horry County reflected national trends in 2004.

When examined in terms of race and ethnicity within income groups, loan denials from Horry County applicants of all races were very similar to denials rates nationally. However, denials for African-American applicants in all income categories except for upper-income were significantly higher than denials nationwide, with the largest disparities in the low-income (51.2% in Horry, 36.6% in US) and moderate-income (40.5% in Horry, 24.7% in US) groups. The denial rate for Hispanic applicants in the moderate-income group was also high at 32.5% when compared to the national rate at 20.9%.

Conversely, the percentage of loan denials for applicants from Williamsburg County from nearly every race within each income category was high when compared to national denial rates. However, it should be noted that loan denial percentages for Hispanic applicants in Williamsburg County were deceptively high in the moderate-income category and deceptively low in all other income categories due to the extremely low number of applications received during 2004. No applications were received from Hispanics in the low-, middle- and upper-income groups and only one was submitted from a moderate-income applicant during that time period.

Denial rates for loans from Georgetown County applicants were comparatively high for African-Americans in all income categories and for Caucasians in both the low-income and moderate-

income categories. The percentage of denials for persons of other races in the low-income and middle-income groups was also high when compared to national averages. As in Georgetown County, loan denial percentages for Hispanic residents were amplified by the small number of applicants received during 2004. Only 2 applications from Hispanics in the low-income and moderate-income groups were submitted, none from middle-income applicants and 9 from Hispanics in the upper-income category.

Table 4-14. Percentage of Denials for Conventional Home Purchase Loans by Income and Race of Applicant, 2004 Waccamaw Region and the United States

Income and Race	% Loans Denied			
	Georgetown County	Horry County	Williamsburg County	United States
Low-income	57.3%	30.7%	62.0%	29.0%
Black	73.1%	51.2%	66.2%	36.6%
Hispanic	100.0%	35.0%	0.0%	31.6%
White	47.7%	26.6%	52.6%	26.2%
Other	42.9%	33.3%	42.9%	33.9%
Moderate-income	26.6%	19.2%	44.8%	18.0%
Black	39.7%	40.5%	52.6%	24.7%
Hispanic	50.0%	32.5%	100.0%	20.9%
White	22.5%	17.4%	33.3%	15.9%
Other	18.9%	19.0%	30.8%	21.8%
Middle-income	18.0%	12.5%	25.0%	14.1%
Black	35.7%	28.7%	30.6%	20.9%
Hispanic	0.0%	21.2%	0.0%	17.7%
White	12.3%	11.1%	19.0%	12.3%
Other	38.5%	16.8%	0.0%	16.8%
Upper-income	9.2%	8.9%	32.8%	11.4%
Black	32.6%	19.6%	50.0%	19.3%
Hispanic	0.0%	12.8%	0.0%	16.0%
White	7.8%	8.0%	20.0%	9.9%
Other	12.2%	12.9%	50.0%	14.0%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2006 and National Aggregate Data, 2006.

Credit history is by far the most frequent reason for loan denial regardless of race, gender or income for applicants from the counties in the Waccamaw Region and applicants nationwide. As shown in Table 4-15, reasons for denial for Horry County are very similar to that of the nation. In Williamsburg and Georgetown counties, a much higher percentage of denials are attributed to credit history than nationally, whereas denials because of lack of collateral, insufficient cash and incomplete credit application were low compared to national percentages. Also, debt-to-income ratio plays a more significant role in denials in Georgetown County than nationwide.

Table 4-15. Reasons for Denial of Applications for Conventional Home Purchase Loans by Race of Applicant, 2004
Waccamaw Region and the United States

Race	Debt-to-Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Credit App. Incomplete
Georgetown	21.9%	1.6%	42.5%	7.7%	3.2%	3.6%
Black	17.1%	0.0%	55.3%	5.3%	0.0%	1.3%
Hispanic	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
White	23.8%	2.7%	37.4%	8.8%	5.4%	3.4%
Other	25.0%	0.0%	33.3%	8.3%	0.0%	12.5%
Horry	18.7%	2.7%	27.8%	16.6%	4.9%	6.3%
Black	17.6%	2.7%	46.7%	10.4%	3.3%	4.4%
Hispanic	15.8%	5.3%	21.1%	15.8%	0.0%	0.0%
White	18.2%	2.5%	26.3%	17.9%	5.4%	5.7%
Other	21.4%	3.8%	23.9%	14.5%	3.5%	10.1%
Williamsburg	16.7%	2.6%	60.5%	3.5%	1.8%	0.9%
Black	17.1%	1.2%	67.1%	1.2%	2.4%	1.2%
Hispanic	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
White	3.7%	7.4%	48.1%	11.1%	0.0%	0.0%
Other	80.0%	0.0%	20.0%	0.0%	0.0%	0.0%
United States	14.1%	2.5%	25.0%	10.6%	5.1%	10.2%
Black	13.7%	1.8%	28.9%	8.9%	5.5%	6.9%
Hispanic	13.8%	2.5%	23.2%	9.4%	5.5%	9.2%
White	14.5%	2.6%	25.6%	11.2%	5.2%	10.1%
Other	13.2%	2.4%	21.4%	10.1%	4.7%	12.1%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2006 and National Aggregate Data, 2006.

The percentage of loan denials attributed to credit history was much higher for all income groups in each county in the Region as compared to that percentage within all income groups nationwide, with the exception of denials for loans from upper-income applicants from Horry County, where the percentage was actually slightly lower than the nationally percentage for that income group (Table 4-16). Debt-to-income ratio was the second most prevalent reason for denial for all income groups except for applications from upper-income residents both in Horry County and nationwide, where lack of collateral played a more significant role in denials.

Table 4-16. Reasons for Denial of Applications for Conventional Home Purchase Loans by Income of Applicant, 2004
Waccamaw Region and the United States

Denials	Debt-to-Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Credit App. Incomplete
Georgetown	21.9%	1.6%	42.5%	7.7%	3.2%	3.6%
Low-Income	20.4%	1.9%	61.1%	1.9%	0.0%	3.7%
Moderate-Income	18.9%	1.9%	47.2%	7.5%	3.8%	1.9%
Middle-Income	19.5%	0.0%	48.8%	7.3%	9.8%	0.0%
Upper-Income	26.4%	2.2%	27.5%	11.0%	2.2%	5.5%
Horry	18.7%	2.7%	27.8%	16.6%	4.9%	6.3%
Low-Income	28.0%	3.7%	40.8%	6.9%	5.9%	1.2%
Moderate-Income	20.9%	3.1%	37.8%	10.0%	4.5%	3.6%
Middle-Income	17.1%	4.3%	28.9%	12.7%	7.5%	3.7%
Upper-Income	15.7%	1.6%	17.6%	25.5%	3.7%	10.1%
Williamsburg	16.7%	2.6%	60.5%	3.5%	1.8%	0.9%
Low-Income	21.7%	4.3%	54.3%	0.0%	0.0%	0.0%
Moderate-Income	11.6%	2.3%	69.8%	7.0%	0.0%	2.3%
Middle-Income	21.4%	0.0%	64.3%	7.1%	7.1%	0.0%
Upper-Income	9.1%	0.0%	45.5%	0.0%	9.1%	0.0%
United States	13.3%	2.3%	23.6%	10.5%	4.9%	10.0%
Low-Income	21.3%	3.3%	34.7%	7.0%	5.3%	4.1%
Moderate-Income	16.8%	2.7%	29.5%	8.8%	5.7%	7.1%
Middle-Income	13.7%	2.3%	24.6%	10.2%	5.5%	9.9%
Upper-Income	10.3%	2.0%	18.0%	13.6%	4.7%	13.8%

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2006 and National Aggregate Data, 2006.

It is clear that subprime loans are becoming a more prevalent component of the lending market. The FFIEC estimates that subprime loans comprised 19% of all home loan originations in 2004, up from less than 5% in 1994. However, analyses of national trends in subprime lending related to race and income have resulted in differing opinions depending on the organization conducting the study. It is generally agreed that minorities tend to pay higher interest rates for loans, however there is a significant divergence of opinion on the effects and importance of income and other applicant characteristics on loan rates. It is clear that subprime loans are becoming an increasingly important part of the lending market. The FFIEC estimates that subprime loans comprised 19% of all home loan originations in 2004, up from less than 5% in 1994.

Prior to any discussion about subprime trends on the national level, it is important to note that HMDA data on higher-priced loans do not include info that might explain variations in the prices of the reported loans such as cost of the funds to be lent, credit risk, prepayment risk, overhead expenses, loan-servicing costs, the negotiating abilities and inclinations of the creditor and borrower, the possibility of discriminatory pricing and variations in the channels through which a loan application at a given lender may be processed. According to the FFIEC, the *cost of funds* is a significant factor for higher priced loans. Funding costs vary with the expected duration of the debt and the creditworthiness of the borrower. *Credit risk* is the probability that a loan will go into default. Loans that involve greater credit risks are necessarily higher-priced.

Prepayment risk measures the possibility that a loan will be repaid before the end of the term loan. While prepayment is a good thing for the borrower, it is not necessarily optimal for the lender. *Overhead expenses* include additional time and expense incurred in underwriting a loan for a borrower who has had payment problems in the past, has inadequate credit history, or is unable or unwilling to document their employment history or income. Many lending institutions allow loan officers and brokers to deviate from standard rates as market conditions warrant or allow – a practice known as *discretionary pricing*. This practice, which can be in effect a kind of “negotiation” of loan pricing, is a legitimate business practice and can result in higher loan prices for the unsuspecting consumer. The delivery channels through which borrowers obtain loans vary widely between lenders. Some underwriting and pricing is controlled centrally, while in more complex organizations each application may be subject to different underwriting and pricing depending on where in the organization it originated. These *variations in loan-processing channels* can result in lower or higher prices, depending on the organization.

Nationally, the incidence of higher-priced lending varies substantially across racial and ethnic groups. According to an analysis by the FFIEC of 2004 HMDA data, the non-adjusted percentage of higher-priced (subprime) loans was highest for blacks and lowest for whites. When adjusted for borrower-related factors and lender, the percentage of blacks applying for higher-prices loans was reduced from 38.6% to 14.7%, as compared to the adjusted percentage of whites at 9.4%. However, the FFIEC report indicated that additional borrower factors that are not provided in HMDA (as detailed in the preceding paragraph) should be accounted for to conduct a true analysis of disparities in lending pricing with regard to race, ethnicity, income or gender. This conclusion is supported by sources close to the banking industry, who caution that HMDA data alone should not be used to conclusively prove or disprove discrimination, therefore compliance with anti-discrimination laws is more accurately assessed through extensive statistical analysis of borrower credit quality and other loan particulars, followed by a case-by-case review of credit decisions made on individual loans.

