

**IS THE SBA LOSING ITS MISSION?
LENDING TO MINORITIES:
NOT FORTUNE 1000 CORPORATIONS**

An Analysis of 2007 SBA Lending to Minorities



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THE BEST AND THE WORST IN SBA LENDING TO MINORITIES

The Greenlining Institute conducts this annual report to analyze and grade financial institutions' performance in originating Small Business Administration (SBA)-backed loans to America's most underserved small business community: the five million minority-owned businesses. While some analysts have questioned the SBA's continued relevance in a business environment that is shifting more towards small business financing with private and venture capital, the SBA remains vital and relevant to the survival of minority enterprises given the wide disparities in access to private capital between minority entrepreneurs and White entrepreneurs. Unfortunately, the SBA's very crucial role as the nation's primary advocate for minority small businesses is undermined by continued budget cuts under the Bush Administration, especially in the small business development outreach services that are heavily used by minority entrepreneurs.

Is the SBA losing its mission?

Over a dozen federal investigations have uncovered instances of fraud and administrative oversight at the Small Business Administration that have diverted billions of dollars in government contracts away from the small businesses who were the intended recipients, and into the hands of some of the world's largest corporations. In the face of a lack of checks and balances at the governmental level, it has taken the work of a citizen advocacy group, the American Small Business League, headed by small business advocate Lloyd Chapman, to touch off the investigations that are now finding that the nation's 26 million small business owners have been operating on a very uneven playing field.

The SBA's own documentation reports that they disbursed \$77.8 billion in government contracts in fiscal year 2006, up from \$75.1 billion in 2005, yet Chapman's office estimates that \$60 billion a year in contracts intended for small businesses are actually granted to large corporations. More conservative estimates, such as those of Chairwoman of the House Committee on Small Business Nydia Velázquez's office, estimate the value of the misappropriated contracts at \$12 billion a year.

According to the Government Accountability Office investigations touched off by Chapman's advocacy, one of the causes of this misappropriation is a large loophole in SBA policy that does not require businesses to recertify their small business status over the life of their SBA-backed loan or contract. Therefore, a large corporation that purchases a small business that has a lucrative government contract will also acquire that contract and the associated SBA money.

A second reason for the misappropriation of funds is that large corporations have frequently certified their subsidiaries as small businesses, which allowed them to compete with legitimate small businesses for the 23% of government contracts that are required by law to go to the nation's small businesses.

A third reason is that large businesses are sometimes miscoded in the SBA databases as small businesses. Part of the problem is that small businesses that have outgrown the SBA's size standards are not promptly recertified.

A July 6, 2006 *New York Times* story named some big names associated with the defense industry, as well as the number of small business contracts each corporation received. The story reported that in fiscal year 2006, General Dynamics received 47 small business contracts, Northrop Grumman received 121 small business contracts, and Boeing received 37. The article also reported that GTSI won \$500 million in contracts in the same year.¹

A new regulation instituted in June 2006 made progress towards reconciling the problem of the misappropriation of small business contracts to large businesses by requiring businesses with SBA contracts to recertify their small business status every five years, and if they change ownership. However, large businesses who fraudulently acquired small business contracts under the old regulations will be grandfathered in until 2012. This means that until then, the government will continue to count the small business loans made to large businesses within their statutory 23% small business contracting goal.

Operating on a 'starvation diet'²

The SBA's fiscal year 2007 budget under President Bush's administration represents a 37% reduction since 2001³, and the proposed budget for 2008 would represent a 45%⁴ cut since that time. These cuts have taken a toll on staff levels at the agency, most critically in the procurement department, which is responsible for handling the disbursement of contracts.

Equally as critical, the budget cuts have caused closures and reductions in service at the SBA's Small Business Development Centers around the nation, which are primarily responsible for providing education and technical assistance directly to small business owners. Other line items that were cut from the budget were those that supported the

¹ "Impersonators in the Land of Small Business," by Ron Nixon. *The New York Times*, July 6, 2006.

² Quote by John Kerry in "Snowe, Kerry Add Nearly \$100 Million to Small Business Budget," (Press Release) Senate Committee on Small Business & Entrepreneurship. March 23, 2006.

³ "Kerry Opening Statement for Hearing on the SBA's Budget for FY 2007." Statement by John Kerry. Senate Committee on Small Business & Entrepreneurship. March 9, 2006.

⁴ "Kerry: Bush's Budget Doesn't Get Job Done for Massachusetts Small Businesses." Statement by John Kerry. Senate Committee on Small Business & Entrepreneurship. February 7, 2007.

Women, Veterans, and Native American Business Outreach Centers, which catered specifically to the business needs of these communities.

President Bush has stated that the SBA should compensate for the reduction in budget allocation by raising fees for acquiring SBA-backed loans and by charging users of the agency's technical assistance services.

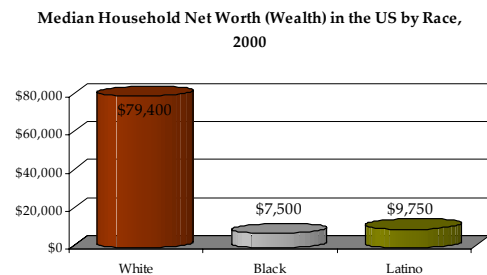
Minority entrepreneurs are disproportionately affected

Not surprisingly, those who are in the best position to start new businesses are people who not only have the skill and know-how to be entrepreneurial, but also those who have the financial means to start a business. Inequalities in wealth distribution across demographic categories have a direct bearing on the ability of racial and ethnic communities to generate entrepreneurs of their own.

For this it is important to draw a distinction between wealth and income. Wealth constitutes a household's assets, which may include a home, savings accounts, or stock and bond options. Income is money generated from employment, which may or may not be sufficient to accumulate assets.

According to an annual study by Inc. Magazine, 80 percent of startup funds for the 500 fastest-growing businesses in the US (represented by the INC 500) are from personal assets, or from friends and family. Conventional bank loans represented 8% of the total, government-backed loans (like SBA loans) account for 2%, and venture capital represents another 2% of early stage funds.

There exist enormous inequalities among racial and ethnic groups in terms of wealth. As Figure 1 shows, the *combined* median net worth of Black and Latino households in the United States is only 21.7% of the median net worth for the median non-Hispanic White household.⁵ This means that Black and Latino potential entrepreneurs depend more heavily on outside sources for seed money to start new businesses. Therefore, the traditional role of the SBA as the nation's strongest advocate for small business is needed most by the nation's four million minority business owners.



⁵ The US Census does not provide median net worth calculations for Asians.

Minority Businesses Growing, but Ownership Still Lagging

Not surprisingly, 80 percent of all business owners in the United States are White, and the remainder is divided roughly evenly among Latinos, Blacks, and Asians.⁶ Controlling for the fact that only one out of every three Americans are Latino, Black, or Asian, and given there are a total of 29 million businesses in the United States, almost five million of which are minority-owned,⁷ we find that there is one White-owned businesses for every 8 Whites in the United States, but only one minority-owned business for every 20 minorities.

Nonetheless, the number of Latino-owned businesses grew 31% between 1997 and 2002, the last years for which comprehensive information was collected. This rate of growth is three times the national average. The number of Black-owned businesses was up 45% in the same period, while the number of Asian-owned businesses grew 24%.⁸

Fair is Fair: Level the Playing Field

If the Bush Administration and the SBA are truly committed to fostering economic empowerment in our nation's communities of color and making sure that these communities have the chance to contribute to the country's biggest engines of innovation, then it should ensure that the agency has sufficient funds to run its programs effectively. Conservative free-market advocates like the American Enterprise Institute and others no longer see a place for the SBA amidst an entrepreneurial environment that is leaning more towards private and venture capital, yet they forget that for the increasing numbers of the underserved in the United States, there is no such thing as a free market.

While the bottom line for the private market is turning a profit, the bottom line for the federal government should be to ensure that all Americans have equal access to opportunity. The nation's four million minority business owners and countless other potential business owners are not asking for government handouts, only a level playing field that accounts for persistent inequalities.

Recommendations

The Greenlining Institute recommends that the Bush Administration, through SBA Administrator Steven Preston, take the following steps to ensure that the agency remains an effective advocate for minority entrepreneurship and innovation:

⁶ US Economic Census. 2002 Survey Of Business Owners (SBO). Available at: <http://www.census.gov/csd/sbo/>.

⁷ Ibid.

⁸ US Economic Census. 2002 Survey Of Business Owners (SBO). Available at: <http://www.census.gov/csd/sbo/>.

- Sign into law the series of bills currently being heard on the Senate floor that provides funding to the Small Business Development Centers. These centers are at the front lines in providing education and outreach to the nation's small businesses.
- Rescind all contracts that were acquired by Fortune 1000 companies through buying out small businesses or other fraudulent means.
- Remove small business contracts fraudulently granted to large corporations from the 23% of government contracts intended for actual small businesses.
- Strongly urge banks to set a goal of originating 60 percent of their annual SBA loans to minorities.

METHODOLOGY

This study summarizes data on lending by the top twenty lenders in the United States, defined as banks with \$50 billion in assets or greater, and that have made more than 200 SBA loans in fiscal year 2006. These data were acquired through a Freedom of Information Act (FOIA) request to the Small Business Administration.

The banks are rated in four categories, so as to provide a comprehensive analysis. They are explained below:

Number of loans made to minorities

This is a straightforward count of the SBA loans made to all minority entrepreneurs together, then separately for African Americans, Asian Americans, and Latinos.

Percentage of all loans made

This measures the percent of all the bank's SBA originations that went to minority businesses. We have set national goals of at least 20 percent SBA loans going to each race category studied, for a total goal of 60 percent of SBA loans going to all minorities.

Total dollar amount

This is a sum of the volume of all loans made to minorities, first together, then separately for the three race categories we studied. Due to differences in asset size among the banks, we do not assign grades for this category.

Number made per \$5 billion in assets (Loan-to-asset Ratio)

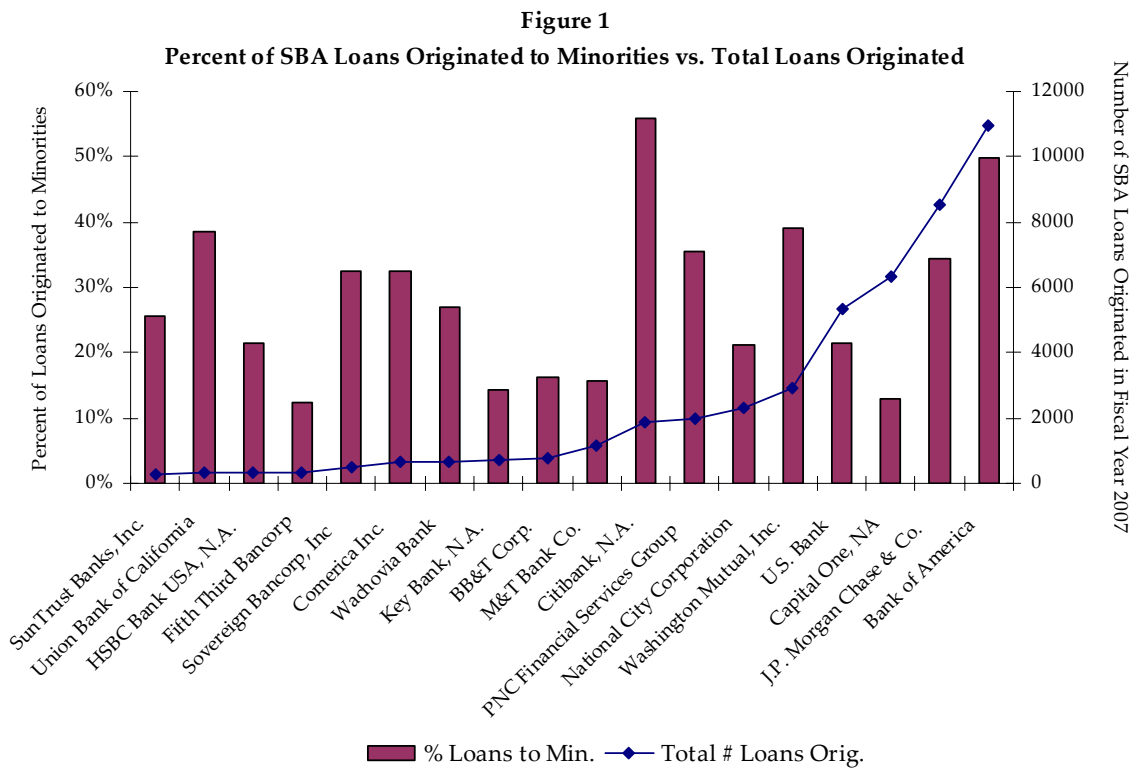
This is a measure of the proportion of all the bank's SBA originations that go towards supporting minority businesses. By measuring the number of loans made per \$5 billion chunk of the bank's assets, this measure controls for differences in bank size.

