

**Support for Assessment Question 3**

This document is to support the results generated for assessment question 3 that states:

*“Write a query that illustrates whether we are consistently making loans to low-income or minority borrowers across geography.”*

**Script Location: SelfHelp\10\_MinorityTrends.sql**

Please note, this script is developed based on following assumptions:

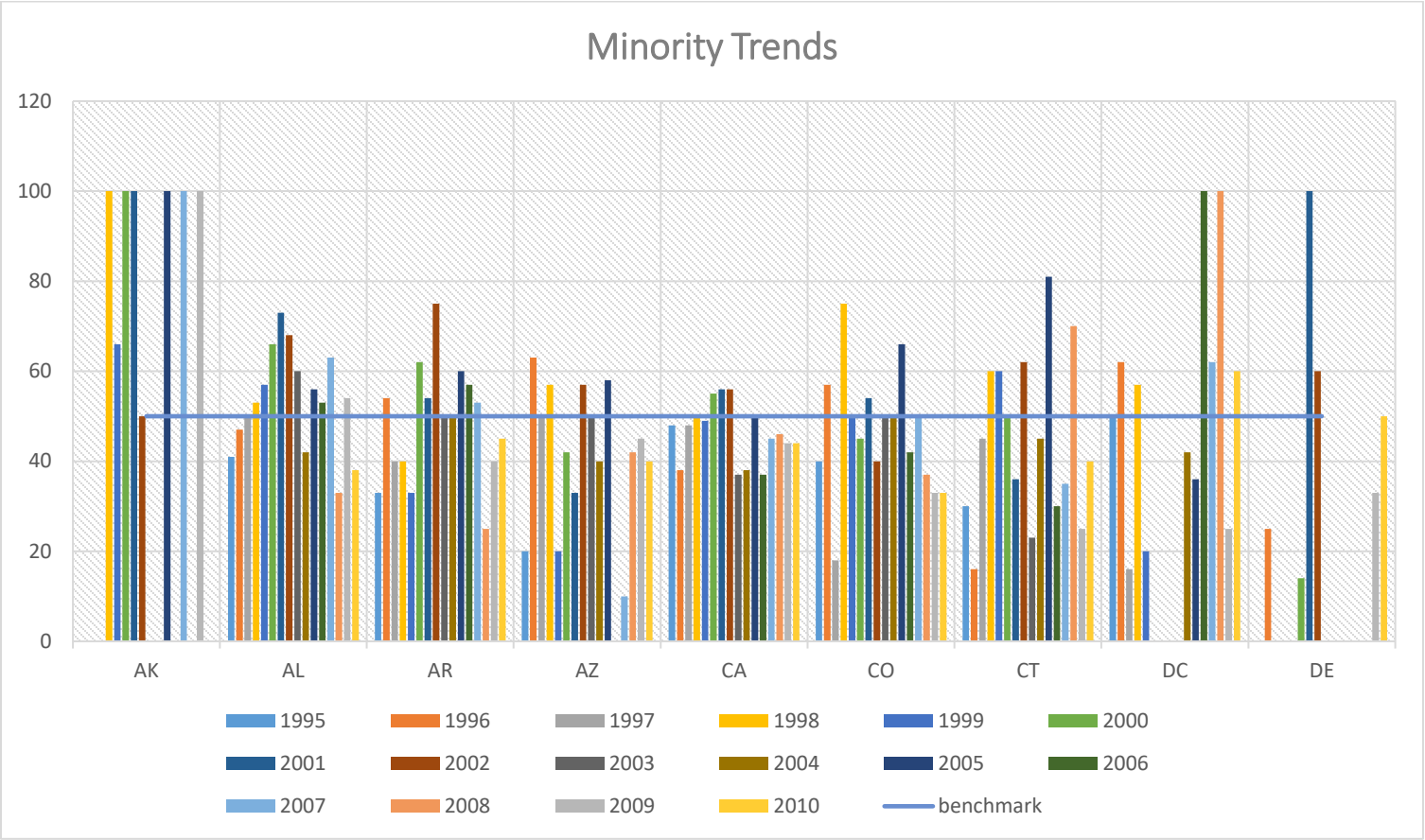
1. Low-Income or Minority Borrowers are identified as people who have an annual income  $\geq \$15000$  and annual income  $\leq \$50000$
2. Percentage Rate of Minority lending is defined as:

