

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

An Analysis of 2006 SBA Lending to Minorities



Christian González-Rivera
SBA Research Fellow
April 2007

TABLE OF CONTENTS

The Best And The Worst In SBA Lending To Minorities	page 1
<i>Minority Businesses Growing, But Ownership Still Lagging</i>	
<i>The SBA Under President Bush Is Struggling</i>	
<i>Small Business Funds Are Being Diverted To Fortune 1000 Companies</i>	
<i>Federal Regulations Hide The Whole Picture</i>	
<i>Recommendations</i>	
Methodology	page 5
Is Big Financial Serving Small Business?	page 6
<i>Commitment To Minorities Is More Important Than Bank Size</i>	
<i>Smaller Banks Outperform Larger Banks</i>	
Overall Rankings	page 9
<i>Lending Goals</i>	
SBA Lending to All Minorities: Data And Grades	page 11
<i>Ranking By Number Of Loans</i>	
<i>Ranking By Number Of Loan-to-Asset Ratio</i>	
<i>Ranking By Percentage Of All Loans Made</i>	
<i>Ranking By Total Dollar Amount</i>	
SBA Lending to African Americans: Data And Grades	page 16
<i>Ranking By Number Of Loans</i>	
<i>Ranking By Number Of Loan-to-Asset Ratio</i>	
<i>Ranking By Percentage Of All Loans Made</i>	
<i>Ranking By Total Dollar Amount</i>	
SBA Lending to Asian Americans: Data And Grades	page 21
<i>Ranking By Number Of Loans</i>	
<i>Ranking By Number Of Loan-to-Asset Ratio</i>	
<i>Ranking By Percentage Of All Loans Made</i>	
<i>Ranking By Total Dollar Amount</i>	
SBA Lending to Latinos: Data And Grades	page 26
<i>Ranking By Number Of Loans</i>	
<i>Ranking By Number Of Loan-to-Asset Ratio</i>	
<i>Ranking By Percentage Of All Loans Made</i>	
<i>Ranking By Total Dollar Amount</i>	
Change In Performance 2005-2006	page 31
<i>Change in Performance in Lending to All Minorities</i>	
<i>Change in Performance in Lending to African Americans</i>	
<i>Change in Performance in Lending to Asian Americans</i>	
<i>Change in Performance in Lending to Latinos</i>	
Data and Grades for Supplemental Lenders	page 36
<i>Lending to All Minorities</i>	
<i>Lending to African Americans</i>	
<i>Lending to Asian Americans</i>	
<i>Lending to Latinos</i>	
References	page 41

THE BEST AND THE WORST IN SBA LENDING TO MINORITIES

The Small Business Administration has increasingly come under criticism from a wide range of leaders who should ordinarily be its strongest supporters, including small business associations; Nydia Velázquez (D-NY), chair of the Committee on Small Business of the House of Representatives; and many minority business organizations. This report analyzes and grades financial institutions' performance in making SBA loans to our nation's most underserved small business community: five million minority-owned businesses. It recognizes, however, that both the number and the recipients of the loans have been curtailed as a result of the Bush Administration's decision to severely cut the SBA budget. These cuts force the financial industry to disproportionately bear the cost of a program intended to expand America's economy, increase our gross domestic product, and increase employment, particularly in underserved communities.

In the six years since President Bush's election, the SBA has seen its budget more than halved¹, leading some critics like Lloyd Chapman, founder and president of the American Small Business League (ASBL), a small-business watchdog group, to wonder² whether the Bush Administration plans to heed the recommendations of such conservative voices as the American Enterprise Institute and shut down the agency in the near future.³

Minority Businesses Growing, but Ownership Still Lagging

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%.⁴

Although these rates of growth are encouraging, the overall picture is more sobering. Ninety-two percent of all business owners in the United States are White, and the remainder is divided roughly evenly among Latinos, Blacks, and Asians.⁵ This indicates a very significant gap between minority business ownership and White business ownership.

¹ House Small Business Committee. "Statement of the Honorable Nydia M. Velázquez, Chair Committee on Small Business." From <http://www.house.gov/smbiz/Statements/2007/st022807.htm>. Accessed April 5, 2007.

² Interview with Lloyd Chapman.

³ de Rugy, Véronique. "Why the Small Business Administration's Loan Programs Should Be Abolished." American Enterprise Institute, April 13, 2006. Available at http://www.aei.org/publications/pubID.24224/pub_detail.asp.

⁴ US Economic Census. 2002 Survey Of Business Owners (SBO). Available at: <http://www.census.gov/csd/sbo/>.

⁵ Ibid.

Controlling for the fact that only one out of every five Americans are Latino, Black, or Asian, and given there are a total of 23 million businesses in the United States, almost four million of which are minority-owned,⁶ we find that one out of every 12 Whites are business owners, while only one of every 20 Latinos, Blacks, or Asians are so.

The SBA under President Bush is “Drowning in the Bathtub”

The SBA is the primary federal agency that originates and guarantees loans to small businesses. Founded in 1953 out of previous federal agencies that supported small contractors for the defense industry during the Second World War and the Korean War, it is currently the largest single credit provider in the nation for US businesses, holding a portfolio of more than 200,000 loans worth almost \$50 billion. Last year, the agency backed \$12.3 billion in almost 100,000 loans, of which about a third went to minority-owned businesses.⁷ Given that 98% of all companies have less than 100 employees and 89% have less than twenty⁸, small businesses are, by far, the largest job producers in the nation.

Chairwoman Velázquez has recognized several problems at the agency that have reduced its credibility and effectiveness, including the finding that loans intended for businesses affected by 9/11 had been misdirected, and that \$12 billion in loans had gone inappropriately to large companies. The agency continues to struggle with a large backlog of applications from businesses affected by Hurricane Katrina in 2005.⁹ In explaining these problems, she asserts that, “it is no coincidence that these cuts have occurred at the same time that we have seen a number of mishaps at the SBA.”¹⁰

The official stance of the Administration, headed since July 2006 by Stephen Preston, is that the budget cuts have been a result of the agency’s increased efficiency, and defends the agency’s commitment to fulfilling the needs of America’s small businesses.¹¹ However, the agency has refused to revise regulations that would address the issue of SBA loan monies going to large companies.¹²

⁶ Ibid.

⁷ Small Business Administration website. <http://www.sba.gov/aboutsba/history/index.html>. Accessed April 10, 2007.

⁸ Interview with Lloyd Chapman. Perman, Stacy, “Is the SBA Hurting Small Business?” *Business Week*. January 27, 2006.

⁹ House Small Business Committee. Statement by Nydia Velázquez. February 28, 2007. Available at www.house.gov/smbiz/Statements/2007.

¹⁰ Ibid.

¹¹ “SBA FY 2008 Budget Proposal: Myth vs. Fact.” <http://www.sba.gov/news/monthly/index.html>. Accessed April 10, 2007.

¹² Interview with Lloyd Chapman.

Small Business Funds are being Diverted to Fortune 1000 Companies

The Petaluma, CA-based American Small Business League confirms that although 98 percent of all companies have less than 100 employees, the SBA's size threshold for a "small business" is 500 employees. Moreover, businesses that are awarded a contract are allowed to retain it for the life of the contract, even if the beneficiary company grows beyond the size standard or merges with a larger company.¹³ This lack of regulation has caused \$12 billion in loans to go to Fortune 1000 companies. As a result, the America's small-company entrepreneurs are competing with the nation's largest companies for federally-guaranteed loans, defeating the original purpose of the agency.

Federal Regulations Hide the Whole Picture

A cloak enshrouds the American public's understanding of how financial institutions perform in small business lending to minorities and women, and its name is Regulation B, §202.5(b). This section of Title VII (the Equal Credit Opportunity Act) of the Consumer Credit Protection Act prohibits collecting comprehensive information about the race, ethnicity, and gender of the applicants to the Small Business Administration's loan programs. Although the intent of the law is to ascertain a race- and sex- blind application process, in practice it effectively shields financial institutions from oversight of their lending practices.

Recommendations

The onus rests on the Bush Administration through SBA Administrator Preston to ensure that the agency becomes an advocate for small businesses, especially minority-owned businesses. Specifically, the Administration should:

- Double the SBA budget by fiscal year 2010 in order to ensure adequate staffing and funding.
- Rescind all contracts that were acquired by Fortune 1000 companies through buying out small businesses.
- Redefine the loan requirements for an eligible small business, placing an employee cap of 100 persons, since 98% of all U.S. businesses have less than 100 employees.
- Banks should be encouraged to originate 60 percent of their annual SBA loan numbers to minorities.

It is problematic as to whether the SBA can move beyond its current problems, raise its profile among federal agencies, become a more substantial player in the market, and truly

¹³ Interview with Hector Barreto. Perman, Stacy, "The SBA Chief Comes out Swinging." *Business Week*. February 2, 2006.

become a resource for America's small businesses owners, especially those from traditionally underserved minority and lower-income communities. Given that small businesses are a major piece of the community reinvestment and development pie, a stronger SBA means more of America's economy will be dedicated to serving those who have been traditionally left behind.

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 2005. The banks are rated in four categories, so as to provide a comprehensive analysis. They are explained below, in order of importance:

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.

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.

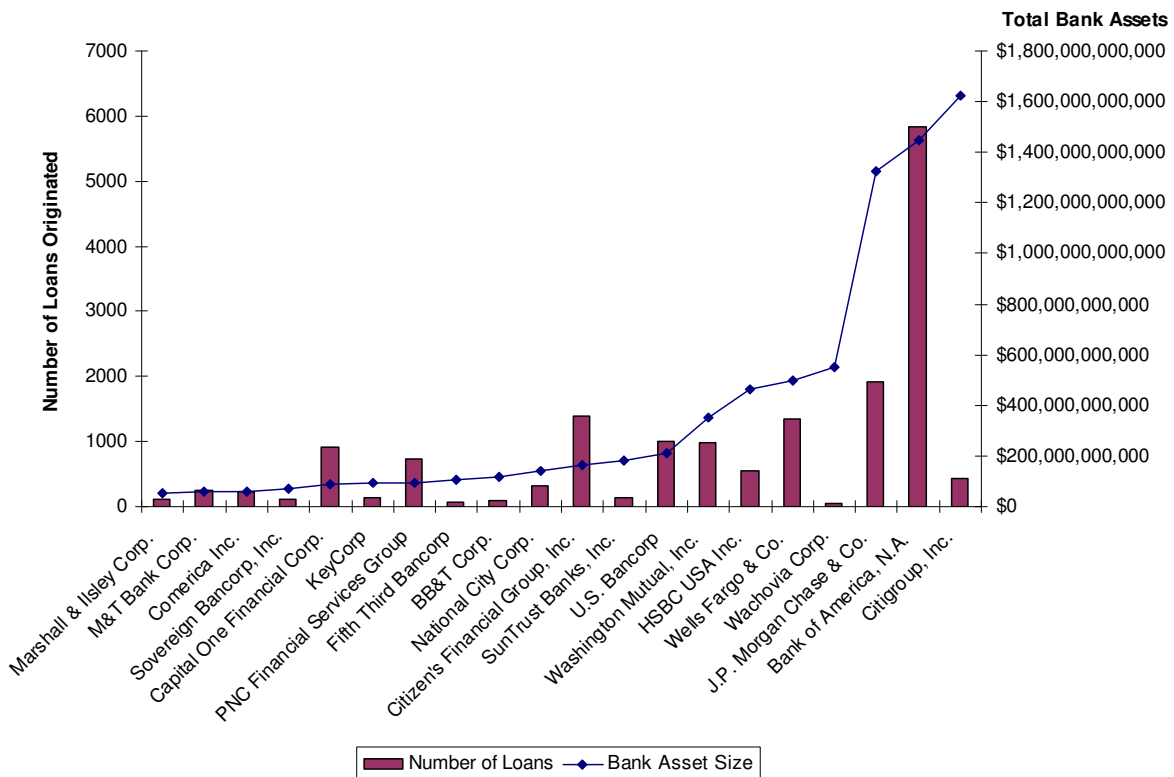
The Greenlining Institute believes that the major financial institutions can drastically improve their SBA lending record to minorities. With this in mind, Greenlining has given a grade to each major financial institution based on two measures: lending on a loan-to-asset ratio and percentage of loans 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