The Greenlining Institute believes that the major financial institutions can drastically improve their SBA lending record to minorities. With this in mind, Greenlining has given a grade to each major financial institution based on two measures: lending on a loan-to-asset ratio and percentage of loans made to minorities. The grades are based on each financial institution's performance relative to the minority lending targets that we and our minority business association members have developed for each institution based on its flexibility, its access to resources, and its performance relative to its peers. Since the grades are based on these two variables a financial institution may meet the lending target but can still receive a low grade because of its ranking relative to its peers.

IS BIG FINANCIAL SERVING SMALL BUSINESS?

Commitment to Minorities is More Important than Bank Size

Our analysis shows that although the largest banks in our study tend to make more loans to minorities as a whole, there is little other correlation between a bank's size and its minority lending performance. More importantly, there is also no correlation between the size of the bank's SBA division (defined as the number of SBA loans originated annually) and the percentage of those loans that are originated to current or prospective minority entrepreneurs. Figure 1 presents the banks in our study by increasing total loan volume in 2007 (blue line), and shows the corresponding percent of loans originated by that bank to minority entrepreneurs (red bars).



For example, the data shows that **Citibank**, which originated only 29% as many SBA loans in fiscal year 2007 than **Capital One**, actually originated 43% more of its SBA loans to minorities than its competitor.

This analysis indicates that a major factor in determining a bank's lending rate to minorities is their corporate commitment to serving a diverse client base, not the size of its lending division, or even the size of the bank itself.

Smaller Banks Outperform Larger Banks

It should be noted that if this study were to include the SBA lending figures for all banks, regardless of asset size, many of the major financial institutions would lose their leadership ranking. Three California-based banks: **Innovative Bank** (Oakland, 3,844 loans, 81.4% of their total loan number), **Superior Financial Group** (Walnut Creek, 1,256 loans, 66.6% of their total loan number), and **North County Bancorp** (Escondido, 1,207 loans, 28.0% of their total loan number), as well as one New Jersey-based institution, **Banco Popular de North America** (Mount Laurel, 1,325 loans, 48.0% of their total loan number), individually originated both a greater number and a greater proportion of its loans to all minorities than all but the top two banks in our study. One bank, **Innovative Bank**, would take the number two spot in number of loans to all minorities, and the number one spot in terms of percentage of loans if it were included in the parameters of our study.

This analysis shows that all banks, regardless of asset size, should demonstrate greater commitment to minority entrepreneurs by making more loans to minorities proportional to the total number of loans they originate annually.

OVERALL RANKINGS

Although the SBA is the largest single small business financial backer in the nation, SBA-backed loans represent a very small proportion of total small business lending by financial institutions. This means that most bank lending to small businesses is being done by means of the financial institutions' proprietary credit products, which are the ones that fall under the information collection restrictions of Regulation B. This report therefore focuses on SBA lending because it is the only piece of the small business lending pie for which information on lending to minorities is available.

This report recognizes that **Bank of America** and **J.P. Morgan Chase** have maintained their lead from last year in lending to minority entrepreneurs, while **Key Bank** and **Fifth Third Bancorp** trail the list of the top twenty lenders.

Cumulative Rank	
Rank	Financial Institution
1	Bank of America
2	J.P. Morgan Chase & Co.
3	Washington Mutual, Inc.
4	Citibank, N.A.
5	PNC Financial Services Group
6	U.S. Bank
7	Comerica Inc.
8	Wachovia Bank
9	National City Corporation
10	Union Bank of California, Corp.
11	Sovereign Bancorp, Inc
12	Capital One, NA
13	SunTrust Banks, Inc.
14	M&T Bank Co.
15	BB&T Corp.
16	HSBC Bank USA, N.A.
17	Key Bank, N.A.
18	Fifth Third Bancorp

These rankings represent the sum of the ranks for the number and percentage of loans to each of the race categories, plus the "all minorities" combined race category. The grades in each of the sections are based on the financial institution's performance relative to lending targets that we and our minority business association members have developed for each institution based on its flexibility, its access to resources, and its performance relative to its peers.

Lending Goals

Greenlining has asked both the Small Business Administration and the CEOs of major financial institutions to set competitive goals to substantially increase both the volume and dollar amount of SBA loans. Based on the growth of the number of minority-owned firms, national goals should be set to at least 20 percent for African American-owned businesses, 20 percent for Latino-owned businesses, and 20 percent for Asian American-owned businesses, for a total of 60 percent of all SBA loans going to minorities overall.

SBA LENDING TO ALL MINORITIES DATA AND GRADES

The following tables provide the data on lending to all minorities. The grades in the last column of each table are calculated based on the percent of lending target the bank reached, and its position relative to its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending. The banks studied represent the top twenty lenders in the United States, defined as banks with \$50 billion in assets or greater, and that have made more than 200 SBA loans in fiscal year 2006.

The Best and the Worst: Lending to All Minorities

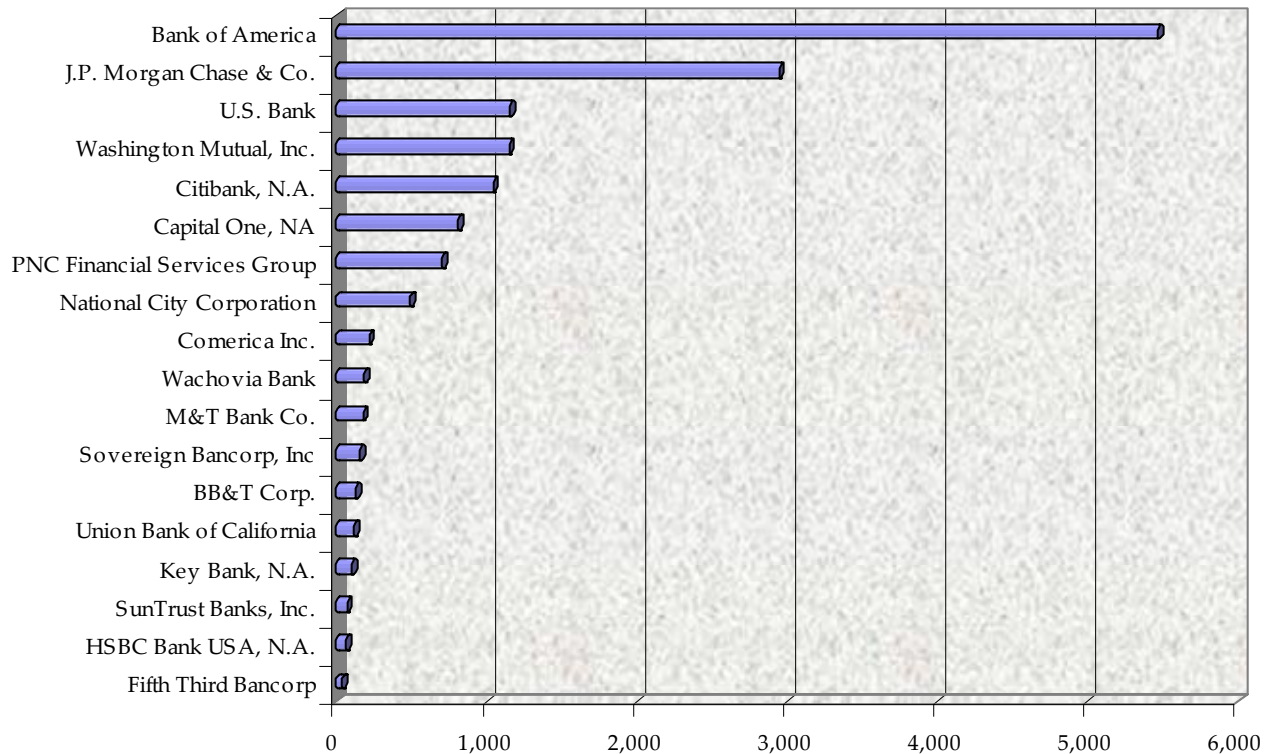
Number of Loans	TOP TWO	Bank of America	5,468
		J.P. Morgan Chase & Co.	2,947
	BOTTOM TWO	HSBC Bank USA, N.A.	67
		Fifth Third Bancorp	39
Percent of Loans	TOP TWO	Citibank, N.A.	56.0%
		Bank of America	49.8%
	BOTTOM TWO	Capital One, NA	12.8%
		Fifth Third Bancorp	12.5%
Total Dollar Amount	TOP TWO	Bank of America	\$359,686,000
		J.P. Morgan Chase & Co.	145,211,058
	BOTTOM TWO	Union Bank of California	\$6,989,500
		HSBC Bank USA, N.A.	4,608,000
Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets	TOP TWO	Capital One, NA	217.39
		U.S. Bank	120.28
	BOTTOM TWO	Citibank, N.A.	4.20
		HSBC Bank USA, N.A.	3.23

Ranking of Nation's Largest SBA Lenders* by Number of Loans to All Minorities

Rank	Bank	# Loans	Total Assets	Grade
1	Bank of America	5,468	\$1,535,684,280,000	
2	J.P. Morgan Chase & Co.	2,947	1,458,042,000,000	
3	U.S. Bank	1,153	222,530,000,000	
4	Washington Mutual, Inc.	1,148	349,140,007,000	
5	Citibank, N.A.	1,044	2,220,866,000,000	
6	Capital One, NA	812	145,937,957,000	
7	PNC Financial Services Group	703	125,736,711,000	
8	National City Corporation	491	140,648,168,000	
9	Comerica Inc.	215	58,945,727,000	
10	Wachovia Bank	184	719,922,000,000	
11	M&T Bank Co.	177	57869069000	
12	Sovereign Bancorp, Inc	156	82,690,049,000	
13	BB&T Corp.	127	127,577,050,000	
14	Union Bank of California	119	54,343,040,000	
15	Key Bank, N.A.	101	93,490,903,000	
16	SunTrust Banks, Inc.	72	180,314,372,000	
17	HSBC Bank USA, N.A.	67	483,630,057,000	
18	Fifth Third Bancorp	39	101,389,721,000	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

Number of SBA Loans Originated to All Minorities, 2007

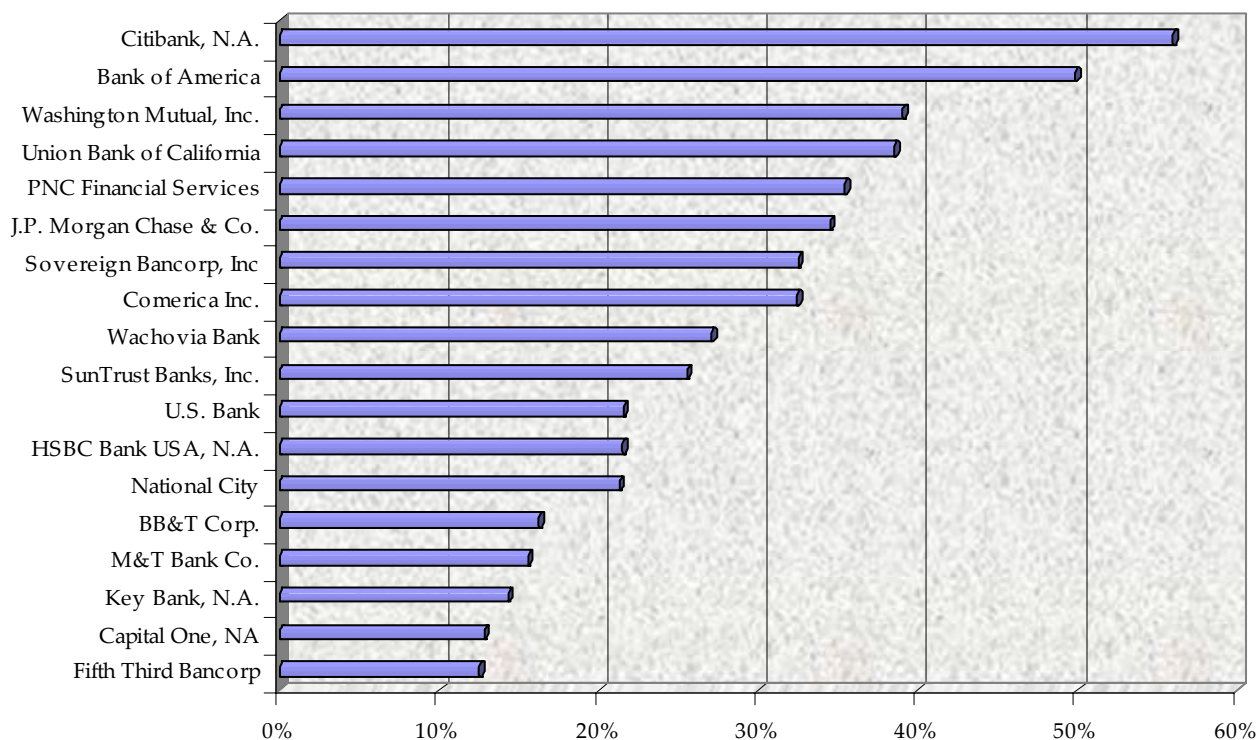


Ranking of Nation's Largest SBA Lenders* by Percentage of Loans Made to All Minorities