Studies conducted by the National Community Reinvestment Coalition (NCRC), an national, non-for-profit organization whose mission is to bring low- and moderate-income populations across the country into the financial mainstream, contend that even when adjustments are made as suggested by the FFIEC to control for borrow-related factors and lender, significant disparities between racial groups still exist in loan pricing. In its 2005 report on fair lending disparities found through analysis of the 2004 HMDA data, the NCRC surveyed 15 large lending institutions accounting for up to one fourth of the loans reported by institutions in the HMDA data. They found that nationally, minorities, women, and low- and moderate-income borrowers receive a disproportionate amount of high cost loans. Specifically, their study found that African-Americans received 6% of prime loans as compared to 18% of subprime loans, while Caucasians received 66.4% of prime loans and 55.3% of subprime loans. Of all conventional loans made to African-Americans, 29.4% were subprime as compared to the 10.4% of conventional loans made to Caucasians that were subprime. Similar disparities were noted within gender and income groups.

PART FIVE. REVIEW OF PRIMARY LENDING INSTITUTIONS

Most lending institutions with offices in metropolitan statistical areas (MSAs) are required by HMDA to disclose information about applications for home loans during each calendar year. The disclosure of lending activity is intended to help determine whether lenders are adequately serving the financial needs of the community, to facilitate fair lending laws, and to guide investment activities both in the public and private sectors. While not comprehensive, the data collected under HMDA is extensive. The Federal Financial Institutions Examinations Council (FFIEC) reported that the 8,853 lenders covered by the law at the end of 2004 accounted for approximately 80% of home loans extended during that year nationwide.

A. Primary Lending Institutions

Lending in the Waccamaw region is extremely diverse, with loan activity spread among many financial institutions. In 2004, loan originations for first lien, 1-4 family homes were made with 255 different financial institutions in Georgetown County, 351 in Horry County, and 113 in Williamsburg County. The loan originations included loans for home purchase, refinancing and home improvement. Listed among the financial institutions are separate affiliates of parent companies. For example, in Williamsburg County, both Wachovia bank and Wachovia Mortgage are separately listed as lenders.

An examination of the top residential lenders for each county in the Waccamaw Region reveals that a large percentage of the loans are with a relatively low number of institutions. More than 79% of loans originated in Georgetown County were with the County's top 50 lenders, and of those, 62.5% were with the top 25 lenders in the County. Similarly, 78.5% of loans were with the top 50 lenders in Horry County, with the top 25 lenders accounting for 63% of residential loans. The percentages were even higher in Williamsburg County, where 86.5% of loans were originated with the top 50 lenders, and of those, nearly 70% were with the top 25 lending institutions. Appendix F provides additional lending information, including market share, total loans, number and percentage of prime and subprime loans, and average loan size, for the 50 largest residential lenders for each county in the Region.

By far the largest residential lenders in Georgetown County in 2004 were Plantation Federal Bank and Bank of America, with 7.16% and 6.22% of the market share, respectively. In Horry County, three financial institutions garnered major percentages of the residential loan market – Bank of America with a market share of 7.68%, Wells Fargo Bank with a market share of 6.53%, and Countrywide Home Loans with a market share of 6.13%. Distribution of loan activity was more diverse in Williamsburg County, with the largest market shares spread among 6 financial institutions. Market share for Citifinancial, Inc. was 8.4%, 8% for 1st Choice Mortgage/Equity Group, 6.8% for Ameriquest Mortgage Company, 6.3% for Beneficial, 5.6% for Centex Home Equity Company, and 5.5% for Delta Funding Corporation.

Average loan size for the top 50 lenders in each county varied significantly within the Waccamaw Region. In Georgetown County the average loan size was \$164,080 – higher than the loan size in Horry County at \$138,020 and nearly twice the average loan size in Williamsburg County at only \$84,820. Average loan size for the two largest lenders in Georgetown County was higher than the average overall, with a loan size of \$208,000 for Plantation Federal Bank and \$221,000 for Bank of America. In Horry County the average loan size for the most prolific lenders was more moderate and slightly lower than the average overall,

with \$154,000 for Bank of America, \$133,000 for Wells Fargo Bank, and \$119,000 for Countrywide Home Loans.

The average loan size for Citifinancial, Inc., the largest lender in Williamsburg County, was only \$43,000 – nearly half that of the average loan size for the County's 50 largest lenders. The reasons for this low figure are not readily evident through examination of HMDA data, however it is likely that many of the loans were for less expensive housing such as manufactured housing; were for refinancing of older, less expensive homes; or were for smaller home improvement loans. Average loan size varied for the other top lenders in Williamsburg County, with 1st Choice Mortgage/Equity Corporation at \$88,000, Ameriquest Mortgage Company at \$84,000, Beneficial at \$76,000, Centex Home Equity Company at only \$68,000, and Delta Funding Corporation comparatively high at \$98,000.

B. Subprime Lending

Sub-prime mortgage loans offer borrowers with poor credit histories, high loan-to-home value ratios, or other credit risk characteristics access to home financing. In general, the rationale for charging a loan customer a higher cost (fees and interest) for a home loan is to compensate for the different levels of risk, based upon the borrower's credit profile. Often, individuals who are rejected for prime rate loans are directed to the subprime market. Although the subprime lending market has made credit more available to households with low incomes or imperfect credit, subprime lending is generally unregulated, opening the possibility for predatory loans. While subprime loans are a necessary option for many consumers, many of these loans have terms that are considered predatory. This can occur when the loan strips the equity out of the home due to huge charges or fees that are financed with the money borrowed. Consumers are often talked into refinancing their home with the promise of savings or a lower interest rate or monthly payment – when in fact the loan contains fees and charges adding up to thousands of dollars that are paid for with the equity from the consumer's home. The loan is then refinanced, including the broker charge, discount or origination fees, credit insurance, and closing costs over the next 10 to 30 years. Some of these loans leave the borrower with a large final "balloon" payment that must be paid in full to satisfy the debt and will generally need to be refinanced by the consumer, with new fees and points charged once again.

South Carolina lawmakers sought to address the problems related to predatory lending in the statewide anti-predatory lending legislation that went into affect on January 1st of 2004. Provisions of the new law:

- Require mandatory credit counseling for consumers on high-cost loans;
- Limit the practice of "flipping" (the repeated refinancing of loans) to every 42 months;
- Prohibit the financing of credit insurance;
- Limit the amount of points and fees that can be financed within a high-cost loan;
- Prohibit a prepayment penalty on home mortgage loans up to \$150,000;
- Require the lender to make sure that the borrower has the ability to repay a loan;
- Require mortgage brokers to act in the best interest of the borrower; and
- Limits the times that lenders can roll over loans that are for less than 120 days.

A similar law in North Carolina is already proving to be effective in protecting borrowers from predatory lending. Since it's inception in 2000, it is estimated that the law has saved borrowers approximately \$100 million per year. A study conducted by the Center for Community Capitalism at the University of North Carolina reported that although the number of predatory

loans has dropped, home buyers and borrowers with low-credit scores are still able to obtain loans. In addition, there has been no significant increase in the cost of loans. Refinance loans with prepayment penalty terms that extend 3 years or more dropped by 72% and sub-prime refinance loans with balloon payments decreased by 53% since the passage of the legislation in North Carolina.

Unfortunately, HMDA data prior to 2004 do not indicate if an individual loan is subprime. However, since January of 2004 the FFIEC has required reporting institutions to include information about the interest rates for high-cost loans. Lenders must now report the difference between the annual percentage rate (APR) on the loan and the applicable Treasury yield if the spread is equal to or greater than 3 percentage points for first-lien loans or equal to or greater than 5 percentage points for subordinate-lien loans. This information enables analysts and observers to more precisely gauge the subprime lending activities of reporting institutions.

Prime and subprime lending among the top lenders in the Waccamaw Region varies significantly among the three counties. In Georgetown and Horry counties more than 5% of loans are subprime, however in Williamsburg County more than twice that percentage (13.6%) of loans are subprime. The percentage of loans that are subprime is extremely low for the top two lenders in Georgetown County, with only 1.1% of loans with Plantation Federal Bank and none of the loans with Bank of America considered to be subprime. However, subprime lending for the 3rd largest lender in the County, Ameriquest Mortgage Company, was much higher at 6%. Of the remaining top 10 lenders in Georgetown County, subprime lending was low for Wells Fargo Bank (2.1%), First Federal of Charleston (2.2%), BB&T of SC (0.9%), and Chase Manhattan Mortgage Corporation (2%); but considerably higher for Countrywide Homes (6.9%), Carolina First Bank (6.7%), and Beneficial (7%).

Similarly, the percentage of subprime loans was low for the top two lenders in Horry County, with less than 1% of loans with Bank of America and only 1.9% of loans with Wells Fargo Bank considered to be subprime. The percentage of subprime loans was higher for the 3rd largest lender, Countrywide Home Loans, at 4.1%. For the remaining top 10 lenders in Horry County, only Ameriquest Mortgage was comparatively high at 4.5%, while Cendant Mortgage (1.2%), Coastal Federal Bank (1%), ABN AMRO Mortgage Group (0.5%), BB&T of SC (0.6%), First Federal of Charleston (0.6%) and Carolina First Bank (0.8%) all had low percentages of subprime loans.

Subprime lending activity is more prevalent among the primary lenders in Williamsburg County. Of particular note is the sizable percentage of subprime loans originated with the County's largest lender, Citifinancial, Inc., with more than 42% of residential loans considered subprime. In comparison to the top lenders in the other counties of the region, the percentage of subprime loans was high for the remaining top 10 lenders in Williamsburg County as well. Fifteen percent (15%) of loans with HFC, 4.9% with 1st Choice Mortgage/Equity Corporation, 7.7% with Ameriquest Mortgage Company, 8.3% with Beneficial, 6.7% with both Wells Fargo Bank and Wachovia Bank, and 7.1% with Countrywide Home Loans were subprime. Only the percentage of subprime loans with Centex Home Equity Company at 2.3% and with Delta Funding Corporation at 2.4% could be considered comparatively low region wide.

Information related to prime and subprime loans for the top lenders within the counties of the Waccamaw Region is provided in Appendix F.

