

THE TIME IS NOW



Rapidly-Changing Homebuyer Pool Demographics

More than 77% of net household growth projected over the next decade will come from households of color.



Widening of Racial Homeownership Gap

In 1960, the gap was 26% - 60 years later it has widened to 29%. In some markets, the gap is more than -50%.



Housing Policy that Promotes Equity

Promotion of programs designed to help minorities are front and center, and policies like CRA modernization will increase regulations for all lenders.



Tightening of Lending Opportunities in Housing

The US Purchase Market dropped more than 5% from 2021 to 2022- a trend which is likely through 2023.

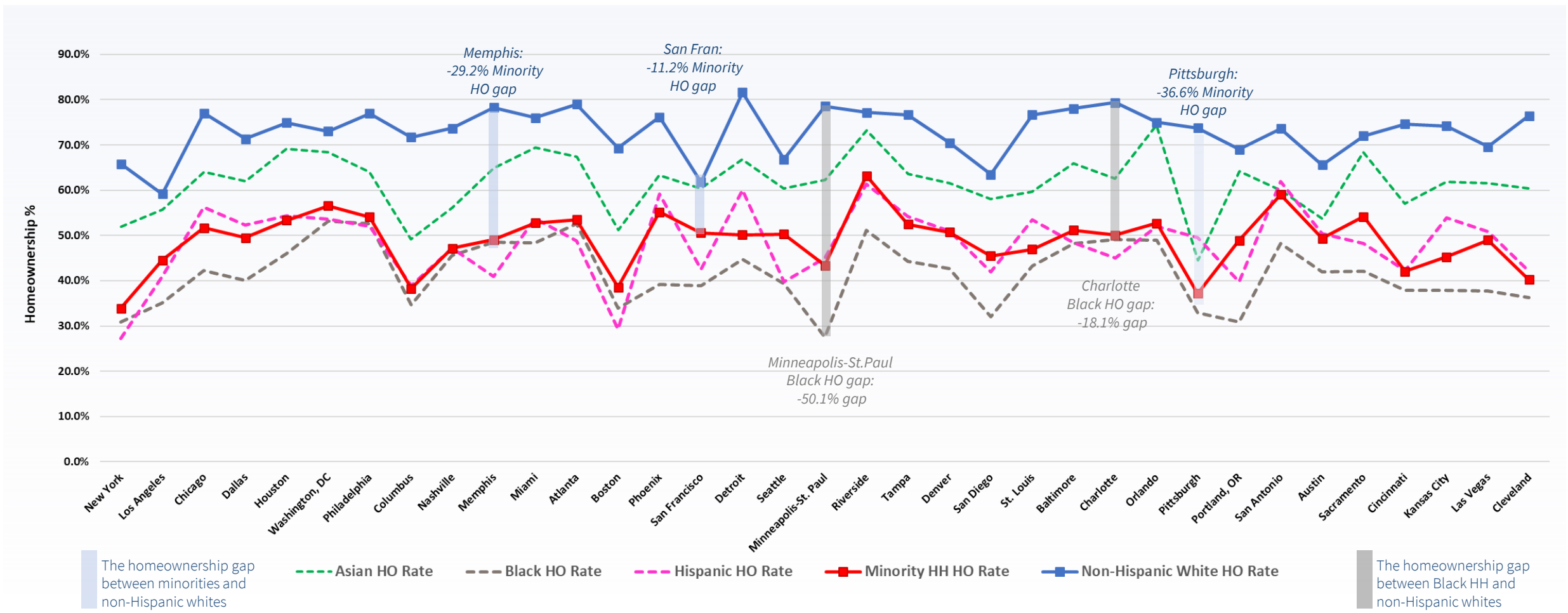
GROW YOUR BUSINESS BY CLOSING THE GAP

LENDERS WHO SERVE DIVERSE MARKETS SUCCESSFULLY

- Originate More Loans
- Face Less Regulatory Risk
- Help Build Healthier Communities

A **WIN-WIN-WIN**

TOMORROW'S GROWTH DEPENDS ON CLOSING THE GAP



The homeownership (HO) gap varies from market to market, as shown above. In EVERY one of the 75 largest metro markets in the US, there is a Black HO gap - the narrowest is -18.2% in Charlotte. Honolulu is the only one of the largest 75 metro areas that does NOT have a minority homeownership gap.

