ECONOMIC UPDATE

REGIONS

October 2017

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2016 Mortgage Loan Originations: Regions Footprint

The Home Mortgage Disclosure Act of 1975 (HMDA) requires most mortgage lending institutions with offices located in metropolitan areas to publicly disclose detailed information about their home lending activity on an annual basis. The HMDA data include the type, purpose, and characteristics of each residential mortgage loan lenders originate each year as well as data on the disposition of each loan application. In addition, the HMDA data include demographic information on loan applicants as well as geographic detail down to the Census tract level. The main purpose of the Home Mortgage Disclosure Act is to help regulators, policy makers, and the general public determine whether financial institutions are serving the housing needs of their communities, treating all borrowers/loan applicants fairly, and evaluating applications with consistent standards. For our purposes, the HMDA data provide rich detail about mortgage lending with geographic detail, thus enabling us to assess patterns over time in a given geography and compare patterns across individual geographies. As such, the HMDA data are valuable in terms of both public policy and academic/professional research, and the data are of particular interest given that mortgage debt is far and away the single largest component of total household debt.

The drawback, however, is that the data come with a considerable lag, and the Federal Financial Institutions Examination Council has only recently released data for 2016. But, that the data come with such a lag does not diminish the value of the insights provided, particularly on the metro area level. In what follows, we look at patterns in mortgage originations for both the U.S. as a whole and the Regions footprint. Rather than aggregating state-level data for the 15 states that comprise the Regions footprint, we have instead compiled the data for the group of 103 in-footprint Metropolitan Statistical Areas for which we routinely track and update economic and demographic data. We think this is a more valuable reflection of trends in the footprint Regions actually operates in than aggregating the state-level data that includes areas in which Regions does not have a presence. It is also worth noting that the 2016 HMDA reflect mortgage lending transactions at 6,762 financial institutions, banks and non-bank lenders, covered by the Home Mortgage Disclosure Act. While not the entire universe of mortgage loan providers, this nonetheless captures a significant majority of all residential mortgage transactions. Finally, our interest here is reporting on broad trends in mortgage lending rather than assessing lending practices.

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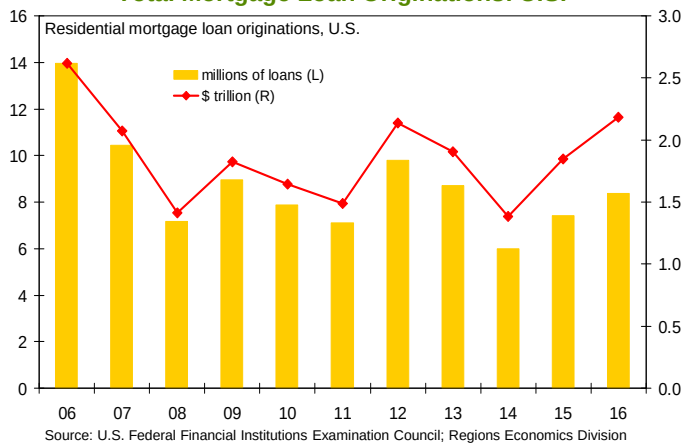
Total Mortgage Loan Originations: U.S.



Source: U.S. Federal Financial Institutions Examination Council; Regions Economics Division

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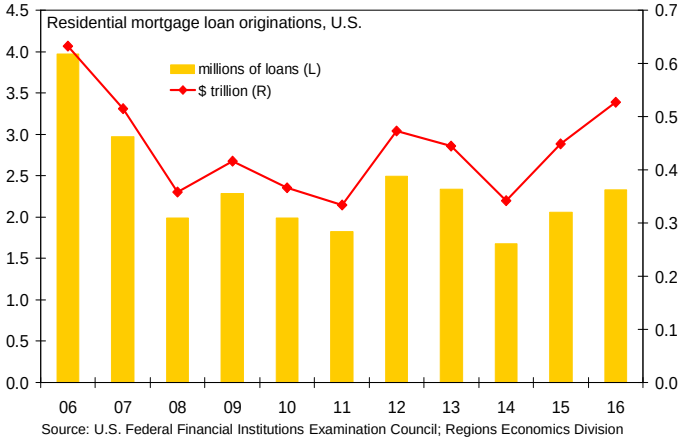
Total Mortgage Loan Originations: Regions Footprint



Source: U.S. Federal Financial Institutions Examination Council; Regions Economics Division

The above charts show annual residential mortgage originations for the U.S. as a whole and the Regions footprint. The data cover purchase mortgage originations for all types of residential properties (single family, multi-family, or, condo, and manufactured housing), mortgage refinancings, and home improvement loans. As seen in the charts, patterns in the Regions footprint are virtually identical to those for the U.S. as a whole. The sharp drop-off in residential mortgage originations reflects the housing market bust that came hand-in-hand with the 2007-09 recession, while the subsequent recovery proceeded in fits and starts, which reflects swings in the underlying details on purchase mortgage loans and mortgage refinancings. One thing that stands out is that, for both the U.S. as a whole and the Regions footprint, mortgage lending activity in 2014 fell below the level seen in 2008, i.e., the depths of the recession.