**(Count of total loans disbursed to minorities in a geography X 100/ count of total loans disbursed in a geography) in a year**

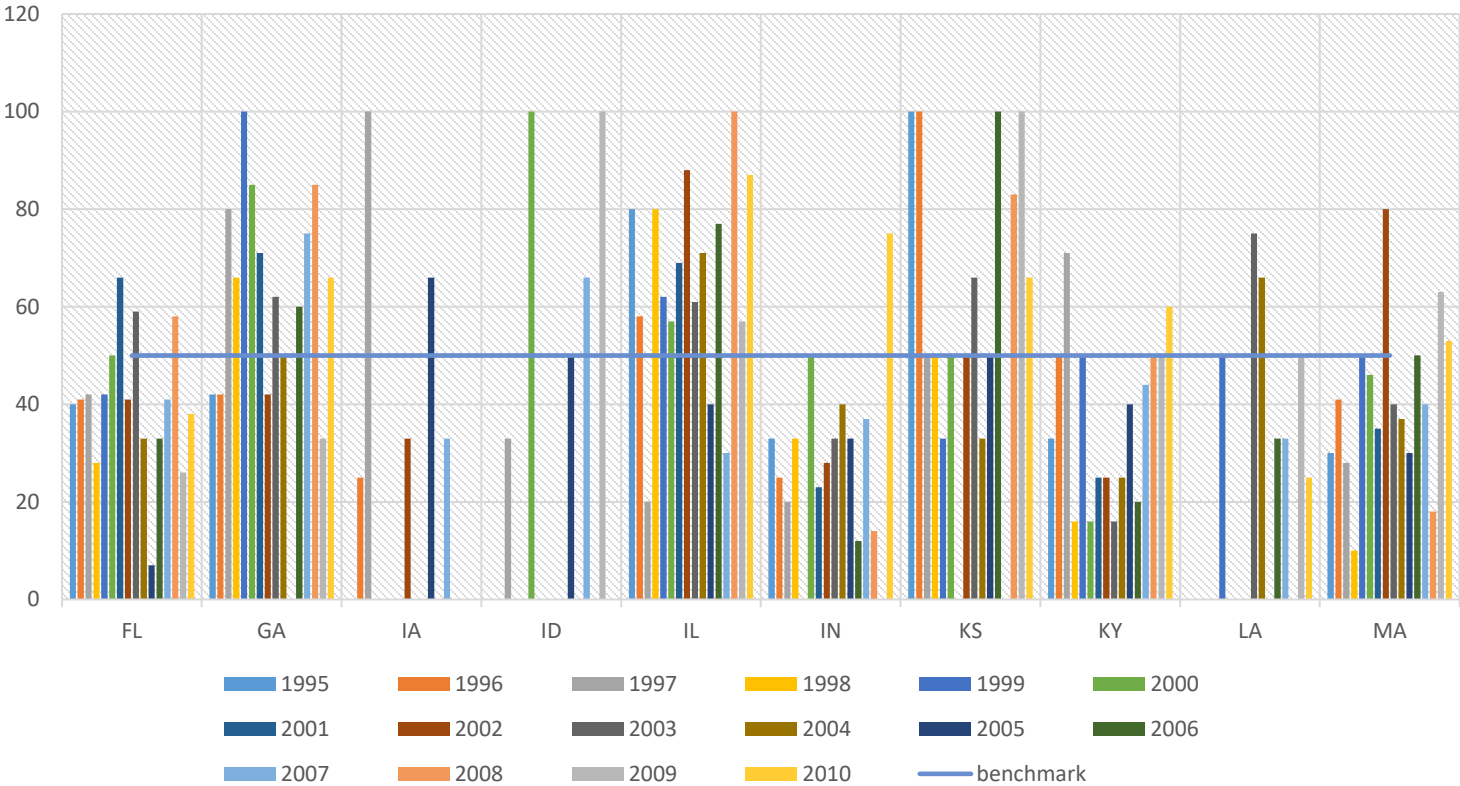
**Example:** In AL, in 1997, 14 loans were disbursed overall and 7 loans were disbursed to minorities, so 50% minorities were served in AL in 1997

