



DETAILED MARKET REPORT: ATLANTA, GA MSA

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.



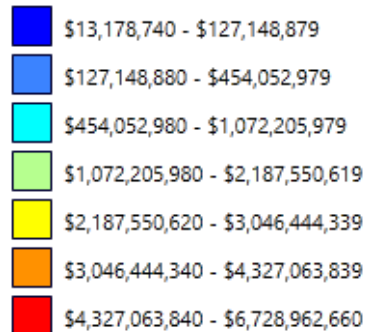
Disclaimer

iEmergent is firmly dedicated to promoting fair and responsible mortgage lending. iEmergent's mortgage opportunity forecasting products and services are designed and intended to be used by iEmergent's clients to advance the goals of fair and responsible lending and helping to meet the mortgage credit needs of all segments of the communities in which iEmergent's clients operate. iEmergent's mortgage opportunity forecasting products and services do not displace, abridge, or otherwise alter in any manner requirements imposed by federal and state fair lending laws and the Community Reinvestment Act, including obligations to market, accept applications, and originate loans in all portions of an institution's market area and/or assessment area without regard to race, national origin or any other prohibited factor.

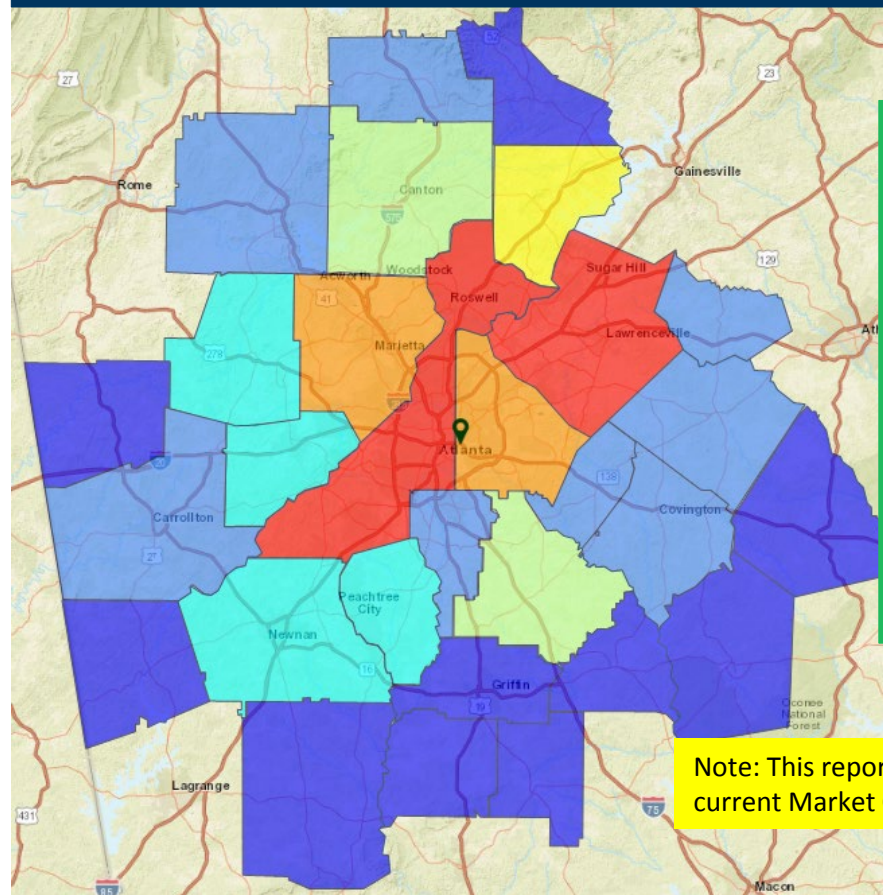
The Atlanta MSA contains 29 counties, which will generate just under \$28.9 Billion of purchase originations in 2018. Of the 917 CBSAs (Metropolitan and Micropolitan Statistical Areas), Atlanta is the 4th largest in purchase loans and 7th in purchase dollars.

Atlanta, GA	2017	2018	2019	2022
Purchase Loans	97,769	126,901	140,384	159,643
Purchase Dollars (\$M)	\$23,767.2	\$28,874.0	\$32,389.9	\$38,557.5
Pur. Average Loan Size	\$243,095	\$227,532	\$230,723	\$241,523

2018 All Occ Purchase Dollars



2018 Purchase Dollars by County – Atlanta, GA MSA



What's Inside?

This report contains critical market information and insight for lenders in the Atlanta market:

- Market Size
- Market Attractiveness Metrics
- Competition Metrics
- Loan Type Insight
- Borrower Type Insight
- High Opportunity Zones
- Lender Performance Analyses

Note: the branch location shown in this map belongs to “ABC Lender,” a fictional mortgage lender whose information is used in this report simply to illustrate how we would incorporate YOUR data.

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

Market Attractiveness Metrics

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

PMGR (Purchase Mortgage Generation Rate)	5.85%
MVI - Mortgage Velocity Index	1.54
MOI - Mortgage Opportunity Index	1.12
MVI Rank (out of 917 MSAs)	96
MOI Rank (out of 917 MSAs)	170
PMD - Loans	93
PMD - Dollars (\$M)	\$21.2
Loan-to-Lender Ratio	147
Lender Concentration Score	20.3%
Top 5 Lender Threshold	3.2%
Refinance Dollar Volume (\$M)	\$9,550.2
Total Dollar Volume (\$M)	\$38,424.2
Purchase % of Total	75.1%

- A PMGR of 5.85% indicates that the rate of mortgages per households in this market is much higher than the national PMGR of 3.2%.
- With a projected dollar growth rate of 33.5% from 2018-2022, Atlanta is growing quickly. This growth rate explains its MOI.
- Atlanta's Mortgage Opportunity Index (MOI) of 1.12 indicates that its purchase dollars are growing 1.12 times faster than the national purchase dollar market.
- Atlanta has a lender concentration score of 20.3% -- meaning that the top 5 lenders in the Atlanta MSA together originated 20.3% of the entire purchase dollar market. This means that Atlanta is a more fragmented market than many others.

What do these metrics mean?

Our reports look beyond the size of a market, because indicators like speed of growth, density, and the concentration of competition are all important to determining how well a market fits the strategies of a particular lender. See the glossary at the end of the report for an explanation.

Who are the top lenders in Atlanta and how much of the purchase market did they originate? With \$80.1M in purchase originations and 0.3% share, ABC Lender is ranked #72 in purchase dollars in Atlanta.

How well do you know your competitors and the competitive landscape of your market?