Rank	Bank	% To Minorities	# Loans to Minorities	Total SBA Loans	Grade
1	Citibank, N.A.	56.0%	1,044	1,865	
2	Bank of America	49.8%	5,468	10,970	
3	Washington Mutual, Inc.	39.0%	1,148	2,941	
4	Union Bank of California	38.5%	119	309	
5	PNC Financial Services Group	35.4%	703	1,986	
6	J.P. Morgan Chase & Co.	34.5%	2,947	8,548	
7	Sovereign Bancorp, Inc	32.5%	156	480	
8	Comerica Inc.	32.4%	215	663	
9	Wachovia Bank	27.1%	184	680	
10	SunTrust Banks, Inc.	25.5%	72	282	
11	U.S. Bank	21.5%	1,153	5,353	
12	HSBC Bank USA, N.A.	21.5%	67	312	
13	National City Corporation	21.3%	491	2,308	
14	BB&T Corp.	16.2%	127	782	
15	M&T Bank Co.	15.6%	177	1,137	
16	Key Bank, N.A.	14.3%	101	706	
17	Capital One, NA	12.8%	812	6,345	
18	Fifth Third Bancorp	12.5%	39	312	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Percent of SBA Loans Originated to All Minorities, 2007

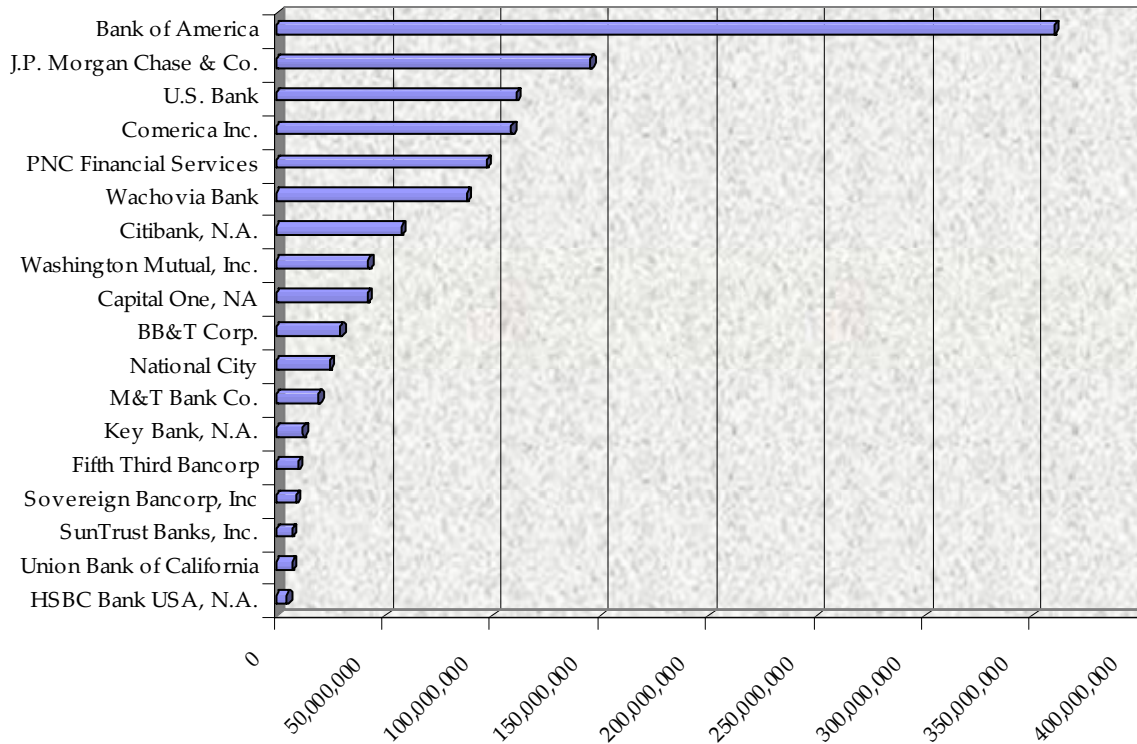


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to All Minorities

Rank	Bank	Total SBA Lending
1	Bank of America	\$359,686,000
2	J.P. Morgan Chase & Co.	145,211,058
3	U.S. Bank	111,095,100
4	Comerica Inc.	108,657,200
5	PNC Financial Services Group	96,998,400
6	Wachovia Bank	87,830,300
7	Citibank, N.A.	57,333,900
8	Washington Mutual, Inc.	42,493,200
9	Capital One, NA	41,860,000
10	BB&T Corp.	29,388,644
11	National City Corporation	24,674,114
12	M&T Bank Co.	19,337,100
13	Key Bank, N.A.	12,087,000
14	Fifth Third Bancorp	9,620,100
15	Sovereign Bancorp, Inc	9,127,500
16	SunTrust Banks, Inc.	7,307,900
17	Union Bank of California	6,989,500
18	HSBC Bank USA, N.A.	4,608,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Total Dollar Amount of SBA Loans Originated to All Minorities, 2007

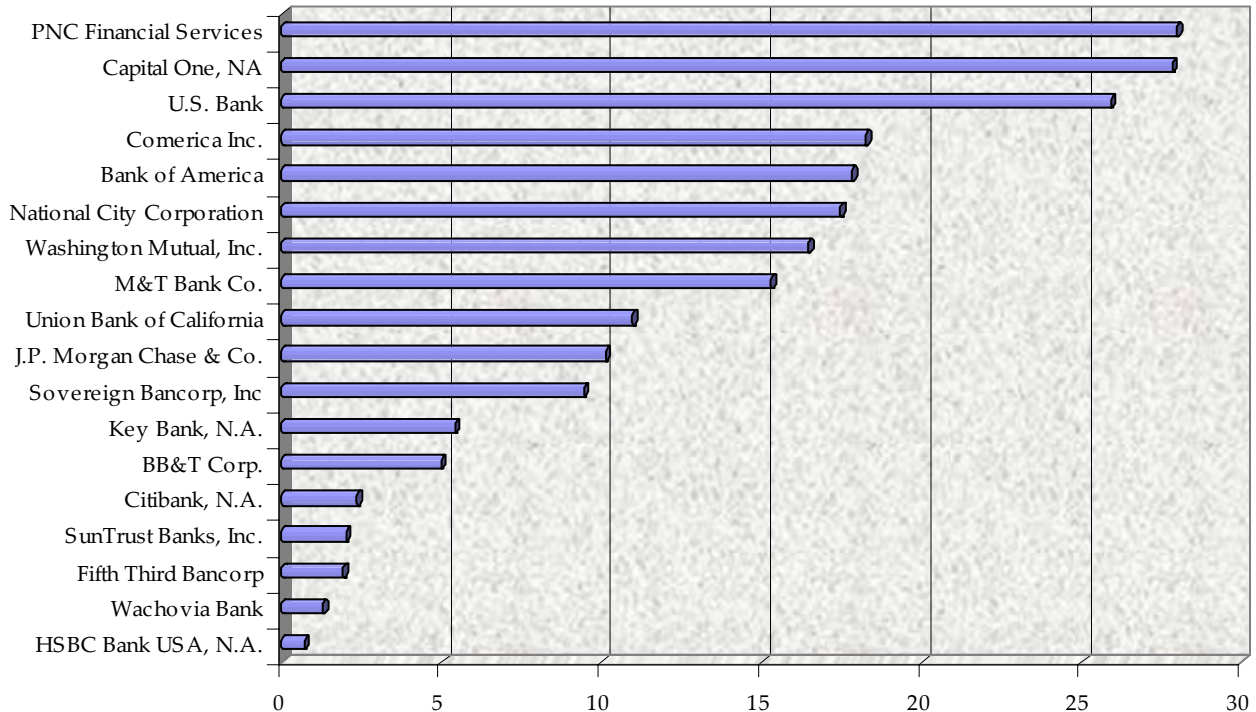


**Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio
to All Minorities**

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	PNC Financial Services Group	27.96	703	\$125,736,711,000
2	Capital One, NA	27.82	812	145,937,957,000
3	U.S. Bank	25.91	1,153	222,530,000,000
4	Comerica Inc.	18.24	215	58,945,727,000
5	Bank of America	17.80	5468	1,535,684,280,000
6	National City Corporation	17.45	491	140,648,168,000
7	Washington Mutual, Inc.	16.44	1,148	349,140,007,000
8	M&T Bank Co.	15.29	177	57869069000
9	Union Bank of California	10.95	119	54,343,040,000
10	J.P. Morgan Chase & Co.	10.11	2,947	1,458,042,000,000
11	Sovereign Bancorp, Inc	9.43	156	82,690,049,000
12	Key Bank, N.A.	5.40	101	93,490,903,000
13	BB&T Corp.	4.98	127	127,577,050,000
14	Citibank, N.A.	2.35	1,044	2,220,866,000,000
15	SunTrust Banks, Inc.	2.00	72	180,314,372,000
16	Fifth Third Bancorp	1.92	39	101,389,721,000
17	Wachovia Bank	1.28	184	719,922,000,000
18	HSBC Bank USA, N.A.	0.69	67	483,630,057,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

**Number of SBA Loans Originated to All Minorities Per \$5 Billion of Bank Assets,
2007**



SBA LENDING TO AFRICAN AMERICANS DATA AND GRADES

The following tables provide the data on lending to African Americans, which, as the data will show, are the racial group most underserved by financial institutions. The grades in the last column of each table are calculated based on the percent of lending target the bank reached, and its position relative to its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending. The banks studied represent the top twenty lenders in the United States, defined as banks with \$50 billion in assets or greater, and that have made more than 200 SBA loans in fiscal year 2006.

The Best and the Worst: Lending to African Americans

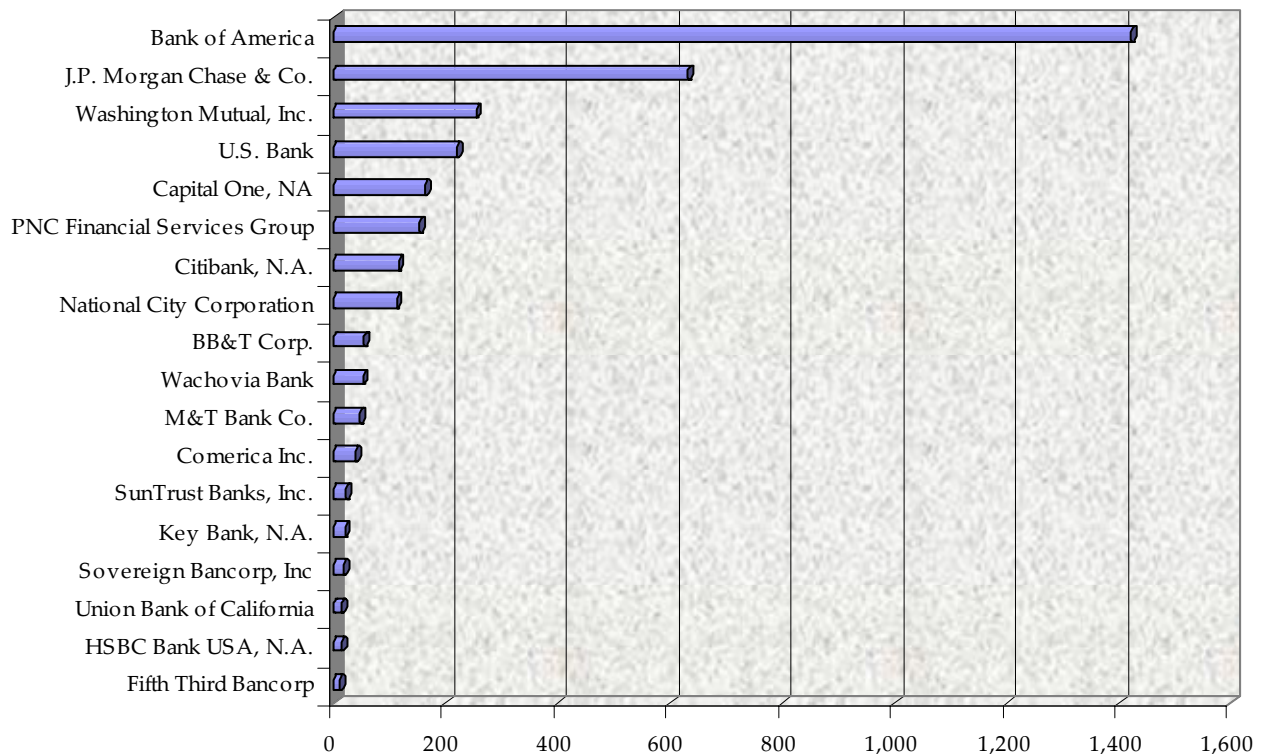
Number of Loans	TOP TWO	Bank of America J.P. Morgan Chase & Co.	1,422 632
	BOTTOM TWO	HSBC Bank USA, N.A. Fifth Third Bancorp	14 11
Percent of Loans	TOP TWO	Bank of America Washington Mutual, Inc.	13.0% 8.6%
	BOTTOM TWO	Key Bank, N.A. Capital One, NA	2.8% 2.6%
Total Dollar Amount	TOP TWO	Bank of America J.P. Morgan Chase & Co.	\$40,320,900 27,053,100
	BOTTOM TWO	Key Bank, N.A. Union Bank of California	\$870,500 210,000
Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets	TOP TWO	PNC Financial Services Group Capital One, NA	6.12 5.58
	BOTTOM TWO	Citibank, N.A. HSBC Bank USA, N.A.	0.26 0.14