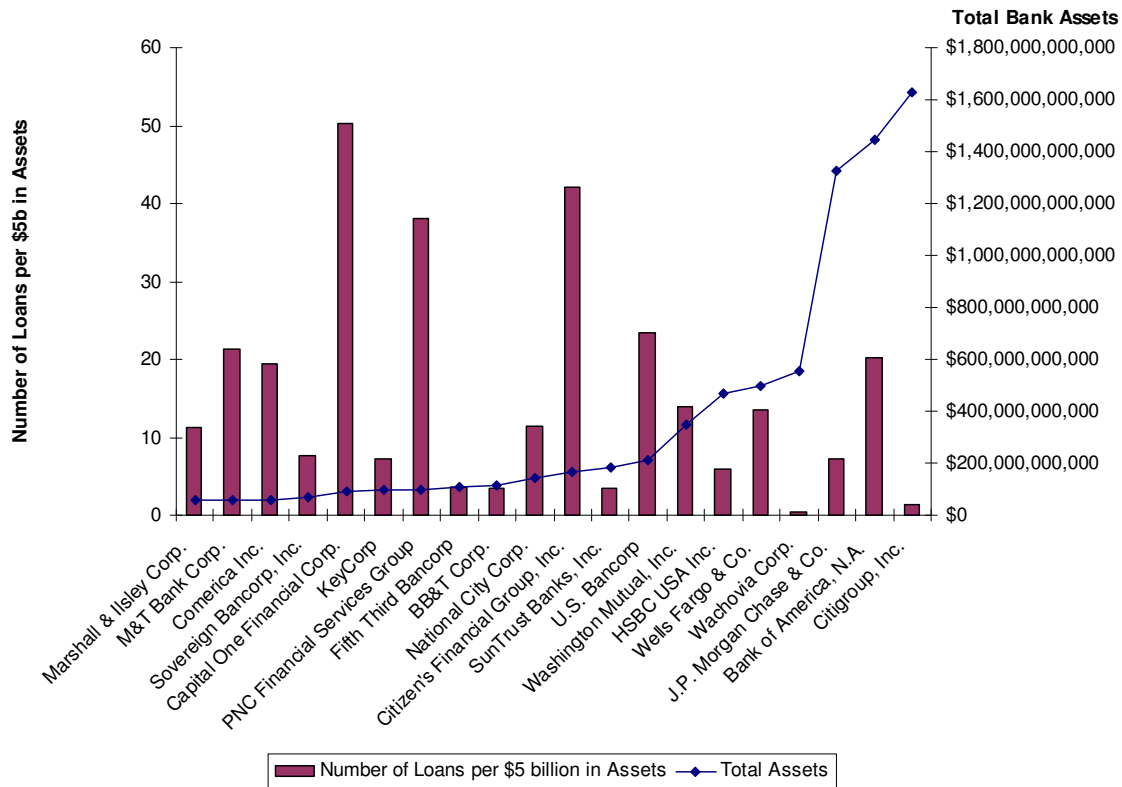
Our analysis shows that although the largest banks in our study tend to make more loans to minorities as a whole, there is little other correlation between a bank's size and the number of loans they originated to minority entrepreneurs. Figure 1 lists the banks from left to right in order of asset size, from smallest to largest, as indicated by the line on the graph. The bars show the number of loans originated to all minorities by each of those banks. We see that smaller banks like **Capital One Financial** and **Citizen's Financial** have rates of lending that exceed that of much larger banks like **Wells Fargo**, **Wachovia**, and **Citigroup**.

Figure 1
Bank Size vs. Number of Loans Originated to Minorities



Controlling for asset size, we can also analyze rates of lending per \$5 billion of the bank's assets. This will give us an indication of how intensely the bank is using its assets to serve minority businesses. Figure 2 shows that according to this measure, the balance of activity has now been tipped to the smaller banks.

Figure 2
Bank Size vs. Number of Loans per \$5 billion in Assets Originated to Minorities



The smaller banks on the left of the graph, as a whole, are making more of their money available to minority firms compared to the much larger banks on the right. Once again, **Capital One Financial** and **Citizen's Financial**, closely followed by **PNC Financial** outperform all other banks.

These analyses indicate that a major factor in determining a bank's lending rate to minorities is their corporate commitment to serving a diverse client base.

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. For example, the New York-based **CIT Group** (77,067,900,000 in assets) would take the top position in lending volume to all minorities, with a lending volume that is 23% higher than the number one bank in this study, Bank of America, in terms of total dollar amount. In lending volume to African Americans, that figure is 43% higher than that of Bank of America. In terms of lending to Latinos, it is **Banco Popular** (47,403,990,000 in assets) that takes the lead ahead of Bank of America, with a 38% higher

lending volume. For Asian Americans, Garland, TX-based **Central Bancorp, Inc.** produces a 7% higher lending volume than the number one bank in this study, PNC Financial.

When we analyze lending by asset size across banks of all asset sizes, we find that our top three banks have significantly increased their lending to minorities overall, capturing the top spots in these two rank categories. In lending to African Americans, however, we find that the **CIT Group** produces the most loans per \$5 billion in assets, at 15.41 loans, compared to Capital One Financial's 13.35. The **CIT Group** would also capture third place in the rankings for Asian Americans, and second place in the Latino rankings.

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 their asset size.

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 lending to small businesses, by far, 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 taken the lead in lending to minority entrepreneurs, while **BB&T** and **Fifth Third Bancorp** trail the list of the top twenty lenders.

Cumulative Rank

Rank	Financial Institution
1	Bank of America, N.A.
2	J.P. Morgan Chase & Co.
3	Washington Mutual, Inc.
4	Citigroup, Inc.
5	Wells Fargo & Co.
6	PNC Financial Services Group
7	Citizen's Financial Group, Inc.
8	HSBC USA Inc.
9	U.S. Bancorp
10	Comerica Inc.
11	Capital One Financial Corp.
12	SunTrust Banks, Inc.
13	Wachovia Corp.
14	M&T Bank Corp.
15	Marshall & Ilsley Corp.
16	National City Corp.
17	Sovereign Bancorp, Inc.
18	KeyCorp
19	BB&T Corp.
20	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 the rest of its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending.

The Best and the Worst: Lending to All Minorities

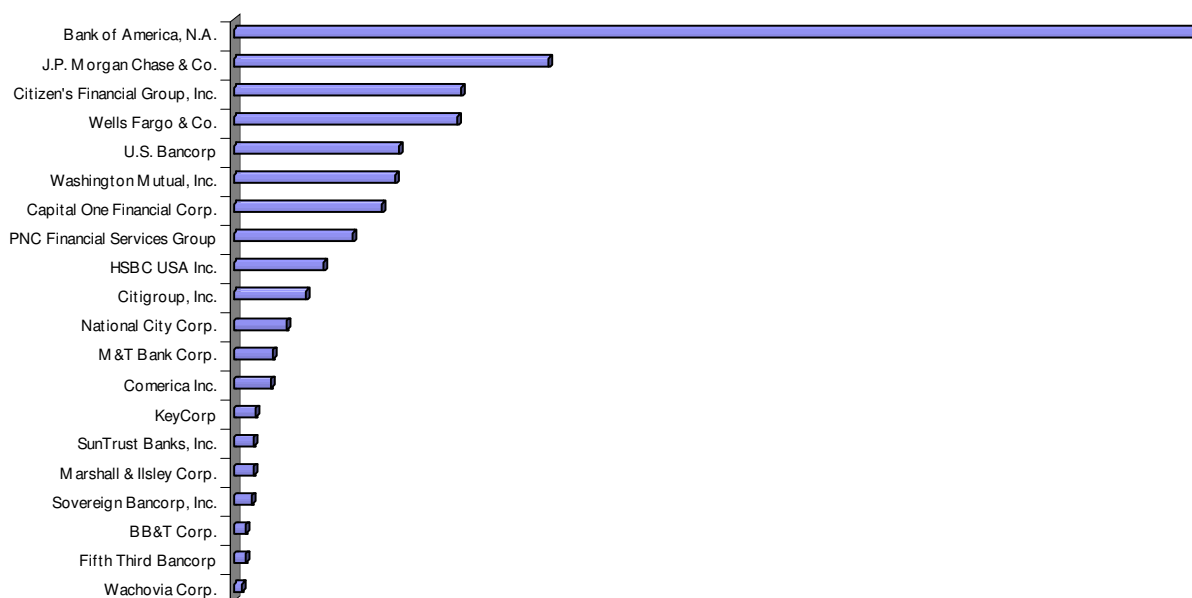
Number of Loans	TOP TWO	Bank of America, N.A.	5,842
		J.P. Morgan Chase & Co.	1,912
	BOTTOM TWO	Fifth Third Bancorp	75
		Wachovia Corp.	49
Percent of Loans	TOP TWO	Citigroup, Inc.	54.7%
		Washington Mutual, Inc.	46.6
	BOTTOM TWO	Fifth Third Bancorp	14.5%
		BB&T Corp.	14.3
Total Dollar Amount	TOP TWO	Bank of America, N.A.	\$188,805,500
		PNC Financial Services Group	163,449,100
	BOTTOM TWO	SunTrust Banks, Inc.	\$7,597,800
		Wachovia Corp.	7,145,200
Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets	TOP TWO	Capital One Financial Corp.	50.32
		Citizen's Financial Group, Inc.	42.18
	BOTTOM TWO	Citigroup, Inc.	1.36
		Wachovia Corp.	0.44

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

Rank	Bank	# Loans	Total Assets	Grade
1	Bank of America, N.A.	5,842	\$1,447,538,298,000	A-
2	J.P. Morgan Chase & Co.	1,912	1,328,001,000,000	B
3	Citizen's Financial Group, Inc.	1,380	163,581,959,000	B-
4	Wells Fargo & Co.	1,352	499,516,000,000	B-
5	U.S. Bancorp	1,002	213,405,000,000	C+
6	Washington Mutual, Inc.	975	350,890,182,000	C+
7	Capital One Financial Corp.	901	89,530,186,000	C+
8	PNC Financial Services Group	722	94,937,396,000	C
9	HSBC USA Inc.	547	466,008,463,000	C
10	Citigroup, Inc.	442	1,626,551,000,000	C-
11	National City Corp.	321	141,497,678,000	C-
12	M&T Bank Corp.	241	56,507,088,000	C-
13	Comerica Inc.	226	57,874,763,000	C-
14	KeyCorp	137	94,576,311,000	D
15	SunTrust Banks, Inc.	126	181,143,444,000	D
16	Marshall & Ilsley Corp.	122	54,553,646,000	D
17	Sovereign Bancorp, Inc.	106	69,101,262,000	D
18	BB&T Corp.	81	116,283,730,000	F
19	Fifth Third Bancorp	75	106,110,513,000	F
20	Wachovia Corp.	49	553,614,000,000	F