Dollar Rank	Lender Name	Lender - US (\$M)	Lender - Mkt (\$M)	Lender - \$ Share (%)	Cumulative Lender Share	
1	FIDELITY BANK	\$3,279.2	\$1,228.2	5.2%	5.2%	
2	WELLS FARGO BANK, NATIONAL ASSOCIATION	\$60,145.9	\$1,177.8	5.0%	10.1%	
3	FAIRWAY INDEPENDENT MORT. CORP	\$16,869.9	\$860.7	3.6%	13.7%	
4	SUNTRUST MORTGAGE, INC.	\$6,567.7	\$794.9	3.3%	17.1%	
5	HOMESTAR FINANCIAL CORPORATION	\$1,347.3	\$769.5	3.2%	20.3%	Top 5
6	BANKSOUTH MORTGAGE COMPANY, LLC	\$1,013.5	\$734.9	3.1%	23.4%	
7	QUICKEN LOANS, INC.	\$24,266.9	\$690.2	2.9%	26.3%	
8	EVERETTE FINANCIAL	\$6,300.0	\$558.5	2.3%	28.7%	
9	BROKER SOLUTIONS INC. DBA NEW AMERICAN FUNDIN	\$5,907.1	\$475.4	2.0%	30.7%	
10	CBC NATIONAL BANK	\$873.9	\$464.6	2.0%	32.6%	Top 10
11	SHORE MORTGAGE	\$16,884.9	\$458.5	1.9%	34.6%	
12	SOUTHEAST MORTGAGE OF GA INC	\$543.3	\$457.3	1.9%	36.5%	
13	BRAND MORTGAGE GROUP, LLC	\$771.6	\$428.6	1.8%	38.3%	
14	BANK OF AMERICA, NATIONAL ASSOCIATION	\$26,456.5	\$425.2	1.8%	40.1%	
15	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	\$28,732.9	\$407.1	1.7%	41.8%	Top 15
16	SILVERTON MORTGAGE SPECIALISTS	\$514.8	\$360.5	1.5%	43.3%	
17	HomeBridge Financial Services, Inc.	\$8,610.6	\$341.4	1.4%	44.7%	
18	SHELTER LENDING SERVICES, LLC	\$395.1	\$313.9	1.3%	46.1%	
19	USAA FEDERAL SAVINGS BANK	\$11,146.6	\$313.1	1.3%	47.4%	
20	NEW AMERICAN MORTGAGE, LLC	\$11,640.2	\$305.6	1.3%	48.7%	Top 20
21	Caliber Home Loans, Inc.	\$22,938.6	\$262.0	1.1%	49.8%	
22	NAVY FEDERAL CREDIT UNION	\$10,216.0	\$260.6	1.1%	50.9%	
23	RENASANT BANK	\$1,528.3	\$257.9	1.1%	51.9%	
24	BRANCH BANKING AND TRUST COMPANY	\$4,828.6	\$250.8	1.1%	53.0%	
25	GUILD MORTGAGE COMPANY	\$11,987.9	\$245.8	1.0%	54.0%	Top 25
72	ABC Lender	\$2,391.0	\$80.1	0.3%		
MSA Total (651 Lenders)			\$23,767.3	100.0%		
Top 25 Lenders			\$12,842.7	54.0%		

Where in Atlanta are the purchase loans?

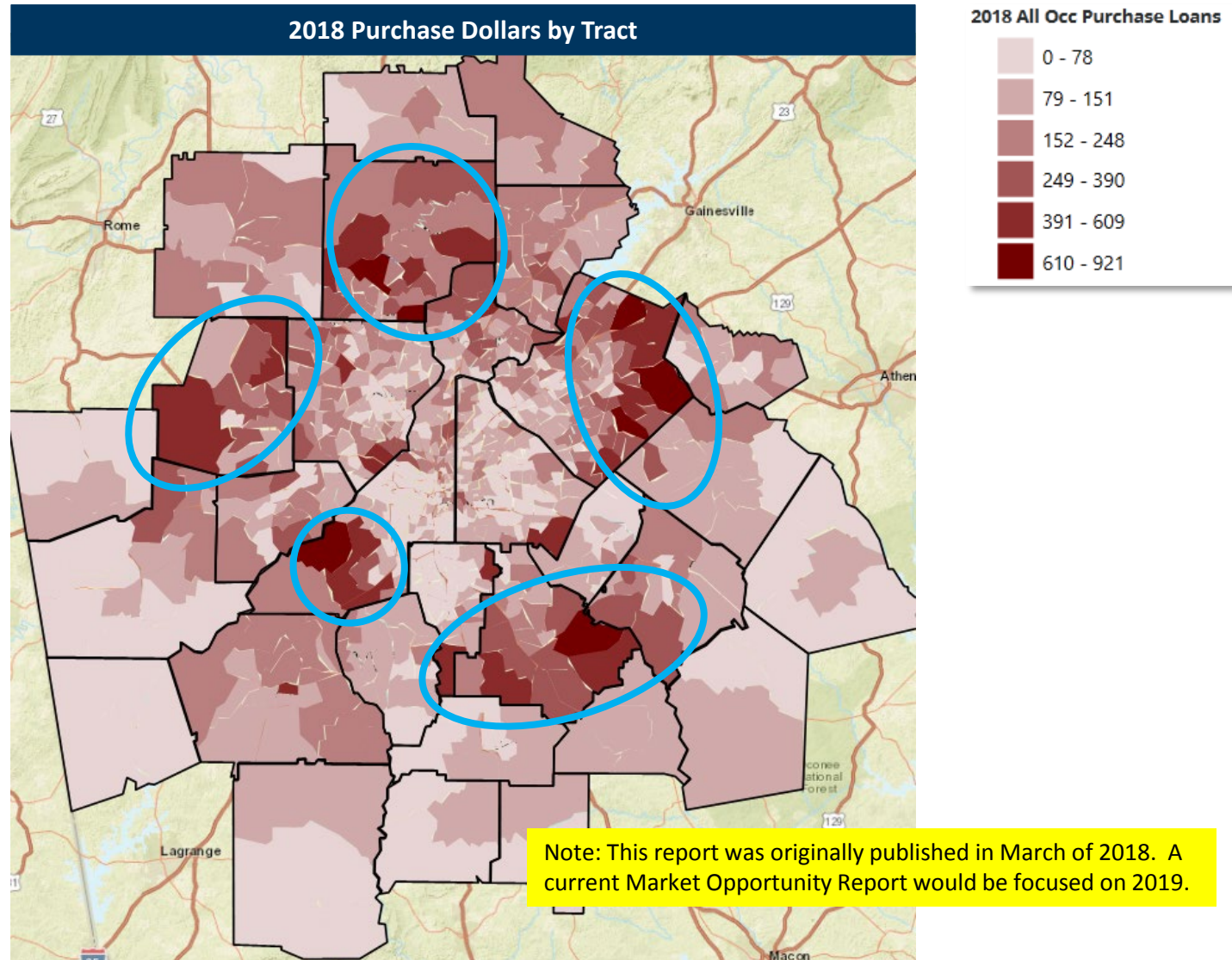
In large metro areas, the distribution of purchase loans and dollars within counties varies greatly. The map below drills down beyond county-level data to show how purchase loans are distributed by census tract.