OPPORTUNITY ABOUNDS

\$2.8 TRILLION

PURCHASE DOLLARS TO MINORITIES NEXT 5 YEARS

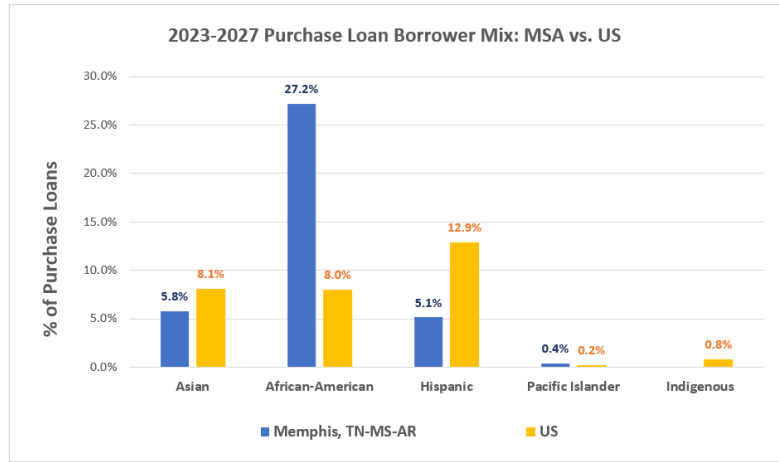
- ✓ **Fastest-growing segments**
- ✓ **Markets Are Unique:**
 - Size of the opportunity
 - Borrower race/ethnicity penetration rates