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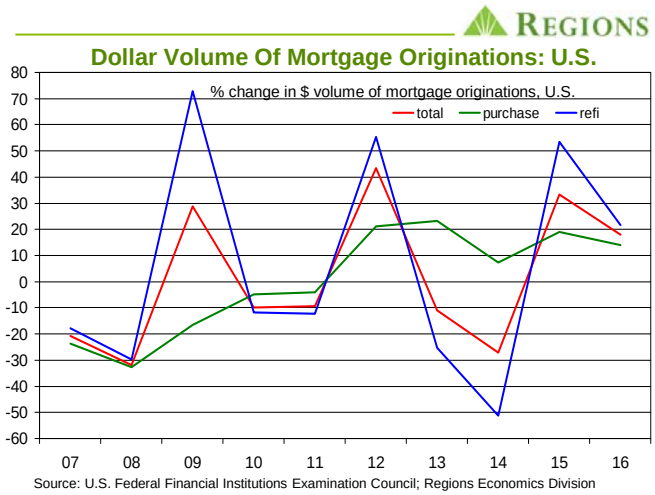
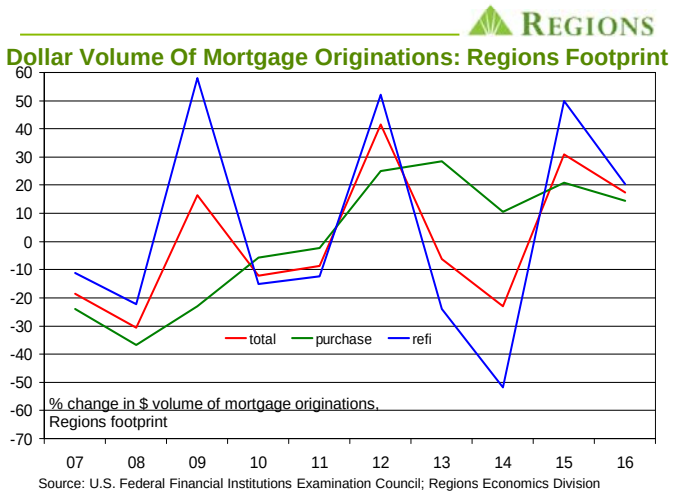
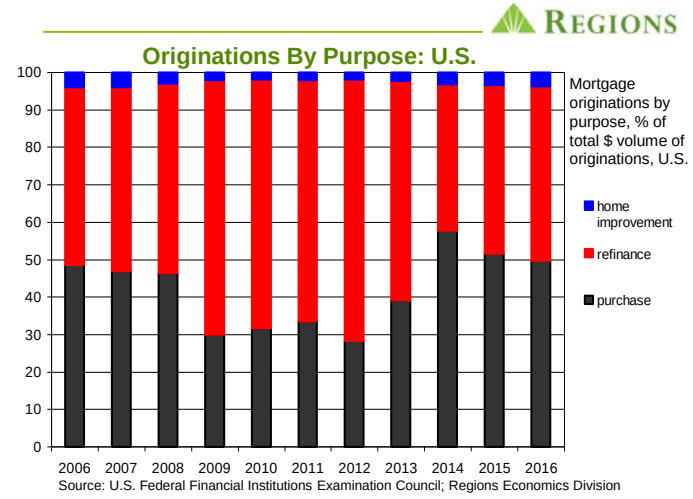
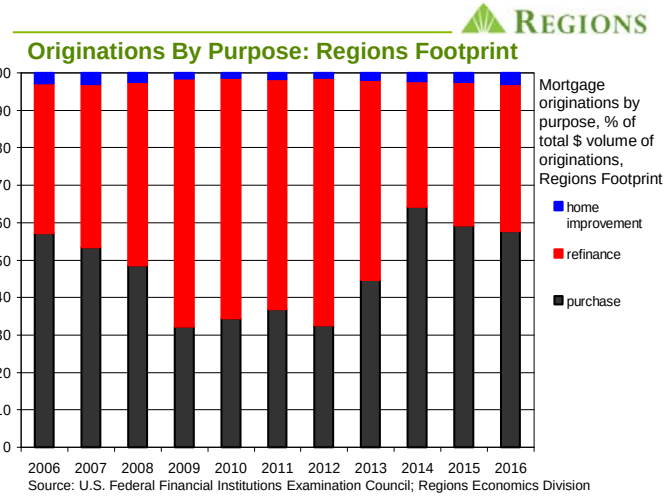
As a side note, while the broad HMDA data go back longer, our analysis starts with the 2006 data. Sure, we know it's never good to come in at the top of a cycle, as it were, but the reality is that over the years reporting requirements under HMDA have changed, in terms of the institutions required to report and the scope of the data available at sub-national geographies. It is only with a 2006 starting point that we feel comfortable making meaningful comparisons across time and geographies. As noted above, the fits and starts in overall mortgage loan originations reflect swings in the various components, most notably in mortgage refinancings. Obviously, mortgage refinancings are sensitive to patterns in mortgage interest rates, and the post-recession years have presented multiple opportunities for borrowers to refinance their mortgage loans at lower interest rates. For instance, in mid-July 2008 the interest rate on a 30-year fixed rate mortgage loan stood at 6.63 percent, but from then on mortgage interest rates began falling, to the point they were below 3.50 for much of the time between mid-2012 and mid-2013. To be sure, it was by no means a straight line downward, with brief bouts of rising rates, but each time one of these bouts ended, mortgage refinancing activity picked up considerably. With mortgage rates rising above 4.50 percent over the latter half of 2013 and remaining above 4.0 percent for most of 2014, refinancing activity slowed dramatically in 2014, to the point it pulled down overall mortgage originations despite increased purchase mortgage originations.