The dark red tracts represent those with the most purchase opportunity.

The blue circles highlight groups of tracts that we describe as “high-opportunity zones.”

What are High Opportunity Zones?

The zones, which are clusters of census tracts, represent pockets of opportunity within the larger MSA. The darker the color, the more opportunity so that you can invest your resources wisely.



The same tract-level opportunity map is shown to the right, except now it includes green dots, which represent the purchase loans for a specific lender (let's call the lender ABC Lender).

Gaps of coverage – or areas of missed opportunity – are easy to see. Once you know where the gaps exist, you can use the maps to:

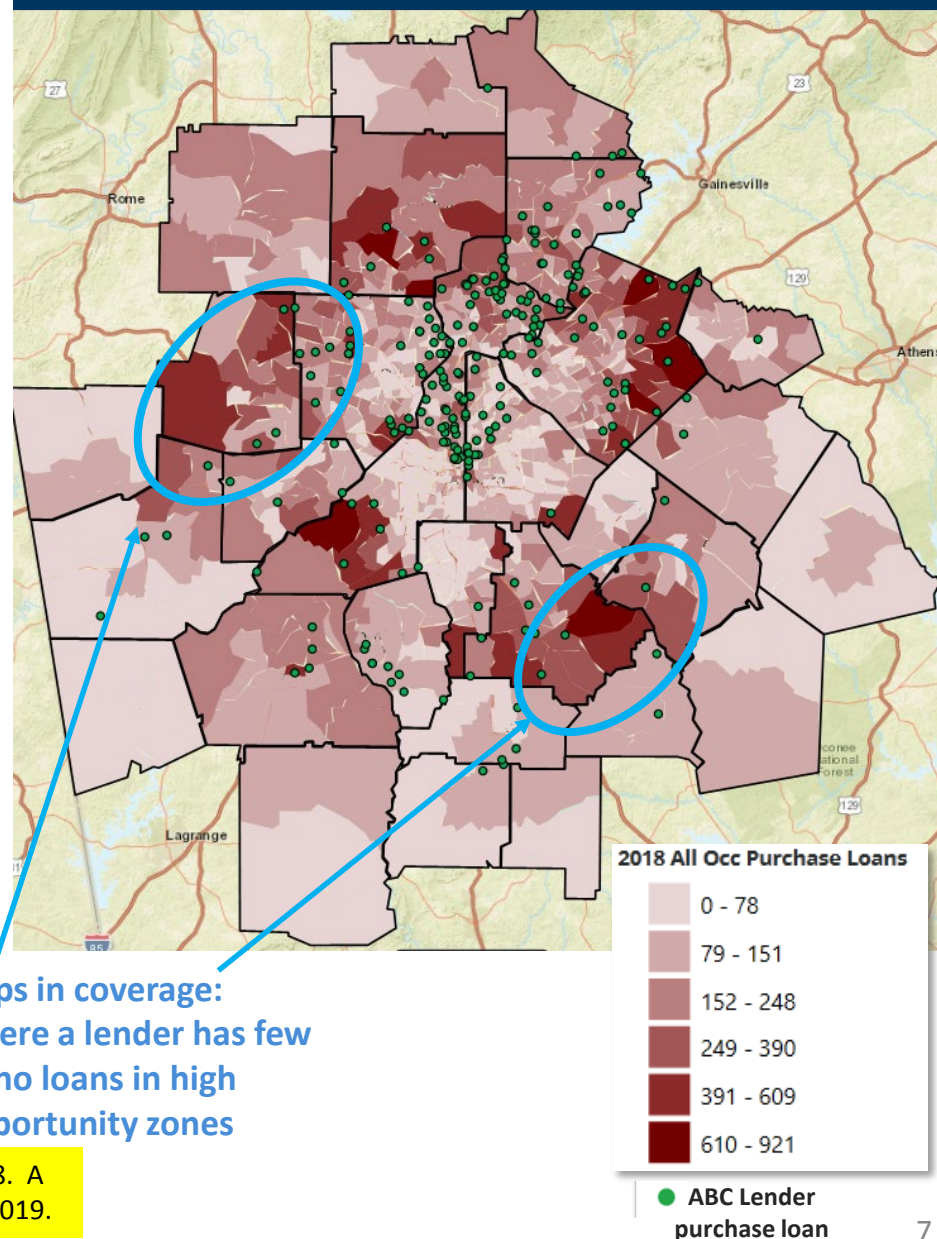
- Direct your loan officers where they are missing loans
- Find better sources for those places
- Decide if you need more loan officers for a particular area
- Reveal market potential to candidates when recruiting

The loans (green dots) were included to show ABC Lender where it's missing opportunity.

**If we mapped YOUR 2018 originations, how much money would you be missing?
We can quantify it.**

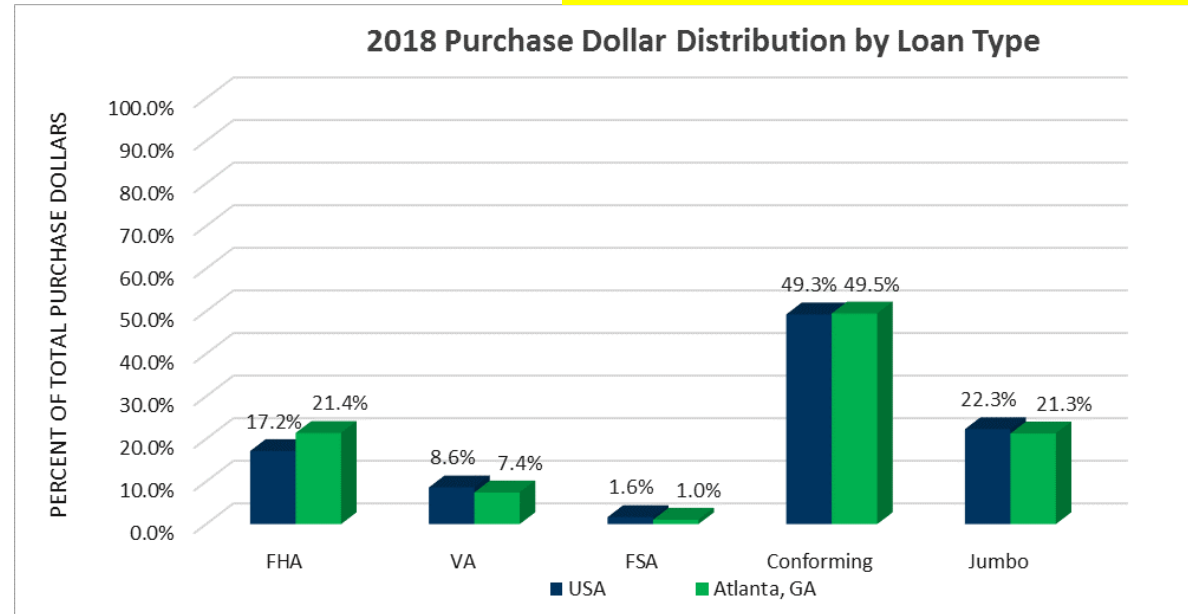
Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