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

Number of Loans Originated to All Minorities, 2006

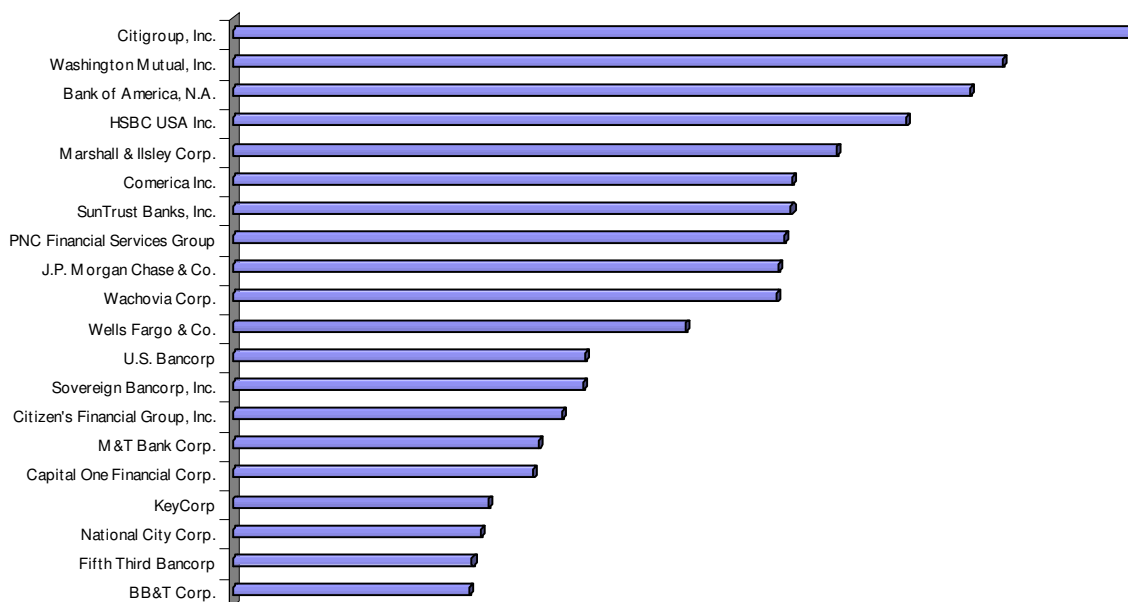


Ranking of Nation's Largest SBA Lenders* by Percentage of Loans Made to All Minorities

Rank	Bank	% To Minorities	# Loans to Minorities	Total SBA Loans	Grade
1	Citigroup, Inc.	54.7%	442	808	B
2	Washington Mutual, Inc.	46.6	975	2,093	C+
3	Bank of America, N.A.	44.6	5,842	13,089	C+
4	HSBC USA Inc.	40.8	547	1,342	C+
5	Marshall & Ilsley Corp.	36.5	122	334	C
6	Comerica Inc.	33.9	226	667	C
7	SunTrust Banks, Inc.	33.8	126	373	C
8	PNC Financial Services Group	33.4	722	2,161	C
9	J.P. Morgan Chase & Co.	33.0	1,912	5,797	C
10	Wachovia Corp.	32.9	49	149	C
11	Wells Fargo & Co.	27.4	1,352	4,937	C-
12	U.S. Bancorp	21.3	1,002	4,703	C-
13	Sovereign Bancorp, Inc.	21.2	106	499	C-
14	Citizen's Financial Group, Inc.	19.9	1,380	6,952	C-
15	M&T Bank Corp.	18.5	241	1,305	D
16	Capital One Financial Corp.	18.2	901	4,957	D
17	KeyCorp	15.5	137	885	D
18	National City Corp.	15.0	321	2,137	D
19	Fifth Third Bancorp	14.5	75	518	F
20	BB&T Corp.	14.3	81	566	F

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

Percent of Loans Originated to All Minorities, 2006

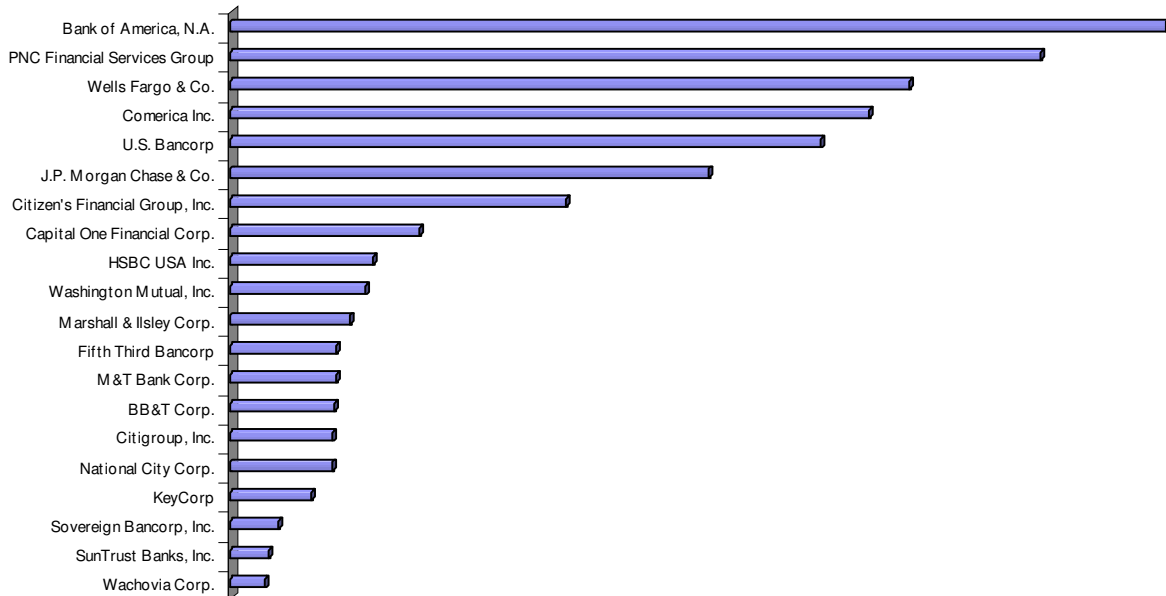


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to All Minorities

Rank	Bank	Total SBA Lending
1	Bank of America, N.A.	\$188,805,500
2	PNC Financial Services Group	163,449,100
3	Wells Fargo & Co.	136,966,900
4	Comerica Inc.	128,978,000
5	U.S. Bancorp	119,224,300
6	J.P. Morgan Chase & Co.	96,395,800
7	Citizen's Financial Group, Inc.	67,818,920
8	Capital One Financial Corp.	37,985,000
9	HSBC USA Inc.	28,871,800
10	Washington Mutual, Inc.	27,259,400
11	Marshall & Ilsley Corp.	24,263,245
12	Fifth Third Bancorp	21,292,700
13	M&T Bank Corp.	21,479,400
14	BB&T Corp.	20,948,300
15	Citigroup, Inc.	20,475,300
16	National City Corp.	20,465,100
17	KeyCorp	16,435,000
18	Sovereign Bancorp, Inc.	9,798,600
19	SunTrust Banks, Inc.	7,597,800
20	Wachovia Corp.	7,145,200

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

Total Dollar Amount of Loans Originated to All Minorities, 2006

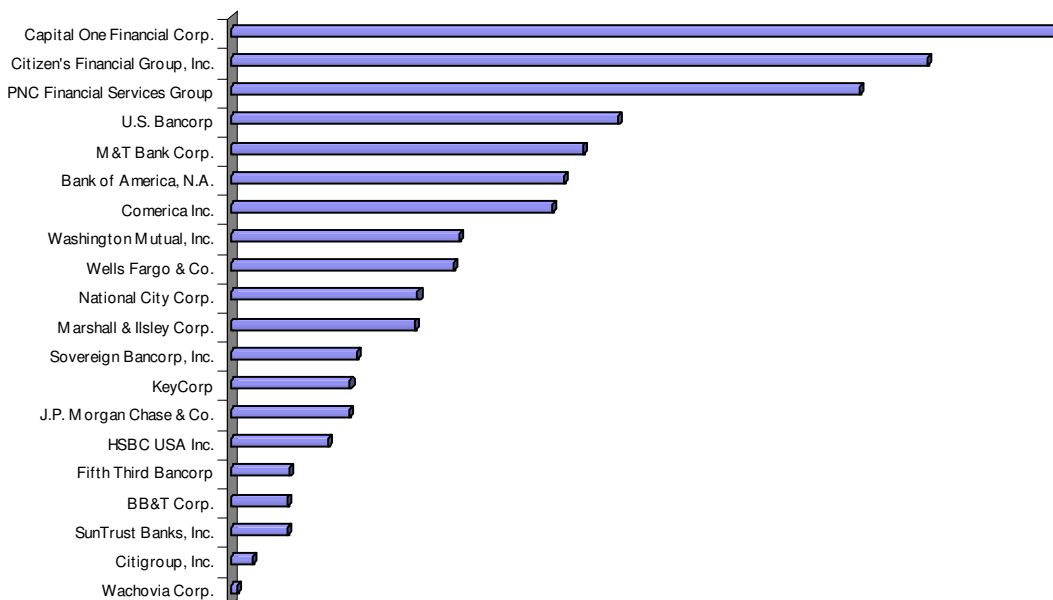


Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio to All Minorities

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	Capital One Financial Corp.	50.32	901	\$89,530,186,000
2	Citizen's Financial Group, Inc.	42.18	1,380	163,581,959,000
3	PNC Financial Services Group	38.03	722	94,937,396,000
4	U.S. Bancorp	23.48	1,002	213,405,000,000
5	M&T Bank Corp.	21.32	241	56,507,088,000
6	Bank of America, N.A.	20.18	5,842	1,447,538,298,000
7	Comerica Inc.	19.52	226	57,874,763,000
8	Washington Mutual, Inc.	13.89	975	350,890,182,000
9	Wells Fargo & Co.	13.53	1,352	499,516,000,000
10	National City Corp.	11.34	321	141,497,678,000
11	Marshall & Ilsley Corp.	11.18	122	54,553,646,000
12	Sovereign Bancorp, Inc.	7.67	106	69,101,262,000
13	KeyCorp	7.24	137	94,576,311,000
14	J.P. Morgan Chase & Co.	7.20	1,912	1,328,001,000,000
15	HSBC USA Inc.	5.87	547	466,008,463,000
16	Fifth Third Bancorp	3.53	75	106,110,513,000
17	BB&T Corp.	3.48	81	116,283,730,000
18	SunTrust Banks, Inc.	3.48	126	181,143,444,000
19	Citigroup, Inc.	1.36	442	1,626,551,000,000
20	Wachovia Corp.	0.44	49	553,614,000,000

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

Number of Loans per \$5 billion in Assets Originated to All Minorities, 2006



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 the rest of its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending.

The Best and the Worst: Lending to African Americans

Number of Loans

TOP TWO	Bank of America, N.A.	1,337
	J.P. Morgan Chase & Co.	427
BOTTOM TWO	Wachovia Corp.	12
	Marshall & Ilsley Corp.	8

Percent of Loans

TOP TWO	SunTrust Banks, Inc.	12.9%
	Washington Mutual, Inc.	11.3
BOTTOM TWO	Marshall & Ilsley Corp.	2.4%
	KeyCorp	2.1

Total Dollar Amount

TOP TWO	Bank of America, N.A.	\$34,103,400
	PNC Financial Services Group	25,899,500
BOTTOM TWO	KeyCorp	\$1,412,500
	Wachovia Corp.	1,197,000

Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets

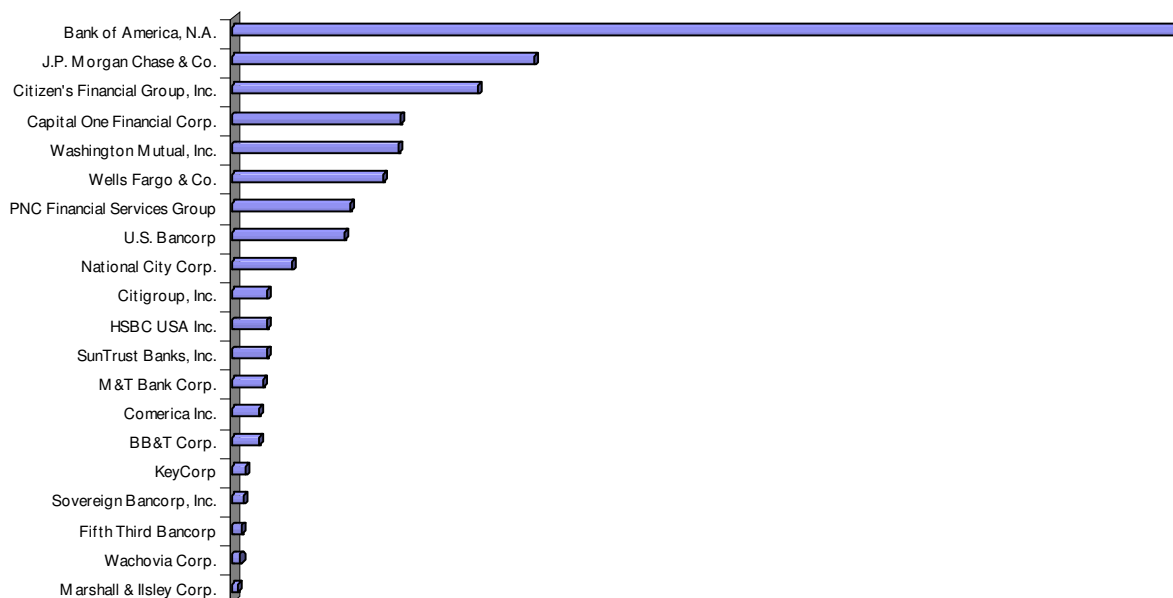
TOP TWO	Capital One Financial Corp.	13.35
	Citizen's Financial Group, Inc.	10.64
BOTTOM TWO	Citigroup, Inc.	0.15
	Wachovia Corp.	0.11