Refinancing activity in the post-recession years was also influenced by the Home Affordable Refinance Program, a clunky name that only a bureaucrat could love but which nonetheless yields a cool acronym – HARP. The first iteration of HARP was introduced in 2009 to help underwater and near-underwater homeowners refinance their mortgage loans (HARP is not to be confused with HAMP, which was aimed at those homeowners on the verge of foreclosure). There have subsequently been various refinements/iterations of the original HARP, which will survive through year-end 2018 though its bigger effects on refinancing activity came in its earlier years of existence. The broader point is that HARP has been another factor helping drive refinancing activity in the post-recession years. As seen in the charts below, patterns in mortgage originations have been similar nationally and within the Regions footprint.



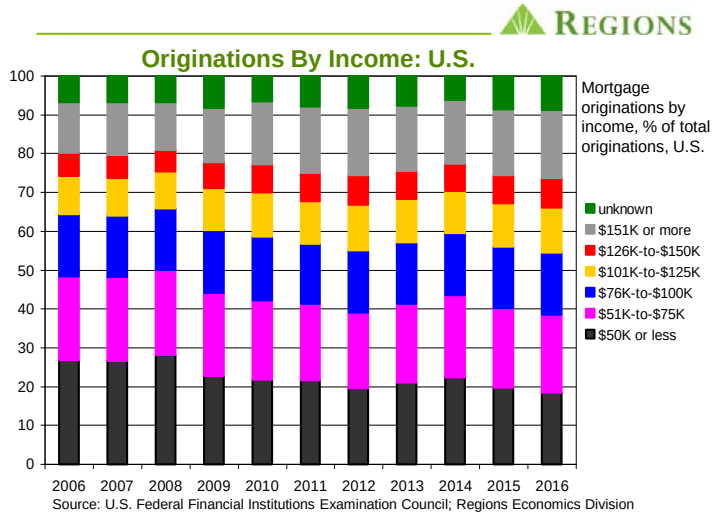


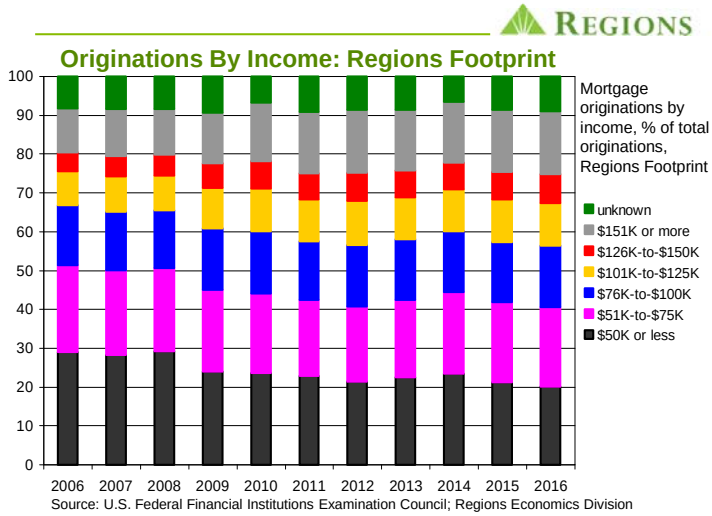




The last two charts on the prior page show the share of mortgage loan originations accounted for by purchase mortgage loans, mortgage refinancing loans, and home improvement loans for each year from 2006 through 2016 based on the dollar volume of originations. While we've opted to show the data on the dollar volume of loans, the data on the number of loans originated would exhibit similar patterns, with one notable difference being that home improvement loans account for a higher share of activity on a number of loans basis than on a dollar volume basis, i.e., the average home improvement loan is relatively small. In 2016, purchase mortgage loans accounted for 49.69 percent of all mortgage loan originations nationally on a dollar volume basis, and for 57.79 percent of all mortgage loan originations in the Regions footprint. Over this time period the peak share of purchase mortgage loans came in 2014, when refinancing activity plummeted, as shown above. Oddly enough, the purchase mortgage share of total originations in 2016 was right in line with the share in 2006. Kind of a long strange trip to end up in virtually the same place. In any event, at 69.44 percent, the Lakeland-Winter Haven, FL MSA had the highest purchase mortgage share of total originations of any of the in-footprint metro areas, countered by the 42.14 percent share in Albany, GA MSA, the lowest of any of the in-footprint metro areas.