2018 Purchase Dollars by Tract with Lender's Originations



Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

- In the Atlanta market, 49.5% of originated purchase dollars are estimated to be conforming, while 21.3% of purchase dollars will be jumbo.
- The government percentage of purchase dollars in Atlanta (29.9%) is higher than in the US as a whole (27.7%).
- Atlanta has a strong FHA (21.4%) market.



Loan Type	2018 Purchase Dollars (\$M)	Purchase Avg Loan Size	% of Total Dollars
Total MSA	\$28,874.0	\$227,532	100.0%
Conforming	\$14,279.3	\$194,982	49.5%
Jumbo	\$6,145.0	\$765,125	21.3%
Government	\$8,620.1	\$181,175	29.9%
FHA	\$6,175.2	\$168,476	21.4%
VA	\$2,148.3	\$246,645	7.4%
FSA	\$296.7	\$133,882	1.0%

What market mix should you expect from Atlanta over the next two years?

The table below quantifies and compares the opportunity and distribution of purchase loans from 2017-2019...for the market and for ABC Lender.

		Market Purchase		Conventional Loans		FHA Loans		VA Loans		FSA Loans	
		Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)
	Atlanta, GA										
2016 (Act.)	Market	92,305	\$21,840.4	55,394	\$14,709.0	27,627	\$5,057.0	7,548	\$1,827.1	1,736	\$247.3
	Market Distrib.	100.0%	100.0%	60.0%	67.3%	29.9%	23.2%	8.2%	8.4%	1.9%	1.1%
2017 (Est.)	Market	97,769	\$23,767.2	61,418	\$16,366.5	26,634	\$5,134.4	7,866	\$1,988.2	1,851	\$278.1
	ABC Bank Total	307	\$80.1	249	\$67.1	46	\$9.9	8	\$2.6	4	\$0.5
	Market Distrib.	100.0%	100.0%	62.8%	68.9%	27.2%	21.6%	8.0%	8.4%	1.9%	1.2%
	ABC Bank Distrib.	100.0%	100.0%	81.1%	83.8%	15.0%	12.4%	2.6%	3.2%	1.3%	0.6%
	ABC Bank Share	0.3%	0.3%	0.4%	0.4%	0.2%	0.2%	0.1%	0.1%	0.2%	0.2%
2018 (Fore.)	Market	126,901	\$28,874.0	79,322	\$20,429.0	36,653	\$6,175.2	8,710	\$2,148.3	2,216	\$296.7
	Market Distrib.	100.0%	100.0%	62.5%	70.8%	28.9%	21.4%	6.9%	7.4%	1.7%	1.0%
2019 (Fore.)	Market	140,384	\$32,389.9	89,477	\$23,270.2	39,376	\$6,651.7	9,131	\$2,277.9	2,400	\$325.7
	Market Distrib.	100.0%	100.0%	63.7%	71.8%	28.0%	20.5%	6.5%	7.0%	1.7%	1.0%

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2017-2020.

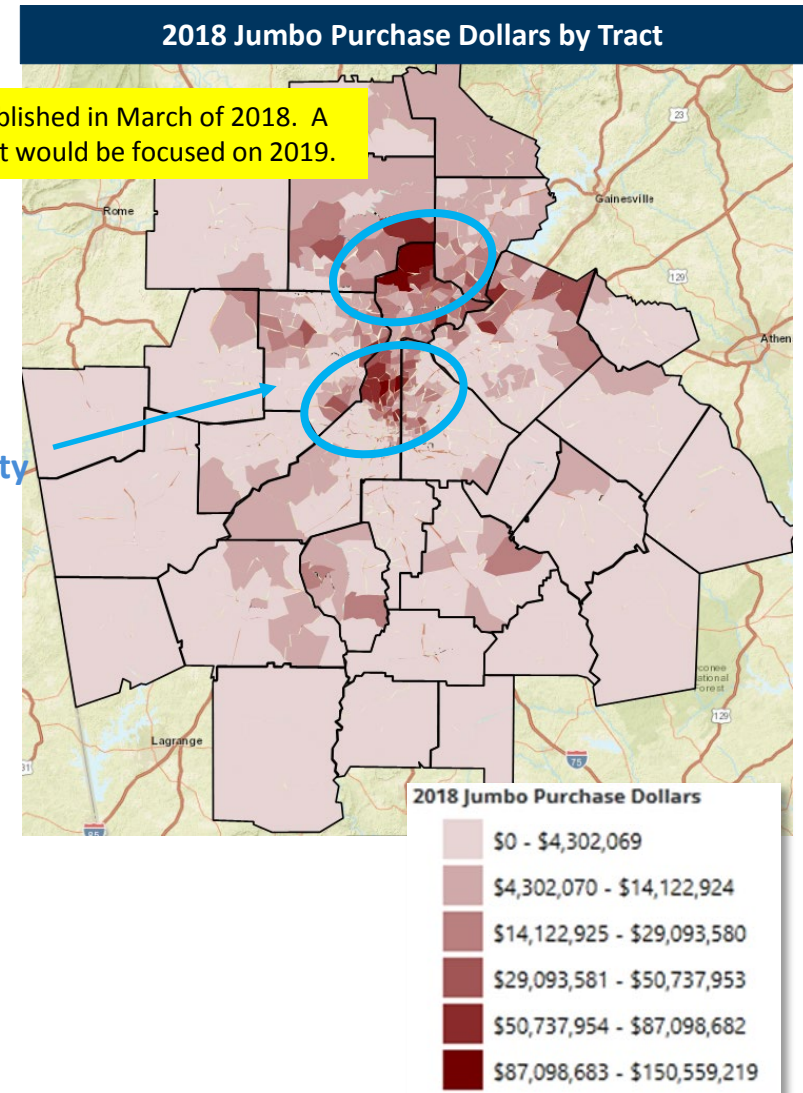
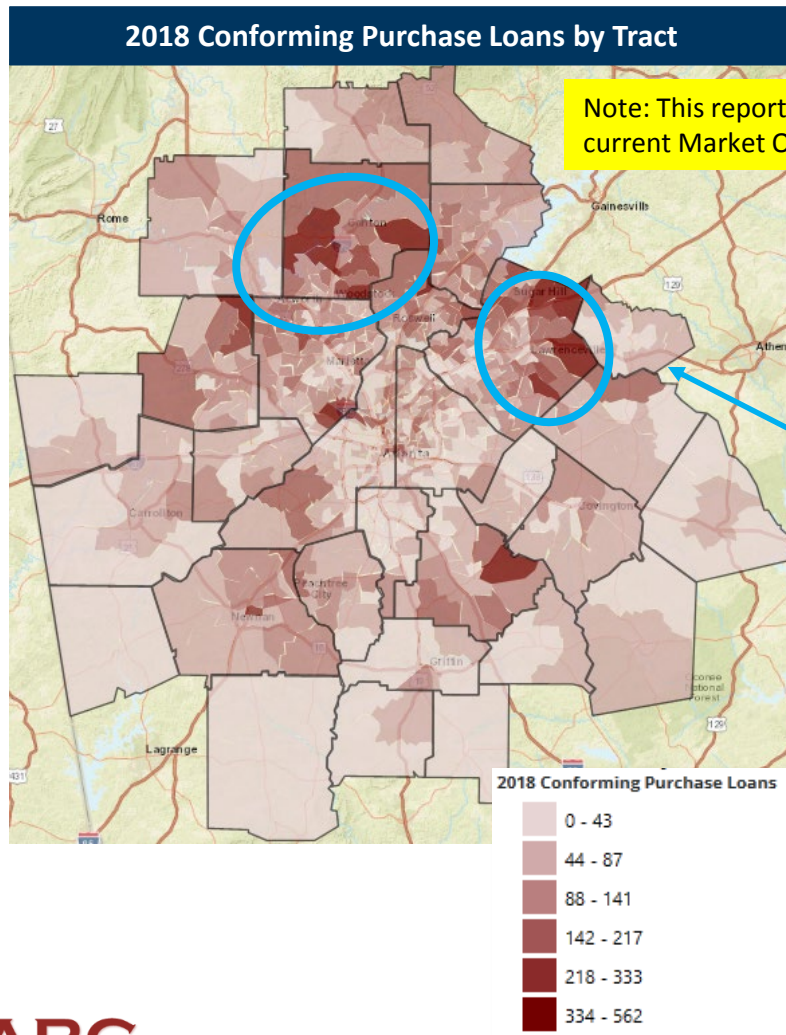
If we included **your 2016 - 2018 YTD originations**, how would they compare to the market?