Ranking of Nation's Largest SBA Lenders* by Number of Loans to African Americans

Rank	Bank	# Loans	Total Assets	Grade
1	Bank of America	1,422	\$1,535,684,280,000	
2	J.P. Morgan Chase & Co.	632	1,458,042,000,000	
3	Washington Mutual, Inc.	254	349,140,007,000	
4	U.S. Bank	220	222,530,000,000	
5	Capital One, NA	163	145,937,957,000	
6	PNC Financial Services Group	154	125,736,711,000	
7	Citibank, N.A.	116	2,220,866,000,000	
8	National City Corporation	112	140,648,168,000	
9	BB&T Corp.	55	127,577,050,000	
10	Wachovia Bank	52	719,922,000,000	
11	M&T Bank Co.	47	57869069000	
12	Comerica Inc.	39	58,945,727,000	
13	SunTrust Banks, Inc.	23	180,314,372,000	
14	Key Bank, N.A.	20	93,490,903,000	
15	Sovereign Bancorp, Inc	18	82,690,049,000	
16	Union Bank of California	15	54,343,040,000	
17	HSBC Bank USA, N.A.	14	483,630,057,000	
18	Fifth Third Bancorp	11	101,389,721,000	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Number of SBA Loans Originated to African Americans, 2007

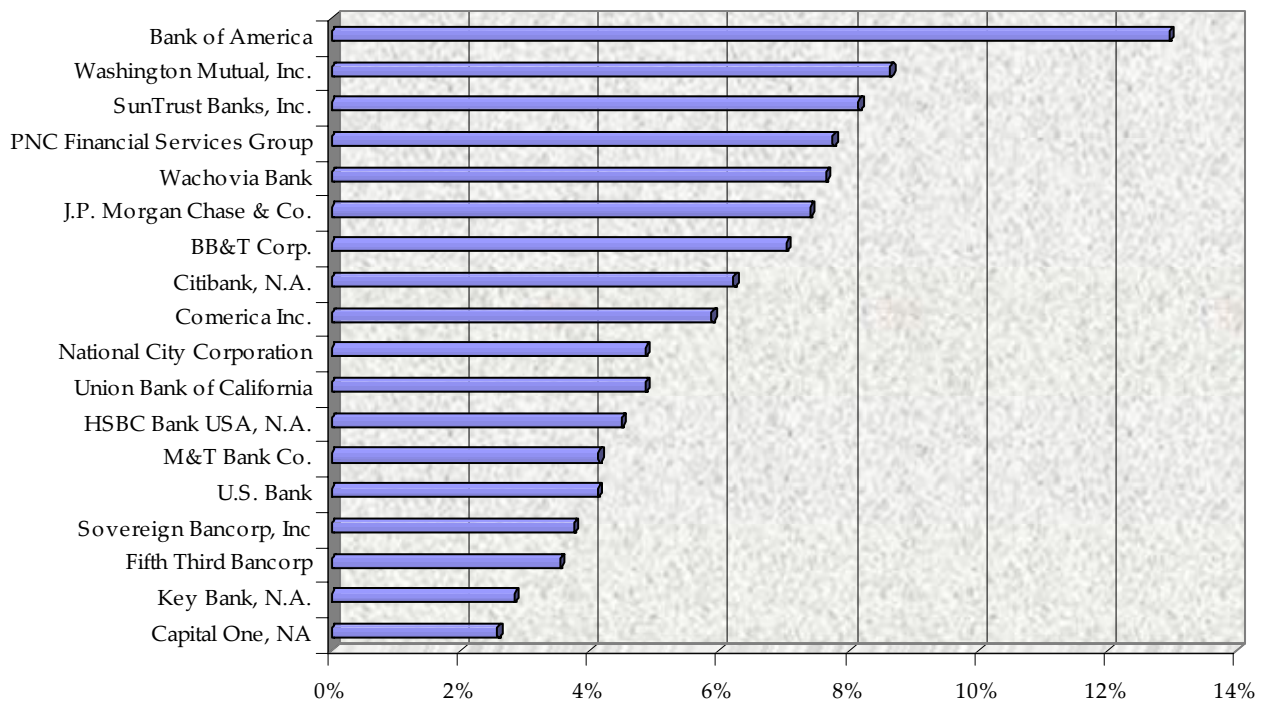


**Ranking of Nation's Largest SBA Lenders*
by Percentage of Loans Made to African Americans**

Rank	Bank	% to African Americans	# to African Americans	Total SBA Loans	Grade
1	Bank of America	13.0%	1,422	10,970	
2	Washington Mutual, Inc.	8.6%	254	2,941	
3	SunTrust Banks, Inc.	8.2%	23	282	
4	PNC Financial Services Group	7.8%	154	1,986	
5	Wachovia Bank	7.6%	52	680	
6	J.P. Morgan Chase & Co.	7.4%	632	8,548	
7	BB&T Corp.	7.0%	55	782	
8	Citibank, N.A.	6.2%	116	1,865	
9	Comerica Inc.	5.9%	39	663	
10	Union Bank of California	4.9%	15	309	
11	National City Corporation	4.9%	112	2,308	
12	HSBC Bank USA, N.A.	4.5%	14	312	
13	M&T Bank Co.	4.1%	47	1,137	
14	U.S. Bank	4.1%	220	5,353	
15	Sovereign Bancorp, Inc	3.8%	18	480	
16	Fifth Third Bancorp	3.5%	11	312	
17	Key Bank, N.A.	2.8%	20	706	
18	Capital One, NA	2.6%	163	6,345	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Percent of SBA Loans Originated to African Americans, 2007

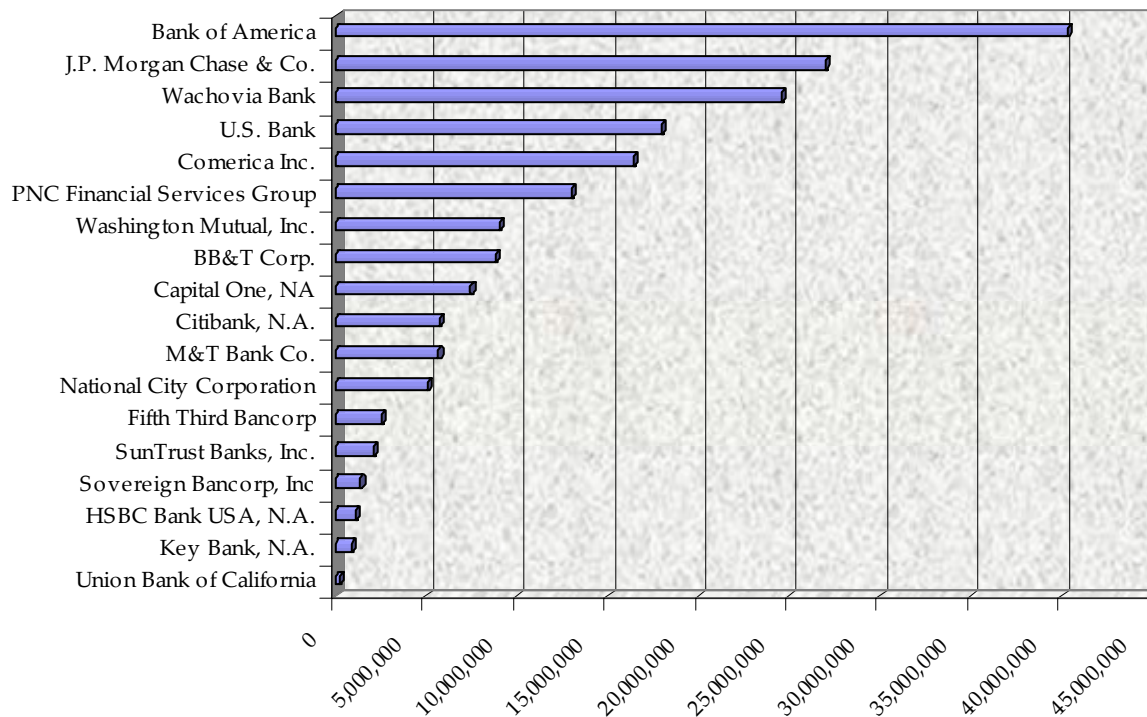


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to African Americans

Rank	Bank	Total SBA Lending
1	Bank of America	\$40,320,900
2	J.P. Morgan Chase & Co.	27,053,100
3	Wachovia Bank	24,595,700
4	U.S. Bank	17,956,000
5	Comerica Inc.	16,402,900
6	PNC Financial Services Group	13,026,000
7	Washington Mutual, Inc.	9,070,000
8	BB&T Corp.	8,864,612
9	Capital One, NA	7,470,000
10	Citibank, N.A.	5,760,000
11	M&T Bank Co.	5,690,400
12	National City Corporation	5,071,000
13	Fifth Third Bancorp	2,590,500
14	SunTrust Banks, Inc.	2,098,000
15	Sovereign Bancorp, Inc	1,393,300
16	HSBC Bank USA, N.A.	1,153,000
17	Key Bank, N.A.	870,500
18	Union Bank of California	210,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Total Dollar Amount of SBA Loans Originated to African Americans, 2007

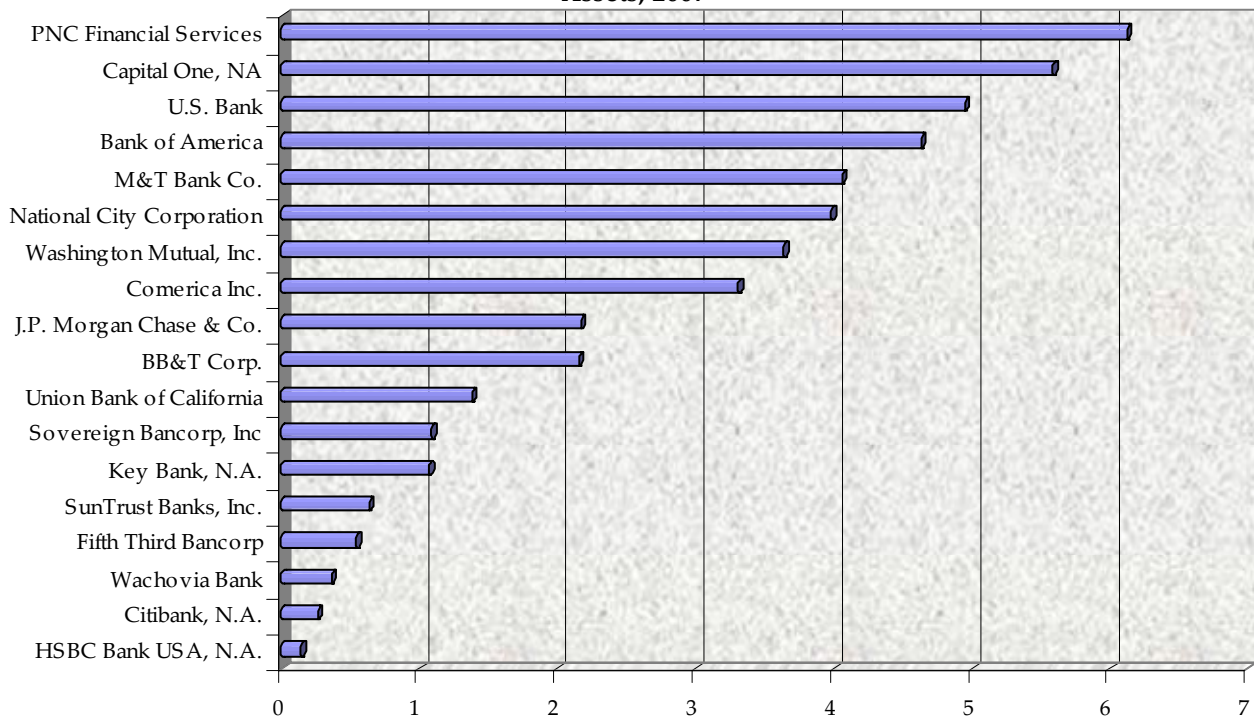


**Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio
to African Americans**

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	PNC Financial Services Group	6.12	154	\$125,736,711,000
2	Capital One, NA	5.58	163	145,937,957,000
3	U.S. Bank	4.94	220	222,530,000,000
4	Bank of America	4.63	1,422	1,535,684,280,000
5	M&T Bank Co.	4.06	47	57,869,069,000
6	National City Corporation	3.98	112	140,648,168,000
7	Washington Mutual, Inc.	3.64	254	349,140,007,000
8	Comerica Inc.	3.31	39	58,945,727,000
9	J.P. Morgan Chase & Co.	2.17	632	1,458,042,000,000
10	BB&T Corp.	2.16	55	127,577,050,000
11	Union Bank of California	1.38	15	54,343,040,000
12	Sovereign Bancorp, Inc	1.09	18	82,690,049,000
13	Key Bank, N.A.	1.07	20	93,490,903,000
14	SunTrust Banks, Inc.	0.64	23	180,314,372,000
15	Fifth Third Bancorp	0.54	11	101,389,721,000
16	Wachovia Bank	0.36	52	719,922,000,000
17	Citibank, N.A.	0.26	116	2,220,866,000,000
18	HSBC Bank USA, N.A.	0.14	14	483,630,057,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

Number of SBA Loans Originated to African Americans Per \$5 Billion of Bank Assets, 2007



SBA LENDING TO ASIAN AMERICANS DATA AND GRADES

The following tables provide the data on lending to Asian Americans. The grades in the last column of each table are calculated based on the percent of lending target the bank reached, and its position relative to its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending. The banks studied represent the top twenty lenders in the United States, defined as banks with \$50 billion in assets or greater, and that have made more than 200 SBA loans in fiscal year 2006.