3. Consistency is defined as: if 50% (*including variance of 10%*) of minorities are served during years, then a state is considered consistent while lending loans to minorities.

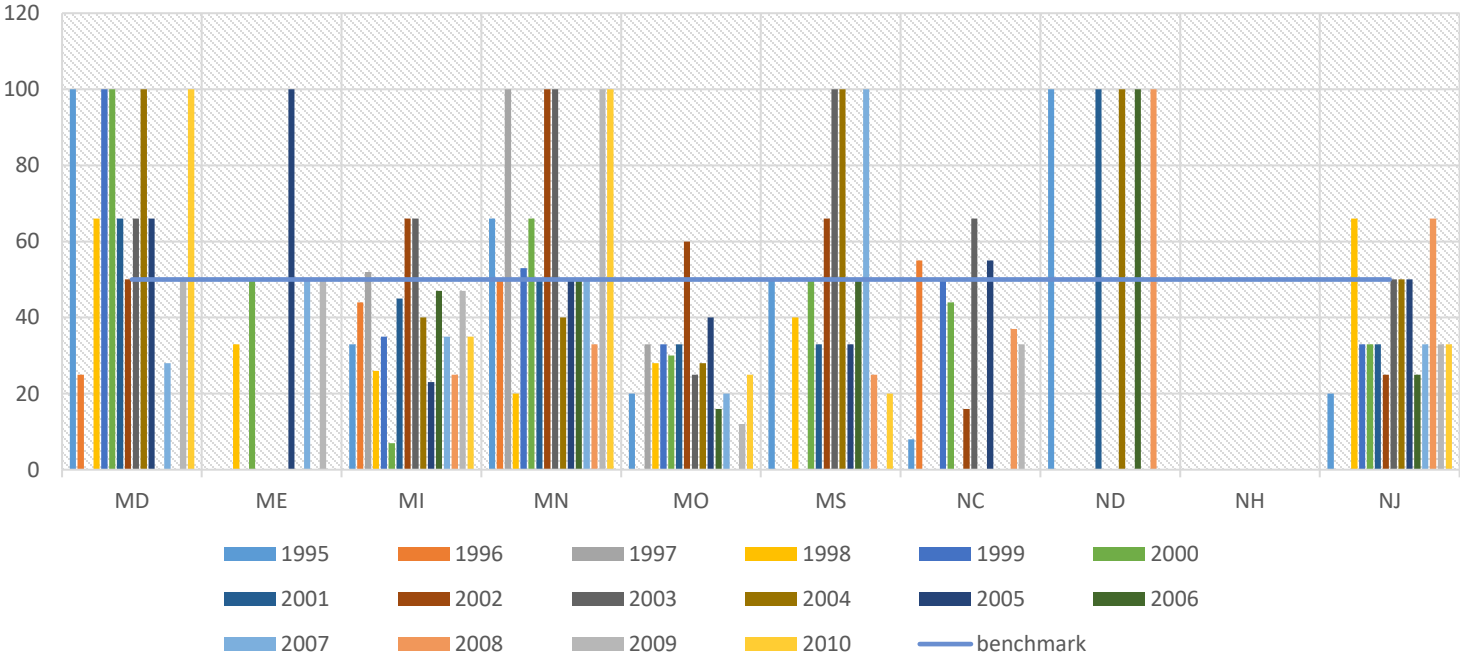
In order to support the data generated by the query, the following minority trend charts were plotted. The benchmark line highlighted in light blue depicts if 50% of loans were disbursed to minorities across geography in a particular year.