- In 2017, 27.2% of all purchase loans in Atlanta were FHA – totaling \$5.13 Billion. In 2018, the **FHA distribution/penetration rate of purchase loans will grow to 28.9% - for \$6.1B.**
- Although VA and FSA originations will grow from 2017 – 2019, their percentages (%) of total purchase loans and dollars will decrease.
- Comparing ABC Lender's FHA distribution/penetration rates for 2017 (15.0% of purchase loans, 12.4% of purchase dollars) shows that **ABC Lender is significantly under-indexed in FHA.**

What kind of loans are you missing?

The maps below show how differently conforming and jumbo conventional loans are distributed throughout Atlanta. The jumbo loans are highly concentrated in two specific areas, while the conforming loans are more evenly distributed throughout the metro.

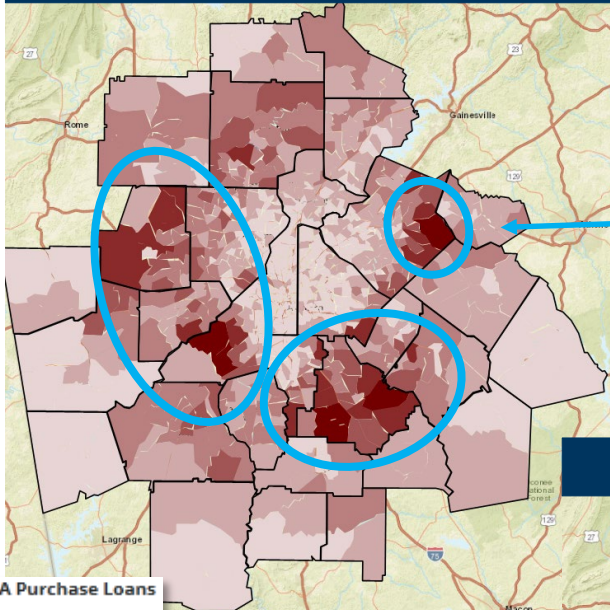
If we added your loans to these maps, do you know where there would be gaps in coverage?



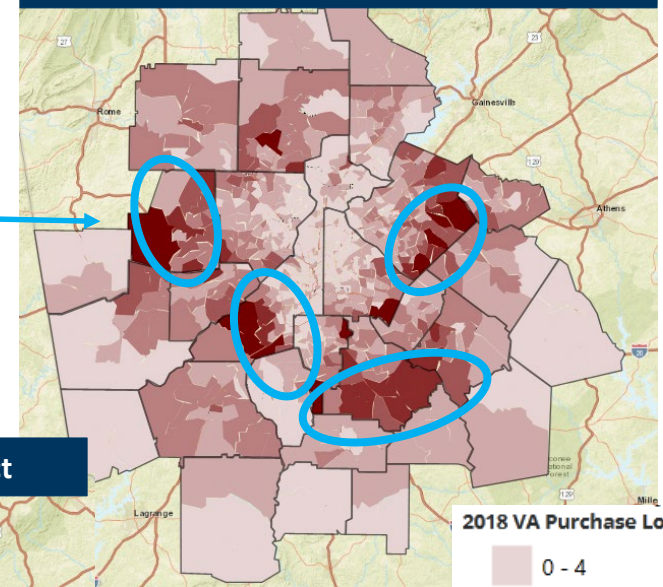
Where can you find government loans in Atlanta?

The maps below show the distribution of government loan types in Atlanta. There are some similarities in the distribution for FHA and VA, but FSA opportunity zones rarely overlap with the other two government types.