The Best and the Worst: Lending to Asian Americans

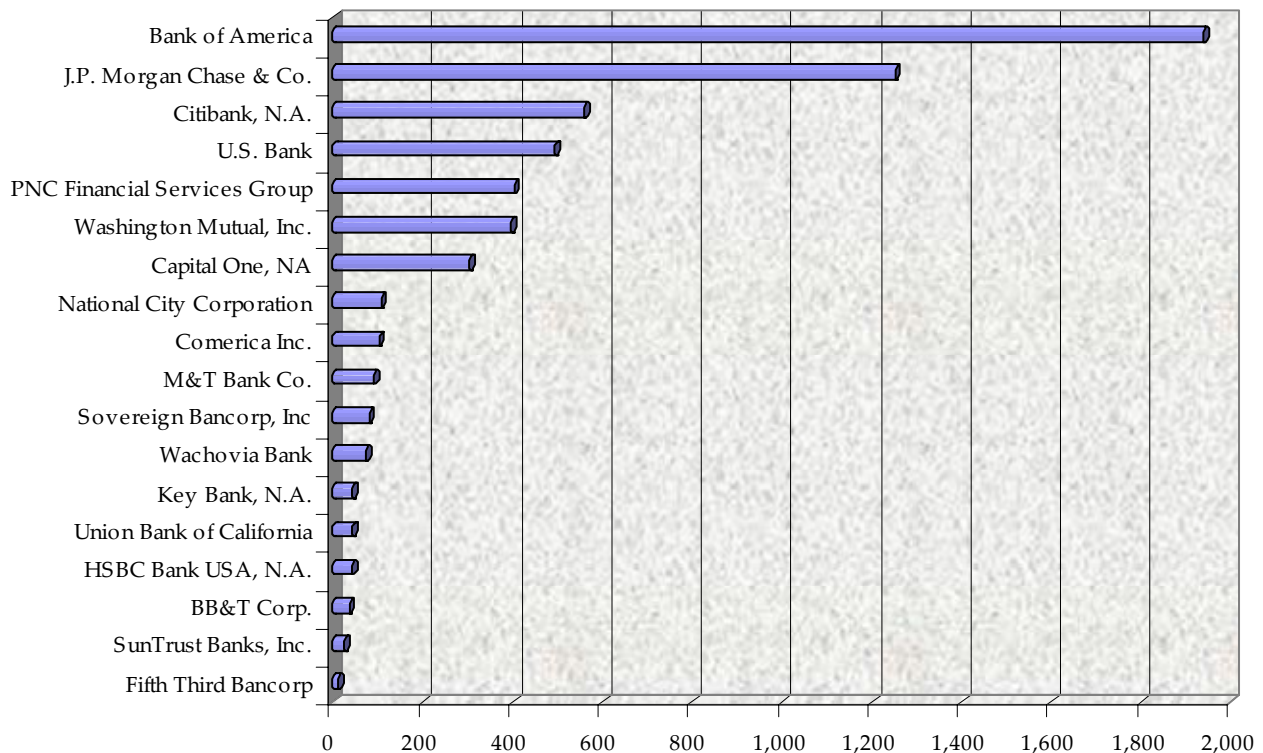
Number of Loans	TOP TWO	Bank of America J.P. Morgan Chase & Co.	1,938 1,252
	BOTTOM TWO	SunTrust Banks, Inc. Fifth Third Bancorp	26 12
Percent of Loans	TOP TWO	Citibank, N.A. PNC Financial Services Group	30.0% 20.3%
	BOTTOM TWO	National City Corporation Fifth Third Bancorp	4.6% 3.8%
Total Dollar Amount	TOP TWO	Bank of America J.P. Morgan Chase & Co.	\$79,500,600 72,529,300
	BOTTOM TWO	HSBC Bank USA, N.A. SunTrust Banks, Inc.	\$2,765,000 2,313,900
Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets	TOP TWO	PNC Financial Services Group U.S. Bank	16.07 11.12
	BOTTOM TWO	Wachovia Bank HSBC Bank USA, N.A.	0.51 0.43

**Ranking of Nation's Largest SBA Lenders* by Number of Loans
to Asian Americans**

Rank	Bank	# Loans	Total Assets	Grades
1	Bank of America	1,938	\$1,535,684,280,000	
2	J.P. Morgan Chase & Co.	1,252	1,458,042,000,000	
3	Citibank, N.A.	560	2,220,866,000,000	
4	U.S. Bank	495	222,530,000,000	
5	PNC Financial Services Group	404	125,736,711,000	
6	Washington Mutual, Inc.	398	349,140,007,000	
7	Capital One, NA	304	145,937,957,000	
8	National City Corporation	107	140,648,168,000	
9	Comerica Inc.	103	58,945,727,000	
10	M&T Bank Co.	91	57,869,069,000	
11	Sovereign Bancorp, Inc	81	82,690,049,000	
12	Wachovia Bank	73	719,922,000,000	
13	Union Bank of California	43	54,343,040,000	
13	Key Bank, N.A.	43	93,490,903,000	
14	HSBC Bank USA, N.A.	42	483,630,057,000	
15	BB&T Corp.	37	127,577,050,000	
16	SunTrust Banks, Inc.	26	180,314,372,000	
17	Fifth Third Bancorp	12	101,389,721,000	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

Number of SBA Loans Originated to Asian Americans, 2007

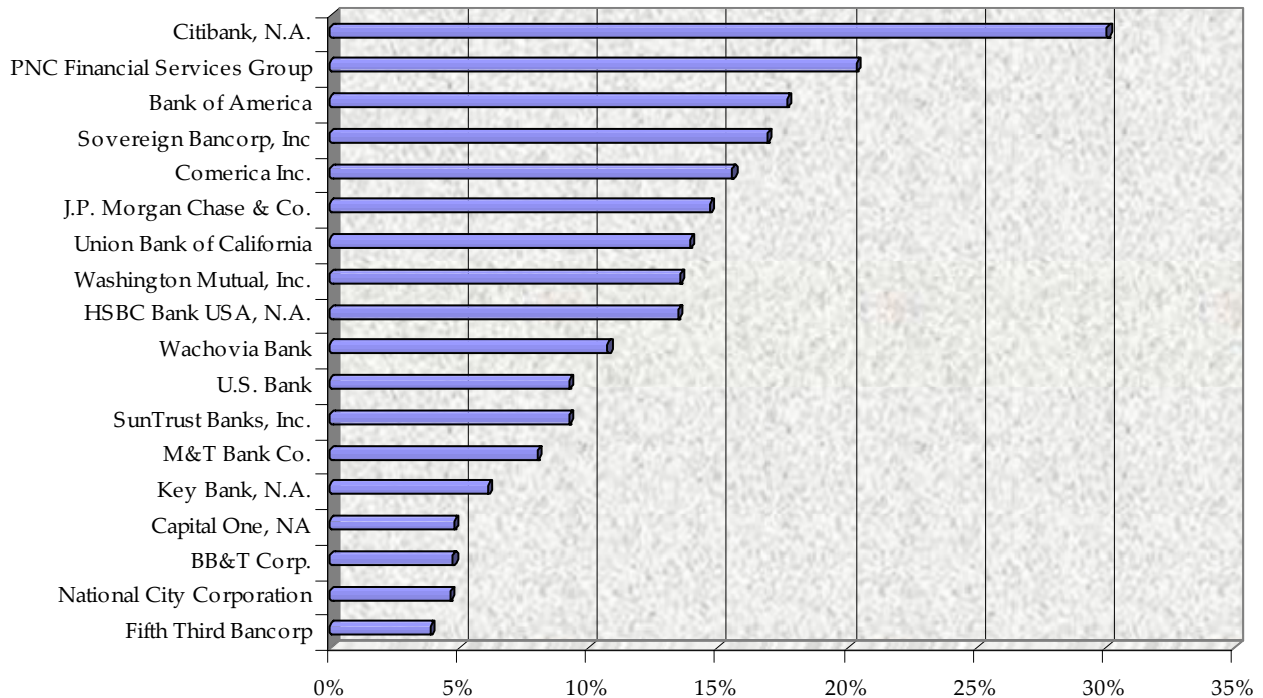


**Ranking of Nation's Largest SBA Lenders*
by Percentage of Loans Made to Asian Americans**

Rank	Bank	% to Asian Americans	# to Asian Americans	Total SBA Loans	Grade
1	Citibank, N.A.	30.0%	560	1,865	
2	PNC Financial Services Group	20.3%	404	1,986	
3	Bank of America	17.7%	1,938	10,970	
4	Sovereign Bancorp, Inc	16.9%	81	480	
5	Comerica Inc.	15.5%	103	663	
6	J.P. Morgan Chase & Co.	14.6%	1,252	8,548	
7	Union Bank of California	13.9%	43	309	
8	Washington Mutual, Inc.	13.5%	398	2,941	
9	HSBC Bank USA, N.A.	13.5%	42	312	
10	Wachovia Bank	10.7%	73	680	
11	U.S. Bank	9.2%	495	5,353	
12	SunTrust Banks, Inc.	9.2%	26	282	
13	M&T Bank Co.	8.0%	91	1,137	
14	Key Bank, N.A.	6.1%	43	706	
15	Capital One, NA	4.8%	304	6,345	
16	BB&T Corp.	4.7%	37	782	
17	National City Corporation	4.6%	107	2,308	
18	Fifth Third Bancorp	3.8%	12	312	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Percent of SBA Loans Originated to Asian Americans, 2007

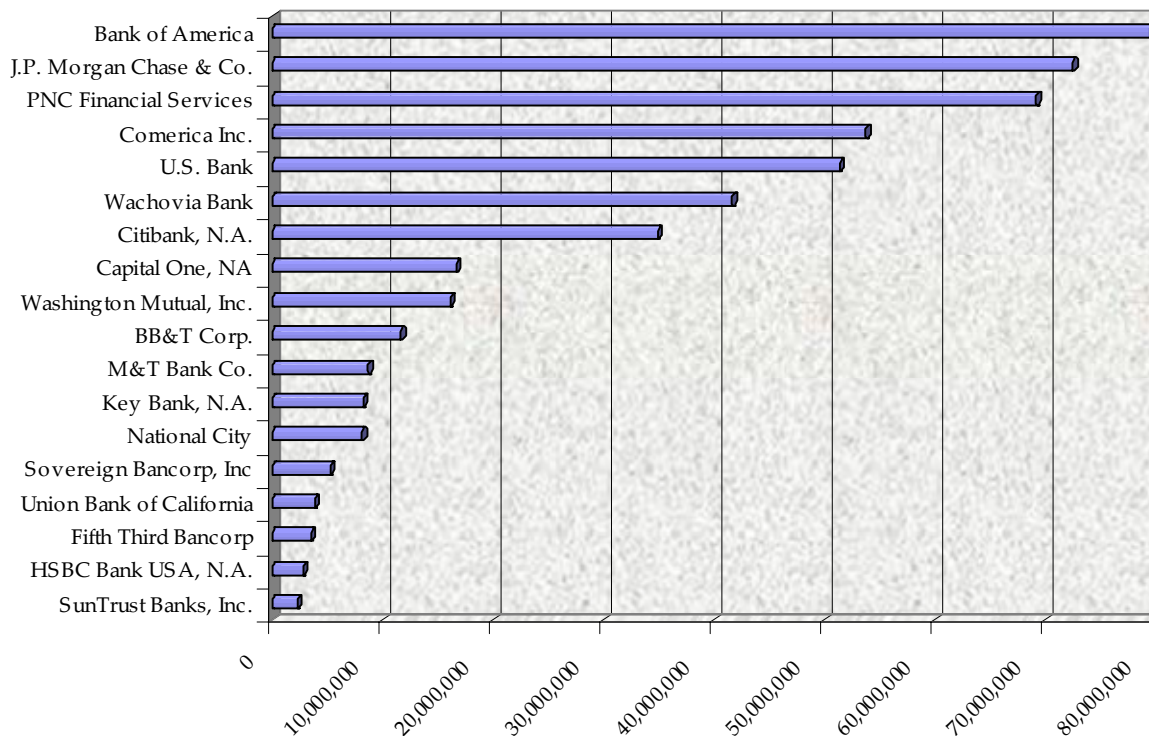


**Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount
to Asian Americans**

Rank	Bank	Total SBA Lending
1	Bank of America	\$79,500,600
2	J.P. Morgan Chase & Co.	72,529,300
3	PNC Financial Services Group	69,220,500
4	Comerica Inc.	53,777,600
5	U.S. Bank	51,367,600
6	Wachovia Bank	41,678,000
7	Citibank, N.A.	34,948,100
8	Capital One, NA	16,700,000
9	Washington Mutual, Inc.	16,123,600
10	BB&T Corp.	11,668,332
11	M&T Bank Co.	8,690,200
12	Key Bank, N.A.	8,222,300
13	National City Corporation	8,144,300
14	Sovereign Bancorp, Inc	5,248,900
15	Union Bank of California	3,920,000
16	Fifth Third Bancorp	3,526,700
17	HSBC Bank USA, N.A.	2,765,000
18	SunTrust Banks, Inc.	2,313,900

