
Part A, Section 1: 1-4 Family Residential Lending: Home Purchase and Refinance Mortgage Loans

General Instructions:

What type of lending is reported in this section?

This section of Part A of the survey focuses on loans extended for purchases of 1-4 family homes and refinancings of such loans (collectively referred to as “1-4 family mortgages” below).

What is the time period covered and general scope of questions?

This section asks questions about your 1-4 family mortgage lending experiences, including information on your 1999 lending activities, on the loans held in portfolio as of December 31, 1999, and on loan performance and profitability of CRA and overall lending in this category. Many of the questions ask you to compare the experiences you have had regarding your CRA lending activities with the experiences you have had on your non-CRA 1-4 family mortgage lending. This section also asks a few questions about 1-4 family mortgage loans extended under “CRA special lending programs.”

How is CRA lending defined for this section?

For this section of the survey, we define CRA loans using the following definition: any 1-4 family mortgage loan made **within your banking institution’s local CRA-assessment area(s)** to a lower-income borrower (regardless of neighborhood income) or in a lower-income neighborhood (regardless of borrower income). According to the regulations that implement the CRA, a lower-income (low- and moderate-income) borrower is one whose income is less than 80 percent of the median family income of their metropolitan statistical area (MSA) or nonmetropolitan portion of their state. A lower-income (low- and moderate-income) neighborhood (census tract) is one whose median family income is less than 80 percent of the median family income of the MSA or nonmetropolitan portion of the state where the property is located.

How are CRA special lending programs defined for this section?

By CRA special lending programs, we mean programs your institution has developed (or participates in) and uses specifically to enhance its CRA performance. A program meets this definition only if one of its documented purposes is to enhance your institution’s CRA performance. These may include special affordable lending programs that offer more flexible underwriting standards and special loan terms (such as discounted interest rates or waivers or discounts of fees); and special programs offered or developed in conjunction with third parties, such as lending consortia, nonprofit organizations, or government agencies that offer special lending programs in which you participate. **Exclude** traditional government-backed 1-4 family mortgage lending programs, such as those offered by the Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA), **unless** your institution provides a special enhancement to the program, such as providing a formal program of homebuyer education or a waiver of fees.

How should the activities of your affiliates be treated in this section?

Please provide information for your bank or savings association. Include the activities of affiliates **only** if they are considered in evaluating your

Contact Person for this Section

In case questions arise about answers given in this section, please provide (*print clearly*):

Institution Name _____

Contact _____

Phone Number () _____ - _____

institution’s CRA performance, and in such cases only include affiliate activity that occurs in your institution’s CRA assessment areas. Thus, in calculating your CRA and overall lending, do not include any activities of your affiliates in geographic markets outside of your institution’s CRA assessment areas. Consider the activities of an affiliate in the same manner in which they are considered in your CRA evaluation. For example, if you purchase loans originated by an affiliate but they are considered as originations for your CRA evaluation, then these loans should be counted as originations and not purchases.

What activity should be included in the “overall” column?

Responses in the “overall” column below should include **all** your 1-4 family home purchase and refinancing mortgages, **including** loans both within and outside your CRA assessment areas and **including** your CRA loans in this product category.

How should the survey question responses be filled out?

Please provide a response to each question in the survey. In responding to all questions, we strongly urge you to make calculations and assessments using hard data whenever possible. If a particular question is not applicable to your institution (e.g., a question relates to loan purchases and your institution does not purchase any loans), check the “N/A” box provided in the survey. **If you do not know the answer to any question, please write “Don’t Know” or “DK” anywhere in the appropriate question response area.** If you do any 1-4 family mortgage lending, then no question in this section should be left blank. If a question response area is left completely blank, additional follow-up with your institution may be required to determine if the question was inadvertently skipped.

What precision should be used in responding to questions?

If the answer calls for a dollar amount, please answer in thousands. If it calls for a percent, please round to the nearest whole percent. If it calls for percentage points, please round to the nearest hundredth of a percentage point.

The information collected in the survey will not be made available to the public in a way that would allow members of the public to identify the responses provided by your institution. Also, the data will not be used for supervisory purposes.