2018 FHA Purchase Dollars by Tract

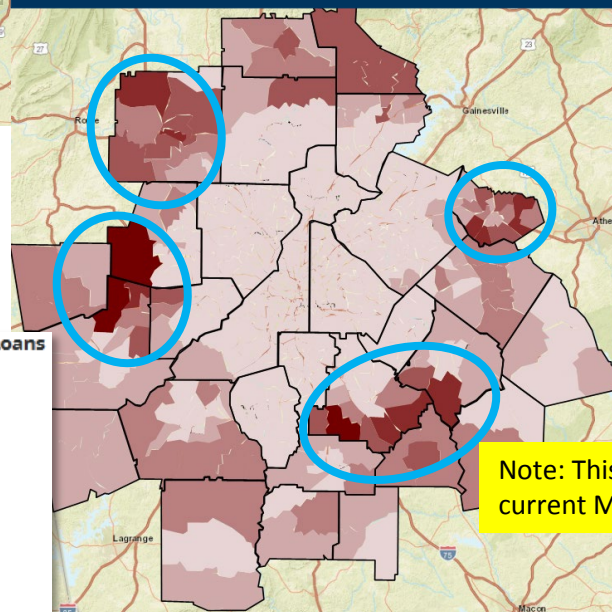


2018 VA Purchase Dollars by Tract

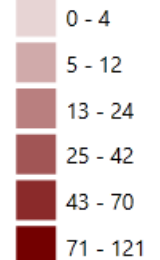


High
Opportunity
Zones

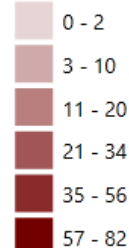
2018 FSA Purchase Dollars by Tract



2018 VA Purchase Loans

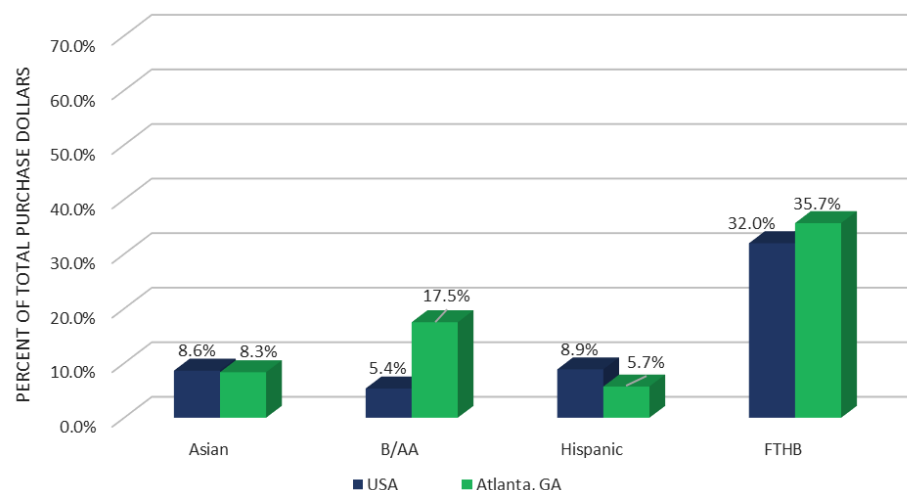


2018 FSA Purchase Loans



Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

2018 Purchase Dollar Distribution by Borrower Group



- Atlanta is very diverse, with an especially high % of African-American households (34.2% of all households). Yet, only 17.5% of all purchase dollars in Atlanta will be to African-American borrowers. This discrepancy is a direct result of the 48.6% homeownership rate.
- Atlanta is more diverse than the U.S. as a whole, although the Asian and Hispanic loan percentages of total purchase are below the national average.
- At a minimum, 35.7% of all purchase dollars will be originated by First-time Homebuyers. A strong FTHB strategy is particularly important to lending to diverse markets.

Borrower Group	2018 Purchase Loans	2018 Purchase Dollars (\$M)	Purchase Avg Loan Size	% of Total Dollars	2017 Home-owners	2017 Households	H/O Rate	% of Total HH
Total MSA	126,901	\$28,874.0	\$227,532	100.0%	1,356,928	2,148,144	63.2%	100.0%
Asian	10,384	\$2,410.1	\$232,097	8.3%	63,802	99,318	64.2%	4.6%
B/A-A	28,740	\$5,054.9	\$175,884	17.5%	356,720	733,817	48.6%	34.2%
Hispanic	9,494	\$1,654.5	\$174,273	5.7%	67,752	153,215	44.2%	7.1%
Indigenous	818	\$156.5	\$191,350	0.5%	3,822	7,232	52.8%	0.3%
White	86,959	\$20,983.8	\$241,307	72.7%	852,108	1,128,831	75.5%	52.5%
FTHB	51,517	\$10,300.0	\$199,933	35.7%				

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

How well is ABC Lender reaching diverse borrowers?

Diverse borrowers will comprise a larger and larger percentage of homebuyers. To be successful in the future, lenders need to build sales strategies today that are effective with minority borrowers.

What strategies do you have in place? Are they working?

		Market Purchase		Asian Loans		B/AA Loans		Hispanic Loans	
		Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)	Loans (#)	Dollars (\$M)
Atlanta, GA									
2016 (Act.)	Market	92,305	\$21,840.4	7,793	\$1,973.9	18,799	\$3,768.3	6,131	\$1,168.6
	Market Distrib.	100.0%	100.0%	8.4%	9.0%	20.4%	17.3%	6.6%	5.4%
2017 (Est.)	Market	97,769	\$23,767.2	8,552	\$2,185.8	21,293	\$4,458.0	6,522	\$1,287.5
	ABCM Total	307	\$80.1	32	\$8.0	26	\$6.2	11	\$2.6
	Market Distrib.	100.0%	100.0%	8.7%	9.2%	21.8%	18.8%	6.7%	5.4%
	ABCM Total Distrib.	100.0%	100.0%	10.4%	10.0%	8.5%	7.8%	3.6%	3.2%
	ABCM Share	0.3%	0.3%	0.4%	0.4%	0.1%	0.1%	0.2%	0.2%
2018 (Fore.)	Market	126,901	\$28,874.0	10,384	\$2,410.1	28,740	\$5,054.9	9,494	\$1,654.5
	ABCM Total YTD	114	\$30.0	6	\$2.2	17	\$3.8	8	\$1.2
	Market Distrib.	100.0%	100.0%	8.2%	8.3%	22.6%	17.5%	7.5%	5.7%
	ABCM Total Distrib.	100.0%	100.0%	5.3%	7.2%	14.9%	12.6%	7.0%	4.1%
	ABCM Share	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2019 (Fore.)	Market	140,384	\$32,389.9	10,782	\$2,491.0	31,403	\$5,491.0	10,777	\$1,877.9
	Market Distrib.	100.0%	100.0%	7.7%	7.7%	22.4%	17.0%	7.7%	5.8%