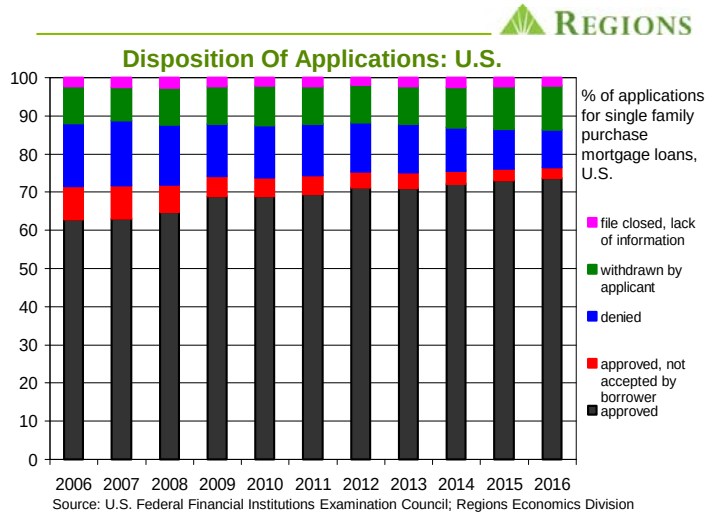
Despite purchase mortgage loans accounting for a nearly identical share of all mortgage originations in 2016 as was the case in 2006, clearly many things have changed in the mortgage market. Obviously, sub-prime lending is not nearly as prevalent today as it was in the pre-recession years. Unfortunately, we no longer get a direct observation on that in the HMDA data. For several years, the HMDA data reported sub-prime originations, which were based on the lenders of record, but that designation was dropped a few years ago. While some infer sub-prime status on the basis of the loan pricing (the contract interest rate) information contained in the HMDA records, we think this a far less than perfect approach, hence we make no such calls. It is worth noting, however, that in the Federal Reserve's quarterly survey of senior commercial bank loan officers, very few banks claim to make sub-prime loans, so virtually all sub-prime loans are originated by non-bank lenders. The HMDA data do contain information on income level of borrowers, and while one should be careful to avoid automatically assuming lower income borrowers are all sub-prime borrowers, it is nonetheless striking the extent to which mortgage originations (for all purposes) have become more concentrated in the higher income buckets in the post-recession years.



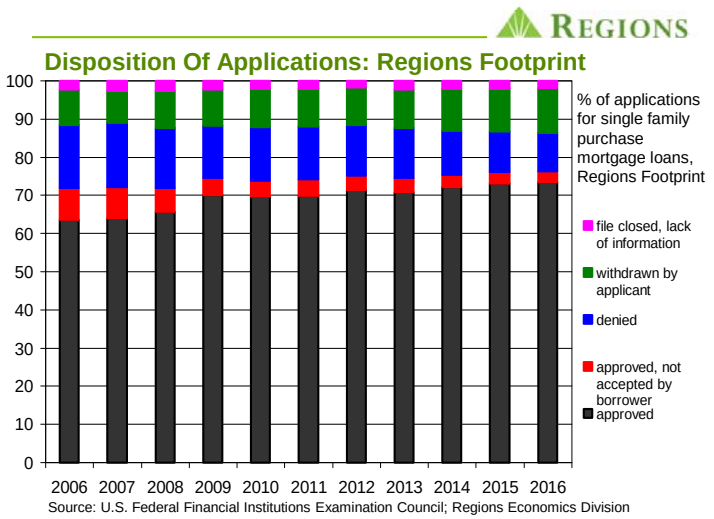


For the U.S. as a whole, borrowers with income of $75,000 or less accounted for 48.37 percent of all mortgage originations in 2006, with that share peaking at 50.17 percent in 2008 before drifting lower and hitting 38.49 percent in 2016. For those loans originated within the Regions footprint, borrowers with income of $75,000 or less accounted for 51.44 percent of all originations in 2006 and 40.62 percent of all originations in 2016. Obviously, when it comes to mortgage lending, income levels have to be considered in the context of the level of house prices, i.e., it would make sense that in those markets in which house prices are relatively low, income thresholds for loan approvals would be correspondingly lower while those income thresholds would be much higher in those markets in which homes are more expensive. Indeed, in looking at the group of in-footprint metro areas this relationship holds as expected, i.e., lower priced markets see lower income borrowers account for higher shares of total mortgage originations. But, this does not mean that more stringent lending standards have not also played a role. What we consistently observe across markets, regardless of the relative level of house prices, is that lower income borrowers account for a lower share of mortgage originations today than was the case in 2006. It would figure that what have been more stringent lending standards in the post-recession years have played at least some part in the shift in the income profile of borrowers. It is also worth noting that, at least based on the Federal Reserve's quarterly survey of loan officers, lending standards on mortgage loans began to ease in late-2015/early-2016 (depending on the classification of the loans). As such, it is likely

the 2016 origination data do not fully capture what has since been a continued gradual easing of lending standards, so it will be interesting to see whether, or to what extent, the income profile of borrowers shifts in the 2017 data.



Source: U.S. Federal Financial Institutions Examination Council; Regions Economics Division



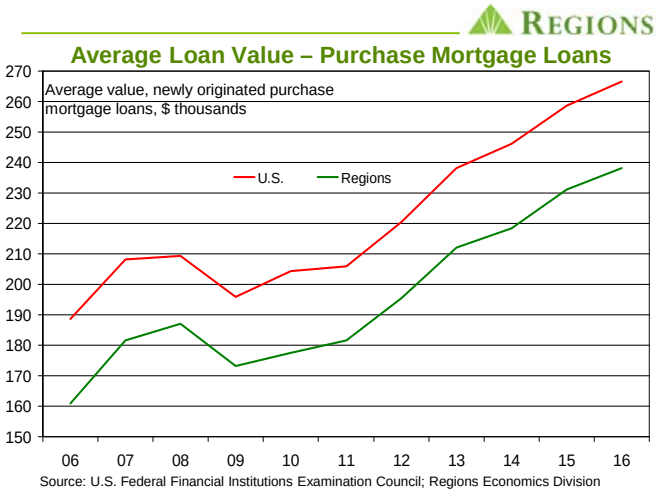
Source: U.S. Federal Financial Institutions Examination Council; Regions Economics Division