C. CRA Ratings and Information

The Community Reinvestment Act (CRA) establishes a regulatory mechanism for monitoring the level of lending, investments and services in low- and moderate-income neighborhoods that have traditionally been underserved by lending institutions. While most mortgage companies, finance companies, and credit unions are required by HMDA to provide information on their lending activities, many are exempt from CRA coverage and its examination process. Because only federally insured financial institutions are covered by CRA, mortgage companies, finance companies and credit unions are all exempt from CRA regulations. Commonly, it is considered that only depository financial institutions are covered by CRA.

Four Federal Financial Institutions Examination Council (FFIEC) agencies conduct CRA examinations and enforce the CRA – the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS). The OCC examines nationally chartered banks – generally the largest banks in the country. The name of these banks is typically followed by the initials “N.A.” or “N.T. & S.A.,” which signifies a national charter. Both the Federal Reserve System and the FDIC examine state-chartered banks – banks that receive their articles of incorporation from a state agency. The OTS examines savings and loan associations or “thrifts.” Thrifts often have the word “Federal,” or the initials “FSB,” or “FA” affixed to their names.

Examiners from the four FFIEC agencies assess and “grade” lenders’ activities in low- and moderate-income neighborhoods. Large institutions are graded on how well they meet their CRA obligation according to a three-part test that evaluates actual performance in lending, investing, and providing banking services to the entire community including low- and moderate-income (LMI) borrowers and borrowers (individuals or businesses) located in LMI areas. Smaller institutions are subject to a more streamlined examination that focuses on lending.

Lending institutions receive one of four ratings or grades after a CRA exam. The top two ratings of “*Outstanding*” or “*Satisfactory*” mean that a federal examiner has determined that a lender has met its obligation to satisfy the credit needs of communities in which it is chartered. The two lowest ratings “*Needs to Improve*” or “*Substantial Noncompliance*,” reflect a failure on the part of the lending institution to meet the credit needs of communities, particularly low- and moderate-income communities, in which it is chartered. The four federal agencies examine large banks approximately once every two years, however large lending institutions with *Satisfactory* ratings may be examined once every 4 years and institutions with *Outstanding* ratings may be examined once every 5 years.

While poor CRA ratings do not result in immediate sanctions for a lender, receipt of a low CRA rating can curtail an institution’s future plans for service changes or mergers with other financial institutions. When a lender plans to merge with another institution or open a new branch, they must apply to the Federal Reserve Board and/or to its primary regulator for permission. Receipt of one of the two lowest CRA ratings is considered in the review of the application by the federal agency. The reviewing federal agency has the authority to delay, deny or add conditions to an application.

A review of the most recent CRA ratings of the top lenders in each county of the Waccamaw Region reveals that all of the depository financial institutions have received ratings of either *Outstanding* or *Satisfactory* in their most recent review. Of the top 10 lenders in Georgetown County, two received *Satisfactory* ratings, 4 received *Outstanding* ratings, and 4 were not federally insured institutions and therefore are exempt from CRA regulation. In Horry County, 4

of the top lenders received *Outstanding* ratings in their most recent review, 2 received *Satisfactory* ratings, and 4 were exempt from CRA regulation. Nearly all of the top lenders in Williamsburg County are nondepository institutions and are exempt from CRA regulation. Only 2 of the top 10 lenders are federally insured institutions, with both receiving *Outstanding* ratings in their most recent CRA review. Of the additional institutions operating in the Region that are based in South Carolina, 9 received *Satisfactory* ratings, 4 received *Outstanding* ratings and one is exempt from CRA regulation. Table 5-1 provides CRA ratings for the top lenders in the Waccamaw Region as well as CRA ratings for additional South Carolina based institutions.

The positive effect of CRA regulation on local lending practices, particularly in reducing disparities, is clear. A review of the 2004 HMDA data by the Federal Financial Institutions Examinations Council (FFIEC) revealed that the incidence of higher-priced lending is higher for borrowers who live outside the assessment areas of lenders covered by the CRA than for those who live inside these areas. An assessment area for a lender covered by the CRA principally includes the locations in which the lender has its main or branch offices and its deposit-taking automated teller machines. The FFIEC suggests that this difference may be due to a reliance on other sources for loans such as mortgage brokers, who may price differently or may operate in areas with different market conditions than institutions that originate loans directly. Specifically, the study found that 17.7% of African-Americans and 7.4% of Caucasians outside of bank assessment areas receive high cost home purchase loans from banks, while only 6.6% of African-Americans and 2.8% of Caucasians inside CRA assessment areas receive high cost home purchase loans.

Table 5-1. CRA Ratings and 2004 Residential Loans for the Top Lenders and SC Lenders in the Waccamaw Region by County

Rank	Institution Name	Market Share	Total Loans	CRA Rating	CRA Date
Georgetown County					
1*	Plantation Federal Bank	7.16	281	Satisfactory	9/05
2	Bank Of America, NA	6.22	244	Outstanding	12/01
3	Ameriquet Mortgage Co.	3.8	149	n/a	n/a
4	Wells Fargo Bank, NA	3.7	145	Outstanding	9/04
5	First Federal Of Charleston	3.49	137	Outstanding	3/05
6	Countrywide Home Loans	3.31	130	n/a	n/a
7	Carolina First Bank	3.03	119	Outstanding	12/03
8	BB&T of SC	2.73	107	Satisfactory	6/05
9	Chase Manhattan Mortgage Corp.	2.55	100	n/a	n/a
10	Beneficial	2.55	100	n/a	n/a
14	Coastal Federal Bank	1.96	77	Satisfactory	7/05
27	The Conway National Bank	1.07	42	Outstanding	1/04
43	South Carolina Bank and Trust	0.51	20	Satisfactory	12/03

* South Carolina banks are highlighted in yellow

Table 5-1. CRA Ratings and 2004 Residential Loans for the Top Lenders and SC Lenders

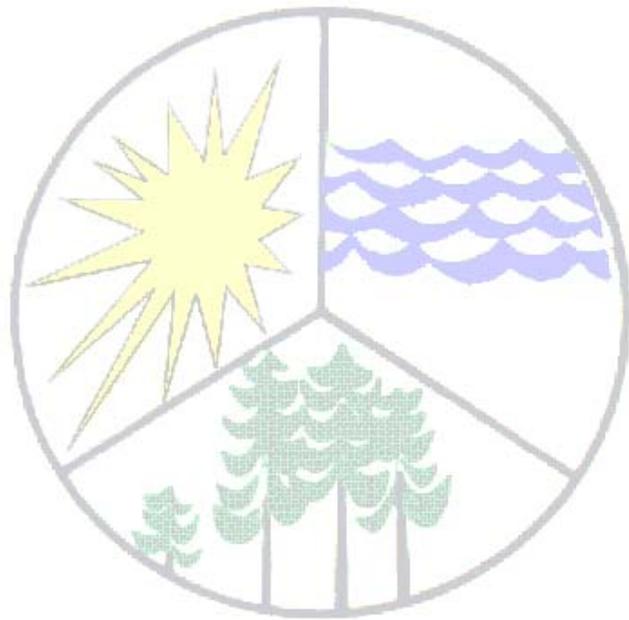
in the Waccamaw Region by County, *Continued*

Rank	Institution Name	Market Share	Total Loans	CRA Rating	CRA Date
Horry County					
1	Bank of America, NA	7.68	1,781	Outstanding	12/01
2	Wells Fargo Bank, NA	6.53	1,515	Outstanding	9/04
3	Countrywide Home Loans	6.13	1,421	n/a	n/a
4	Cendant Mortgage	3.46	802	n/a	n/a
5	Coastal Federal Bank	3.42	792	Satisfactory	7/05
6	Ameriquet Mortgage Co.	3.28	761	n/a	n/a
7	ABN AMRO Mortgage Group, Inc.	3.20	742	n/a	n/a
8	BB&T of SC	2.71	628	Satisfactory	6/05
9	First Federal of Charleston	2.16	500	Outstanding	3/05
10	Carolina First Bank	2.15	499	Outstanding	12/03
15	The Conway National Bank	1.7	394	Outstanding	1/04
35	Horry County State Bank	0.64	148	Satisfactory	7/02
58	Plantation Federal Bank	0.35	81	Satisfactory	2/06
66	Anderson Brothers Bank	0.29	68	Satisfactory	6/02
68	Beach First National Bank	0.28	66	Satisfactory	7/03
Williamsburg County					
1	Citifinancial, Inc.	8.39	64	n/a	n/a
2	1st Choice Mtg/Equity Corp.	7.99	61	n/a	n/a
3	Ameriquet Mortgage Co.	6.82	52	n/a	n/a
4	Beneficial	6.29	48	n/a	n/a
5	Centex Home Equity Co. LLC	5.64	43	n/a	n/a
6	Delta Funding Corporation	5.5	42	n/a	n/a
7	HFC	2.62	20	n/a	n/a
8	Wells Fargo Bank, NA	1.97	15	Outstanding	9/04
9	Wachovia Bank	1.97	15	Outstanding	6/03
10	Countrywide Home Loans	1.83	14	n/a	n/a
28	Anderson Brothers Bank	1.05	8	Satisfactory	6/02
34	BB&T of SC	0.79	6	Satisfactory	6/05
32	Carolina First Bank	0.79	6	Outstanding	12/03
49	First Federal of Charleston	0.39	3	Outstanding	3/05
75	Safe Federal Credit Union	0.26	2	n/a	n/a
70	South Carolina Bank and Trust	0.26	2	Satisfactory	12/03

* South Carolina based banks are highlighted in yellow

Source: Federal Deposit Insurance Corporation (FDIC), 2006.