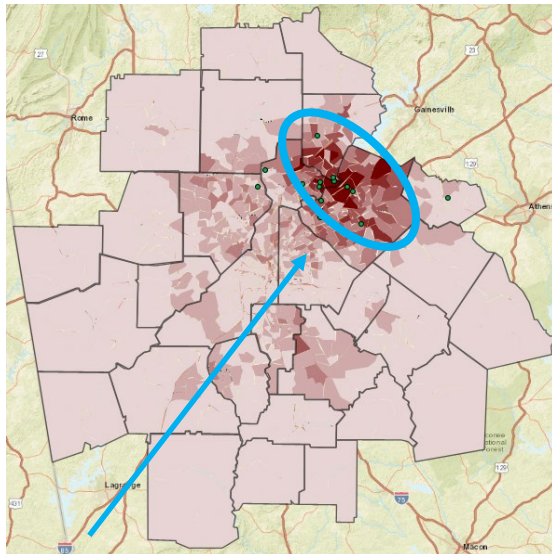
- The Atlanta market has a lot of diverse borrower opportunity. In 2018 we are forecasting approximately \$5.05 Billion (17.5% of all purchase dollars) for African-Americans, \$2.4B (8.3% of all purchase) for Asians, and \$1.65B (5.7% of all purchase).
- In 2017, 18.8% of all purchase dollars were to African-Americans; however, only 7.8% of all ABC Lender purchase dollars were originated to African-American borrowers. Thus, ABC Lender is very **under-indexed** in this borrower segment. ABC Lender is also under-indexed in Hispanic purchase, with 3.2% of all ABC Lender purchases being to Hispanic borrowers (compared to purchases originated by all lenders, of which 5.4% were to Hispanic borrowers).

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2017-2020.

Where is the diverse borrower opportunity?

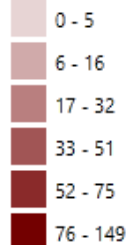
The distribution of loans by borrower group is dramatically different throughout the Atlanta metro. The maps below reveal **pockets of high opportunity** – where lenders should focus their strategies and efforts to cultivate diverse markets, as **efficiently as possible**. If we mapped YOUR 2018 originations, do you think you would find gaps in coverage?

2018 Asian Purchase Opportunity by Tract

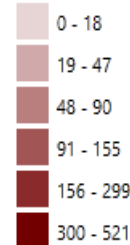


High
Opportunity
Zone for
Asians

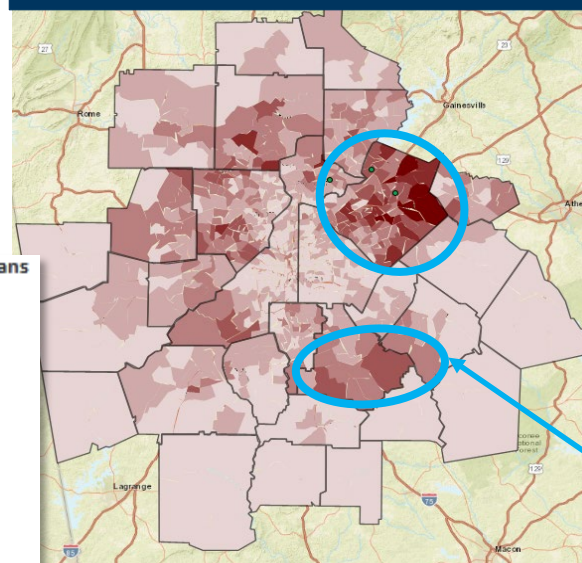
2018 Asian Purchase Loans



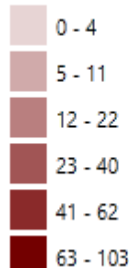
2018 Black-AA Purchase Loans



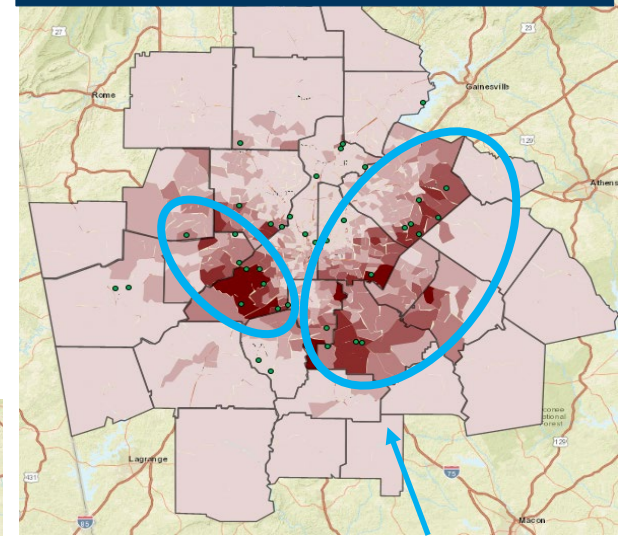
2018 Hispanic Purchase Opportunity by Tract



2018 Hispanic Purchase Loans



2018 African-American Purchase Opp. by Tract



ABC Lender
purchase loan

High
Opportunity
Zones for
African-
Americans

High opportunity zones for
Hispanic borrowers

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.

How can you improve your lending to African-Americans?

Our data showed that ABC Lender was greatly under-indexed in lending to African-Americans in Atlanta—which is a significant problem, since the 2018 African-American purchase opportunity will be more than \$5.05 Billion (17.5% of all purchase).

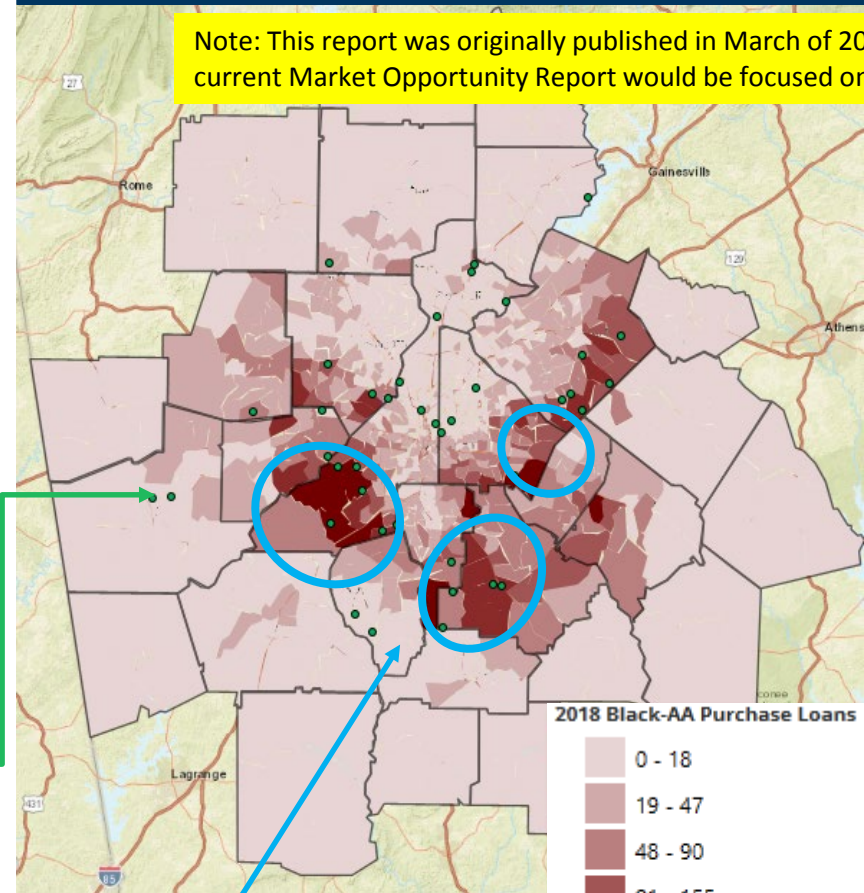
Our market opportunity insight and maps will help you focus your efforts to efficiently reach any market segment. Gaps in coverage lead to opportunities to improve!