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

Rank	Bank	# Loans	Total Assets	Grade
1	Bank of America, N.A.	1,337	\$1,447,538,298,000	A-
2	J.P. Morgan Chase & Co.	427	1,328,001,000,000	B-
3	Citizen's Financial Group, Inc.	348	163,581,959,000	C+
4	Capital One Financial Corp.	239	89,530,186,000	C
5	Washington Mutual, Inc.	236	350,890,182,000	C
6	Wells Fargo & Co.	213	499,516,000,000	C
7	PNC Financial Services Group	166	94,937,396,000	C-
8	U.S. Bancorp	158	213,405,000,000	C-
9	National City Corp.	84	141,497,678,000	D
10	HSBC USA Inc.	50	466,008,463,000	D
11	Citigroup, Inc.	50	1,626,551,000,000	D
12	SunTrust Banks, Inc.	48	181,143,444,000	D
13	M&T Bank Corp.	44	56,507,088,000	D-
14	Comerica Inc.	38	57,874,763,000	D-
15	BB&T Corp.	37	116,283,730,000	D-
16	KeyCorp	19	94,576,311,000	F
17	Sovereign Bancorp, Inc.	16	69,101,262,000	F
18	Fifth Third Bancorp	13	106,110,513,000	F
19	Wachovia Corp.	12	553,614,000,000	F
20	Marshall & Ilsley Corp.	8	54,553,646,000	FF

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

Number of Loans Originated to African Americans, 2006

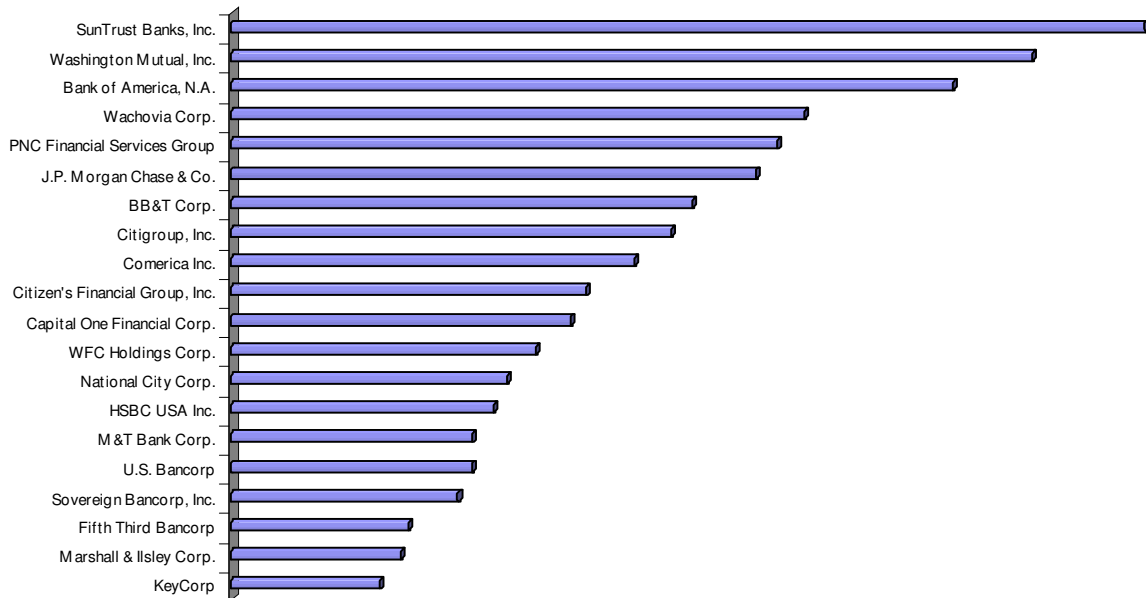


**Ranking of Nation's Largest SBA Lenders*
by Percentage of Loans Made to African Americans**

Rank	Bank	% to African Americans	# to African Americans	Total SBA Loans	Grade
1	SunTrust Banks, Inc.	12.9%	1.32	373	B
2	Washington Mutual, Inc.	11.3	3.36	2,093	C+
3	Bank of America, N.A.	10.2	4.62	13,089	C+
4	Wachovia Corp.	8.1	0.11	149	C
5	PNC Financial Services Group	7.7	8.74	2,161	C
6	J.P. Morgan Chase & Co.	7.4	1.61	5,797	C
7	BB&T Corp.	6.5	1.59	567	C-
8	Citigroup, Inc.	6.2	0.15	808	C-
9	Comerica Inc.	5.7	3.28	667	C-
10	Citizen's Financial Group, Inc.	5.0	10.64	6,952	D
11	Capital One Financial Corp.	4.8	13.35	4,957	D
12	Wells Fargo Corp.	4.3	2.13	4,937	D
13	National City Corp.	3.9	2.97	2,137	D
14	HSBC USA Inc.	3.7	0.54	1,342	D-
15	M&T Bank Corp.	3.4	3.89	1,306	D-
16	U.S. Bancorp	3.4	3.70	4,703	D-
17	Sovereign Bancorp, Inc.	3.2	1.16	499	D-
18	Fifth Third Bancorp	2.5	0.61	518	F
19	Marshall & Ilsley Corp.	2.4	0.73	334	F
20	KeyCorp	2.1	1.00	885	F

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

Percent of Loans Originated to African Americans, 2006

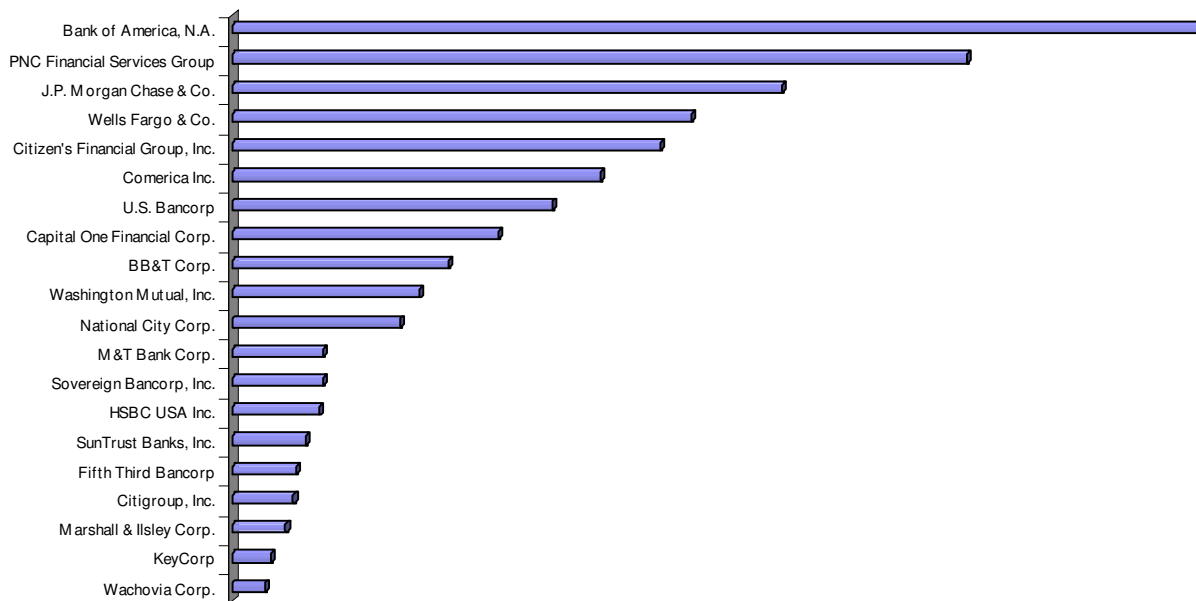


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to African Americans

Rank	Bank	Total SBA Lending
1	Bank of America, N.A.	\$34,103,400
2	PNC Financial Services Group	25,899,500
3	J.P. Morgan Chase & Co.	19,433,800
4	Wells Fargo & Co.	16,194,900
5	Citizen's Financial Group, Inc.	15,115,200
6	Comerica Inc.	12,993,000
7	U.S. Bancorp	11,287,600
8	Capital One Financial Corp.	9,425,000
9	BB&T Corp.	7,659,300
10	Washington Mutual, Inc.	6,594,700
11	National City Corp.	5,937,800
12	M&T Bank Corp.	3,235,000
13	Sovereign Bancorp, Inc.	3,219,000
14	HSBC USA Inc.	3,055,700
15	SunTrust Banks, Inc.	2,639,700
16	Fifth Third Bancorp	2,256,500
17	Citigroup, Inc.	2,169,000
18	Marshall & Ilsley Corp.	1,896,900
19	KeyCorp	1,412,500
20	Wachovia Corp.	1,197,000

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

Total Dollar Amount of Loans Originated to African Americans, 2006

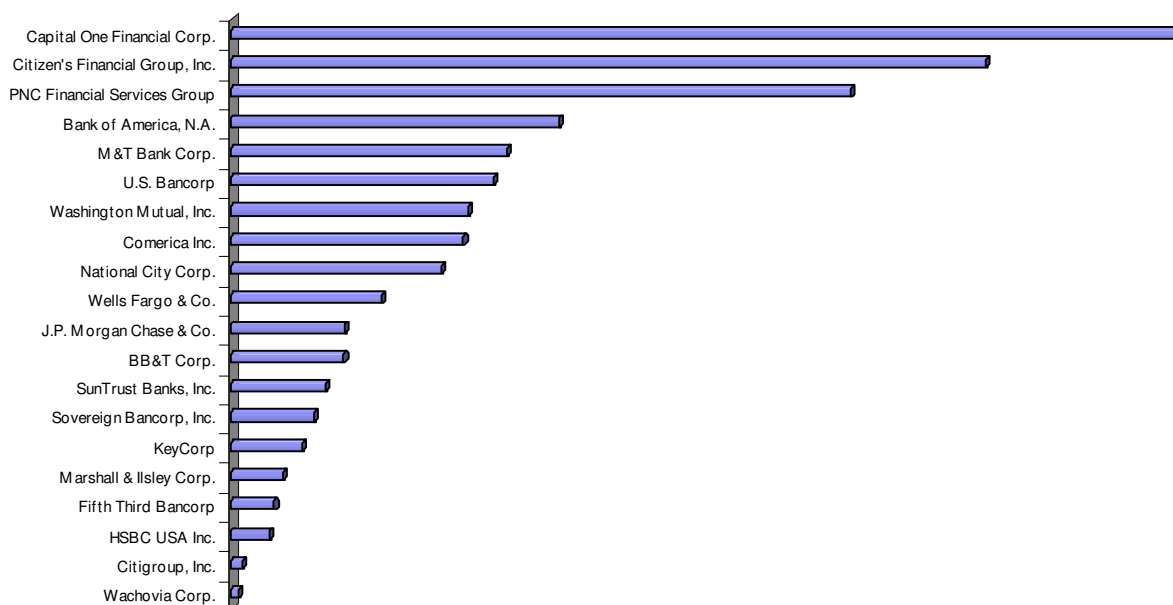


Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio to African Americans

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	Capital One Financial Corp.	13.35	239	\$89,530,186,000
2	Citizen's Financial Group, Inc.	10.64	348	163,581,959,000
3	PNC Financial Services Group	8.74	166	94,937,396,000
4	Bank of America, N.A.	4.62	1,337	1,447,538,298,000
5	M&T Bank Corp.	3.89	44	56,507,088,000
6	U.S. Bancorp	3.70	158	213,405,000,000
7	Washington Mutual, Inc.	3.36	236	350,890,182,000
8	Comerica Inc.	3.28	38	57,874,763,000
9	National City Corp.	2.97	84	141,497,678,000
10	Wells Fargo & Co.	2.13	213	499,516,000,000
11	J.P. Morgan Chase & Co.	1.61	427	1,328,001,000,000
12	BB&T Corp.	1.59	37	116,283,730,000
13	SunTrust Banks, Inc.	1.32	48	181,143,444,000
14	Sovereign Bancorp, Inc.	1.16	16	69,101,262,000
15	KeyCorp	1.00	19	94,576,311,000
16	Marshall & Ilsley Corp.	0.73	8	54,553,646,000
17	Fifth Third Bancorp	0.61	13	106,110,513,000
18	HSBC USA Inc.	0.54	50	466,008,463,000
19	Citigroup, Inc.	0.15	50	1,626,551,000,000
20	Wachovia Corp.	0.11	12	553,614,000,000

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

Number of Loans per \$5 billion in Assets Originated to African Americans, 2006



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 the rest of its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending.