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Total Dollar Amount of SBA Loans Originated to Asian Americans, 2007

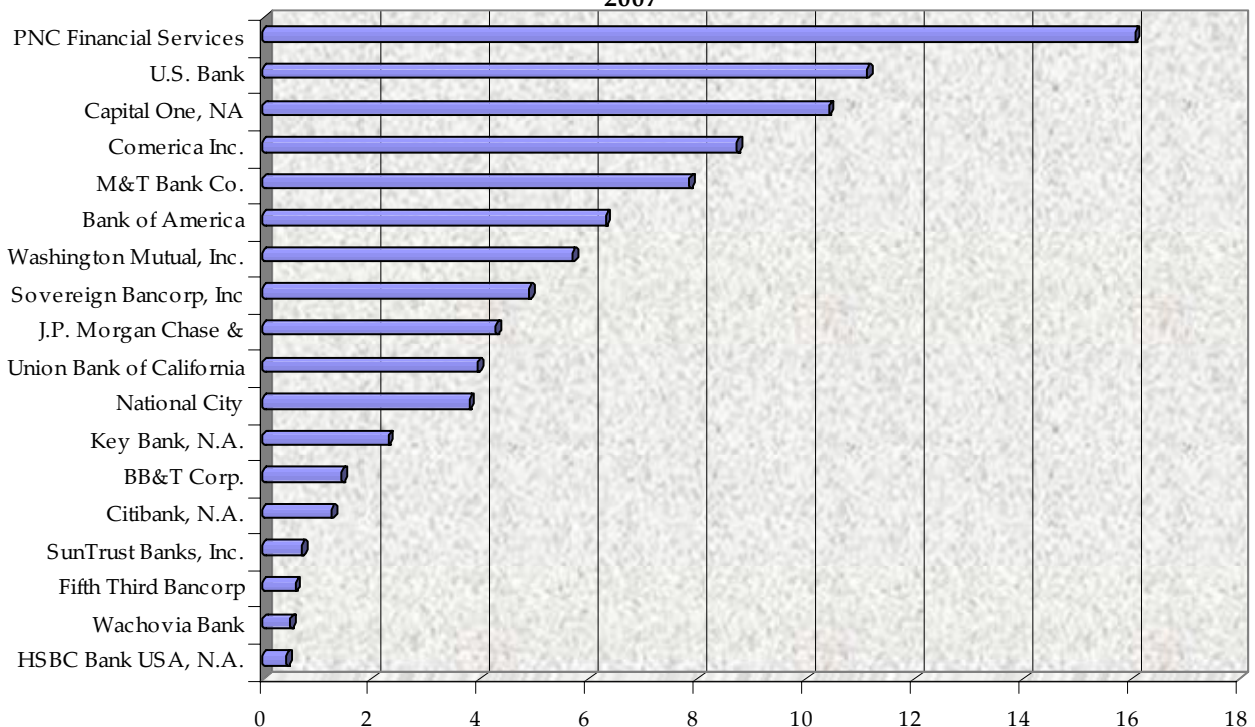


Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio to Asian Americans

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	PNC Financial Services Group	16.07	404	\$125,736,711,000
2	U.S. Bank	11.12	495	222,530,000,000
3	Capital One, NA	10.42	304	145,937,957,000
4	Comerica Inc.	8.74	103	58,945,727,000
5	M&T Bank Co.	7.86	91	57,869,069,000
6	Bank of America	6.31	1,938	1,535,684,280,000
7	Washington Mutual, Inc.	5.70	398	349,140,007,000
8	Sovereign Bancorp, Inc	4.90	81	82,690,049,000
9	J.P. Morgan Chase & Co.	4.29	1,252	1,458,042,000,000
10	Union Bank of California	3.96	43	54,343,040,000
11	National City Corporation	3.80	107	140,648,168,000
12	Key Bank, N.A.	2.30	43	93,490,903,000
13	BB&T Corp.	1.45	37	127,577,050,000
14	Citibank, N.A.	1.26	560	2,220,866,000,000
15	SunTrust Banks, Inc.	0.72	26	180,314,372,000
16	Fifth Third Bancorp	0.59	12	101,389,721,000
17	Wachovia Bank	0.51	73	719,922,000,000
18	HSBC Bank USA, N.A.	0.43	42	483,630,057,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

**Number of SBA Loans Originated to Asian Americans Per \$5 Billion of Bank Assets,
2007**



SBA LENDING TO LATINOS DATA AND GRADES

The following tables provide the data on lending to Latinos. The grades in the last column of each table are calculated based on the percent of lending target the bank reached, and its position relative to its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending. The banks studied represent the top twenty lenders in the United States, defined as banks with \$50 billion in assets or greater, and that have made more than 200 SBA loans in fiscal year 2006.

The Best and the Worst: Lending to Latinos

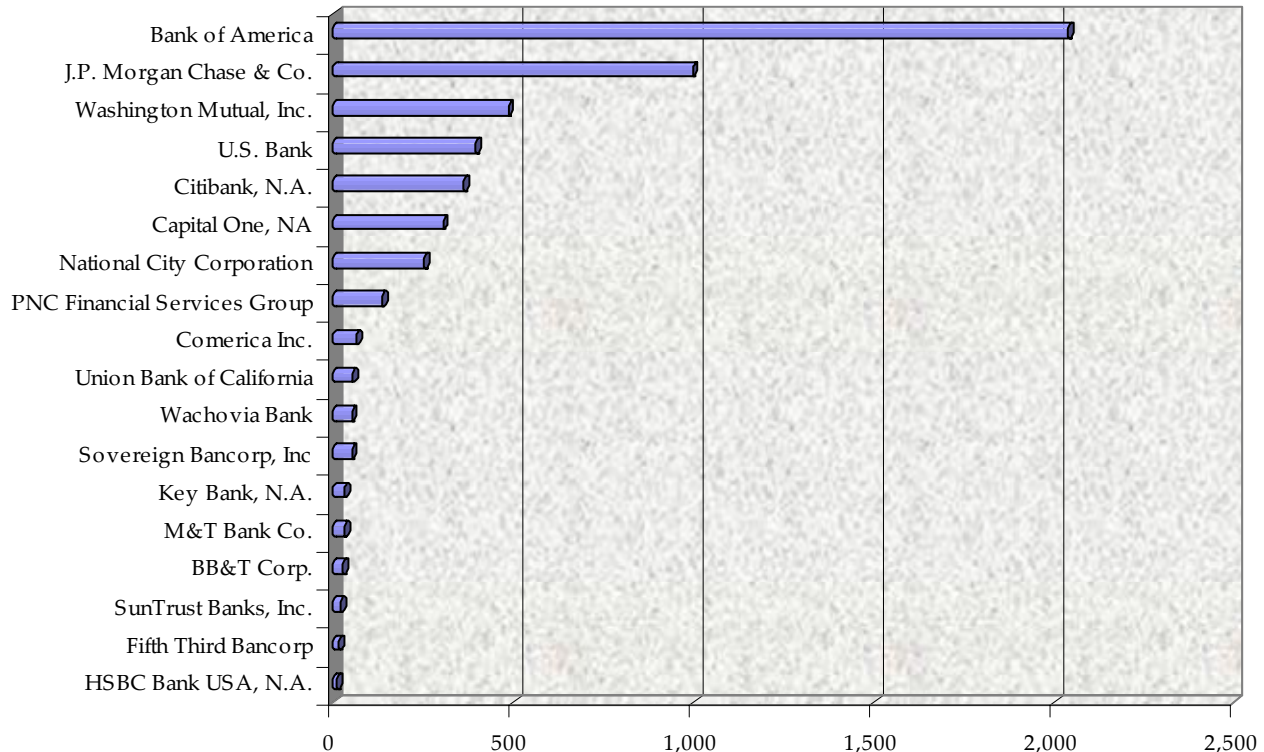
Number of Loans	TOP TWO	Bank of America J.P. Morgan Chase & Co.	2,041 996
	BOTTOM TWO	Fifth Third Bancorp HSBC Bank USA, N.A.	15 10
Percent of Loans	TOP TWO	Citibank, N.A. Bank of America	19.4% 18.6%
	BOTTOM TWO	HSBC Bank USA, N.A. M&T Bank Co.	3.2% 2.6%
Total Dollar Amount	TOP TWO	Bank of America J.P. Morgan Chase & Co.	\$57,708,800 42,332,058
	BOTTOM TWO	Sovereign Bancorp, Inc HSBC Bank USA, N.A.	\$2,276,300 540,000
Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets	TOP TWO	Capital One, NA National City Corporation	10.38 8.99
	BOTTOM TWO	Wachovia Bank HSBC Bank USA, N.A.	0.35 0.10

Ranking of Nation's Largest SBA Lenders* by Number of Loans to Latinos

Rank	Bank	# Loans	Total Assets	Grade
1	Bank of America	2,041	\$1,535,684,280,000	
2	J.P. Morgan Chase & Co.	996	1,458,042,000,000	
3	Washington Mutual, Inc.	485	349,140,007,000	
4	U.S. Bank	395	222,530,000,000	
5	Citibank, N.A.	362	2,220,866,000,000	
6	Capital One, NA	303	145,937,957,000	
7	National City Corporation	253	140,648,168,000	
8	PNC Financial Services Group	135	125,736,711,000	
9	Comerica Inc.	64	58,945,727,000	
10	Union Bank of California	53	54,343,040,000	
11	Sovereign Bancorp, Inc	50	82,690,049,000	
11	Wachovia Bank	50	719,922,000,000	
12	M&T Bank Co.	30	57,869,069,000	
12	Key Bank, N.A.	30	93,490,903,000	
13	BB&T Corp.	27	127,577,050,000	
14	SunTrust Banks, Inc.	20	180,314,372,000	
15	Fifth Third Bancorp	15	101,389,721,000	
16	HSBC Bank USA, N.A.	10	483,630,057,000	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall

Number of SBA Loans Originated to Latinos, 2007

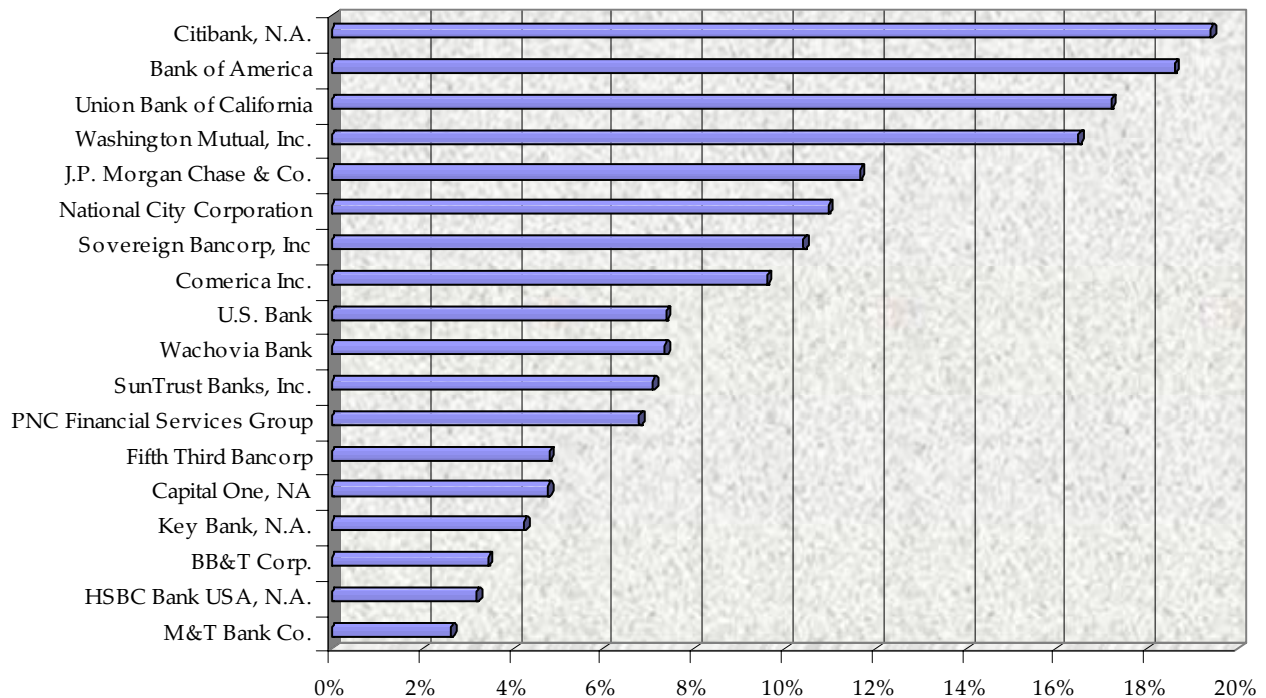


Ranking of Nation's Largest SBA Lenders* by Percentage of Loans Made to Latinos

Rank	Bank	% to Latinos	# to Latinos	Total SBA Loans	Grade
1	Citibank, N.A.	19.4%	362	1,865	
2	Bank of America	18.6%	2,041	10,970	
3	Union Bank of California	17.2%	53	309	
4	Washington Mutual, Inc.	16.5%	485	2,941	
5	J.P. Morgan Chase & Co.	11.7%	996	8,548	
6	National City Corporation	11.0%	253	2,308	
7	Sovereign Bancorp, Inc	10.4%	50	480	
8	Comerica Inc.	9.6%	64	663	
9	U.S. Bank	7.4%	395	5,353	
10	Wachovia Bank	7.4%	50	680	
11	SunTrust Banks, Inc.	7.1%	20	282	
12	PNC Financial Services Group	6.8%	135	1,986	
13	Fifth Third Bancorp	4.8%	15	312	
14	Capital One, NA	4.8%	303	6,345	
15	Key Bank, N.A.	4.2%	30	706	
16	BB&T Corp.	3.5%	27	782	
17	HSBC Bank USA, N.A.	3.2%	10	312	
18	M&T Bank Co.	2.6%	30	1,137	