If you have any questions about this questionnaire, please contact the Federal Reserve Board using the toll-free number (800-281-4930). Your call will be forwarded into a voice mail system where you can record your message. Every effort will be made to return your call within 24 hours.

General Questions

1. Does your banking institution originate or purchase 1-4 family home purchase and refinance loans (1-4 family mortgages)?
 Yes No, do not answer the remaining questions 2–69 in this section
2. Were originations or purchases of 1-4 family mortgages **by your affiliates** considered in your last CRA examination?
 Yes No
3. Do you have a distinct unit or department that specializes in CRA 1-4 family mortgage lending?
 Yes No
4. Do you have any CRA special lending programs that focus on 1-4 family mortgage lending?
 Yes No

Profile of 1999 Origination Activity

Please answer the following questions pertaining to your 1999 loan **origination experiences** in 1-4 family home purchase and refinance mortgage lending. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
5. What was the dollar amount of 1-4 family mortgages originated in calendar year 1999 by your banking institution (including originations in your assessment area(s) by affiliates that count for your CRA evaluation)?	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None
6. The answer to question 5 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
7. Of the 1999 1-4 family mortgage loan dollars reported in question 5, what percentage was originated by your affiliates?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate originations included	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no affiliate originations included
8. Of the 1999 1-4 family mortgage loan dollars reported in question 5, what percentage was originated under CRA special lending programs?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs
9. Of the 1999 1-4 family mortgage loan dollars reported in question 5, what percentage was retained at year-end in your portfolio?	a. <input type="checkbox"/> Virtually all (95-100%) b. <input type="checkbox"/> Most (60-94%) c. <input type="checkbox"/> About half (40-59%) d. <input type="checkbox"/> Some (6-39%) e. <input type="checkbox"/> Virtually none (0-5%)	a. <input type="checkbox"/> Virtually all (95-100%) b. <input type="checkbox"/> Most (60-94%) c. <input type="checkbox"/> About half (40-59%) d. <input type="checkbox"/> Some (6-39%) e. <input type="checkbox"/> Virtually none (0-5%)

Profile of 1999 Origination Activity – Continued

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
10. Of the 1999 1-4 family mortgage loan dollars reported in question 5, approximately what percentage did you sell to:		
a. Fannie Mae or Freddie Mac	a. _____ percent	a. _____ percent
b. Ginnie Mae or RHS (formerly FmHA)	b. _____ percent	b. _____ percent
c. Your affiliates	c. _____ percent	c. _____ percent
d. Unaffiliated depository institutions	d. _____ percent	d. _____ percent
e. Others	e. _____ percent	e. _____ percent
	<input type="checkbox"/> N/A-no sales to anyone	<input type="checkbox"/> N/A-no sales to anyone
11. Of the 1999 1-4 family mortgage loan dollars reported in question 5, what percentage do you currently service?		
	a. <input type="checkbox"/> Virtually all (95-100%)	a. <input type="checkbox"/> Virtually all (95-100%)
	b. <input type="checkbox"/> Most (60-94%)	b. <input type="checkbox"/> Most (60-94%)
	c. <input type="checkbox"/> About half (40-59%)	c. <input type="checkbox"/> About half (40-59%)
	d. <input type="checkbox"/> Some (6-39%)	d. <input type="checkbox"/> Some (6-39%)
	e. <input type="checkbox"/> Virtually none (0-5%)	e. <input type="checkbox"/> Virtually none (0-5%)