Metro Area	5-year Diverse Purchase Opportunity (\$B)												Minority	% of Total
	All Borrowers	Asian	% Asian	Black	% Black	Native American-Alaskan	% Native American-Alaskan	Pacific Islander-Hawaiian	% Pacific Islander	Hispanic	% Hispanic			
New York	\$500.0	\$91.7	18.3%	\$41.3	8.3%	\$1.7	0.3%	\$.9	0.2%	\$61.9	12.4%	\$197.5	40%	
Los Angeles	\$483.1	\$97.1	20.1%	\$15.5	3.2%	\$1.9	0.4%	\$.9	0.2%	\$71.9	14.9%	\$187.3	39%	
Washington DC	\$322.0	\$42.7	13.3%	\$49.6	15.4%	\$1.6	0.5%	\$.6	0.2%	\$33.2	10.3%	\$127.7	40%	
Seattle	\$285.8	\$81.4	28.5%	\$9.9	3.5%	\$2.1	0.7%	\$1.3	0.4%	\$14.4	5.1%	\$109.2	38%	
San Francisco	\$267.3	\$104.6	39.1%	\$6.9	2.6%	\$1.1	0.4%	\$.7	0.3%	\$17.9	6.7%	\$131.2	49%	
Atlanta	\$247.2	\$27.6	11.2%	\$55.2	22.3%	\$1.0	0.4%	\$.2	0.1%	\$18.8	7.6%	\$102.8	42%	
Chicago	\$246.7	\$24.3	9.9%	\$23.7	9.6%	\$1.2	0.5%	\$.2	0.1%	\$38.8	15.7%	\$88.2	36%	
Miami	\$241.9	\$7.2	3.0%	\$21.2	8.8%	\$.9	0.4%	\$.2	0.1%	\$85.3	35.3%	\$114.8	47%	
Dallas	\$236.6	\$34.6	14.6%	\$20.2	8.5%	\$1.8	0.8%	\$.4	0.2%	\$33.5	14.2%	\$90.5	38%	
Phoenix	\$235.3	\$16.3	6.9%	\$8.2	3.5%	\$2.2	0.9%	\$.6	0.3%	\$36.6	15.6%	\$64.0	27%	
Riverside	\$197.0	\$25.4	12.9%	\$11.2	5.7%	\$1.8	0.9%	\$.7	0.3%	\$64.4	32.7%	\$103.4	53%	
Boston	\$193.8	\$27.0	14.0%	\$9.3	4.8%	\$.6	0.3%	\$.1	0.1%	\$15.6	8.0%	\$52.5	27%	
Houston	\$187.1	\$24.6	13.1%	\$19.8	10.6%	\$1.6	0.8%	\$.3	0.2%	\$38.2	20.4%	\$84.5	45%	
Denver	\$171.8	\$11.0	6.4%	\$4.6	2.7%	\$1.3	0.7%	\$.4	0.2%	\$18.8	10.9%	\$36.0	21%	
San Diego	\$156.5	\$23.9	15.2%	\$4.2	2.7%	\$1.1	0.7%	\$.5	0.3%	\$20.5	13.1%	\$50.1	32%	
Philadelphia	\$140.2	\$14.8	10.6%	\$15.7	11.2%	\$.5	0.3%	\$.2	0.1%	\$9.1	6.5%	\$40.2	29%	
Austin	\$128.8	\$23.2	18.0%	\$2.6	2.0%	\$.7	0.5%	\$.1	0.1%	\$12.9	10.0%	\$39.6	31%	
Portland	\$124.2	\$12.4	9.9%	\$3.3	2.7%	\$1.3	1.0%	\$.5	0.4%	\$8.8	7.1%	\$26.2	21%	
San Jose	\$120.1	\$71.8	59.8%	\$.7	0.6%	\$.4	0.3%	\$.1	0.1%	\$6.3	5.3%	\$79.3	66%	
Tampa	\$119.7	\$6.8	5.7%	\$7.4	6.2%	\$.5	0.5%	\$.3	0.2%	\$19.0	15.9%	\$34.1	28%	
Minneapolis/SP	\$117.9	\$9.5	8.0%	\$6.6	5.6%	\$.7	0.6%	\$.1	0.1%	\$5.6	4.8%	\$22.6	19%	
Orlando	\$106.9	\$9.1	8.5%	\$9.7	9.1%	\$.6	0.6%	\$.3	0.2%	\$28.7	26.8%	\$48.3	45%	
Charlotte	\$105.9	\$10.3	9.7%	\$12.7	12.0%	\$.5	0.5%	\$.2	0.2%	\$8.2	7.8%	\$31.9	30%	
Las Vegas	\$94.0	\$13.9	14.8%	\$6.5	7.0%	\$.7	0.7%	\$1.0	1.0%	\$17.4	18.6%	\$39.5	42%	
Sacramento	\$92.3	\$16.8	18.2%	\$4.0	4.3%	\$1.0	1.1%	\$.6	0.6%	\$11.3	12.2%	\$33.6	36%	
Nashville	\$88.6	\$4.5	5.0%	\$5.0	5.6%	\$.4	0.4%	\$.1	0.1%	\$4.6	5.2%	\$14.5	16%	
Baltimore	\$87.6	\$7.7	8.8%	\$16.9	19.3%	\$.4	0.4%	\$.2	0.2%	\$5.1	5.8%	\$30.3	35%	
Detroit	\$78.5	\$6.0	7.6%	\$7.4	9.5%	\$.3	0.3%	\$.1	0.1%	\$2.6	3.3%	\$16.3	21%	
San Antonio	\$65.1	\$3.5	5.4%	\$3.4	5.3%	\$.8	1.2%	\$.1	0.2%	\$20.1	31.0%	\$28.1	43%	
St. Louis	\$63.7	\$2.8	4.4%	\$5.1	8.0%	\$.3	0.4%	\$.0	0.0%	\$1.8	2.8%	\$10.0	16%	
Jacksonville	\$63.6	\$3.2	5.0%	\$5.7	8.9%	\$.4	0.6%	\$.1	0.2%	\$5.6	8.8%	\$14.9	23%	
Non-Metro	\$196.6	\$2.7	1.4%	\$4.3	2.2%	\$1.9	1.0%	\$.2	0.1%	\$7.9	4.0%	\$16.9	9%	
TOTAL US	\$9,594.1	\$1,047.3	10.9%	\$634.0	6.6%	\$63.4	0.7%	\$22.3	0.2%	\$1,097.6	11.4%	\$2,864.6	30%	

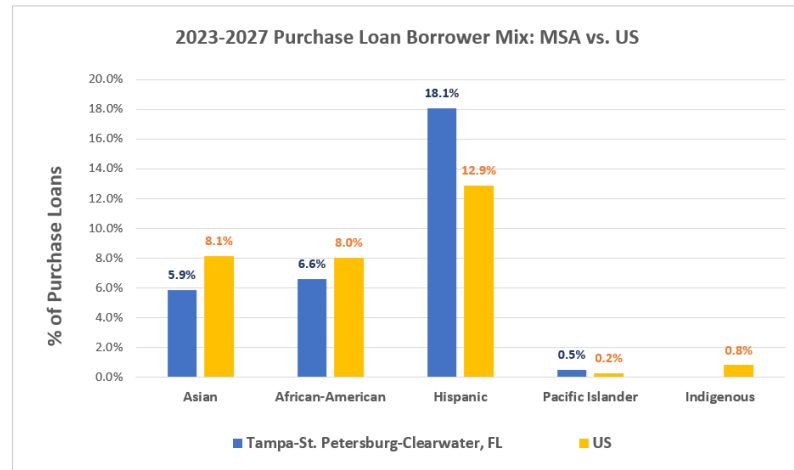
EVERY MARKET IS DIFFERENT

The bar charts below compare the purchase penetration rate for each borrower group in the markets below - the bars illustrate what % of all purchase loans each group will originate over the next 5 years. The \$ after each title is the total minority purchase opportunity projected for those 5 years combined.