The Best and the Worst: Lending to Asian Americans

Number of Loans

TOP TWO	Bank of America, N.A.	2,196
	J.P. Morgan Chase & Co.	748
BOTTOM TWO	Marshall & Ilsley Corp.	18
	Wachovia Corp.	16

Percent of Loans

TOP TWO	HSBC USA Inc.	29.7%
	Citigroup, Inc.	23.9
BOTTOM TWO	Marshall & Ilsley Corp.	5.4%
	National City Corp.	5.1

Total Dollar Amount

TOP TWO	PNC Financial Services Group	\$119,142,900
	Comerica Inc.	88,724,300
BOTTOM TWO	Wachovia Corp.	\$2,020,000
	SunTrust Banks, Inc.	1,880,300

Number of Loans per \$5 billion in Assets

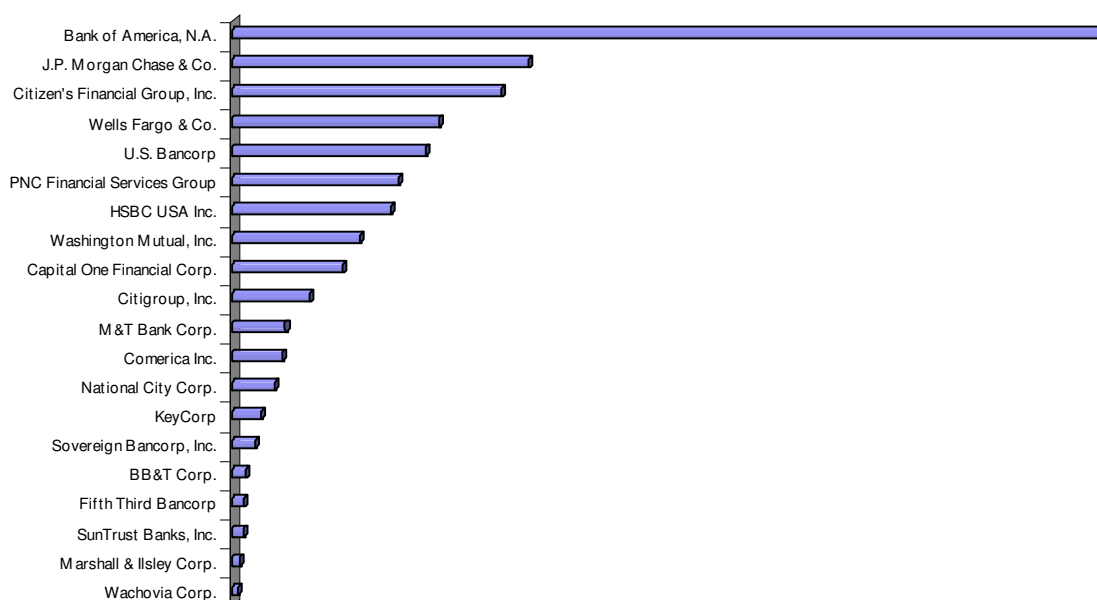
TOP TWO	PNC Financial Services Group	22.07
	Citizen's Financial Group, Inc.	20.78
BOTTOM TWO	Citigroup, Inc.	0.59
	Wachovia Corp.	0.14

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

Rank	Bank	# Loans	Total Assets	Grades
1	Bank of America, N.A.	2,196	\$1,447,538,298,000	A-
2	J.P. Morgan Chase & Co.	748	1,328,001,000,000	B-
3	Citizen's Financial Group, Inc.	680	163,581,959,000	B-
4	Wells Fargo & Co.	523	499,516,000,000	C+
5	U.S. Bancorp	487	213,405,000,000	C+
6	PNC Financial Services Group	419	94,937,396,000	C+
7	HSBC USA Inc.	399	466,008,463,000	C+
8	Washington Mutual, Inc.	321	350,890,182,000	C
9	Capital One Financial Corp.	277	89,530,186,000	C
10	Citigroup, Inc.	193	1,626,551,000,000	C
11	M&T Bank Corp.	134	56,507,088,000	C-
12	Comerica Inc.	126	57,874,763,000	C-
13	National City Corp.	108	141,497,678,000	C-
14	KeyCorp	74	94,576,311,000	D
15	Sovereign Bancorp, Inc.	58	69,101,262,000	D
16	BB&T Corp.	32	116,283,730,000	F
17	Fifth Third Bancorp	31	106,110,513,000	F
18	SunTrust Banks, Inc.	29	181,143,444,000	F
19	Marshall & Ilsley Corp.	18	54,553,646,000	F
20	Wachovia Corp.	16	553,614,000,000	F

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

Number of Loans Originated to Asian Americans, 2006

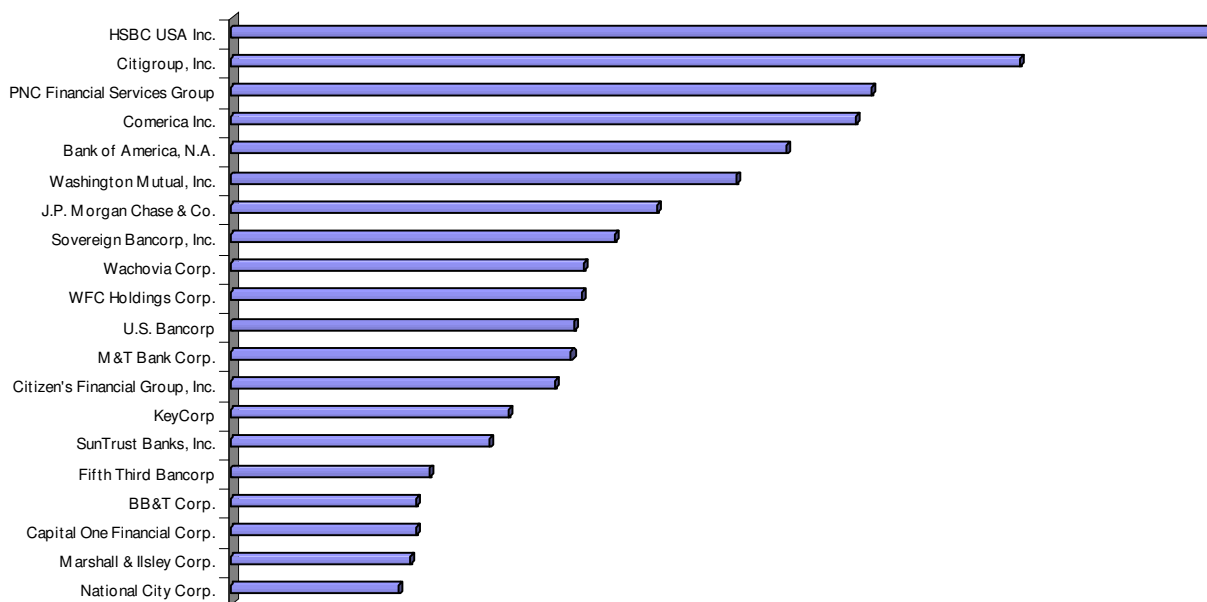


Ranking of Nation's Largest SBA Lenders* by Percentage of Loans Made to Asian Americans

Rank	Bank	% to Asian Americans	# to Asian Americans	Total SBA Loans	Grade
1	HSBC USA Inc.	29.7%	399	1,342	A+
2	Citigroup, Inc.	23.9	193	808	A
3	PNC Financial Services Group	19.4	419	2,161	A-
4	Comerica Inc.	18.9	126	667	A-
5	Bank of America, N.A.	16.8	2,196	13,089	B+
6	Washington Mutual, Inc.	15.3	321	2,093	B
7	J.P. Morgan Chase & Co.	12.9	748	5,797	C+
8	Sovereign Bancorp, Inc.	11.6	58	499	C+
9	Wachovia Corp.	10.7	16	149	C+
10	Wells Fargo Corp.	10.6	523	4,937	C+
11	U.S. Bancorp	10.4	487	4,703	C+
12	M&T Bank Corp.	10.3	134	1,306	C+
13	Citizen's Financial Group, Inc.	9.8	680	6,952	C
14	KeyCorp	8.4	74	885	C
15	SunTrust Banks, Inc.	7.8	29	373	C
16	Fifth Third Bancorp	6.0	31	518	C-
17	BB&T Corp.	5.6	32	567	D
18	Capital One Financial Corp.	5.6	277	4,957	D
19	Marshall & Ilsley Corp.	5.4	18	334	D
20	National City Corp.	5.1	108	2,137	D

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

Percent of Loans Originated to Asian Americans, 2006

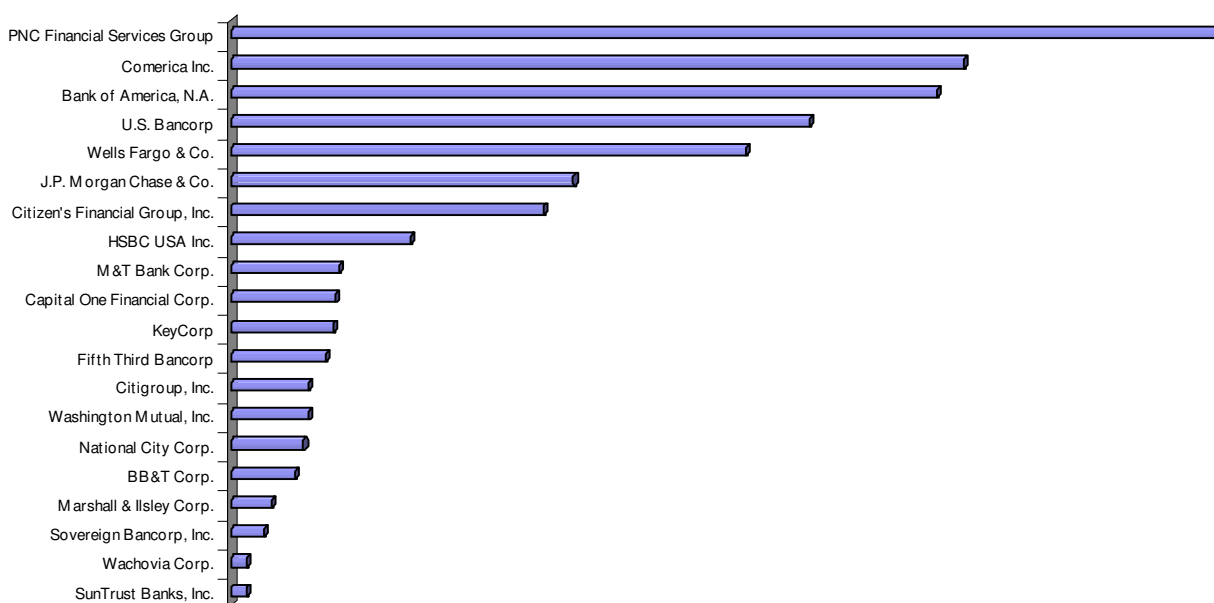


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to Asian Americans

Rank	Bank	Total SBA Lending
1	PNC Financial Services Group	\$119,142,900
2	Comerica Inc.	88,724,300
3	Bank of America, N.A.	85,349,900
4	U.S. Bancorp	70,041,000
5	Wells Fargo & Co.	62,226,400
6	J.P. Morgan Chase & Co.	41,477,900
7	Citizen's Financial Group, Inc.	37,753,320
8	HSBC USA Inc.	21,683,100
9	M&T Bank Corp.	13,238,400
10	Capital One Financial Corp.	12,745,000
11	KeyCorp	12,377,000
12	Fifth Third Bancorp	11,415,900
13	Citigroup, Inc.	9,388,100
14	Washington Mutual, Inc.	9,328,100
15	National City Corp.	8,826,300
16	BB&T Corp.	7,884,000
17	Marshall & Ilsley Corp.	5,081,745
18	Sovereign Bancorp, Inc.	4,075,000
19	Wachovia Corp.	2,020,000
20	SunTrust Banks, Inc.	1,880,300