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APPENDIX A
References and Bibliography

APPENDIX A. REFERENCES AND BIBLIOGRAPHY

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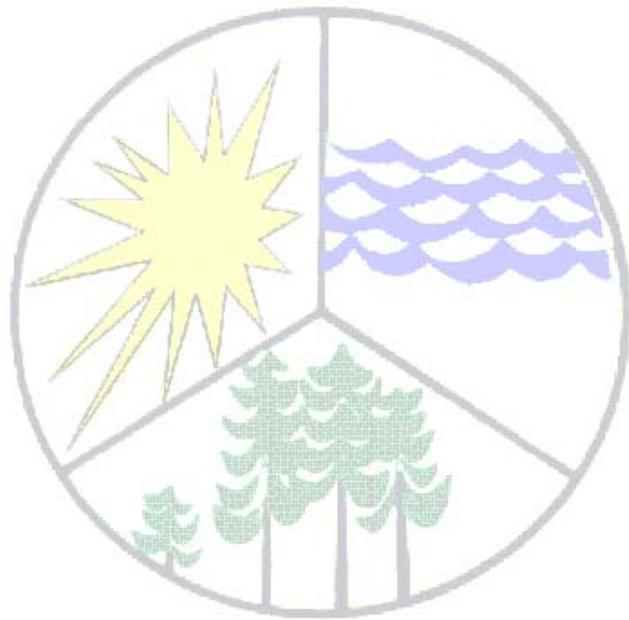
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APPENDIX B
**Disposition of Loans by
Race and Income**

APPENDIX B. DISPOSITION OF LOANS BY RACE AND INCOME

Table B-1. Disposition of Applications for Conventional Home Purchase Loans by Income and Race of Applicant, Georgetown County, 2004

Income and Race	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With-drawn	Files Closed - Incomplete	% Loans Denied
Low-Income (<50% of MSA Median)	131	37	8	75	9	2	57.3%
Black	52	5	7	38	2	0	73.1%
Hispanic	2	0	0	2	0	0	100.0%
White	65	30	0	31	3	1	47.7%
Other	14	2	1	6	4	1	42.9%
Moderate-Income (50-79% of MSA Median)	293	157	34	78	21	3	26.6%
Black	78	23	16	31	6	2	39.7%
Hispanic	2	1	0	1	0	0	50.0%
White	178	113	12	40	12	1	22.5%
Other	37	21	6	7	3	0	18.9%
Middle-Income (80-119% of MSA Median)	350	227	19	63	25	16	18.0%
Black	56	20	3	20	4	9	35.7%
Hispanic	0	0	0	0	0	0	0.0%
White	268	196	14	33	18	7	12.3%
Other	26	11	2	10	3	0	38.5%
Upper-Income (120% + of MSA Median)	1217	913	85	112	81	26	9.2%
Black	46	14	7	15	5	5	32.6%
Hispanic	9	5	2	0	0	2	0.0%
White	1048	812	72	82	64	18	7.8%
Other	123	87	6	15	12	3	12.2%

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006.

Table B-2. Disposition of Applications for Conventional Home Purchase Loans by Income and Race of Applicant, Horry County, 2004

Income and Race	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With-drawn	Files Closed - Incomplete	% Loans Denied
Low-Income (<50% of MSA Median)	968	484	112	297	63	12	30.7%
Black	125	36	21	64	3	1	51.2%
Hispanic	20	10	0	7	3	0	35.0%
White	717	403	67	191	48	8	26.6%
Other (includes race not available)	126	45	24	42	12	3	33.3%
Moderate-Income (50-79% of MSA Median)	2,235	1,409	214	430	146	36	19.2%
Black	158	62	22	64	8	2	40.5%
Hispanic	40	21	3	13	3	0	32.5%
White	1,803	1,205	155	314	99	30	17.4%
Other (includes race not available)	274	142	37	52	39	4	19.0%
Middle-Income (80-119% of MSA Median)	2,806	1,981	235	352	202	36	12.5%
Black	115	57	13	33	9	3	28.7%
Hispanic	33	23	2	7	1	0	21.2%
White	2,351	1,721	185	262	157	26	11.1%
Other (includes race not available)	340	203	37	57	36	7	16.8%
Upper-Income (120% + of MSA Median)	9,700	7,476	683	865	556	120	8.9%
Black	199	129	16	39	12	3	19.6%
Hispanic	109	79	9	14	6	1	12.8%
White	8,230	6,490	542	662	431	105	8.0%
Other (includes race not available)	1,271	857	125	164	113	12	12.9%

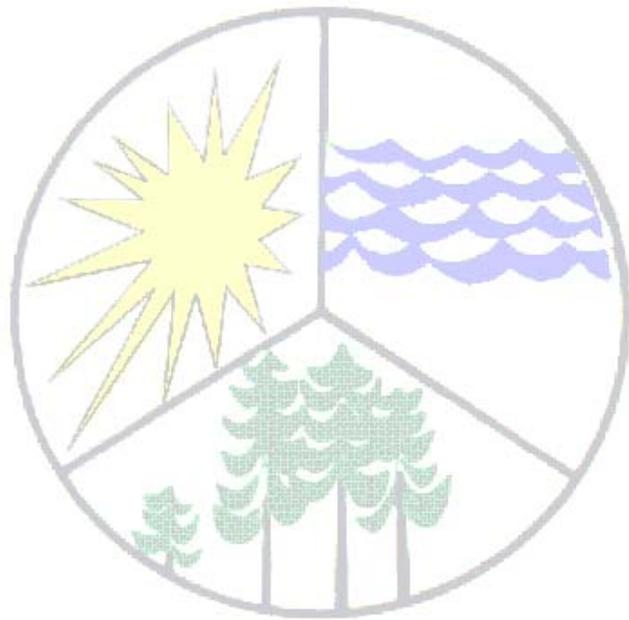
Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2006

Table B-3. Disposition of Applications for Conventional Home Purchase Loans by Income and Race of Applicant, Williamsburg County, 2004

Income and Race	Apps. Received	Loans Originated	Apps. Approved - Not Accepted	Apps. Denied	Apps. With-drawn	Files Closed - Incomplete	% Loans Denied
Low-Income (<50% of MSA Median)	100	16	16	62	6	0	62.0%
Black	74	11	10	49	4	0	66.2%
Hispanic	0	0	0	0	0	0	0.0%
White	19	5	3	10	1	0	52.6%
Other	7	0	3	3	1	0	42.9%
Moderate-Income (50-79% of MSA Median)	125	39	16	56	13	1	44.8%
Black	76	20	10	40	5	1	52.6%
Hispanic	1	0	0	1	0	0	100.0%
White	36	15	4	12	5	0	33.3%
Other	13	4	2	4	3	0	30.8%
Middle-Income (80-119% of MSA Median)	60	23	21	15	1	0	25.0%
Black	36	12	13	11	0	0	30.6%
Hispanic	0	0	0	0	0	0	0.0%
White	21	10	6	4	1	0	19.0%
Other	3	1	2	0	0	0	0.0%
Upper-Income (120% + of MSA Median)	61	30	5	20	4	2	32.8%
Black	24	9	3	12	0	0	50.0%
Hispanic	0	0	0	0	0	0	0.0%
White	35	20	2	7	4	2	20.0%
Other	2	1	0	1	0	0	50.0%

Source: Federal Financial Institutions Examination Council, Data Reports – HMDA, 2004.

**SUPPLEMENTAL
HMDA STUDY FOR THE
WACCAMAW REGION**



APPENDIX C
Disposition of Loans by Census Tract

APPENDIX C. DISPOSITION OF LOANS BY CENSUS TRACT

**Table C-1. Disposition of Home Purchase Loans for 1-4 Family and Manufactured Housing by Census Tract, 2004
Georgetown County**

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non-occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re-financings				
	FHA, FSA/RHS & VA	Con-ventional					
9801						48.3%	93.5%
Loan Originated	4	22	52	-	2		
Approved, Not Accepted	1	11	10	-	1		
Application Denied	-	26	67	-	-		
Application Withdrawn	3	1	23	-	-		
File Closed - Incomplete	1	1	4	-	-		
9802						43.4%	77.8%
Loan Originated	3	55	78	-	7		
Approved, Not Accepted	-	28	20	-	1		
Application Denied	1	55	141	-	8		
Application Withdrawn	-	6	63	-	2		
File Closed - Incomplete	-	6	15	-	-		
9803.01						52.4%	106.9%
Loan Originated	1	59	42	-	8		
Approved, Not Accepted	1	6	14	-	4		
Application Denied	-	25	51	-	2		
Application Withdrawn	-	6	23	-	2		
File Closed - Incomplete	-	2	5	-	1		
9803.02						28.4%	131.3%
Loan Originated	3	55	64	-	11		
Approved, Not Accepted	-	4	11	-	-		
Application Denied	-	8	31	-	3		
Application Withdrawn	-	6	20	-	2		
File Closed - Incomplete	-	3	6	-	-		
9804						81.1%	83.8%
Loan Originated	-	9	25	-	2		
Approved, Not Accepted	-	1	16	-	1		
Application Denied	-	11	31	-	1		
Application Withdrawn	-	2	19	-	1		
File Closed - Incomplete	-	2	-	-	-		
9805.01						8.7%	123.9%
Loan Originated	1	307	223	1	163		
Approved, Not Accepted	-	37	19	-	16		
Application Denied	2	43	67	-	10		
Application Withdrawn	-	24	47	-	21		
File Closed - Incomplete	-	14	21	-	1		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
9805.02						15.0%	154.6%
Loan Originated	5	779	498	3	567		
Approved, Not Accepted	-	41	53	-	28		
Application Denied	2	70	147	1	36		
Application Withdrawn	-	65	113	-	41		
File Closed - Incomplete	1	14	35	-	6		
9806						68.5%	74.6%
Loan Originated	2	36	77	-	12		
Approved, Not Accepted	-	6	21	-	-		
Application Denied	6	44	98	-	12		
Application Withdrawn	-	16	45	-	2		
File Closed - Incomplete	-	2	10	-	2		
9807						37.6%	118.3%
Loan Originated	4	57	90	-	26		
Approved, Not Accepted	-	5	20	-	2		
Application Denied	-	20	56	-	5		
Application Withdrawn	-	6	28	-	4		
File Closed - Incomplete	-	1	14	-	-		
9808						67.4%	84.1%
Loan Originated	1	21	30	-	3		
Approved, Not Accepted	-	11	19	-	2		
Application Denied	2	27	53	-	1		
Application Withdrawn	-	6	23	-	1		
File Closed - Incomplete	-	1	7	-	-		
Georgetown Totals							
Loan Originated	24	1,400	1,179	4	801		
Approved, Not Accepted	2	150	203	0	55		
Application Denied	13	329	742	1	78		
Application Withdrawn	3	138	404	0	76		
File Closed - Incomplete	2	46	117	0	10		

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

**Table C-2. Disposition of Home Purchase Loans for 1-4 Family and Manufactured Housing by Census Tract, 2004
Horry County**