Profile of 1999 Purchase Activity

Please answer the following questions pertaining to your 1999 experiences in **purchasing** 1-4 family home purchase and refinance mortgage loans. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
12. What was the dollar amount of 1-4 family mortgage loans purchased in calendar year 1999 by your banking institution and retained in your portfolio at year-end (including purchases in your assessment area(s) by affiliates that counted for your CRA evaluation)?	a. \$ _____ <i>(in thousands)</i>	a. \$ _____ <i>(in thousands)</i>
	b. <input type="checkbox"/> None	b. <input type="checkbox"/> None
13. The answer to question 12 was based upon: (which of the following best applies)		
	a. <input type="checkbox"/> Actual tabulations	a. <input type="checkbox"/> Actual tabulations
	b. <input type="checkbox"/> Estimate based on reasonable assumptions and data	b. <input type="checkbox"/> Estimate based on reasonable assumptions and data
	c. <input type="checkbox"/> Educated guess	c. <input type="checkbox"/> Educated guess
	d. <input type="checkbox"/> Previous question not answered	d. <input type="checkbox"/> Previous question not answered
14. Of the 1999 1-4 family mortgage loan dollars reported in question 12, what percentage was purchased by your affiliates?		
	a. _____ percent (0-100%)	a. _____ percent (0-100%)
	b. <input type="checkbox"/> N/A-no affiliate purchases included	b. <input type="checkbox"/> N/A-no affiliate purchases included
15. Of the 1999 1-4 family mortgage loan dollars reported in question 12, what percentage did you purchase under CRA special lending programs?		
	a. _____ percent (0-100%)	a. _____ percent (0-100%)
	b. <input type="checkbox"/> N/A-no CRA special lending programs	b. <input type="checkbox"/> N/A-no CRA special lending programs

Profile of Portfolio as of December 31, 1999

Please answer the following questions pertaining to your 1-4 family home purchase and refinance mortgage loan portfolio as of year-end 1999. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
16. What was the dollar amount of 1-4 family mortgage loans outstanding for your banking institution as of December 31, 1999?	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None	a. \$ _____ <i>(in thousands)</i> b. <input type="checkbox"/> None
17. The answer to question 16 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
18. Of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999, what percentage did you purchase or originate under CRA special lending programs?	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs	a. _____ percent (0-100%) b. <input type="checkbox"/> N/A-no CRA special lending programs
19. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Home purchase loans b. Refinance loans	a. _____ percent b. _____ percent	a. _____ percent b. _____ percent
20. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Conventional without PMI b. Conventional with PMI c. Government-backed (FHA, VA, etc.)	a. _____ percent b. _____ percent c. _____ percent	a. _____ percent b. _____ percent c. _____ percent
21. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Fixed-rate loans b. Adjustable-rate loans	a. _____ percent b. _____ percent	a. _____ percent b. _____ percent
22. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%) a. Loans originated in 1999 b. Loans originated in 1997-98 c. Loans originated in 1995-96 d. Loans originated in 1994 or earlier	a. _____ percent b. _____ percent c. _____ percent d. _____ percent	a. _____ percent b. _____ percent c. _____ percent d. _____ percent

Profile of Portfolio as of December 31, 1999 – *Continued*

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
23. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%)		
a. Loans with an outstanding balance less than \$50,000	a. _____ percent	a. _____ percent
b. Loans with an outstanding balance of \$50,000-\$99,999	b. _____ percent	b. _____ percent
c. Loans with an outstanding balance of \$100,000-\$199,999	c. _____ percent	c. _____ percent
d. Loans with an outstanding balance of \$200,000 or more	d. _____ percent	d. _____ percent
24. Approximately what percentage of the 1-4 family mortgage loan dollars in your portfolio as of December 31, 1999 was in the following categories: (should total 100%)		
a. Loans with an original loan-to-value ratio (LTV) of 80 percent or less	a. _____ percent	a. _____ percent
b. Loans with an original LTV of 81-95 percent	b. _____ percent	b. _____ percent
c. Loans with an original LTV of 96 percent or more	c. _____ percent	c. _____ percent