Atlanta, GA African-American		
Borrower Demographics	Total	% of Total
A-A Households	733,817	34.2%
A-A Homeowners	356,720	
A-A HO Rate	48.6%	
A-A Purchase Loans	28,740	22.6%
A-A Purchase Dollars (\$M)	\$5,054.9	17.5%
A-A Pur. Avg. Loan Size	\$175,884	

We added ABC Lender's loans to the map to find out where it's currently originating loans to African-Americans, revealing if and where ABC needs to employ new sales strategies and target its efforts. Compliance with Fair Lending regulations is made much easier with this insight.

2018 African-American Purchase Opportunity by Tract

Note: This report was originally published in March of 2018. A current Market Opportunity Report would be focused on 2019.



High Opportunity Zones for African-Americans where ABC has gaps in coverage

iEmergent's opportunity insight is being used by lenders of all sizes and types to inform a wide range of business decisions. Here are five ways that iEmergent could add value to you:

1. **Help you grow market share**...by finding out what lending opportunities you're missing.
2. **Improve individual and collective productivity** by showing you how to find and capture more loans while using your resources efficiently.
3. Identify your new opportunities. **Should you expand?** If so, where? How?
4. Position you for tomorrow with data on FTHB and **diverse borrower segments**.
5. Reduce your risk by **finding and fixing CRA and Fair Lending risk** before it is too late to remedy.

Our data, maps, and reports are available for all markets across the U.S.

In a \$28 Billion market such as Atlanta, even a conservative 0.5% improvement in market share resulting from having this insight at your fingertips translates into additional revenues of \$140,000,000.

What does your growth plan look like?

iEMERGENT

GLOSSARY

PALS: The Average Loan Size for purchase loans in a market.

PMGR: The Purchase Mortgage Generation Rate informs how many purchase loans will be created in a market over the calendar year.

MOI: The Mortgage Opportunity Index indicates how quickly a market is growing over the next five years, in loans, relative to the U.S.

MVI: The Mortgage Velocity Index indicate how quickly a market is growing over the next five years, in Dollars, relative to the U.S.

PMD – Loans: The Purchase Mortgage Density – Loans indicates how many purchase mortgage loans there are per 1,000 homeowners in market.

PMD – Dollars: The Purchase Mortgage Density – Dollars indicates how many purchase mortgage dollars there are per 1,000 homeowners in market.

Loan-to-Lender Ratio: The number of loans in a market divided by the number of lenders in that market.

Lender Concentration: The addition of the market share (in dollars) for the top five lenders in a market.

Top 5 Threshold: The market share needed to be the lender with the fifth highest market share in a market.

OUR COMPANY

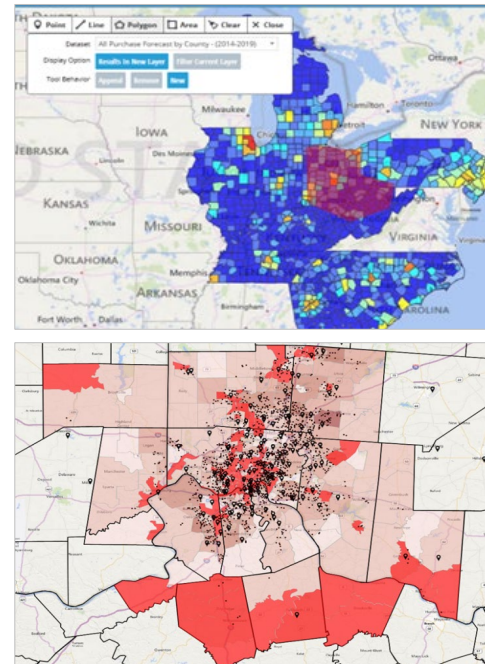
iEmergent is a forecasting and advisory firm for the lending industry. Since 2000, we have been focused on delivering a forward-looking approach to helping organizations navigate the industry's changing landscape. After nearly 20 years as an executive at two national lenders, our founder leveraged his background in mathematics and predictive modeling to develop a groundbreaking method for forecasting mortgage opportunity. In addition to our forecasts, we provide strategic advisory services to lenders of all sizes and types, as well as mortgage insurance, title, and investment companies. Viewed as industry leaders, we have been featured in Mortgage Lending Magazine, HousingWire, National Mortgage News, Origination News, Inman News, and the Credit Union Journal.

OUR PRODUCTS

iEmergent provides accurate, forward-looking data that quantifies what's next in mortgage markets across the nation. As housing and lending sputter and stutter toward recovery, our forecasts drill down into states, metro areas, counties, and neighborhoods to quantify where and how mortgage opportunity will grow, slow, or stay the same.

Lenders access our data through **Mortgage MarketSmart**, a web application with dynamic maps or **through our detailed reports** and assessments. Both include visuals that bring HMDA and detailed forecast data to life, helping organizations easily make decisions about high-level strategic opportunities and tactical, market-level challenges:

- Expand and grow responsibly
- Improve sales strategies at all levels
- Optimize resources, brand, and locations
- Recruit, hire, train, and retain sales resources
- Minimize distribution risk and meet CRA and Fair Lending regulations



FORECAST SEGMENTS

Market Geography

- State
- MSA
- County
- Census Tract

Market Segments

- Occupancy Types
- Custom Loan Sizes
- Conventional Loan Type
- FHA, VA, FSA Loan Types
- Jumbo, Conforming
- Borrower Income Levels
- Borrower Race/Ethnicity
- First Time Homebuyer
- CRA Eligible
- New Construction Sales
- Custom Loan Sizes
- Refinance Ranges

For more information about our insight, reports, Mortgage MarketSmart, or our advisory services, please visit

www.iemergent.com or call Bernard Nossuli at 515-327-0070 (x106).