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non-occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re-financings				
	FHA, FSA/RHS & VA	Con-ventional					
101						31.1%	85.1%
Loan Originated	-	25	41	-	3		
Approved, Not Accepted	-	3	-	-	-		
Application Denied	-	10	24	-	2		
Application Withdrawn	1	3	9	-	1		
File Closed - Incomplete	-	1	4	-	-		
201						26.9%	73.2%
Loan Originated	3	17	32	-	2		
Approved, Not Accepted	-	6	7	-	-		
Application Denied	2	10	30	-	2		
Application Withdrawn	1	2	12	-	-		
File Closed - Incomplete	-	-	7	-	1		
202						45.3%	81.0%
Loan Originated	3	73	97	-	17		
Approved, Not Accepted	-	17	10	-	-		
Application Denied	5	33	61	-	2		
Application Withdrawn	1	6	21	-	-		
File Closed - Incomplete	-	-	3	-	1		
203						25.5%	77.9%
Loan Originated	2	66	125	-	6		
Approved, Not Accepted	-	16	22	-	2		
Application Denied	1	41	87	-	-		
Application Withdrawn	-	8	42	-	-		
File Closed - Incomplete	-	3	11	-	-		
301						46.2%	80.1%
Loan Originated	7	177	96	-	62		
Approved, Not Accepted	1	23	19	-	3		
Application Denied	-	32	100	-	12		
Application Withdrawn	-	13	45	-	3		
File Closed - Incomplete	-	1	8	-	1		
401						20.5%	102.8%
Loan Originated	13	909	365	3	486		
Approved, Not Accepted	-	89	58	-	40		
Application Denied	5	173	243	-	71		
Application Withdrawn	-	96	132	-	47		
File Closed - Incomplete	-	15	49	-	6		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
402						12.8%	117.1%
Loan Originated	-	405	190	-	425		
Approved, Not Accepted	-	37	13	-	23		
Application Denied	-	69	76	-	73		
Application Withdrawn	1	46	46	-	45		
File Closed - Incomplete	-	6	20	-	4		
403						3.9%	116.4%
Loan Originated	-	462	215	2	493		
Approved, Not Accepted	-	39	15	-	40		
Application Denied	-	68	65	-	80		
Application Withdrawn	-	58	27	-	51		
File Closed - Incomplete	-	14	14	-	10		
404						6.6%	96.3%
Loan Originated	-	539	150	-	568		
Approved, Not Accepted	-	32	22	-	32		
Application Denied	-	50	50	-	47		
Application Withdrawn	-	25	37	1	25		
File Closed - Incomplete	-	4	9	-	4		
405						15.8%	121.1%
Loan Originated	1	424	193	2	437		
Approved, Not Accepted	-	30	15	-	28		
Application Denied	1	51	59	-	41		
Application Withdrawn	1	28	35	-	30		
File Closed - Incomplete	-	10	10	-	9		
501						5.0%	126.5%
Loan Originated	1	292	111	2	213		
Approved, Not Accepted	-	38	12	-	28		
Application Denied	-	43	42	-	32		
Application Withdrawn	-	22	20	1	12		
File Closed - Incomplete	-	12	5	-	7		
502						5.4%	150.1%
Loan Originated	4	684	144	6	721		
Approved, Not Accepted	-	41	13	-	46		
Application Denied	-	52	18	-	50		
Application Withdrawn	-	28	15	-	28		
File Closed - Incomplete	1	2	3	-	3		
503						3.5%	147.9%
Loan Originated	-	409	127	2	407		
Approved, Not Accepted	-	51	7	-	45		
Application Denied	-	47	38	1	48		
Application Withdrawn	-	36	30	-	28		
File Closed - Incomplete	-	4	4	-	4		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non-occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re-financings				
	FHA, FSA/RHS & VA	Con-ventional					
504						6.0%	147.1%
Loan Originated	-	312	125	4	275		
Approved, Not Accepted	-	38	11	-	27		
Application Denied	1	43	29	-	30		
Application Withdrawn	-	26	25	-	16		
File Closed - Incomplete	-	9	6	-	7		
505						9.7%	120.7%
Loan Originated	-	444	87	-	376		
Approved, Not Accepted	-	47	9	-	33		
Application Denied	-	42	51	-	38		
Application Withdrawn	-	31	29	1	22		
File Closed - Incomplete	-	8	16	1	9		
506						64.9%	71.7%
Loan Originated	1	267	64	2	280		
Approved, Not Accepted	-	44	11	-	28		
Application Denied	1	55	63	-	47		
Application Withdrawn	-	54	19	-	30		
File Closed - Incomplete	-	10	8	-	7		
507						25.5%	69.0%
Loan Originated	1	70	20	1	56		
Approved, Not Accepted	-	8	5	-	7		
Application Denied	-	9	12	-	8		
Application Withdrawn	-	6	14	-	6		
File Closed - Incomplete	-	3	1	-	1		
508						17.3%	83.5%
Loan Originated	-	421	47	2	434		
Approved, Not Accepted	-	75	6	-	78		
Application Denied	-	50	15	-	48		
Application Withdrawn	-	30	7	-	30		
File Closed - Incomplete	-	8	4	-	6		
509						26.3%	77.7%
Loan Originated	9	154	59	3	83		
Approved, Not Accepted	1	31	10	-	16		
Application Denied	2	58	51	-	21		
Application Withdrawn	1	17	17	-	14		
File Closed - Incomplete	-	6	7	-	1		
510						14.0%	105.5%
Loan Originated	1	266	44	1	166		
Approved, Not Accepted	1	21	10	-	14		
Application Denied	1	27	31	-	10		
Application Withdrawn	-	28	18	-	18		
File Closed - Incomplete	-	1	5	-	-		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
511						2.5%	104.0%
Loan Originated	-	151	44	-	146		
Approved, Not Accepted	-	10	6	-	12		
Application Denied	-	15	10	-	12		
Application Withdrawn	-	12	6	-	13		
File Closed - Incomplete	-	1	-	-	1		
512						3.9%	121.8%
Loan Originated	1	291	179	1	293		
Approved, Not Accepted	-	26	10	-	17		
Application Denied	-	33	35	-	26		
Application Withdrawn	1	17	33	-	22		
File Closed - Incomplete	-	5	12	-	6		
513						2.7%	109.6%
Loan Originated	-	404	153	-	320		
Approved, Not Accepted	-	31	17	-	20		
Application Denied	-	64	67	-	38		
Application Withdrawn	-	27	32	-	21		
File Closed - Incomplete	-	11	18	-	6		
514.01						4.4%	94.1%
Loan Originated	7	272	137	3	124		
Approved, Not Accepted	1	25	21	-	13		
Application Denied	2	44	76	3	14		
Application Withdrawn	-	18	32	-	7		
File Closed - Incomplete	-	3	12	-	1		
514.02						7.1%	131.4%
Loan Originated	3	352	193	-	227		
Approved, Not Accepted	-	31	23	-	15		
Application Denied	3	76	99	-	44		
Application Withdrawn	2	35	71	-	24		
File Closed - Incomplete	-	9	19	-	5		
515						17.7%	109.8%
Loan Originated	7	355	217	1	114		
Approved, Not Accepted	-	40	32	-	20		
Application Denied	1	93	191	-	26		
Application Withdrawn	1	38	70	-	7		
File Closed - Incomplete	-	5	39	-	3		
516.01						20.1%	98.8%
Loan Originated	11	285	130	-	51		
Approved, Not Accepted	-	41	24	-	3		
Application Denied	4	47	116	-	6		
Application Withdrawn	-	27	70	-	5		
File Closed - Incomplete	-	4	23	-	1		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
516.02						10.5%	108.4%
Loan Originated	30	606	326	-	231		
Approved, Not Accepted	2	56	40	-	13		
Application Denied	4	75	157	-	21		
Application Withdrawn	1	55	85	-	17		
File Closed - Incomplete	-	14	31	-	4		
601						9.7%	85.7%
Loan Originated	3	98	82	1	29		
Approved, Not Accepted	-	14	20	-	1		
Application Denied	-	28	76	-	6		
Application Withdrawn	-	8	29	-	3		
File Closed - Incomplete	1	2	13	-	-		
602.01						11.6%	107.1%
Loan Originated	18	731	269	-	270		
Approved, Not Accepted	3	75	58	-	29		
Application Denied	4	107	179	-	21		
Application Withdrawn	3	88	92	-	19		
File Closed - Incomplete	-	19	33	-	4		
602.02						14.4%	100.7%
Loan Originated	24	709	185	-	360		
Approved, Not Accepted	-	58	23	-	17		
Application Denied	4	102	134	-	57		
Application Withdrawn	2	31	59	-	18		
File Closed - Incomplete	-	12	29	-	4		
603						40.7%	94.7%
Loan Originated	2	448	143	-	311		
Approved, Not Accepted	-	33	25	-	17		
Application Denied	1	69	73	-	22		
Application Withdrawn	-	50	52	-	36		
File Closed - Incomplete	-	3	16	-	-		
604.01						11.4%	101.8%
Loan Originated	2	97	55	-	32		
Approved, Not Accepted	-	18	18	-	5		
Application Denied	1	34	64	-	-		
Application Withdrawn	2	10	25	-	1		
File Closed - Incomplete	-	2	5	-	1		
604.02						14.2%	110.6%
Loan Originated	11	269	180	-	120		
Approved, Not Accepted	-	34	23	-	16		
Application Denied	3	51	122	-	18		
Application Withdrawn	3	17	87	-	10		
File Closed - Incomplete	-	4	19	-	-		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non-occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re-financings				
	FHA, FSA/RHS & VA	Con-ventional					
701						20.5%	91.3%
Loan Originated	12	135	105	-	18		
Approved, Not Accepted	1	22	21	-	4		
Application Denied	2	48	70	-	-		
Application Withdrawn	-	28	35	-	3		
File Closed - Incomplete	1	1	11	-	-		
702						10.9%	127.6%
Loan Originated	-	54	67	-	13		
Approved, Not Accepted	-	4	4	-	-		
Application Denied	1	11	22	-	2		
Application Withdrawn	-	7	11	-	2		
File Closed - Incomplete	-	1	4	-	-		
703						52.4%	68.7%
Loan Originated	3	36	39	1	6		
Approved, Not Accepted	-	4	8	-	-		
Application Denied	1	15	23	-	2		
Application Withdrawn	-	6	11	-	-		
File Closed - Incomplete	-	1	5	-	1		
704						72.1%	65.7%
Loan Originated	1	23	51	1	11		
Approved, Not Accepted	-	2	14	-	1		
Application Denied	2	9	39	-	-		
Application Withdrawn	-	2	12	-	-		
File Closed - Incomplete	-	-	5	-	-		
705						42.4%	98.6%
Loan Originated	1	59	48	-	15		
Approved, Not Accepted	-	16	11	-	-		
Application Denied	-	27	37	-	3		
Application Withdrawn	-	12	30	-	3		
File Closed - Incomplete	-	2	7	-	1		
706						29.4%	90.1%
Loan Originated	4	116	116	1	10		
Approved, Not Accepted	1	26	19	-	-		
Application Denied	3	37	70	-	1		
Application Withdrawn	-	15	54	-	-		
File Closed - Incomplete	2	-	8	-	-		
707						22.8%	87.1%
Loan Originated	4	120	124	-	15		
Approved, Not Accepted	1	28	26	-	4		
Application Denied	2	43	79	-	4		
Application Withdrawn	-	9	38	-	-		
File Closed - Incomplete	-	3	15	-	-		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
801						14.5%	97.2%
Loan Originated	1	72	99	1	10		
Approved, Not Accepted	-	10	6	-	-		
Application Denied	-	22	62	-	4		
Application Withdrawn	-	3	26	-	3		
File Closed - Incomplete	-	1	10	-	-		
802						8.7%	87.6%
Loan Originated	1	37	68	-	4		
Approved, Not Accepted	1	2	2	-	-		
Application Denied	-	16	19	-	1		
Application Withdrawn	-	-	10	-	-		
File Closed - Incomplete	-	-	5	-	-		
Horry Totals							
Loan Originated	192	12,136	5,342	40	8,240		
Approved, Not Accepted	13	1,292	726	0	697		
Application Denied	57	2,029	2,965	4	990		
Application Withdrawn	21	1,078	1,570	3	620		
File Closed - Incomplete	5	220	533	1	119		