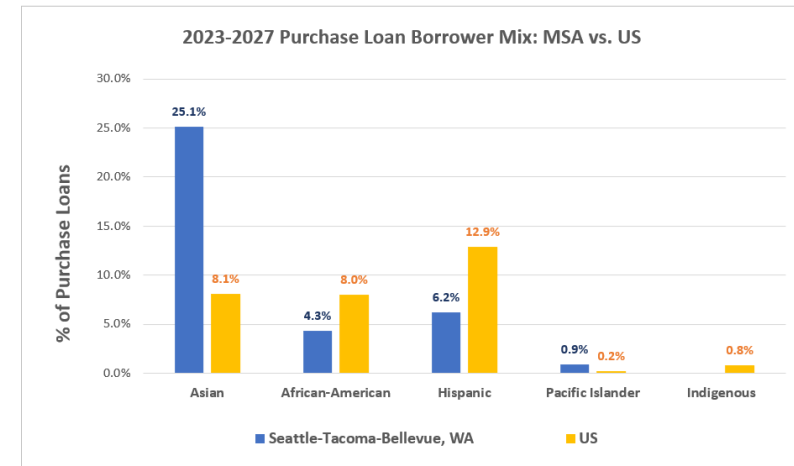
Memphis, TN-MS-AR \$10,706.9 B



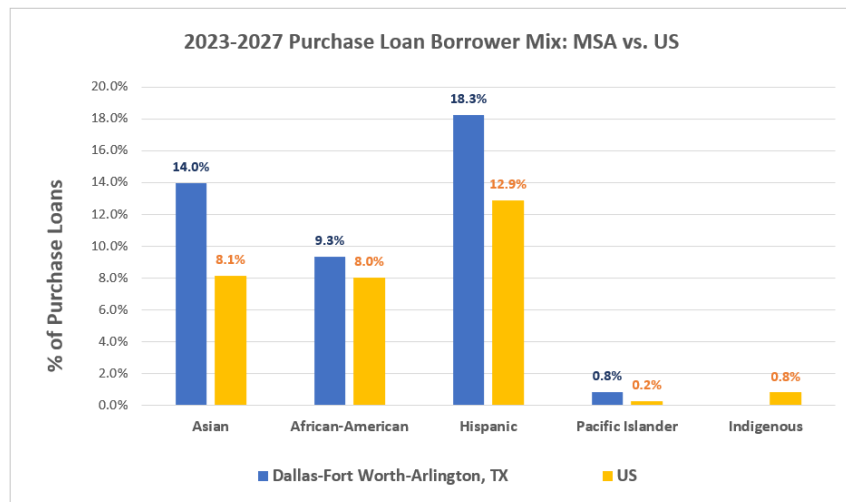
Tampa, FL \$34,098.5 B



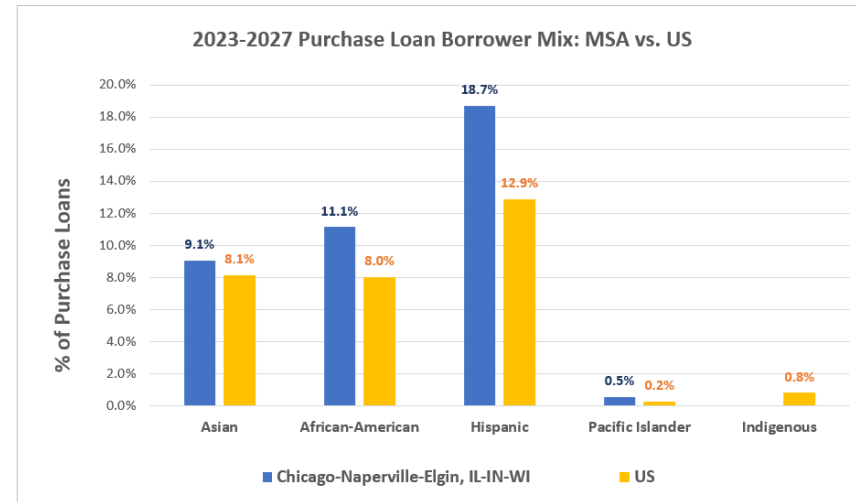
Seattle, WA \$109,168.8 B



Dallas, TX \$90,540.9 B

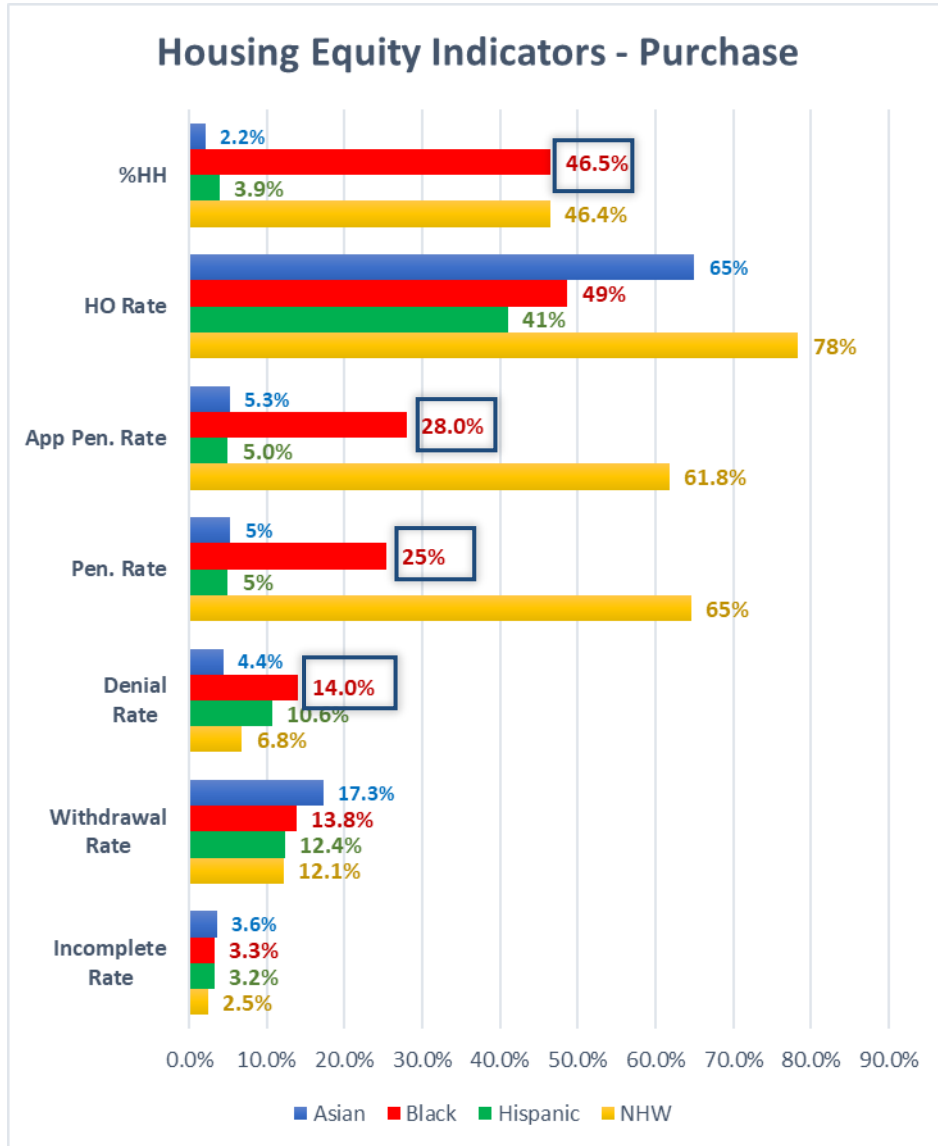


Chicago, IL-IN-WI \$88,214.0 B



HOUSING EQUITY INDICATORS

MEMPHIS



Memphis, TN has a large Black community: more than 46% of householders are Black.



The Black homeownership rate is only 49%, which is nearly 30% lower than the homeownership rate of non-Minority households.



Only 28% of all purchase applications in 2021 in Memphis were from Black applicants – which is a wide gap, considering the Black household penetration rate of 46%. This suggests education, trust and outreach gaps for Black households.



The denial rate for Black borrowers is 14%, which is more than double the denial rate for non-minority borrowers.



The Homeownership Gap isn't only about income:
 For Upper Income Households (with incomes > 120% of the Median Family Income), the Denial Rate for Black HH was DOUBLE that of Non-Hispanic Whites (13.6% vs. 6.7%)

MARKET BY MARKET, HOUSING EQUITY INDICATORS VARY BUT MOST REVEAL THAT WE'RE FAR FROM HAVING AN EQUAL PLAYING FIELD.

TRUST, EDUCATION, CREDIT AND INVENTORY GAPS REMAIN