Along these lines, we thought it of interest to look at the HMDA data on the disposition of applications for mortgage loans, which we summarize in the two charts above which present data for single family purchase mortgage loans. Nationally, there were 5.373 million applications for single family purchase mortgage loans submitted in 2016, of which 76.53 percent were accepted and 9.82 percent were denied by the lending institution. An additional 11.61 percent of all applications were withdrawn by the applicant, and 2.04 percent of application files were closed due to the applicant failing to provide complete documentation. Of those applications that were approved, roughly 158,000 (or, 2.93 percent of the total number filed) did not result in a loan being originated as the applicants opted not to accept the loan. Within the Regions footprint, of the roughly 1.703 million applications for single family purchase mortgage loans filed in 2016, 76.41 percent were approved (though 49,820 of these applicants did not ultimately accept the loan), 10.01 percent were denied, 11.70 percent were withdrawn by the applicant, and 1.88 percent resulted in files being closed due to incomplete information.

What is interesting in the above charts is that denial rates were much higher in 2006, with 16.43 percent of all applications filed nationally denied and 16.41 percent within the Regions footprint denied. This may seem counterintuitive – after all, who doesn't remember the line from back in the day that anyone who could fog a mirror could get a mortgage loan, with little or no documentation, while underwriting standards have been notably stringent for much of time in the post-recession years. This is one instance in which a longer history would provide some valuable perspective, as 2006 was basically the top (or in some markets slightly past the top) of the housing "boom," so it would be helpful to have information of the disposition of applications leading up to that point. As it is, the data also show that in 2006 a higher share of all applications, both nationally and within the footprint, were closed due to the borrower failing to provide complete documentation than was the case in 2016. It could be, however that there is a high degree of selection bias in application patterns in the post-recession years, i.e., the applicant pool likely has been more skewed towards those with higher incomes and credit scores who come to the process well aware of more stringent documentation requirements, which would account for lower denial rates and a lower incidence of application files being closed due to incomplete information.

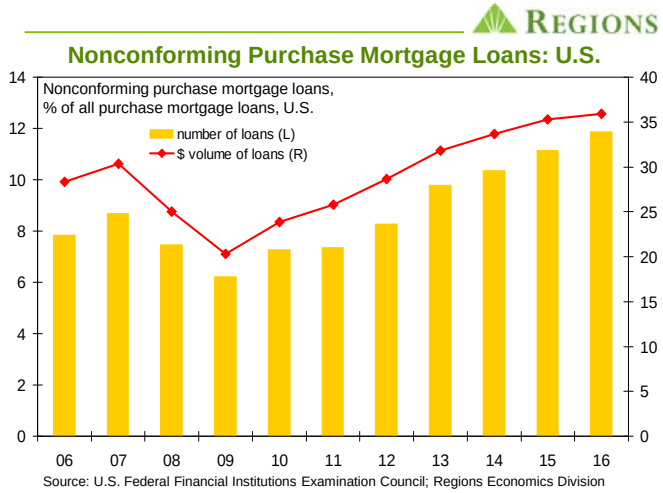
Another interesting element of the data is that in the 2006-08 period applicants walked away from approved loans at a much higher rate than has been the case in the post-recession years. For instance, in both 2006 and 2007, 8.79 percent of approved applications did not ultimately result in a loan being originated due to the prospective borrower walking away (in the footprint, these shares were 8.32 percent and 8.18 percent, respectively). Keep in mind the number of applications filed and approved was significantly greater both nationally and within the Regions footprint in 2006 and 2007 than was the case in 2016. Again, a longer history would be helpful here, but it could be that prospective borrowers walked away in 2006, sensing the market was at or past its top and, hence, were unwilling to commit to a loan based on an asset that would be declining in value. Alternatively, at least in 2007, with economic conditions deteriorating ahead of the "official" start of the recession in Q4 of that year, it could be that prospective borrowers walked away because they were increasingly unsure about their own prospects, and therefore unwilling to commit to a loan even though they had been approved.

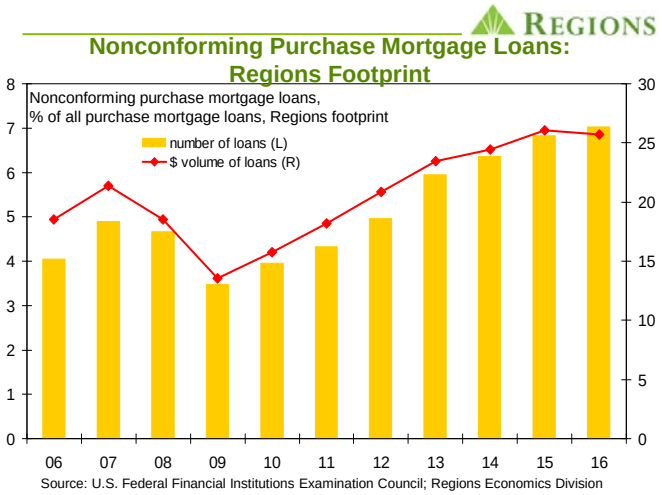
Returning to the earlier discussion about how rapidly rising home prices in many markets have impacted the distribution of mortgage loans across income groups, the following chart shows the growth in average loan size for newly originated purchase mortgage loans, nationally and within the Regions footprint. As of 2016, the average loan size on a purchase mortgage loan (for all types of properties,