Profile of Delinquency as of December 31, 1999 and 1999 Net Charge-offs

Please answer the following questions pertaining to your 1-4 family home purchase and refinance mortgage loan **delinquency** in your 1999 year-end portfolio and **net charge-off experience** over calendar year 1999. (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
25. What percentage of the 1-4 family mortgage loan dollars outstanding in your portfolio as of December 31, 1999 was 30-89 days delinquent?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
26. The answer to question 25 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
27. What percentage of the 1-4 family mortgage loan dollars as of December 31, 1999 that you either (1) held in portfolio or (2) sold, but continue to service, was 30-89 days delinquent?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
28. The answer to question 27 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
29. What percentage of the 1-4 family mortgage loan dollars outstanding in your portfolio as of December 31, 1999 was 90 days or more delinquent or non-accruing?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
30. The answer to question 29 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
31. What percentage of the 1-4 family mortgage loan dollars as of December 31, 1999 that you either (1) held in portfolio or (2) sold, but continue to service, was 90 days or more delinquent or non-accruing?	a. ____ . ____ percentage points	a. ____ . ____ percentage points

Profile of Delinquency as of December 31, 1999 and 1999 Net Charge-offs – *Continued*

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
32. The answer to question 31 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered
33. What was your net charge-off rate (in percentage points) in 1999 for 1-4 family mortgages (total net charge-offs of 1-4 family mortgages during 1999 divided by your average 1-4 family mortgage loan dollars outstanding over 1999)?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
34. The answer to question 33 was based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous question not answered

Profile of 1999 Profitability

Please answer the following questions pertaining to the **profitability** of your 1999 1-4 family home purchase and refinance mortgage lending. We are seeking a comprehensive measure of profitability and consequently your responses should reflect all factors that relate to profitability, **including revenues and costs associated with overhead; origination; servicing; pricing; delinquency, default and losses; prepayment; loan sales and purchases; and related customer account business (e.g., deposit account relationships).** (Respond by completing the appropriate blank or checking the box that best applies).

	Column A Overall (all 1-4 family mortgages, including CRA loans)	Column B CRA Loans Only
35. Overall, considering all factors, your banking institution's 1999 1-4 family mortgage lending was:	a. <input type="checkbox"/> Profitable b. <input type="checkbox"/> Marginally profitable c. <input type="checkbox"/> Break even d. <input type="checkbox"/> Marginally unprofitable e. <input type="checkbox"/> Unprofitable	a. <input type="checkbox"/> Profitable b. <input type="checkbox"/> Marginally profitable c. <input type="checkbox"/> Break even d. <input type="checkbox"/> Marginally unprofitable e. <input type="checkbox"/> Unprofitable
36. What was your overall return on equity (ROE) for your 1-4 family mortgage lending for 1999?	a. ____ . ____ percentage points	a. ____ . ____ percentage points
37. The answers to questions 35 and 36 were based upon: (which of the following best applies)	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous questions not answered	a. <input type="checkbox"/> Actual tabulations b. <input type="checkbox"/> Estimate based on reasonable assumptions and data c. <input type="checkbox"/> Educated guess d. <input type="checkbox"/> Previous questions not answered

Comparing Experiences with CRA and Non-CRA Lending

The following series of questions asks you to compare your experiences with 1999 CRA 1-4 family home purchase and refinance mortgage lending to those with non-CRA 1-4 family home purchase and refinance mortgage lending. In other words, we ask you to compare your experi-

ences with loans included under our definition of CRA loans with those for all loans that are not included under this definition. (Respond by completing the appropriate blank or checking the box that best applies).

Relative Profitability

38. Considering all factors, **compared to non-CRA** 1-4 family mortgage lending, your banking institution's return on equity (ROE) for CRA 1-4 family mortgage lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
39. If higher or lower, how much higher or lower (e.g., if non-CRA loans had an ROE of 16.0% and CRA loans had an ROE of 17.5% the difference is 1.5 percentage points higher)?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
40. The answers to questions 38 and 39 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-
41. Considering all factors, compared to non-CRA 1-4 family mortgage lending of **the same purpose (home purchase versus refinance), loan size, product type (fixed versus adjustable rate), and loan seasoning**, your return on equity (ROE) for CRA 1-4 family mortgage lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
42. If higher or lower, how much higher or lower?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
43. The answers to questions 41 and 42 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-
44. Considering all factors, compared to 1-4 family mortgage lending **outside of your CRA assessment area(s) to lower-income borrowers or made in lower-income neighborhoods**, your return on equity (ROE) for CRA 1-4 family mortgage lending for 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
-
45. If higher or lower, how much higher or lower?
- a. ____ . ____ percentage points higher
 - b. ROE about the same
 - c. ____ . ____ percentage points lower
-
46. The answers to questions 44 and 45 were based upon: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered
-