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

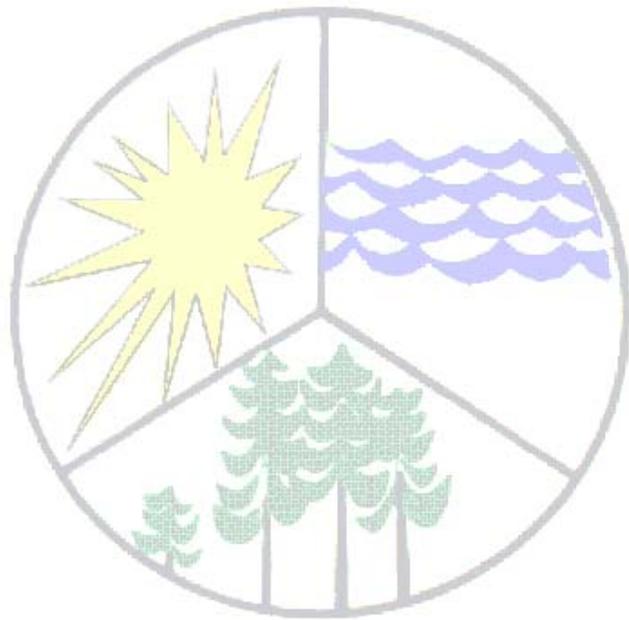
**Table C-3. Disposition of Home Purchase Loans for 1-4 Family and Manufactured Housing by Census Tract, 2004
Williamsburg County**

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
9701						47.9%	93.7%
Loan Originated	-	13	25	-	2		
Approved, Not Accepted	-	1	6	-	-		
Application Denied	-	12	25	-	-		
Application Withdrawn	-	4	11	-	-		
File Closed - Incomplete	-	1	5	-	1		
9702						79.9%	111.4%
Loan Originated	-	1	-	-	-		
Approved, Not Accepted	-	-	-	-	-		
Application Denied	-	1	-	-	-		
Application Withdrawn	-	-	-	-	-		
File Closed - Incomplete	-	-	-	-	-		
9703						54.1%	79.9%
Loan Originated	-	22	24	-	7		
Approved, Not Accepted	-	10	6	-	2		
Application Denied	1	25	38	-	2		
Application Withdrawn	-	4	11	-	-		
File Closed - Incomplete	-	1	4	-	-		
9704						64.4%	77.2%
Loan Originated	-	5	18	-	2		
Approved, Not Accepted	-	6	1	-	-		
Application Denied	-	9	20	-	1		
Application Withdrawn	-	-	6	-	-		
File Closed - Incomplete	-	-	4	-	-		
9705.01						76.2%	78.5%
Loan Originated	3	12	20	-	-		
Approved, Not Accepted	-	3	4	-	-		
Application Denied	-	18	42	-	-		
Application Withdrawn	-	1	12	-	-		
File Closed - Incomplete	-	-	4	-	-		
9705.02						93.1%	55.8%
Loan Originated	-	12	29	-	4		
Approved, Not Accepted	2	8	9	-	1		
Application Denied	2	21	75	-	1		
Application Withdrawn	-	5	21	-	-		
File Closed - Incomplete	-	-	7	-	-		

CENSUS TRACT AND DISPOSITION OF APPLICATION	1 to 4 Family Dwellings and Manufactured Homes			Loans On Dwellings for 5+ Families	Non- occupant Loans on 1-4 Family Dwellings	2000 % Minority Population Within Tract	2005 Est. Median Income of Tract as % of MSA Median
	Home Purchase Loans		Re- financings				
	FHA, FSA/RHS & VA	Con- ventional					
9706						45.0%	88.7%
Loan Originated	2	21	37	-	5		
Approved, Not Accepted	-	7	6	-	1		
Application Denied	3	31	50	-	4		
Application Withdrawn	-	8	25	-	3		
File Closed - Incomplete	1	1	10	-	-		
9707						77.2%	77.0%
Loan Originated	1	13	11	-	1		
Approved, Not Accepted	-	10	5	-	1		
Application Denied	-	10	29	-	-		
Application Withdrawn	1	3	6	-	1		
File Closed - Incomplete	-	-	2	-	-		
9708						90.3%	62.4%
Loan Originated	1	6	15	-	3		
Approved, Not Accepted	-	5	6	-	-		
Application Denied	-	14	55	-	-		
Application Withdrawn	1	1	27	-	1		
File Closed - Incomplete	1	-	1	-	-		
9709						48.6%	76.1%
Loan Originated	-	5	10	1	-		
Approved, Not Accepted	-	5	5	-	-		
Application Denied	-	9	12	-	-		
Application Withdrawn	-	-	1	-	-		
File Closed - Incomplete	-	-	1	-	-		
Williamsburg Totals							
Loan Originated	7	110	189	1	24		
Approved, Not Accepted	2	55	48	0	5		
Application Denied	6	150	346	0	8		
Application Withdrawn	2	26	120	0	5		
File Closed - Incomplete	2	3	38	0	1		

Source: Federal Financial Institutions Examination Council, HMDA Raw Data, 2004.

**SUPPLEMENTAL
HMDA STUDY FOR THE
WACCAMAW REGION**



APPENDIX D
Disposition of Subprime Loans
by Census Tract

APPENDIX D. DISPOSITION OF SUBPRIME LOANS BY CENSUS TRACT**Table D-1. Disposition of Applications for Subprime Loans by Census Tract, 2004**

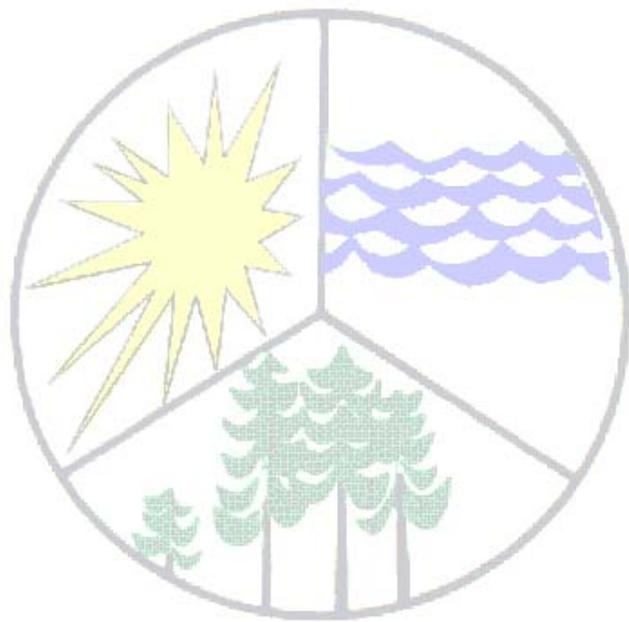
Horry County Applications Received			
Tract	Total	Subprime	% Subprime
101	129	39	30.2%
201	135	33	24.4%
202	362	63	17.4%
203	448	79	17.6%
301	540	66	12.2%
401	2,150	147	6.8%
402	906	52	5.7%
403	981	40	4.1%
404	921	32	3.5%
405	866	42	4.8%
501	589	38	6.5%
502	1,013	27	2.7%
503	757	32	4.2%
504	636	24	3.8%
505	759	33	4.3%
506	597	23	3.9%
507	150	19	12.7%
508	655	14	2.1%
509	432	58	13.4%
510	461	24	5.2%
511	259	18	6.9%
512	654	28	4.3%
513	818	52	6.4%
514.01	663	51	7.7%
514.02	927	53	5.7%
515	1,099	145	13.2%
516.01	782	77	9.8%
516.02	1,479	92	6.2%
601	377	57	15.1%
602.01	1,672	150	9.0%
602.02	1,367	110	8.0%
603	921	65	7.1%
604.01	342	38	11.1%
604.02	839	78	9.3%
701	500	56	11.2%
702	193	21	10.9%
703	156	16	10.3%
704	175	32	18.3%
705	260	34	13.1%
706	496	80	16.1%
707	500	77	15.4%
801	339	69	20.4%
802	164	50	30.5%
No Tract	38	1	2.6%
Total	28,507	2,335	8.2%

Williamsburg County Applications Received			
Tract	Total	Subprime	% Subprime
9701	114	16	14.0%
9702	2	0	0.0%
9703	156	18	11.5%
9704	81	14	17.3%
9705.01	131	26	19.8%
9705.02	205	26	12.7%
9706	220	26	11.8%
9707	108	18	16.7%
9708	147	11	7.5%
9709	53	10	18.9%
No Tract	7	0	0.0%
Total	1,224	165	13.5%

Georgetown County Applications Received			
Tract	Total	Subprime	% Subprime
9801	245	34	13.9%
9802	513	58	11.3%
9803.01	255	21	8.2%
9803.02	223	25	11.2%
9804	131	20	15.3%
9805.01	825	56	6.8%
9805.02	1,895	77	4.1%
9806	390	37	9.5%
9807	328	32	9.8%
9808	216	22	10.2%
No tract	27	0	0.0%
Total	5,048	382	7.6%