i.e., single family, multi-family, or manufactured housing) stood at $266,632 nationally and $238,227 within the Regions footprint, both easily the highest in the 11-year span of HMDA data we accessed. Average loan size dipped in 2009 as would be expected given the decline in house prices, but nonetheless loan size was higher than in 2006. It is also worth noting that average loan size increased in both 2010 and 2011 even though house prices didn't bottom until in early 2011 (March based on the CoreLogic House Price Index, April based on the FHFA House Price Index). The repeat sales price indexes captured sales of distressed properties, many of which were purchased by investors at heavily discounted prices, often with cash, so there would have been no mortgage loan associated with these purchases, and this could also account for average loan sizes on purchase mortgage loans rising at a faster pace than the various HPI measures in 2011 and 2012. Within the Regions footprint, the largest average purchase loan size in 2016 was the $378,431 in the Miami, FL Metropolitan Division and the lowest was the $109,503 in the Decatur, IL MSA.

Reflecting the rapid price appreciation seen in many markets, originations of nonconforming purchase mortgage loans have risen steadily over the past several years. For the U.S. as a whole, nonconforming loans accounted for 11.86 of the number of single family purchase mortgage loans originated in 2016, while in the Regions footprint this share was 7.03 percent. As would be expected, however, when looked at on the basis of the dollar volume of loans, these shares are substantially higher. Nonconforming loans accounted for 35.89 percent of the dollar volume of all single family purchase mortgage loans originated in the U.S. in 2016, while in the Regions footprint this share stood at 25.70 percent. Within the Regions footprint, the highest share (on a dollar volume basis) in 2016 was 49.58 percent, in the Naples, FL MSA. What is more notable, however, is the extent to which the incidence of nonconforming loans has risen in markets, such as the large Texas metro areas, Nashville, and Atlanta, amongst others, that have seen rapid price appreciation over recent years. For instance, in Austin nonconforming loans accounted for 3.00 percent of all single family purchase mortgage loans in 2006, on a number of loans basis, but in 2016 this share was 11.28 percent; in terms of the dollar volume of loans, the growth is more striking, rising from 16.22 percent in 2006 to 32.94 percent in 2016. One worry is that those markets that have seen the most rapid growth in house prices over recent years are more vulnerable to the housing market being cooled by a significant increase in mortgage interest rates.





The HMDA data offer a useful view of trends in mortgage finance, particularly on the metro area level. We suspect the 2017 data will show so-so growth in the number of purchase mortgage originations but much more rapid growth in the dollar volume of originations, with little growth in mortgage refinancings. The former will reflect continued rapid price appreciation and supply-side constraints that are holding down sales volumes of both new and existing homes, while the latter will reflect patterns in mortgage interest rates. There is considerably more detail in the HMDA data than we can possibly present here but, as always, we are happy to drill down further into a particular metro area should there be interest.

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Economics Division

	Total Mortgage Originations* Annual Percentage Change				Approval Rate,	2016 Average Purchase Loan	2016 Nonconforming Loan Share,
	2013	2014	2015	2016	2016**	Size, $	% of total***
Deltona-Daytona Beach-Ormond Beach, FL	0.42	-23.70	36.31	29.82	73.00	$190,835	15.80
Gainesville, FL	17.24	-34.35	28.99	26.91	71.35	$223,707	28.30
Jacksonville, FL	2.10	-22.94	25.56	23.66	73.70	$221,766	20.02
Ocala, FL	0.49	-28.60	51.78	7.68	70.08	$145,632	8.46
Palm Bay-Melbourne-Titusville, FL	-3.33	-25.82	38.17	25.81	73.79	$197,502	15.53
Tallahassee, FL	-5.31	-19.40	5.24	25.59	75.33	$214,783	21.23
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL	5.17	-20.15	36.63	28.12	69.44	$339,448	39.73
Miami-Miami Beach-Kendall, FL	9.05	-18.38	31.37	20.31	66.92	$378,431	45.87
Orlando-Kissimmee-Sanford, FL	-0.10	-12.94	30.54	19.28	72.07	$245,316	21.06
West Palm Beach-Boca Raton-Delray Beach, FL	1.69	-14.65	33.12	20.65	72.45	$327,670	40.17
Cape Coral-Fort Myers, FL	-1.13	-19.22	45.58	14.72	74.40	$230,027	22.16
Lakeland-Winter Haven, FL	1.92	-5.05	18.71	32.89	72.50	$173,614	9.66
Naples-Immokalee-Marco Island, FL	9.63	-16.36	35.24	5.24	74.30	$369,677	49.58
North Port-Sarasota-Bradenton, FL	3.82	-17.20	35.52	20.02	75.36	$266,428	27.54
Punta Gorda, FL	-3.78	-24.04	55.41	20.81	74.30	$182,337	10.66
Tampa-St. Petersburg-Clearwater, FL	2.43	-23.46	41.97	24.69	73.13	$237,927	25.90
Albany, GA	-0.48	-26.54	4.40	12.08	73.80	$142,308	7.78
Athens-Clarke County, GA	-2.15	-26.35	38.67	6.72	80.96	$203,323	18.99
Atlanta-Sandy Springs-Roswell, GA	-5.75	-23.83	40.70	22.18	73.26	$260,311	28.32
Augusta-Richmond County, GA-SC	-6.67	-23.45	29.43	14.82	79.27	$188,272	11.39
Charleston-North Charleston, SC	1.32	-21.05	40.09	16.69	77.76	$274,237	31.46
Columbia, SC	-7.77	-27.57	23.83	27.33	74.79	$199,643	18.30
Columbus, GA-AL	-10.84	-31.40	26.12	4.15	77.53	$187,948	15.25
Dalton, GA	-6.96	-32.83	19.57	33.80	72.84	$137,982	7.07
Gainesville, GA	-5.31	-16.88	44.74	17.89	76.52	$225,146	19.61
Greenville-Anderson-Mauldin, SC	-7.70	-23.86	32.92	22.10	80.12	$209,288	20.20
Macon-Bibb County, GA	-6.53	-30.10	36.91	-6.08	72.77	$159,140	12.55
Rome, GA	-1.04	-30.14	12.50	24.85	73.31	$141,289	6.88
Savannah, GA	0.76	-25.55	30.87	5.26	77.43	$229,601	20.47
Spartanburg, SC	-1.83	-24.08	38.15	15.43	78.17	$160,853	6.02
Valdosta, GA	-4.41	-27.14	21.16	1.26	80.72	$160,997	12.00
Warner Robins, GA	-4.43	-27.76	25.02	16.90	79.14	$169,505	8.25
Charlotte-Concord-Gastonia, NC-SC	-4.43	-23.27	37.96	20.18	77.35	$244,740	26.48