Relative Profitability – Continued

47. Considering all factors, compared to non-CRA 1-4 family mortgage lending your return on equity (ROE) for CRA 1-4 family mortgage lending **not originated under a CRA special lending program** for 1999 was: (i.e., compare non-CRA lending with CRA lending that was **not** originated under a CRA special lending program)
- a. Higher for CRA loans
 b. Somewhat higher for CRA loans
 c. About the same for CRA loans
 d. Somewhat lower for CRA loans
 e. Lower for CRA loans
-
48. If higher or lower, how much higher or lower?
- a. ____ percentage points higher
 b. ROE about the same
 c. ____ percentage points lower
-
49. The answers to questions 47 and 48 were based upon: (which of the following best applies)
- a. Actual tabulations
 b. Estimate based on reasonable assumptions and data
 c. Educated guess
 d. Previous questions not answered

Relative Origination Costs

50. Compared to non-CRA 1-4 family mortgage loans, your average origination costs for CRA 1-4 family mortgage loans originated in 1999 were:
- a. Higher for CRA loans
 b. Somewhat higher for CRA loans
 c. About the same for CRA loans
 d. Somewhat lower for CRA loans
 e. Lower for CRA loans
-
51. Compared to non-CRA 1-4 family mortgage loans **of the same purpose (home purchase versus refinance), loan size, and product type (fixed versus adjustable rate)**, your average origination costs for CRA 1-4 family mortgage loans originated in 1999 were:
- a. Higher for CRA loans
 b. Somewhat higher for CRA loans
 c. About the same for CRA loans
 d. Somewhat lower for CRA loans
 e. Lower for CRA loans
-
52. Please evaluate each of the following factors on their impact on your average origination costs for CRA compared to **non-CRA (all other)** 1-4 family mortgage loans **of the same purpose, loan size, and product type**.
- Compared to origination costs of non-CRA loans, this factor causes origination costs of CRA loans to be: (check one box in each row)
- | | <u>Higher for CRA</u> | <u>About the same</u> | <u>Lower for CRA</u> |
|--|--------------------------|--------------------------|--------------------------|
| a. Time spent by your staff working with applicants and processing loan applications | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Financial incentives to your staff | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Loan approval rate | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Other (specify) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
-
53. The responses to questions 50, 51, and 52 were based on: (which of the following best applies)
- a. Actual tabulations
 b. Estimate based on reasonable assumptions and data
 c. Educated guess
 d. Previous questions not answered

Relative Servicing Costs

Please answer the following questions pertaining to your 1999 loan servicing costs for 1-4 family mortgage loans that your institution **either**

(1) held in portfolio or (2) sold but continued to service. (Respond by completing the appropriate blank or checking the box that best applies).

54. Compared to non-CRA 1-4 family mortgage loans, your average servicing costs for CRA 1-4 family mortgage loans serviced in 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans

55. Compared to non-CRA 1-4 family mortgage loans **of the same purpose (home purchase versus refinance), loan size, product type (fixed versus adjustable rate), and loan seasoning**, your average servicing costs for CRA 1-4 family mortgage loans serviced in 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans

56. Please evaluate each of the following factors on their impact on your average servicing costs for CRA compared to **non-CRA (all other)** 1-4 family mortgage loans **of the same purpose, loan size, product type, and loan seasoning**.