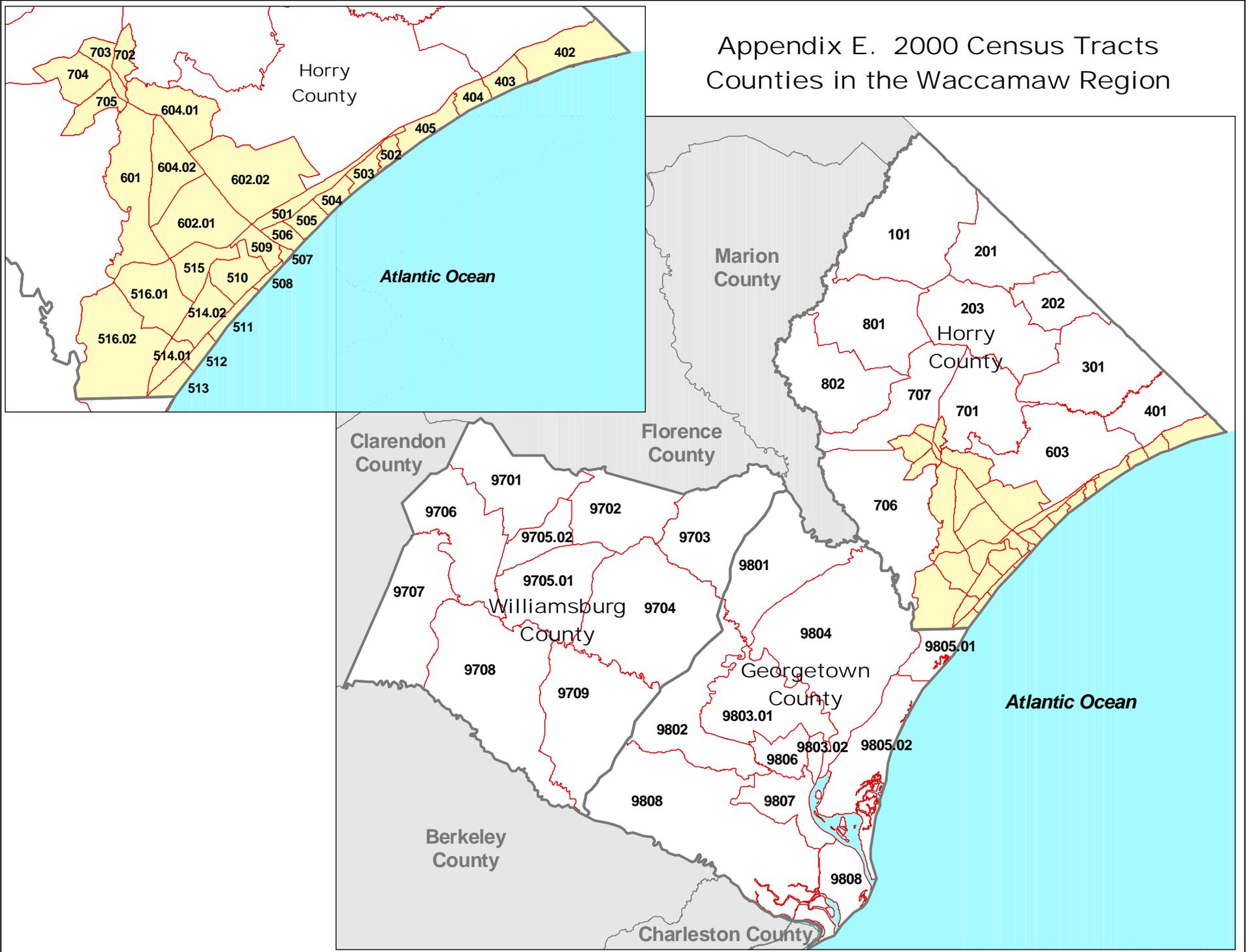
Source: Federal Financial Institutions
Examination Council, HMDA Raw Data, 2004

**SUPPLEMENTAL
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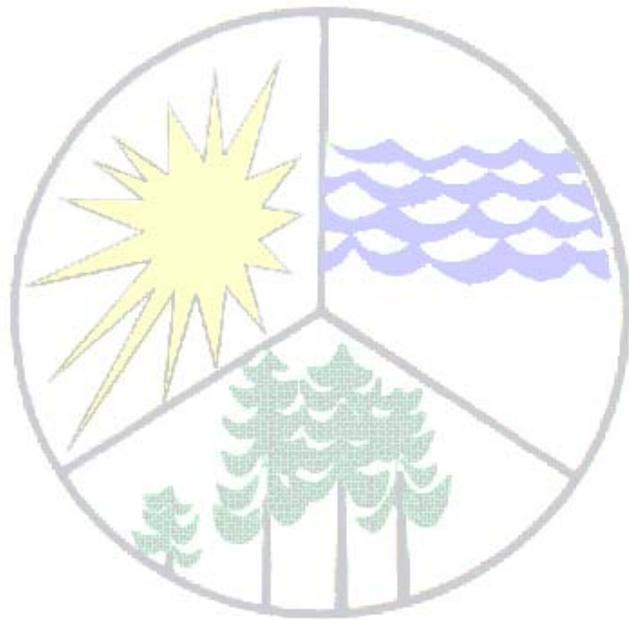


APPENDIX E
2000 Census Tracts
Counties in the Waccamaw Region

Appendix E. 2000 Census Tracts
Counties in the Waccamaw Region



**SUPPLEMENTAL
HMDA STUDY FOR THE
WACCAMAW REGION**



APPENDIX F
Top 50 Lenders for
Counties in the Waccamaw Region

APPENDIX F. TOP 50 LENDERS FOR COUNTIES IN THE WACCAMAW REGION

Table F-1. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Georgetown County, 2004

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
1	Plantation Federal Bank	7.16%	281	278	98.9%	3	1.1%	208,000
2	Bank of America, NA	6.22%	244	244	100.0%	0	0.0%	221,000
3	Ameriquist Mortgage Co.	3.80%	149	140	94.0%	9	6.0%	143,000
4	Wells Fargo Bank, NA	3.70%	145	142	97.9%	3	2.1%	156,000
5	First Federal of Charleston	3.49%	137	134	97.8%	3	2.2%	143,000
6	Countrywide Home Loans	3.31%	130	121	93.1%	9	6.9%	156,000
7	Carolina First Bank	3.03%	119	111	93.3%	8	6.7%	161,000
8	BB&T of SC	2.73%	107	106	99.1%	1	0.9%	289,000
9	Chase Manhattan Mortgage Corp.	2.55%	100	98	98.0%	2	2.0%	197,000
10	Beneficial	2.55%	100	93	93.0%	7	7.0%	116,000
11	Delta Funding Corp.	2.32%	91	82	90.1%	9	9.9%	111,000
12	Cendant Mortgage	2.09%	82	79	96.3%	3	3.7%	114,000
13	Centex Home Equity Co. LLC	2.09%	82	78	95.1%	4	4.9%	101,000
14	Coastal Federal Bank	1.96%	77	77	100.0%	0	0.0%	181,000
15	First Citizens	1.83%	72	71	98.6%	1	1.4%	217,000
16	Wachovia Bank	1.73%	68	62	91.2%	6	8.8%	116,000
17	Wachovia Mortgage	1.48%	58	58	100.0%	0	0.0%	240,000
18	Washington Mutual Bank, FA	1.45%	57	57	100.0%	0	0.0%	357,000
19	GMAC Mortgage Corp.	1.45%	57	57	100.0%	0	0.0%	137,000
20	Equity One, Inc.	1.38%	54	41	75.9%	13	24.1%	84,000
21	ABN AMRO Mortgage Group, Inc.	1.27%	50	50	100.0%	0	0.0%	190,000
22	New Century Mtg Corp.	1.22%	48	34	70.8%	14	29.2%	122,000
23	Argent Mortgage Co.	1.22%	48	42	87.5%	6	12.5%	105,000
24	Suntrust Mortgage, Inc.	1.17%	46	45	97.8%	1	2.2%	196,000
25	Advanced Financial Services Inc.	1.10%	43	40	93.0%	3	7.0%	117,000
26	1st Choice Mtg/Equity Corp	1.07%	42	37	88.1%	5	11.9%	142,000
27	The Conway National Bank	1.07%	42	36	85.7%	6	14.3%	132,000
28	HFC	1.07%	42	40	95.2%	2	4.8%	111,000
29	Citifinancial , Inc.	0.99%	39	28	71.8%	11	28.2%	50,000
30	DHI Mortgage Company Limited	0.84%	33	33	100.0%	0	0.0%	111,000
31	Community Resource Mort., Inc.	0.76%	30	30	100.0%	0	0.0%	184000
32	Wells Fargo Financial SC	0.71%	28	15	53.6%	13	46.4%	108000
33	SC Federal Credit Union	0.71%	28	28	100.0%	0	0.0%	100000
34	GMFS, LLC	0.71%	28	27	96.4%	1	3.6%	97000
35	National City Bank, Indiana	0.69%	27	23	85.2%	4	14.8%	176000

Table F-1. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Georgetown County, 2004
Continued...

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
36	American Business Financial	0.69%	27	25	92.6%	2	7.4%	113000
37	The People's National Bank	0.66%	26	26	100.0%	0	0.0%	153000
38	Southstar Funding	0.66%	26	15	57.7%	11	42.3%	124000
39	HSBC Mortgage Corp.	0.61%	24	24	100.0%	0	0.0%	310,000
40	Principal Residential Mortgage	0.61%	24	23	95.8%	1	4.2%	172,000
41	Keybank National Association	0.61%	24	23	95.8%	1	4.2%	104,000
42	Option One Mortgage Corp.	0.56%	22	17	77.3%	5	22.7%	117,000
43	South Carolina Bank & Trust	0.51%	20	19	95.0%	1	5.0%	243,000
44	Greenpoint Mortgage Funding	0.48%	19	19	100.0%	0	0.0%	333,000
45	The Cit Group/Consumer Finance	0.48%	19	19	100.0%	0	0.0%	138,000
46	Homecomings Financial Network	0.48%	19	16	84.2%	3	15.8%	124,000
47	Crescent Mortgage Co.	0.48%	19	19	100.0%	0	0.0%	121,000
48	Citimortgage, Inc.	0.46%	18	18	100.0%	0	0.0%	300,000
49	American Home Mortgage	0.46%	18	18	100.0%	0	0.0%	183,000
50	Branch Banking & Trust Co.	0.43%	17	17	100.0%	0	0.0%	280,000
Total		79.1%	3,106	2,935	94.5%	171	5.5%	164,080

Source: Federal Financial Institutions Examination Council, Data Reports – 2004 HMDA Data; compiled by the National Community Reinvestment Coalition, 2006.