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	2013	2014	2015	2016	2016**	Size, $	% of total***
Chattanooga, TN-GA	-6.12	-20.24	20.45	17.27	78.36	$194,246	16.50
Cleveland, TN	-2.31	-30.06	26.41	4.78	80.07	$153,482	2.88
Johnson City, TN	-2.32	-31.61	30.01	18.95	79.04	$169,425	14.85
Kingsport-Bristol-Bristol, TN-VA	-4.78	-25.03	26.90	6.93	75.61	$146,059	10.32
Knoxville, TN	-9.33	-25.91	29.22	16.39	79.98	$189,014	14.99
Morristown, TN	-6.50	-12.35	15.81	9.22	77.76	$145,322	7.02
Raleigh, NC	-9.50	-26.37	30.52	18.30	79.52	$251,918	20.54
Richmond, VA	-8.83	-32.95	34.81	16.44	79.76	$239,996	20.27
Wilmington, NC	-6.60	-16.56	39.96	14.86	79.00	$255,272	26.86
Fayetteville-Springdale-Rogers, AR-MO	-7.82	-25.90	34.57	12.18	80.40	$190,904	14.53
Fort Smith, AR-OK	-6.37	-23.66	17.95	13.56	80.97	$138,700	12.30
Hot Springs, AR	-10.78	-28.59	10.11	16.51	78.53	$154,065	13.51
Jonesboro, AR	-6.82	-18.17	3.03	17.18	81.78	$167,002	19.54
Little Rock-North Little Rock-Conway, AR	-13.80	-27.06	15.59	15.60	79.76	$176,536	14.74
Alexandria, LA	-3.84	-19.77	11.74	9.37	79.40	$168,791	13.36
Longview, TX	11.64	-17.38	9.48	2.70	75.21	$149,219	8.41
Monroe, LA	-9.66	-14.99	16.98	0.54	76.97	$168,303	10.10
Shreveport-Bossier City, LA	-20.10	-21.37	18.11	13.84	78.64	$179,081	8.24
Texarkana, TX-AR	2.50	-21.18	15.54	1.92	80.28	$134,428	12.89
Tyler, TX	-7.88	-6.68	12.94	3.16	80.14	$179,824	13.98
Bloomington, IN	-26.03	-27.16	36.48	6.51	81.48	$201,312	22.79
Bloomington, IL	-26.53	-33.12	27.34	15.89	88.34	$184,170	20.59
Champaign-Urbana, IL	-29.25	-21.97	20.07	10.05	86.36	$172,616	18.59
Chicago-Naperville-Elgin, IL-IN-WI	-17.03	-30.44	35.23	15.91	76.94	$265,021	32.45
Decatur, IL	-32.52	-26.66	5.63	7.82	87.18	$109,503	4.38
Evansville, IN-KY	-18.19	-25.51	28.57	16.98	83.99	$144,035	7.44
Indianapolis-Carmel-Anderson, IN	-19.22	-26.69	31.21	14.44	79.92	$193,204	16.16
Kokomo, IN	-20.51	-38.94	60.00	3.09	81.17	$109,982	2.01
Lafayette-West Lafayette, IN	8.54	-42.92	26.47	7.65	79.14	$167,081	13.07
Louisville/Jefferson County, KY-IN	-13.46	-29.05	31.79	17.59	79.54	$186,254	15.12
Peoria, IL	-23.96	-26.95	26.89	-4.86	86.92	$141,502	6.84
Springfield, IL	-47.36	-26.79	32.73	5.99	90.24	$141,018	5.92
Terre Haute, IN	-11.26	-33.55	36.83	4.13	80.23	$112,196	3.17