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

Total Dollar Amount of Loans Originated to Asian Americans, 2006

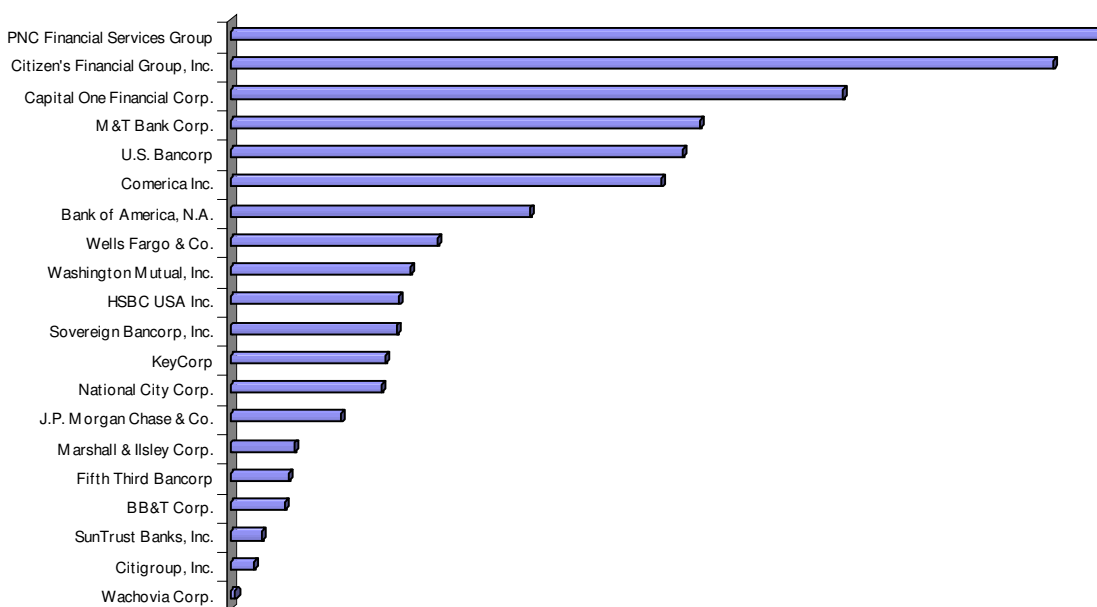


Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio to Asian Americans

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	PNC Financial Services Group	22.07	419	\$94,937,396,000
2	Citizen's Financial Group, Inc.	20.78	680	163,581,959,000
3	Capital One Financial Corp.	15.47	277	89,530,186,000
4	M&T Bank Corp.	11.86	134	56,507,088,000
5	U.S. Bancorp	11.41	487	213,405,000,000
6	Comerica Inc.	10.89	126	57,874,763,000
7	Bank of America, N.A.	7.59	2,196	1,447,538,298,000
8	Wells Fargo & Co.	5.24	523	499,516,000,000
9	Washington Mutual, Inc.	4.57	321	350,890,182,000
10	HSBC USA Inc.	4.28	399	466,008,463,000
11	Sovereign Bancorp, Inc.	4.20	58	69,101,262,000
12	KeyCorp	3.91	74	94,576,311,000
13	National City Corp.	3.82	108	141,497,678,000
14	J.P. Morgan Chase & Co.	2.82	748	1,328,001,000,000
15	Marshall & Ilsley Corp.	1.65	18	54,553,646,000
16	Fifth Third Bancorp	1.46	31	106,110,513,000
17	BB&T Corp.	1.38	32	116,283,730,000
18	SunTrust Banks, Inc.	0.80	29	181,143,444,000
19	Citigroup, Inc.	0.59	193	1,626,551,000,000
20	Wachovia Corp.	0.14	16	553,614,000,000

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

Number of Loans per \$5 billion in Assets Originated to Asian Americans, 2006



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 the rest of its competitors. The graphs below the data tables illustrate the disparity among the banks in their rates of lending.

The Best and the Worst: Lending to Latinos

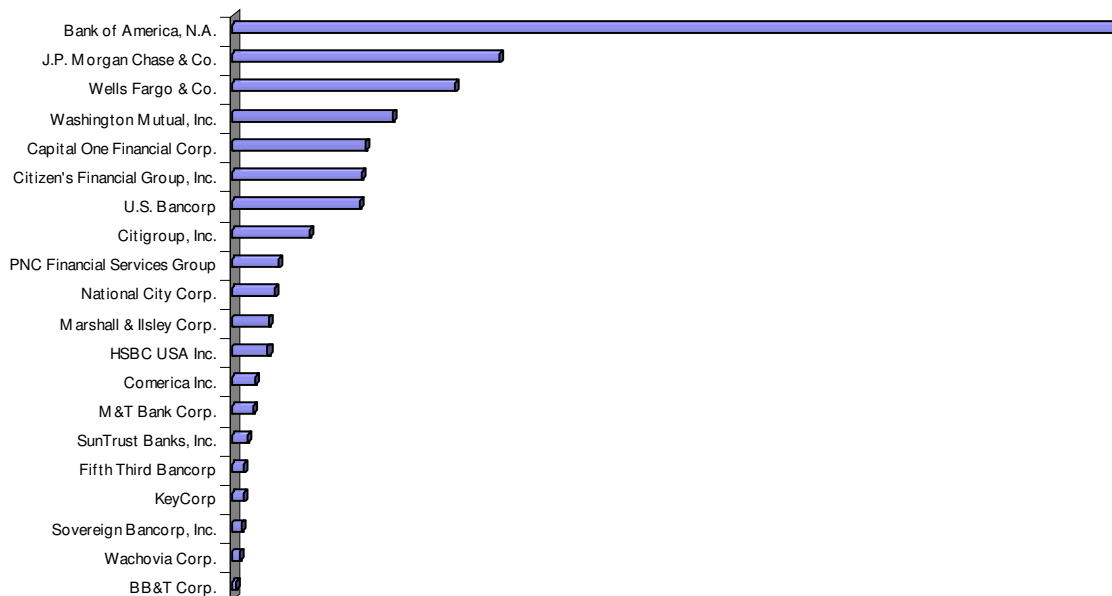
Number of Loans	TOP TWO	Bank of America, N.A. J.P. Morgan Chase & Co.	2,242 672
	BOTTOM TWO	Wachovia Corp. BB&T Corp.	21 10
Percent of Loans	TOP TWO	Marshall & Ilsley Corp. Citigroup, Inc.	27.8% 24.0
	BOTTOM TWO	KeyCorp BB&T Corp.	3.4% 1.8
Total Dollar Amount	TOP TWO	Bank of America, N.A. Wells Fargo & Co.	\$67,259,700 55,777,800
	BOTTOM TWO	SunTrust Banks, Inc. KeyCorp	\$2,031,600 1,750,500
Number of Loans per \$5 billion in Assets	TOP TWO	Capital One Financial Corp. Citizen's Financial Group, Inc.	18.71 9.96
	BOTTOM TWO	BB&T Corp. Wachovia Corp.	0.43 0.19

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

Rank	Bank	# Loans	Total Assets	Grades
1	Bank of America, N.A.	2,242	\$1,447,538,298,000	A-
2	J.P. Morgan Chase & Co.	672	1,328,001,000,000	B-
3	Wells Fargo & Co.	562	499,516,000,000	C+
4	Washington Mutual, Inc.	406	350,890,182,000	C
5	Capital One Financial Corp.	335	89,530,186,000	C
6	Citizen's Financial Group, Inc.	326	163,581,959,000	C
7	U.S. Bancorp	321	213,405,000,000	C
8	Citigroup, Inc.	194	1,626,551,000,000	C-
9	PNC Financial Services Group	116	94,937,396,000	C-
10	National City Corp.	107	141,497,678,000	C-
11	Marshall & Ilsley Corp.	93	54,553,646,000	D
12	HSBC USA Inc.	90	466,008,463,000	D
13	Comerica Inc.	56	57,874,763,000	D
14	M&T Bank Corp.	53	56,507,088,000	D
15	SunTrust Banks, Inc.	38	181,143,444,000	F
16	KeyCorp	30	94,576,311,000	F
17	Fifth Third Bancorp	30	106,110,513,000	F
18	Sovereign Bancorp, Inc.	26	69,101,262,000	F
19	Wachovia Corp.	21	553,614,000,000	F
20	BB&T Corp.	10	116,283,730,000	FF

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

Number of Loans Originated to Latinos, 2006

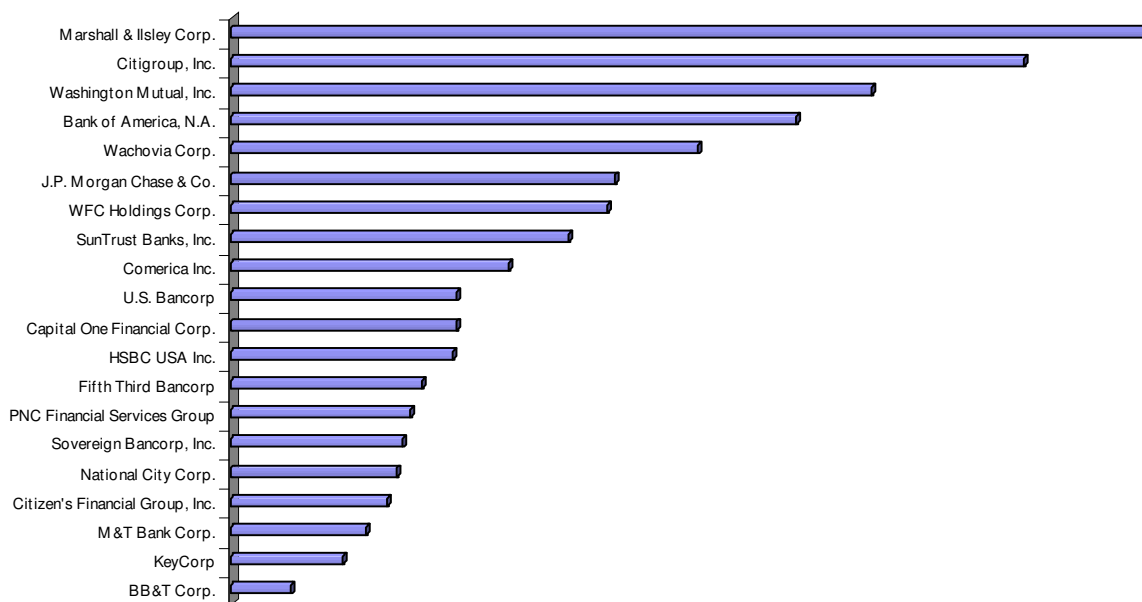


Ranking of Nation's Largest SBA Lenders* by Percentage of Loans Made to Latinos

Rank	Bank	% to Latinos	# to Latinos	Total SBA Loans	Grade
1	Marshall & Ilsley Corp.	27.8%	93	334	A
2	Citigroup, Inc.	24.0	194	808	A
3	Washington Mutual, Inc.	19.4	406	2,093	A-
4	Bank of America, N.A.	17.1	2,242	13,089	B+
5	Wachovia Corp.	14.1	21	149	B-
6	J.P. Morgan Chase & Co.	11.6	672	5,797	C+
7	Wells Fargo Corp.	11.4	562	4,937	C+
8	SunTrust Banks, Inc.	10.2	38	373	C+
9	Comerica Inc.	8.4	56	667	C
10	U.S. Bancorp	6.8	321	4,703	C
11	Capital One Financial Corp.	6.8	335	4,957	C
12	HSBC USA Inc.	6.7	90	1,342	C
13	Fifth Third Bancorp	5.8	30	518	D
14	PNC Financial Services Group	5.4	116	2,161	D
15	Sovereign Bancorp, Inc.	5.2	26	499	D
16	National City Corp.	5.0	107	2,137	D
17	Citizen's Financial Group, Inc.	4.7	326	6,952	D-
18	M&T Bank Corp.	4.1	53	1,306	D-
19	KeyCorp	3.4	30	885	D-
20	BB&T Corp.	1.8	10	567	F