Compared to servicing costs of non-CRA loans, this factor causes servicing costs of CRA loans to be: (check one box in each row)

- a. Cost of working with delinquent borrowers
- b. Cost of working with non-delinquent borrowers
- c. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement)
- d. Other (specify) _____

	<u>Higher for CRA</u>	<u>About the same</u>	<u>Lower for CRA</u>
a.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

57. The responses to questions 54, 55, and 56 were based on: (which of the following best applies)

- a. Actual tabulations
- b. Estimate based on reasonable assumptions and data
- c. Educated guess
- d. Previous questions not answered

Relative Credit Losses

58. Compared to non-CRA 1-4 family mortgage loans, your average credit losses for CRA 1-4 family mortgage loans during 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans

59. Compared to non-CRA 1-4 family mortgage loans **of the same purpose (home purchase versus refinance), loan size, product type (fixed versus adjustable rate), and loan seasoning**, your average credit losses for CRA 1-4 family mortgage loans during 1999 were:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans

Relative Credit Losses – Continued

60. Please evaluate each of the following factors on their impact on credit losses for CRA compared to **non-CRA (all other)** 1-4 family mortgage loans of the same purpose, loan size, product type, and loan seasoning.
- Compared to credit losses of non-CRA loans, this factor causes credit losses of CRA loans to be: (check one box in each row)
- | | Higher for CRA | About the same | Lower for CRA |
|--|--------------------------|--------------------------|--------------------------|
| a. Default rate | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Loss given default | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Losses associated with loss mitigation activities of loans not in default (e.g., forgiving interest payments and penalties) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Other (specify) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
61. The responses to questions 58, 59, and 60 were based on: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered

Relative Pricing

For the questions below, please answer the following questions pertaining to the annual percentage rate (APR) for 1-4 family home purchase and refinance loans you originated during 1999. We are interested in the APR of the loan at the time the loan was originated. (Respond by checking the box that best applies).

62. Compared to non-CRA 1-4 family mortgage loans, your **average** annual percentage rate (APR) for CRA 1-4 family mortgage loans originated in 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
63. Compared to non-CRA 1-4 family mortgage loans of the same purpose (home purchase versus refinance), loan size, and product type (fixed versus adjustable rate), and originated at the same time, your average annual percentage rate (APR) for CRA 1-4 family mortgage loans originated in 1999 was:
- a. Higher for CRA loans
 - b. Somewhat higher for CRA loans
 - c. About the same for CRA loans
 - d. Somewhat lower for CRA loans
 - e. Lower for CRA loans
64. Please evaluate each of the following factors on their impact on pricing for CRA compared to **non-CRA (all other)** 1-4 family mortgage loans of the same purpose, loan size, and product type, and originated at the same time.
- Compared to pricing of non-CRA loans, this factor causes pricing of CRA loans to be: (check one box in each row)
- | | Higher for CRA | About the same | Lower for CRA |
|--|--------------------------|--------------------------|--------------------------|
| a. Credit risk | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Origination costs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Servicing costs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Net effect of the involvement of government agencies or other third parties (i.e., total value of products and services provided by third parties less costs associated with their involvement) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Waivers of fees, discounted interest rates | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Ability to sell in secondary market | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Prepayment propensity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Other account relationships | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| i. Other (specify) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Relative Pricing – Continued

65. The responses to the questions 62, 63, and 64 were based on: (which of the following best applies)
- a. Actual tabulations
 - b. Estimate based on reasonable assumptions and data
 - c. Educated guess
 - d. Previous questions not answered

67. In general, has your CRA 1-4 family mortgage lending led to new profitable business opportunities for your bank?

- Yes No

↓

If yes, has this lending resulted in:

- a. New customers? Yes No
- b. Additional deposits? Yes No
- c. Greater market share? Yes No
- d. Additional loans? Yes No
- e. New opportunities to cross-market products? Yes No

68. Other than items related to profitability, are there other benefits that your banking institution receives from CRA 1-4 family home purchase and refinance lending?

- Yes No

↓

If yes, please specify _____

69. Other than items related to profitability, are there other costs that your banking institution incurs from CRA 1-4 family home purchase and refinance lending?

- Yes No

↓

If yes, please specify _____

Please complete and return the general information sheet and both parts of the survey (four sections in Part A and one section in Part B) no later than March 1, 2000 to:
Federal Reserve Board
Attention: CRA Lending Survey
1709 New York Avenue, NW, Fifth Floor
Washington, DC 20006