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Percent of SBA Loans Originated to Latinos, 2007

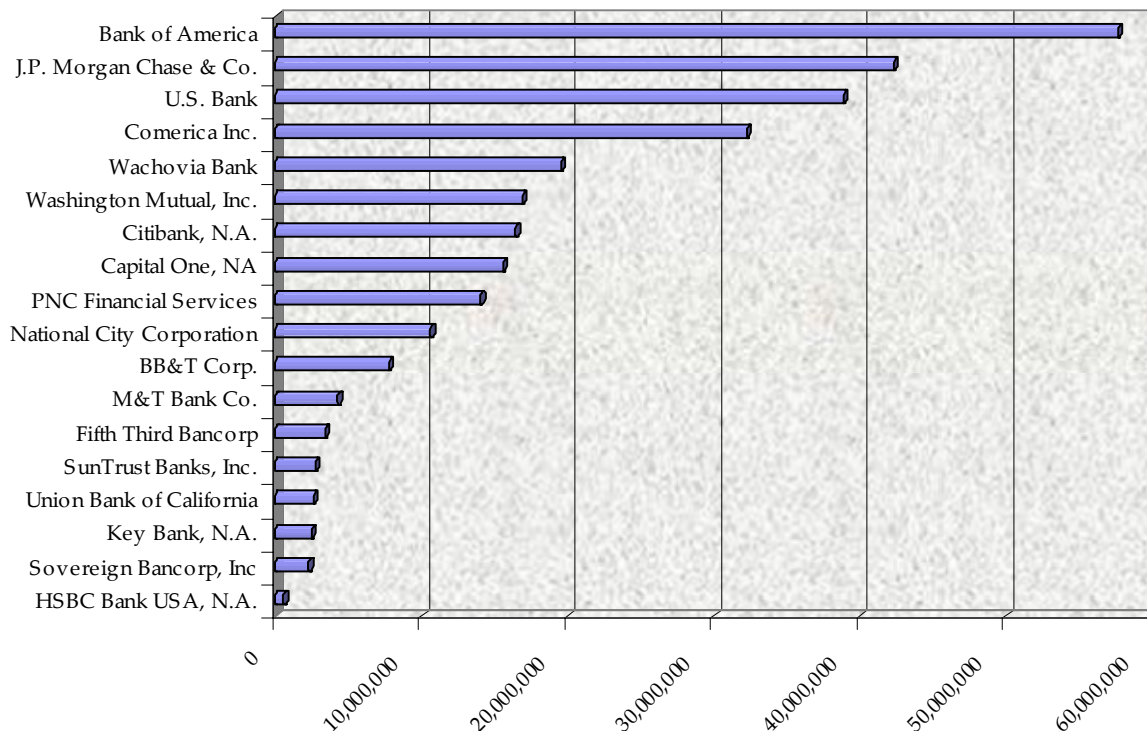


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to Latinos

Rank	Bank	Total SBA Lending
1	Bank of America	\$57,708,800
2	J.P. Morgan Chase & Co.	42,332,058
3	U.S. Bank	38,890,300
4	Comerica Inc.	32,219,400
5	Wachovia Bank	19,550,500
6	Washington Mutual, Inc.	16,908,300
7	Citibank, N.A.	16,445,800
8	Capital One, NA	15,585,000
9	PNC Financial Services Group	14,026,900
10	National City Corporation	10,614,614
11	BB&T Corp.	7,767,400
12	M&T Bank Co.	4,252,500
13	Fifth Third Bancorp	3,352,900
14	SunTrust Banks, Inc.	2,736,000
15	Union Bank of California	2,609,500
16	Key Bank, N.A.	2,426,100
17	Sovereign Bancorp, Inc	2,276,300
18	HSBC Bank USA, N.A.	540,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

Total Dollar Amount of SBA Loans Originated to Asian Americans, 2007

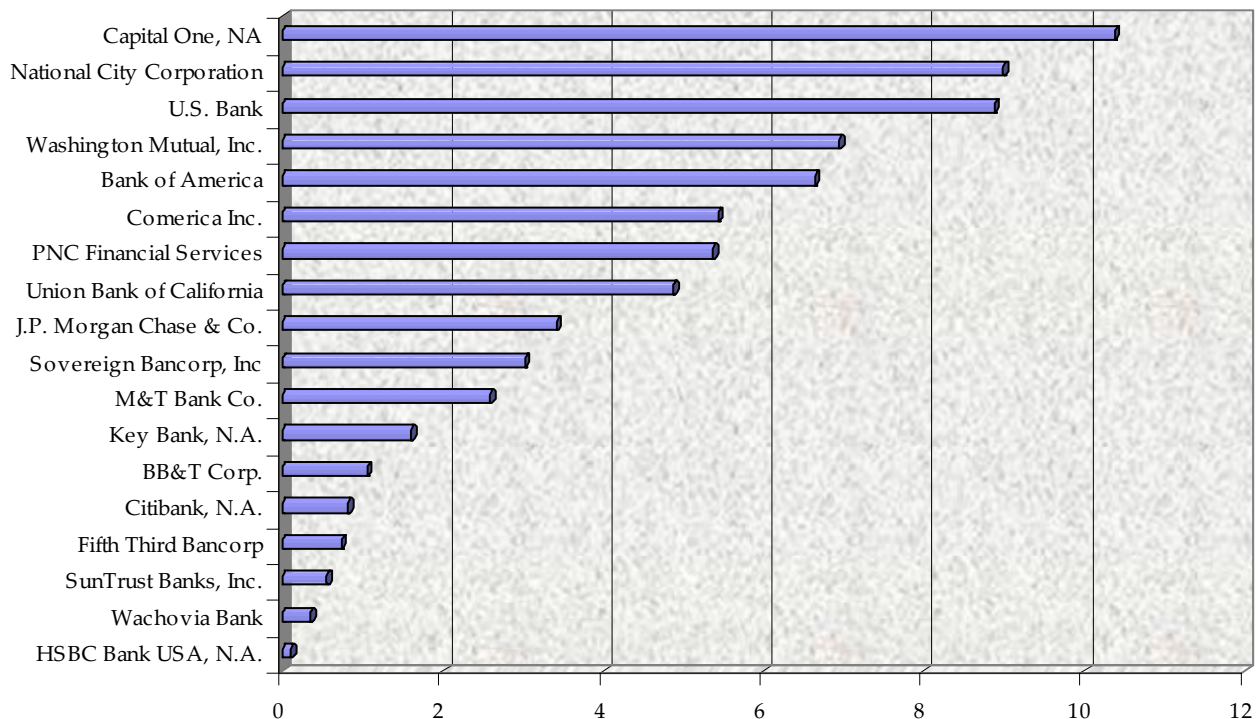


**Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio
to Latinos**

Rank	Bank	# of SBA Loans Per		
		\$5 Billion in assets	# Loans	Total Assets
1	Capital One, NA	10.38	303	\$145,937,957,000
2	National City Corporation	8.99	253	140,648,168,000
3	U.S. Bank	8.88	395	222,530,000,000
4	Washington Mutual, Inc.	6.95	485	349,140,007,000
5	Bank of America	6.65	2,041	1,535,684,280,000
6	Comerica Inc.	5.43	64	58,945,727,000
7	PNC Financial Services Group	5.37	135	125,736,711,000
8	Union Bank of California	4.88	53	54,343,040,000
9	J.P. Morgan Chase & Co.	3.42	996	1,458,042,000,000
10	Sovereign Bancorp, Inc	3.02	50	82,690,049,000
11	M&T Bank Co.	2.59	30	57,869,069,000
12	Key Bank, N.A.	1.60	30	93,490,903,000
13	BB&T Corp.	1.06	27	127,577,050,000
14	Citibank, N.A.	0.81	362	2,220,866,000,000
15	Fifth Third Bancorp	0.74	15	101,389,721,000
16	SunTrust Banks, Inc.	0.55	20	180,314,372,000
17	Wachovia Bank	0.35	50	719,922,000,000
18	HSBC Bank USA, N.A.	0.10	10	483,630,057,000

*Defined as banks with over \$50 billion in assets and that made over 200 SBA loans overall.

**Number of SBA Loans Originated to Asian Americans Per \$5 Billion of Bank Assets,
2007**



CHANGE IN PERFORMANCE 2006-2007

The tables below rank the banks by the change in their performance since the last fiscal year in lending by number and percentage of all loans made. 2006 figures are from last year's edition of this report. Three banks that were included in last year's analysis: Marshall & Ilsley, Citizen's Financial Group, and Wells Fargo were not included in the report this year, because they originated less than 200 SBA loans in fiscal year 2007.

Change in Performance of Nation's Largest SBA Lenders In Lending to All Minorities

Percent Change in Number of SBA Loans Made to All Minorities

Rank	Bank	# SBA Loans Made 2007	# SBA Loans Made 2006	% Change
1	Wachovia Bank	184	49	275.51%
2	Citibank, N.A.	1,044	442	136.20%
3	BB&T Corp.	127	81	56.79%
4	J.P. Morgan Chase & Co.	2,947	1,912	54.13%
5	National City Corporation	491	321	52.96%
6	Sovereign Bancorp, Inc	156	106	47.17%
7	Washington Mutual, Inc.	1,148	975	17.74%
8	U.S. Bank	1,153	1,002	15.07%
9	PNC Financial Services Group	703	722	-2.63%
10	Comerica Inc.	215	226	-4.87%
11	Bank of America	5,468	5,842	-6.40%
12	Union Bank of California	119	129	-7.75%
13	Capital One, NA	812	901	-9.88%
14	Key Bank, N.A.	101	137	-26.28%
15	M&T Bank Co.	177	241	-26.56%
16	SunTrust Banks, Inc.	72	126	-42.86%
17	Fifth Third Bancorp	39	75	-48.00%
18	HSBC Bank USA, N.A.	67	547	-87.75%

Percent Change in Percent of SBA Loans Made to All Minorities

Rank	Bank	% SBA Loans Made 2007	% SBA Loans Made 2006	% Change
1	Sovereign Bancorp, Inc	32.50%	21.20%	11.30%
2	National City Corporation	21.30%	15.00%	6.30%
3	Union Bank of California	38.50%	33.00%	5.50%
4	Bank of America	49.80%	44.60%	5.20%
5	PNC Financial Services Group	35.40%	33.40%	2.00%
6	BB&T Corp.	16.20%	14.30%	1.90%
7	J.P. Morgan Chase & Co.	34.50%	33.00%	1.50%
8	Citibank, N.A.	56.00%	54.70%	1.30%
9	U.S. Bank	21.50%	21.30%	0.20%
10	Key Bank, N.A.	14.30%	15.50%	-1.20%
11	Comerica Inc.	32.40%	33.90%	-1.50%
12	Fifth Third Bancorp	12.50%	14.50%	-2.00%
13	M&T Bank Co.	15.60%	18.50%	-2.90%
14	Capital One, NA	12.80%	18.20%	-5.40%
15	Wachovia Bank	27.10%	32.90%	-5.80%
16	Washington Mutual, Inc.	39.00%	46.60%	-7.60%
17	SunTrust Banks, Inc.	25.50%	33.80%	-8.30%
18	HSBC Bank USA, N.A.	21.50%	40.80%	-19.30%

Change in Performance of Nation's Largest SBA Lenders In Lending to African Americans