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

Percent of Loans Originated to Latinos, 2006

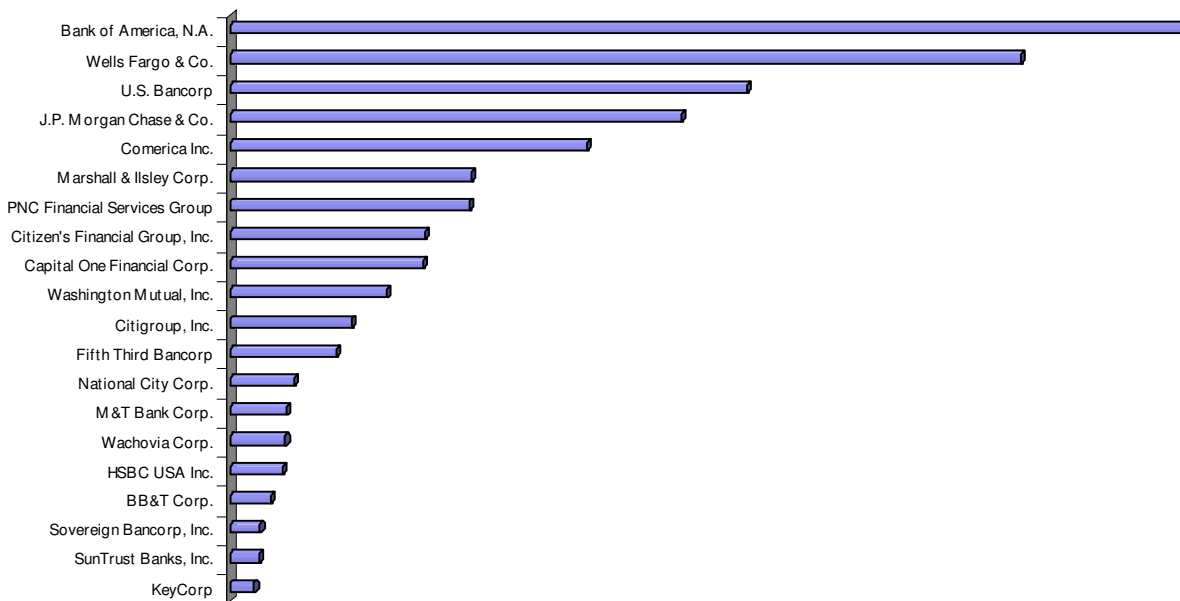


Ranking of Nation's Largest SBA Lenders* by Total Dollar Amount to Latinos

Rank	Bank	Total SBA Lending
1	Bank of America, N.A.	\$67,259,700
2	Wells Fargo & Co.	55,777,800
3	U.S. Bancorp	36,529,000
4	J.P. Morgan Chase & Co.	31,893,700
5	Comerica Inc.	25,263,000
6	Marshall & Ilsley Corp.	17,084,600
7	PNC Financial Services Group	16,934,200
8	Citizen's Financial Group, Inc.	13,830,800
9	Capital One Financial Corp.	13,595,000
10	Washington Mutual, Inc.	11,063,100
11	Citigroup, Inc.	8,668,200
12	Fifth Third Bancorp	7,520,300
13	National City Corp.	4,483,900
14	M&T Bank Corp.	3,958,000
15	Wachovia Corp.	3,928,200
16	HSBC USA Inc.	3,668,000
17	BB&T Corp.	2,914,000
18	Sovereign Bancorp, Inc.	2,159,600
19	SunTrust Banks, Inc.	2,031,600
20	KeyCorp	1,750,500

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

Total Dollar Amount of Loans Originated to Latinos, 2006

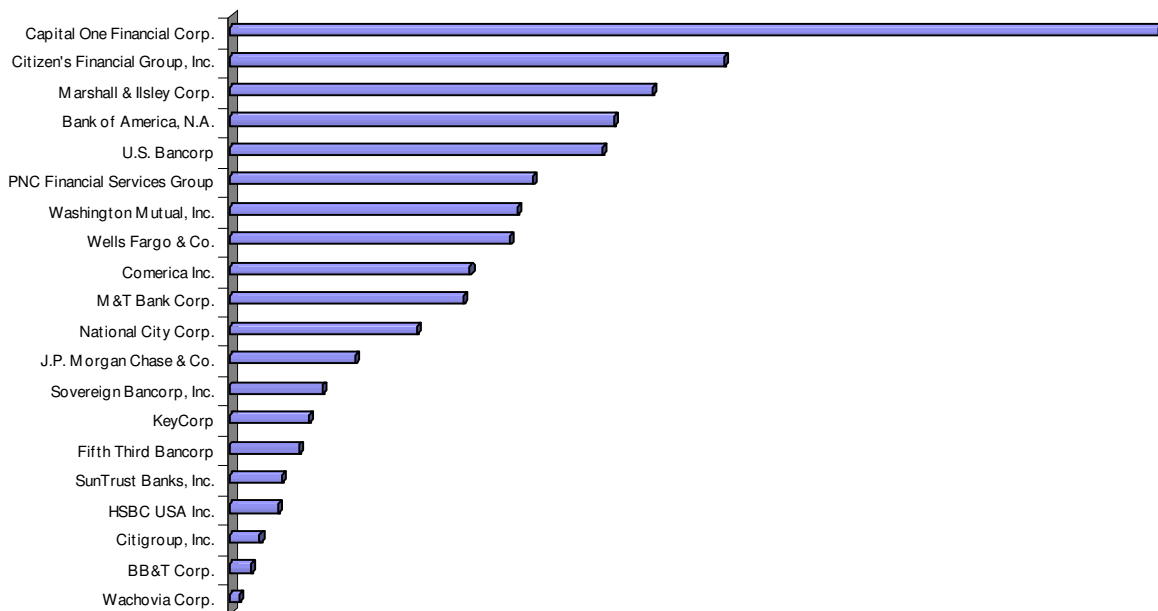


Ranking of Nation's Largest SBA Lenders* by Loan-to-Asset ratio to Latinos

Rank	Bank	# of SBA Loans Per \$5 Billion in assets	# Loans	Total Assets
1	Capital One Financial Corp.	18.71	335	\$89,530,186,000
2	Citizen's Financial Group, Inc.	9.96	326	163,581,959,000
3	Marshall & Ilsley Corp.	8.52	93	54,553,646,000
4	Bank of America, N.A.	7.74	2,242	1,447,538,298,000
5	U.S. Bancorp	7.52	321	213,405,000,000
6	PNC Financial Services Group	6.11	116	94,937,396,000
7	Washington Mutual, Inc.	5.79	406	350,890,182,000
8	Wells Fargo & Co.	5.63	562	499,516,000,000
9	Comerica Inc.	4.84	56	57,874,763,000
10	M&T Bank Corp.	4.69	53	56,507,088,000
11	National City Corp.	3.78	107	141,497,678,000
12	J.P. Morgan Chase & Co.	2.53	672	1,328,001,000,000
13	Sovereign Bancorp, Inc.	1.88	26	69,101,262,000
14	KeyCorp	1.59	30	94,576,311,000
15	Fifth Third Bancorp	1.41	30	106,110,513,000
16	SunTrust Banks, Inc.	1.05	38	181,143,444,000
17	HSBC USA Inc.	0.97	90	466,008,463,000
18	Citigroup, Inc.	0.60	194	1,626,551,000,000
19	BB&T Corp.	0.43	10	116,283,730,000
20	Wachovia Corp.	0.19	21	553,614,000,000

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

Number of Loans per \$5 billion in Assets Originated to Latinos, 2006



CHANGE IN PERFORMANCE 2005-2006

The tables below rank the banks by the change in their performance since the last fiscal year in lending by loan-to-asset ratio and by percentage of all loans made. 2005 figures are from last year's edition of this report. Five banks: Capital One Financial, Citizen's Financial Group, Washington Mutual, Marshall & Ilsley, and Sovereign are new to this year's analysis, and are therefore not included in this section. Also new to this year's report, and therefore also not included in this section is data on the change in number of loans originated.

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

Percent Change in Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets to All Minorities

Rank	Bank	% SBA Loans Made		% Change
		2006	2005	
1	Citigroup, Inc.	54.7%	44.9%	9.8%
2	Wachovia Corp.	32.9	25.6	7.3
3	SunTrust Banks, Inc.	33.8	27.2	6.6
4	Bank of America, N.A.	44.6	38.7	5.9
5	PNC Financial Services Group	33.4	29.1	4.3
6	Wells Fargo & Co.	27.4	23.2	4.2
7	National City Corp.	15.0	11.0	4.0
8	M&T Bank Corp.	18.5	15.6	2.9
9	Comerica Inc.	33.9	31.2	2.7
10	KeyCorp	15.5	13.9	1.6
11	BB&T Corp.	14.3	13.8	0.5
12	Fifth Third Bancorp	14.5	14.2	0.3
13	J.P. Morgan Chase & Co.	33.0	32.9	0.1
14	U.S. Bancorp	21.3	21.4	-0.1
15	HSBC USA Inc.	40.8	50.0	-9.2

Percent Change in Percent of Loans Made to All Minorities

Rank	Bank	# of SBA Loans Per \$5 Billion in assets		% Change
		2006	2005	
1	KeyCorp	7.24	3.46	52.2%
2	J.P. Morgan Chase & Co.	7.20	3.47	51.8
3	Citigroup, Inc.	1.36	0.68	50.0
4	National City Corp.	11.34	7.05	37.8
5	U.S. Bancorp	23.48	17.84	24.0
6	BB&T Corp.	3.48	2.79	19.8
7	PNC Financial Services Group	38.03	31.11	18.2
8	Wells Fargo & Co.	13.53	11.10	18.0
9	SunTrust Banks, Inc.	3.48	3.02	13.2
10	M&T Bank Corp.	21.32	19.15	10.2
11	Bank of America, N.A.	20.18	18.43	8.7
12	Comerica Inc.	19.52	18.96	2.9
13	Fifth Third Bancorp	3.53	4.02	-13.9
14	Wachovia Corp.	0.44	0.72	-63.6
15	HSBC USA Inc.	5.87	37.81	-544.1

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

Percent Change in Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets to African Americans

Rank	Bank	# of SBA Loans Per	# of SBA Loans Per	% Change
		\$5 Billion in assets	\$5 Billion in assets	
		2006	2005	
1	J.P. Morgan Chase & Co.	1.61	0.68	57.8%
2	Wells Fargo & Co.	2.13	1.40	34.3
3	National City Corp.	2.97	2.12	28.6
4	Citigroup, Inc.	0.15	0.12	20.0
5	Comerica Inc.	3.28	2.63	19.8
6	Bank of America, N.A.	4.62	3.95	14.5
7	PNC Financial Services Group	8.74	7.65	12.5
8	BB&T Corp.	1.59	1.51	5.0
9	SunTrust Banks, Inc.	1.32	1.27	3.8
10	U.S. Bancorp	3.70	3.60	2.7
11	KeyCorp	1.00	1.10	-10.0
12	Wachovia Corp.	0.11	0.21	-90.9
13	M&T Bank Corp.	3.89	7.46	-91.8
14	Fifth Third Bancorp	0.61	1.41	-131.1
15	HSBC USA Inc.	0.54	4.50	-733.3