REGIONS
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	Total Mortgage Originations* Annual Percentage Change				Approval Rate,	2016 Average Purchase Loan	2016 Nonconforming Loan Share,
	2013	2014	2015	2016	2016**	Size, $	% of total***
Austin-Round Rock, TX	0.02	-16.87	27.95	17.71	75.49	$303,742	32.94
Dallas-Plano-Irving, TX	0.70	-16.50	31.14	20.68	76.12	$289,454	31.65
Fort Worth-Arlington, TX	4.13	-16.10	31.22	15.41	77.06	$227,702	21.29
Houston-The Woodlands-Sugar Land, TX	11.65	-13.50	16.63	9.61	74.40	$262,700	28.16
Cedar Rapids, IA	-14.10	-26.79	20.98	19.37	88.02	$127,711	6.40
Columbia, MO	-18.89	-20.56	17.54	13.25	79.66	$211,134	20.67
Des Moines-West Des Moines, IA	-14.38	-30.97	40.62	25.77	84.85	$207,450	18.68
Iowa City, IA	-5.40	-30.49	23.68	12.22	90.39	$180,123	21.98
Jefferson City, MO	-28.33	-28.91	20.49	14.88	79.82	$136,646	2.84
Springfield, MO	-12.14	-25.50	20.81	15.67	83.53	$158,157	13.14
St. Louis, MO-IL	-21.68	-31.54	35.28	16.77	79.87	$199,524	20.29
Waterloo-Cedar Falls, IA	-18.63	-23.63	29.01	5.34	86.84	$132,364	11.71
Clarksville, TN-KY	-17.39	-14.03	13.93	18.60	81.36	$169,047	3.57
Nashville-Davidson--Murfreesboro--Franklin, TN	-4.48	-15.91	39.41	17.18	79.25	$258,975	25.75
Jackson, TN	-5.50	-24.57	30.01	-6.50	81.27	$132,684	4.60
Memphis, TN-MS-AR	-8.02	-27.98	22.60	21.52	80.71	$198,040	18.62
Auburn-Opelika, AL	-12.77	-23.87	20.80	15.16	83.16	$204,394	15.99
Dothan, AL	-2.57	-29.34	4.74	31.68	79.30	$147,352	6.37
Montgomery, AL	-4.72	-31.63	20.45	13.03	77.86	$169,155	9.49
Decatur, AL	-10.68	-29.54	13.46	14.04	72.73	$133,714	3.99
Florence-Muscle Shoals, AL	-9.50	13.91	-17.32	2.60	84.21	$137,287	8.15
Huntsville, AL	-16.30	-36.85	29.00	26.89	78.61	$189,694	11.89
Anniston-Oxford-Jacksonville, AL	3.67	-37.25	19.69	15.39	79.28	$119,440	5.65
Birmingham-Hoover, AL	-5.29	-27.59	27.94	13.58	78.06	$203,269	18.42
Gadsden, AL	-12.06	-25.30	14.52	19.16	77.69	$127,151	4.65
Tuscaloosa, AL	-6.81	-19.35	5.59	5.84	79.82	$174,840	13.76
Crestview-Fort Walton Beach-Destin, FL	2.51	-20.29	30.31	15.07	76.54	$304,509	41.19
Mobile, AL	9.75	-39.06	39.07	9.90	75.25	$158,134	8.87
Panama City, FL	13.45	-19.90	14.62	13.92	72.77	$209,091	16.09
Pensacola-Ferry Pass-Brent, FL	3.18	-26.44	23.67	23.68	78.49	$192,478	11.10
Baton Rouge, LA	-13.21	-20.18	22.99	6.22	77.25	$214,412	17.87
Houma-Thibodaux, LA	-8.17	-19.82	10.85	-0.35	79.73	$182,420	10.62
Lafayette, LA	1.01	-6.49	17.46	-3.74	78.65	$175,636	8.81

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	Total Mortgage Originations* Annual Percentage Change				Approval Rate,	2016 Average Purchase Loan	2016 Nonconforming Loan Share,
	2013	2014	2015	2016	2016**	Size, $	% of total***
New Orleans-Metairie, LA	-0.05	-26.28	28.27	14.40	75.90	$236,807	24.62
Gulfport-Biloxi-Pascagoula, MS	2.28	-24.25	26.43	21.44	76.55	$165,219	11.59
Hattiesburg, MS	-3.74	-26.28	17.92	6.82	76.85	$161,849	11.19
Jackson, MS	-9.03	-22.66	15.24	11.63	78.22	$184,815	13.45
REGIONS FOOTPRINT	-6.19	-22.96	31.05	17.39	76.41	$238,277	25.70
United States	-10.87	-27.16	33.28	18.03	76.53	$266,632	35.89

Notes:
* Dollar volume of residential mortgage originations
** Percentage of single family purchase mortgage loan applications approved; includes those approvals that did not ultimately result in a loan being originated
*** % of dollar volume of purchase mortgage loan originations

SOURCE: U.S. Federal Financial Institutions Examination Council; Regions Economics Division