Percent Change in Number of SBA Loans Made to African Americans

Rank	Bank	# SBA Loans Made 2007	# SBA Loans Made 2006	% Change
1	Wachovia Bank	52	12	333.33%
2	Citibank, N.A.	116	50	132.00%
3	BB&T Corp.	55	37	48.65%
4	J.P. Morgan Chase & Co.	632	427	48.01%
5	U.S. Bank	220	158	39.24%
6	Union Bank of California	15	11	36.36%
7	National City Corporation	112	84	33.33%
8	Sovereign Bancorp, Inc	18	16	12.50%
9	Washington Mutual, Inc.	254	236	7.63%
10	M&T Bank Co.	47	44	6.82%
11	Bank of America	1,422	1,337	6.36%
12	Key Bank, N.A.	20	19	5.26%
13	Comerica Inc.	39	38	2.63%
14	PNC Financial Services Group	154	166	-7.23%
15	Fifth Third Bancorp	11	13	-15.38%
16	Capital One, NA	163	239	-31.80%
17	SunTrust Banks, Inc.	23	48	-52.08%
18	HSBC Bank USA, N.A.	14	50	-72.00%

Percent Change in Percent of SBA Loans Made to African Americans

Rank	Bank	% SBA Loans Made 2007	% SBA Loans Made 2006	% Change
1	Bank of America	13.00%	10.20%	2.80%
2	Union Bank of California	4.90%	2.80%	2.10%
3	National City Corporation	4.90%	3.90%	1.00%
4	Fifth Third Bancorp	3.50%	2.50%	1.00%
5	HSBC Bank USA, N.A.	4.50%	3.70%	0.80%
6	M&T Bank Co.	4.10%	3.40%	0.70%
7	U.S. Bank	4.10%	3.40%	0.70%
8	Key Bank, N.A.	2.80%	2.10%	0.70%
9	Sovereign Bancorp, Inc	3.80%	3.20%	0.60%
10	BB&T Corp.	7.00%	6.50%	0.50%
11	Comerica Inc.	5.90%	5.70%	0.20%
12	PNC Financial Services Group	7.80%	7.70%	0.10%
13	J.P. Morgan Chase & Co.	7.40%	7.40%	0.00%
14	Citibank, N.A.	6.20%	6.20%	0.00%
15	Wachovia Bank	7.60%	8.10%	-0.50%
16	Capital One, NA	2.60%	4.80%	-2.20%
17	Washington Mutual, Inc.	8.60%	11.30%	-2.70%
18	SunTrust Banks, Inc.	8.20%	12.90%	-4.70%

Change in Performance of Nation's Largest SBA Lenders In Lending to Asian Americans

Percent Change in Number of SBA Loans Made to Asian Americans

Rank	Bank	# SBA Loans Made 2007	# SBA Loans Made 2006	% Change
1	Wachovia Bank	73	16	356.25%
2	Citibank, N.A.	560	193	190.16%
3	J.P. Morgan Chase & Co.	1,252	748	67.38%
4	Sovereign Bancorp, Inc	81	58	39.66%
5	Washington Mutual, Inc.	398	321	23.99%
6	BB&T Corp.	37	32	15.63%
7	Capital One, NA	304	277	9.75%
8	U.S. Bank	495	487	1.64%
9	National City Corporation	107	108	-0.93%
10	Union Bank of California	43	44	-2.27%
11	PNC Financial Services Group	404	419	-3.58%
12	SunTrust Banks, Inc.	26	29	-10.34%
13	Bank of America	1,938	2,196	-11.75%
14	Comerica Inc.	103	126	-18.25%
15	M&T Bank Co.	91	134	-32.09%
16	Key Bank, N.A.	43	74	-41.89%
17	Fifth Third Bancorp	12	31	-61.29%
18	HSBC Bank USA, N.A.	42	399	-89.47%

Percent Change in Percent of SBA Loans Made to Asian Americans

Rank	Bank	% SBA Loans Made 2007	% SBA Loans Made 2006	% Change
1	Citibank, N.A.	30.00%	23.90%	6.10%
2	Sovereign Bancorp, Inc	16.90%	11.60%	5.30%
3	Union Bank of California	13.90%	11.30%	2.60%
4	J.P. Morgan Chase & Co.	14.60%	12.90%	1.70%
5	SunTrust Banks, Inc.	9.20%	7.80%	1.40%
6	PNC Financial Services Group	20.30%	19.40%	0.90%
7	Bank of America	17.70%	16.80%	0.90%
8	Wachovia Bank	10.70%	10.70%	0.00%
9	National City Corporation	4.60%	5.10%	-0.50%
10	Capital One, NA	4.80%	5.60%	-0.80%
11	BB&T Corp.	4.70%	5.60%	-0.90%
12	U.S. Bank	9.20%	10.40%	-1.20%
13	Washington Mutual, Inc.	13.50%	15.30%	-1.80%
14	Fifth Third Bancorp	3.80%	6.00%	-2.20%
15	M&T Bank Co.	8.00%	10.30%	-2.30%
16	Key Bank, N.A.	6.10%	8.40%	-2.30%
17	Comerica Inc.	15.50%	18.90%	-3.40%
18	HSBC Bank USA, N.A.	13.50%	29.70%	-16.20%

Change in Performance of Nation's Largest SBA Lenders In Lending to Latinos

Percent Change in Number of SBA Loans Made to Latinos

Rank	Bank	# SBA Loans Made 2007	# SBA Loans Made 2006	% Change
1	BB&T Corp.	27	10	1.70
2	Wachovia Bank	50	21	1.38
3	National City Corporation	253	107	1.36
4	Sovereign Bancorp, Inc	50	26	0.92
5	Citibank, N.A.	362	194	0.87
6	J.P. Morgan Chase & Co.	996	672	0.48
7	U.S. Bank	395	321	0.23
8	Washington Mutual, Inc.	485	406	0.19
9	PNC Financial Services Group	135	116	0.16
10	Comerica Inc.	64	56	0.14
11	Key Bank, N.A.	30	30	0.00
12	Bank of America	2,041	2,242	-0.09
13	Capital One, NA	303	335	-0.10
14	Union Bank of California	53	69	-0.23
15	M&T Bank Co.	30	53	-0.43
16	SunTrust Banks, Inc.	20	38	-0.47
17	Fifth Third Bancorp	15	30	-0.50
18	HSBC Bank USA, N.A.	10	90	-0.89

Percent Change in Percent of SBA Loans Made to Latinos

Rank	Bank	% SBA Loans Made 2007	% SBA Loans Made 2006	% Change
1	National City Corporation	11.00%	5.00%	6.00%
2	Sovereign Bancorp, Inc	10.40%	5.20%	5.20%
3	BB&T Corp.	3.50%	1.80%	1.70%
4	Bank of America	18.60%	17.10%	1.50%
5	PNC Financial Services Group	6.80%	5.40%	1.40%
6	Comerica Inc.	9.60%	8.40%	1.20%
7	Key Bank, N.A.	4.20%	3.40%	0.80%
8	U.S. Bank	7.40%	6.80%	0.60%
9	J.P. Morgan Chase & Co.	11.70%	11.60%	0.10%
10	Union Bank of California	17.20%	17.60%	-0.40%
11	Fifth Third Bancorp	4.80%	5.80%	-1.00%
12	M&T Bank Co.	2.60%	4.10%	-1.50%
13	Capital One, NA	4.80%	6.80%	-2.00%
14	Washington Mutual, Inc.	16.50%	19.40%	-2.90%
15	SunTrust Banks, Inc.	7.10%	10.20%	-3.10%
16	HSBC Bank USA, N.A.	3.20%	6.70%	-3.50%
17	Citibank, N.A.	19.40%	24.00%	-4.60%
18	Wachovia Bank	7.40%	14.10%	-6.70%

DATA AND GRADES FOR SUPPLEMENTAL SBA LENDERS

This section contains data on five additional banks that are prominent in our home state of California, but that do not fit the asset size minimum of \$50 billion and/or SBA loan lending minimum of 200 loans in fiscal year 2006 used to select the banks in our main study.

Ranking of Supplemental SBA Lenders in Lending to All Minorities

Number of Loans Made: All Minorities

Rank	Bank	# Loans	Total Assets
1	East West Bancorp, Inc.	30	\$10,829,357,000
2	Bank of the West	16	39,100,851,000
3	Cathay General Bancorp	9	8,905,875,000
4	City National Corp.	6	15,813,652,000

Percentage of All Loans Made: All Minorities

Rank	Bank	% to All Minorities	# to All Minorities	Total SBA Loans
1	Cathay General Bancorp	64.3%	9	14
2	East West Bancorp, Inc.	50.0%	30	60
3	Bank of the West	43.2%	16	37
4	City National Corp.	21.4%	6	28

Total Dollar Amount of Loans: All Minorities

Rank	Bank	Total SBA Lending
1	East West Bancorp, Inc.	\$11,847,000
2	Bank of the West	3,708,800
3	Cathay General Bancorp	3,164,000
4	City National Corp.	1,438,300

Number of Loans per \$5 billion in Assets: All Minorities

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	East West Bancorp, Inc.	13.85	30	\$10,829,357,000
2	Cathay General Bancorp	5.05	9	8,905,875,000
3	Bank of the West	2.05	16	39,100,851,000
4	City National Corp.	1.90	6	15,813,652,000

Ranking of Supplemental SBA Lenders in Lending to African Americans

Number of Loans Made: African Americans

Rank	Bank	# Loans	Total Assets
1	City National Corp.	3	\$15,813,652,000
2	Bank of the West	2	39,100,851,000
3	East West Bancorp, Inc.	1	10,829,357,000
4	Cathay General Bancorp	0	8,905,875,000

Percentage of All Loans Made: African Americans

Rank	Bank	% to African Americans	# to African Americans	Total SBA Loans
1	City National Corp.	10.7%	3	28
2	Bank of the West	5.4%	2	37
3	East West Bancorp, Inc.	1.7%	1	60
4	Cathay General Bancorp	0.0%	0	14

Total Dollar Amount of Loans: African Americans

Rank	Bank	Total SBA Lending
1	City National Corp.	\$1,268,300
2	Bank of the West	400,000
3	East West Bancorp, Inc.	150,000
4	Cathay General Bancorp	0

Number of Loans per \$5 billion in Assets: African Americans

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	City National Corp.	0.95	3	\$15,813,652,000
2	East West Bancorp, Inc.	0.46	1	10,829,357,000
3	Bank of the West	0.26	2	39,100,851,000
4	Cathay General Bancorp	0.00	0	8,905,875,000

Ranking of Supplemental SBA Lenders in Lending to Asian Americans

Number of Loans Made: Asian Americans

Rank	Bank	# Loans	Total Assets
1	East West Bancorp, Inc.	19	\$10,829,357,000
2	Cathay General Bancorp	9	8,905,875,000
3	Bank of the West	2	39,100,851,000
4	City National Corp.	0	15,813,652,000

Percentage of All Loans Made: Asian Americans

Rank	Bank	% to Asian Americans	# to Asian Americans	Total SBA Loans
1	Cathay General Bancorp	64.3%	9	14
2	East West Bancorp, Inc.	31.7%	19	60
3	Bank of the West	5.4%	2	37
4	City National Corp.	0.0%	0	28

Total Dollar Amount of Loans: Asian Americans

Rank	Bank	Total SBA Lending
1	East West Bancorp, Inc.	\$8,885,500
2	Cathay General Bancorp	3,164,000
3	Bank of the West	2,437,500
4	City National Corp.	0

Number of Loans per \$5 billion in Assets: Asian Americans

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	East West Bancorp, Inc.	8.77	19	\$10,829,357,000
2	Cathay General Bancorp	5.05	9	8,905,875,000
3	Bank of the West	0.26	2	39,100,851,000
4	City National Corp.	0.00	0	15,813,652,000

Ranking of Supplemental SBA Lenders in Lending to Latinos

Number of Loans Made: Latinos

Rank	Bank	# Loans	Total Assets
1	Bank of the West	12	\$39,100,851,000
2	East West Bancorp, Inc.	10	10,829,357,000
3	City National Corp.	3	15,813,652,000
4	Cathay General Bancorp	0	8,905,875,000

Percentage of All Loans Made: Latinos

Rank	Bank	% to Latinos	# to Latinos	Total SBA Loans
1	Bank of the West	32.4%	12	37
2	East West Bancorp, Inc.	16.7%	10	60
3	City National Corp.	10.7%	3	28
4	Cathay General Bancorp	0.0%	0	14

Total Dollar Amount of Loans: Latinos

Rank	Bank	Total SBA Lending
1	East West Bancorp, Inc.	\$2,811,500
2	Bank of the West	871,300
3	City National Corp.	170,000
4	Cathay General Bancorp	0

Number of Loans per \$5 billion in Assets: Latinos

Rank	Bank	# of SBA Loans Per		Total Assets
		\$5 Billion in assets	# Loans	
1	East West Bancorp, Inc.	4.62	10	\$10,829,357,000
2	Bank of the West	1.53	12	39,100,851,000
3	City National Corp.	0.95	3	15,813,652,000
4	Cathay General Bancorp	0.00	0	8,905,875,000

REFERENCES

All fiscal year 2007 SBA lending data was acquired through a Freedom of Information Act (FOIA) request to the Small Business Administration.

Asset size figures for all financial institutions are for United States assets only, as reported by *American Banker* at <http://www.americanbanker.com/rankingthebanks.html>, and are current as of June 30, 2007. Accessed December 10, 2007.

Asset size figure for the Bank of the West is from its "Annual Report 2006. Accessed January 8, 2008.

Asset size figure for Union Bank of California is from Google Financial. Accessed January 8, 2008.