Percent Change in Percent of Loans Made to African Americans

Rank	Bank	% SBA Loans Made	% SBA Loans Made	% Change
		2006	2005	
1	Bank of America, N.A.	10.2%	8.3%	1.9%
2	Comerica Inc.	5.7	4.3	1.4
3	SunTrust Banks, Inc.	12.9	11.5	1.4
4	Wells Fargo Corp.	4.3	2.9	1.4
5	J.P. Morgan Chase & Co.	7.4	6.5	0.9
6	National City Corp.	3.9	3.3	0.6
7	PNC Financial Services Group	7.7	7.2	0.5
8	Wachovia Corp.	8.1	7.6	0.5
9	U.S. Bancorp	3.4	4.3	-0.9
10	BB&T Corp.	6.5	7.5	-1.0
11	Citigroup, Inc.	6.2	7.6	-1.4
12	HSBC USA Inc.	3.7	5.9	-2.2
13	KeyCorp	2.1	4.4	-2.3
14	Fifth Third Bancorp	2.5	5.0	-2.5
15	M&T Bank Corp.	3.4	6.1	-2.7

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

Percent Change in Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets to Asian Americans

Rank	Bank	# of SBA Loans Per	# of SBA Loans Per	% Change
		\$5 Billion in assets	\$5 Billion in assets	
		2006	2005	
1	KeyCorp	3.91	1.65	57.8%
2	Citigroup, Inc.	0.59	0.28	52.5
3	J.P. Morgan Chase & Co.	2.82	1.46	48.2
4	BB&T Corp.	1.38	0.85	38.4
5	M&T Bank Corp.	11.86	7.83	34.0
6	U.S. Bancorp	11.41	8.09	29.1
7	National City Corp.	3.82	2.74	28.3
8	SunTrust Banks, Inc.	0.80	0.68	15.0
9	PNC Financial Services Group	22.07	19.11	13.4
10	Wells Fargo & Co.	5.24	4.60	12.2
11	Bank of America, N.A.	7.59	7.22	4.9
12	Comerica Inc.	10.89	10.98	-0.8
13	Fifth Third Bancorp	1.46	1.94	-32.9
14	Wachovia Corp.	0.14	0.23	-64.3
15	HSBC USA Inc.	4.28	24.67	-476.4

Percent Change in Percent of Loans Made to Asian Americans

Rank	Bank	% SBA Loans Made	% SBA Loans Made	% Change
		2006	2005	
1	Citigroup, Inc.	23.9%	18.4%	5.5%
2	M&T Bank Corp.	10.3	6.4	3.9
3	Wachovia Corp.	10.7	8.3	2.4
4	KeyCorp	8.4	6.6	1.8
5	SunTrust Banks, Inc.	7.8	6.1	1.7
6	Bank of America, N.A.	16.8	15.2	1.6
7	PNC Financial Services Group	19.4	17.9	1.5
8	BB&T Corp.	5.6	4.2	1.4
9	Wells Fargo Corp.	10.6	9.6	1.0
10	Comerica Inc.	18.9	18.1	0.8
11	National City Corp.	5.1	4.3	0.8
12	U.S. Bancorp	10.4	9.7	0.7
13	Fifth Third Bancorp	6.0	6.9	-0.9
14	J.P. Morgan Chase & Co.	12.9	13.9	-1.0
15	HSBC USA Inc.	29.7	32.6	-2.9

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

Percent Change in Loan-to-Asset Ratio: Number of Loans per \$5 billion in Assets to Latinos

Rank	Bank	# of SBA Loans Per	# of SBA Loans Per	% Change
		\$5 Billion in assets	\$5 Billion in assets	
		2006	2005	
1	KeyCorp	1.59	0.49+	69.2%
2	Fifth Third Bancorp	1.41	0.44	68.8
3	National City Corp.	3.78	1.39	63.2
4	Citigroup, Inc.	0.60	0.27	55.0
5	J.P. Morgan Chase & Co.	2.53	1.24	51.0
6	PNC Financial Services Group	6.11	3.80	37.8
7	M&T Bank Corp.	4.69	3.04	35.2
8	U.S. Bancorp	7.52	5.27	29.9
9	Wells Fargo & Co.	5.63	4.38	22.2
10	SunTrust Banks, Inc.	1.05	0.86	18.1
11	BB&T Corp.	0.43	0.38	11.6
12	Bank of America, N.A.	7.74	6.97	9.9
13	Comerica Inc.	4.84	5.26	-8.7
14	Wachovia Corp.	0.19	0.25	-31.6
15	HSBC USA Inc.	0.97	8.29	-754.6

Percent Change in Percent of Loans Made to Latinos

Rank	Bank	% SBA Loans Made	% SBA Loans Made	% Change
		2006	2005	
1	Citigroup, Inc.	24.0%	17.6%	6.4%
2	Wachovia Corp.	14.1	9.0	5.1
3	Fifth Third Bancorp	5.8	1.5	4.3
4	National City Corp.	5.0	2.2	2.8
5	Bank of America, N.A.	17.1	14.6	2.5
6	SunTrust Banks, Inc.	10.2	7.7	2.5
7	Wells Fargo Corp.	11.4	9.1	2.3
8	PNC Financial Services Group	5.4	3.6	1.8
9	M&T Bank Corp.	4.1	2.5	1.6
10	KeyCorp	3.4	2.0	1.4
11	U.S. Bancorp	6.8	6.3	0.5
12	BB&T Corp.	1.8	1.9	-0.1
13	J.P. Morgan Chase & Co.	11.6	11.8	-0.2
14	Comerica Inc.	8.4	8.7	-0.3
15	HSBC USA Inc.	6.7	11.0	-4.3

DATA AND GRADES FOR SUPPLEMENTAL SBA LENDERS

This year, we decided to include data on four additional banks that are prominent in our home state of California, but that do not fit the asset size and/or SBA loan lending minimums 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	Union Bank of California, Corp.	129	\$52,619,580,000.00
2	Bank of the West	26	55,157,645,000.00
3	East West Bancorp Inc.	23	10,019,569,000.00
4	Cathay General Bancorp	17	7,457,769,000.00

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

Rank	Bank	# of SBA Loans Per		Total Assets
		\$5 Billion in assets	# Loans	
1	Union Bank of California, Corp.	12.26	129	\$52,619,580,000.00
2	East West Bancorp Inc.	11.48	23	10,019,569,000.00
3	Cathay General Bancorp	11.40	17	7,457,769,000.00
4	Bank of the West	2.36	26	55,157,645,000.00

Percentage of All Loans Made: All Minorities

Rank	Bank	% to All Minorities	# to All Minorities	Total SBA Loans
1	Cathay General Bancorp	94.4%	17	18
2	East West Bancorp Inc.	85.2	23	27
3	Bank of the West	37.7	26	69
4	Union Bank of California, Corp.	33.0	129	391

Total Dollar Amount of Loans: All Minorities

Rank	Bank	Total SBA Lending
1	Cathay General Bancorp	\$9,012,400
2	East West Bancorp Inc.	6,104,100
3	Bank of the West	4,653,800
4	Union Bank of California, Corp.	4,637,300

Ranking of Supplemental SBA Lenders in Lending to African Americans

Number of Loans Made: African Americans

Rank	Bank	# Loans	Total Assets
1	Union Bank of California, Corp.	11	\$52,619,580,000.00
2	East West Bancorp Inc.	1	10,019,569,000.00
3	Cathay General Bancorp	0	7,457,769,000.00
4	Bank of the West	0	55,157,645,000.00

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

Rank	Bank	# of SBA Loans Per		Total Assets
		\$5 Billion in assets	# Loans	
1	Union Bank of California, Corp.	1.05	11	\$52,619,580,000.00
2	East West Bancorp Inc.	0.50	1	10,019,569,000.00
3	Cathay General Bancorp	0.00	0	7,457,769,000.00
4	Bank of the West	0.00	0	55,157,645,000.00

Percentage of All Loans Made: African Americans

Rank	Bank	% to African Americans	# to African Americans	Total SBA Loans
1	East West Bancorp Inc.	3.7%	1	27
2	Union Bank of California, Corp.	2.8	11	391
3	Cathay General Bancorp	0.0	0	18
4	Bank of the West	0.0	0	69

Total Dollar Amount of Loans: African Americans

Rank	Bank	Total SBA Lending
1	Union Bank of California, Corp.	\$220,000
2	East West Bancorp Inc.	154,500
3	Cathay General Bancorp	0
4	Bank of the West	0

Ranking of Supplemental SBA Lenders in Lending to Asian Americans

Number of Loans Made: Asian Americans

Rank	Bank	# Loans	Total Assets
1	Union Bank of California, Corp.	44	\$52,619,580,000.00
2	East West Bancorp Inc.	20	10,019,569,000.00
3	Cathay General Bancorp	17	7,457,769,000.00
4	Bank of the West	10	55,157,645,000.00

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

Rank	Bank	# of SBA Loans Per		Total Assets
		\$5 Billion in assets	# Loans	
1	Cathay General Bancorp	11.40	17	\$7,457,769,000.00
2	East West Bancorp Inc.	9.98	20	10,019,569,000.00
3	Union Bank of California, Corp.	4.18	44	52,619,580,000.00
4	Bank of the West	0.91	10	55,157,645,000.00

Percentage of All Loans Made: Asian Americans

Rank	Bank	% to Asian Americans	# to Asian Americans	Total SBA Loans
1	Cathay General Bancorp	94.4%	17	18
2	East West Bancorp Inc.	74.1	20	27
3	Bank of the West	14.5	10	69
4	Union Bank of California, Corp.	11.3	44	391

Total Dollar Amount of Loans: Asian Americans

Rank	Bank	Total SBA Lending
1	Cathay General Bancorp	\$9,012,400
2	East West Bancorp Inc.	5,499,600
3	Bank of the West	2,657,000
4	Union Bank of California, Corp.	1,261,300

Ranking of Supplemental SBA Lenders in Lending to Latinos

Number of Loans Made: Latinos

Rank	Bank	# Loans	Total Assets
1	Union Bank of California, Corp.	69	\$52,619,580,000.00
2	Bank of the West	16	55,157,645,000.00
3	East West Bancorp Inc.	2	10,019,569,000.00
4	Cathay General Bancorp	0	7,457,769,000.00

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

Rank	Bank	# of SBA Loans Per		Total Assets
		\$5 Billion in assets	# Loans	
1	Union Bank of California, Corp.	6.56	69	\$52,619,580,000.00
2	Bank of the West	1.45	16	55,157,645,000.00
3	East West Bancorp Inc.	1.00	2	10,019,569,000.00
4	Cathay General Bancorp	0.00	0	7,457,769,000.00

Percentage of All Loans Made: Latinos

Rank	Bank	% to Latinos	# to Latinos	Total SBA Loans
1	Bank of the West	23.2%	16	69
2	Union Bank of California, Corp.	17.6	69	391
3	East West Bancorp Inc.	7.4	2	27
4	Cathay General Bancorp	0.0	0	18

Total Dollar Amount of Loans: Latinos

Rank	Bank	Total SBA Lending
1	Union Bank of California, Corp.	\$2,949,000
2	Bank of the West	1,996,800
3	East West Bancorp Inc.	450,000
4	Cathay General Bancorp	0

REFERENCES

All fiscal year 2006 SBA lending data was acquired through a Freedom of Information Act (FOIA) request to the Small Business Administration.

Data on the asset size of the financial institutions was gathered from the American Banker at: <http://www.americanbanker.com/rankingthebanks.html>, unless it was unavailable. Accessed March 15, 2007.

Asset size figure for the Bank of the West is from its "Annual Report 2005." Accessed March 15, 2007.

Asset size figure for Union Bank of California is from Google Financial. Accessed March 15, 2007.