Table F-2. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Horry County, 2004

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
1	Bank of America, NA	7.68%	1,781	1,778	99.8%	3	0.2%	154,000
2	Wells Fargo Bank, NA	6.53%	1,515	1,486	98.1%	3	1.9%	133,000
3	Countrywide Home Loans	6.13%	1,421	1,363	95.9%	29	4.1%	119,000
4	Cendant Mortgage	3.46%	802	792	98.8%	58	1.2%	113,000
5	Coastal Federal Bank	3.42%	792	784	99.0%	10	1.0%	152,000
6	Amerquest Mortgage Co.	3.28%	761	727	95.5%	8	4.5%	135,000
7	ABN AMRO Mortgage Group, Inc.	3.20%	742	738	99.5%	34	0.5%	142,000
8	BB&T of SC	2.71%	628	624	99.4%	4	0.6%	155,000
9	First Federal of Charleston	2.16%	500	497	99.4%	4	0.6%	133,000
10	Carolina First Bank	2.15%	499	495	99.2%	3	0.8%	144,000
11	Wachovia Mortgage	2.04%	472	470	99.6%	4	0.4%	135,000
12	South Trust Mortgage	1.88%	437	435	99.5%	2	0.5%	212,000
13	Chase Manhattan Mortgage Corp.	1.85%	429	419	97.7%	2	2.3%	132,000
14	CTX Mortgage Co., LLC	1.76%	409	409	100.0%	10	0.0%	139,000
15	The Conway National Bank	1.70%	394	313	79.4%	0	20.6%	96,000
16	Suntrust Mortgage, Inc	1.68%	389	385	99.0%	81	1.0%	132,000
17	Wachovia Bank	1.54%	358	349	97.5%	4	2.5%	114,000
18	1st Choice Mtg./Equity Corp.	1.31%	303	254	83.8%	9	16.2%	123,000
19	National City Bank, Indiana	1.30%	302	265	87.7%	49	12.3%	138,000
20	GMAC Mortgage Corp.	1.29%	300	300	100.0%	37	0.0%	127,000
21	Washington Mutual Bank, FA	1.29%	298	296	99.3%	0	0.7%	195,000
22	First Citizens	1.22%	283	275	97.2%	2	2.8%	145,000
23	Delta Funding Corp.	1.19%	275	260	94.5%	8	5.5%	129,000
24	New Century Mtg. Corp.	1.15%	266	194	72.9%	15	27.1%	138,000
25	Flagstar Bank	1.10%	254	251	98.8%	72	1.2%	162,000
26	Centex Home Equity Co. LLC	1.03%	238	227	95.4%	3	4.6%	125,000
27	Beneficial	1.00%	232	222	95.7%	11	4.3%	129,000
28	Branch Banking & Trust Co.	0.89%	206	199	96.6%	10	3.4%	177,000
29	DHI Mortgage Co. Limited	0.85%	196	186	94.9%	7	5.1%	130,000
30	Equity One, Inc.	0.79%	184	140	76.1%	10	23.9%	100,000
31	Argent Mortgage Co.	0.79%	183	128	69.9%	44	30.1%	124,000
32	Ohio Savings Bank	0.72%	166	165	99.4%	55	0.6%	160,000
33	GMAC Bank	0.69%	161	157	97.5%	1	2.5%	138,000
34	Greenpoint Mortgage Funding	0.68%	157	153	97.5%	4	2.5%	173,000
35	Horry County State Bank	0.64%	148	110	74.3%	4	25.7%	91,000

Table F-2. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Horry County, 2004
Continued...

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
36	Principal Residential Mortgage	0.63%	145	143	98.6%	38	1.4%	131,000
37	American Home Mortgage	0.60%	140	136	97.1%	2	2.9%	189,000
38	Novastar Mortgage Inc	0.58%	135	87	64.4%	4	35.6%	138,000
39	Wells Fargo Financial SC	0.58%	135	97	71.9%	48	28.1%	95,000
40	Advanced Financial Services Inc.	0.56%	131	122	93.1%	38	6.9%	108,000
41	Citifinancial , Inc	0.55%	128	104	81.3%	9	18.8%	54,000
42	Decision One Mortgage	0.50%	117	72	61.5%	24	38.5%	139,000
43	E-Loan, Inc	0.48%	112	112	100.0%	45	0.0%	147,000
44	First National Bank of Arizona	0.47%	108	82	75.9%	0	24.1%	200,000
45	Long Beach Mortgage Co.	0.43%	100	72	72.0%	26	28.0%	152,000
46	Homecomings Financial Network	0.43%	100	62	62.0%	28	38.0%	129,000
47	Southstar Funding	0.42%	97	67	69.1%	38	30.9%	116,000
48	Community Resource Mort., Inc	0.39%	90	88	97.8%	30	2.2%	171,000
49	Citimortgage, Inc.	0.38%	89	87	97.8%	2	2.2%	147,000
50	Sidus Financial, LLC	0.38%	89	89	100.0%	2	0.0%	141,000
Total		78.48%	18,197	17,266	94.9%	931	5.1%	138,020

Source: Federal Financial Institutions Examination Council, Data Reports – 2004 HMDA Data; compiled by the National Community Reinvestment Coalition, 2006.

Table F-3. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Williamsburg County, 2004

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
1	Citifinancial , Inc.	8.39%	64	37	57.8%	27	42.19%	43,000
2	1st Choice Mtg/Equity Corp.	7.99%	61	58	95.1%	3	4.92%	88,000
3	Ameriquest Mortgage Co.	6.82%	52	48	92.3%	4	7.69%	84,000
4	Beneficial	6.29%	48	44	91.7%	4	8.33%	76,000
5	Centex Home Equity Co. LLC	5.64%	43	42	97.7%	1	2.33%	68,000
6	Delta Funding Corporation	5.50%	42	41	97.6%	1	2.38%	98,000
7	HFC	2.62%	20	17	85.0%	3	15.00%	84,000
8	Wells Fargo Bank, NA	1.97%	15	14	93.3%	1	6.67%	84,000
9	Wachovia Bank	1.97%	15	14	93.3%	1	6.67%	53,000
10	Countrywide Home Loans	1.83%	14	13	92.9%	1	7.14%	73,000
11	Advanced Financial Services Inc.	1.83%	14	13	92.9%	1	7.14%	70,000
12	Bank of America, N.A.	1.57%	12	12	100.0%	0	0.00%	98,000
13	American Business Financial	1.57%	12	12	100.0%	0	0.00%	57,000
14	Citifinancial Mortgage Co., Inc	1.57%	12	11	91.7%	1	8.33%	51,000
15	First Citizens	1.44%	11	10	90.9%	1	9.09%	107,000
16	Citicorp Trust Bank, FSB	1.44%	11	6	54.5%	5	45.45%	48,000
17	Keybank National Assn.	1.31%	10	10	100.0%	0	0.00%	95,000
18	Novastar Mortgage Inc.	1.31%	10	9	90.0%	1	10.00%	91,000
19	Argent Mortgage Co.	1.31%	10	9	90.0%	1	10.00%	90,000
20	The Citizens Bank	1.31%	10	10	100.0%	0	0.00%	86,000
21	GMAC Mortgage Corp.	1.31%	10	10	100.0%	0	0.00%	85,000
22	Chase Manhattan Bank USA, NA	1.31%	10	9	90.0%	1	10.00%	59,000
23	Equity One, Inc.	1.18%	9	5	55.6%	4	44.44%	57,000
24	Community Resource Mort., Inc.	1.05%	8	8	100.0%	0	0.00%	110,000
25	Chase Manhattan Mortgage Corp.	1.05%	8	8	100.0%	0	0.00%	94,000
26	Wachovia Mortgage	1.05%	8	8	100.0%	0	0.00%	73,000
27	Oak Street Mortgage	1.05%	8	4	50.0%	4	50.00%	68,000
28	Anderson Brothers Bank	1.05%	8	2	25.0%	6	75.00%	61,000
29	Option One Mortgage Corp.	0.92%	7	6	85.7%	1	14.29%	119,000
30	New Century Mtg Corp.	0.92%	7	6	85.7%	1	14.29%	97,000
31	Wells Fargo Financial SC	0.92%	7	4	57.1%	3	42.86%	86,000
32	Carolina First Bank	0.79%	6	6	100.0%	0	0.00%	170,000
33	HSBC Mortgage Corp	0.79%	6	6	100.0%	0	0.00%	93,000
34	BB&T of SC	0.79%	6	6	100.0%	0	0.00%	67,000
35	Principal Residential Mortgage	0.66%	5	5	100.0%	0	0.00%	108,000
36	Decision One Mortgage	0.66%	5	2	40.0%	3	60.00%	102,000
37	The Cit Group/Consumer Finance	0.66%	5	5	100.0%	0	0.00%	72,000
38	E-Loan, Inc	0.66%	5	5	100.0%	0	0.00%	69,000

Table F-3. Top 50 Lenders for 1st Lien, 1-4 Family Loans, Williamsburg County, 2004
Continued...

Rank	Institution Name	Market Share	Total Loans	Prime Loans		Subprime Loans		Avg. Loan Size (\$)
				#	%	#	%	
39	Washington Mutual Finance Corp.	0.66%	5	1	20.0%	4	80.00%	54,000
40	Calusa Investments, LLC	0.52%	4	4	100.0%	0	0.00%	122,000
41	Equifirst Corp.	0.52%	4	1	25.0%	3	75.00%	110,000
42	MBNA America (Delaware), NA	0.52%	4	2	50.0%	2	50.00%	104,000
43	Homecomings Financial Network	0.52%	4	3	75.0%	1	25.00%	91,000
44	Southstar Funding	0.52%	4	4	100.0%	0	0.00%	90,000
45	Accredited Home Lenders, Inc.	0.52%	4	4	100.0%	0	0.00%	86,000
46	RBC Mortgage	0.52%	4	4	100.0%	0	0.00%	65,000
47	GMFS, LLC	0.52%	4	4	100.0%	0	0.00%	27,000
48	Quicken Loans	0.39%	3	3	100.0%	0	0.00%	125,000
49	First Federal Of Charleston	0.39%	3	3	100.0%	0	0.00%	117,000
50	People's Choice Home Loan, Inc.	0.39%	3	2	66.7%	1	33.33%	116,000
Total		86.49%	660	570	86.4%	90	13.6%	84,820

Source: Federal Financial Institutions Examination Council, Data Reports – 2004 HMDA Data; compiled by the National Community Reinvestment Coalition, 2006.