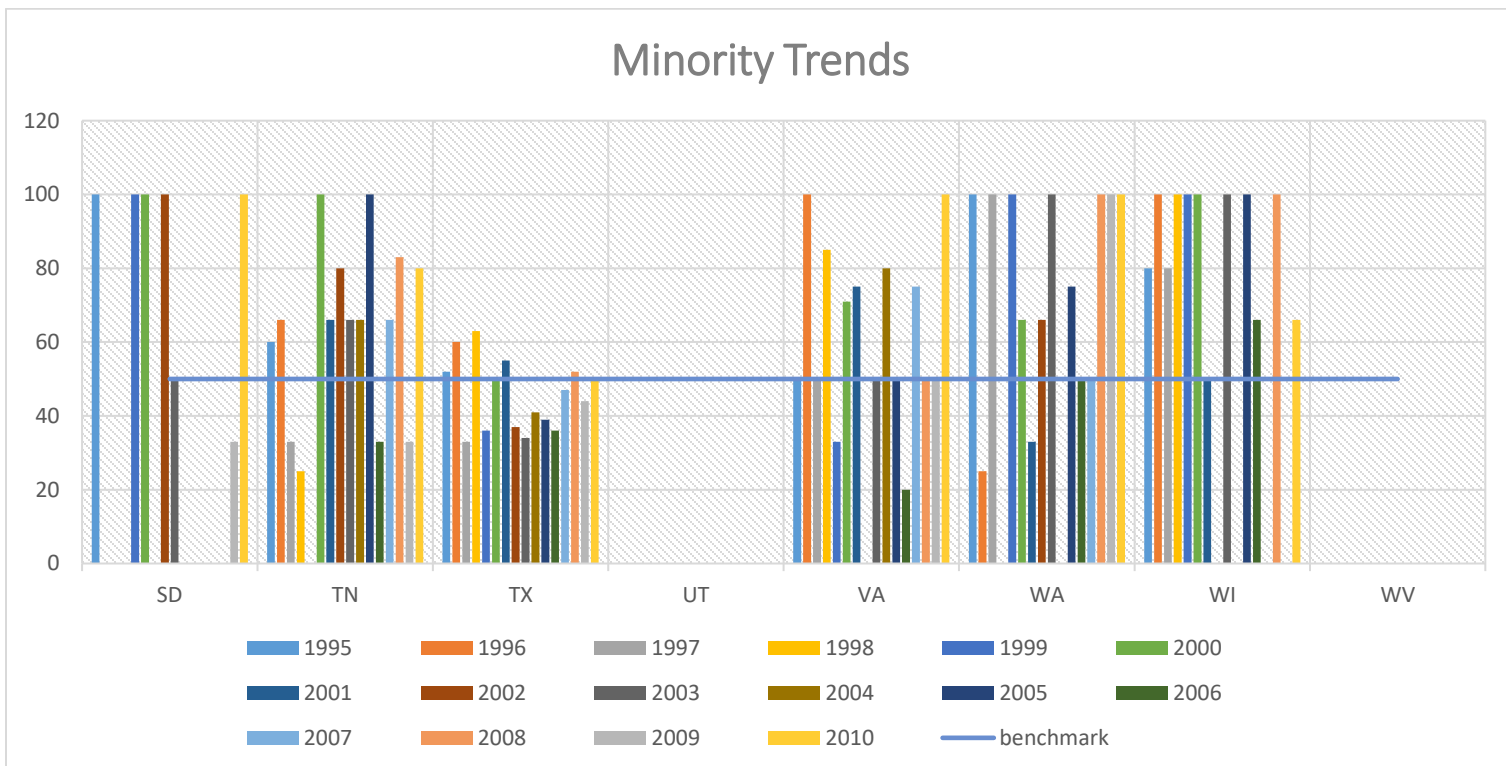
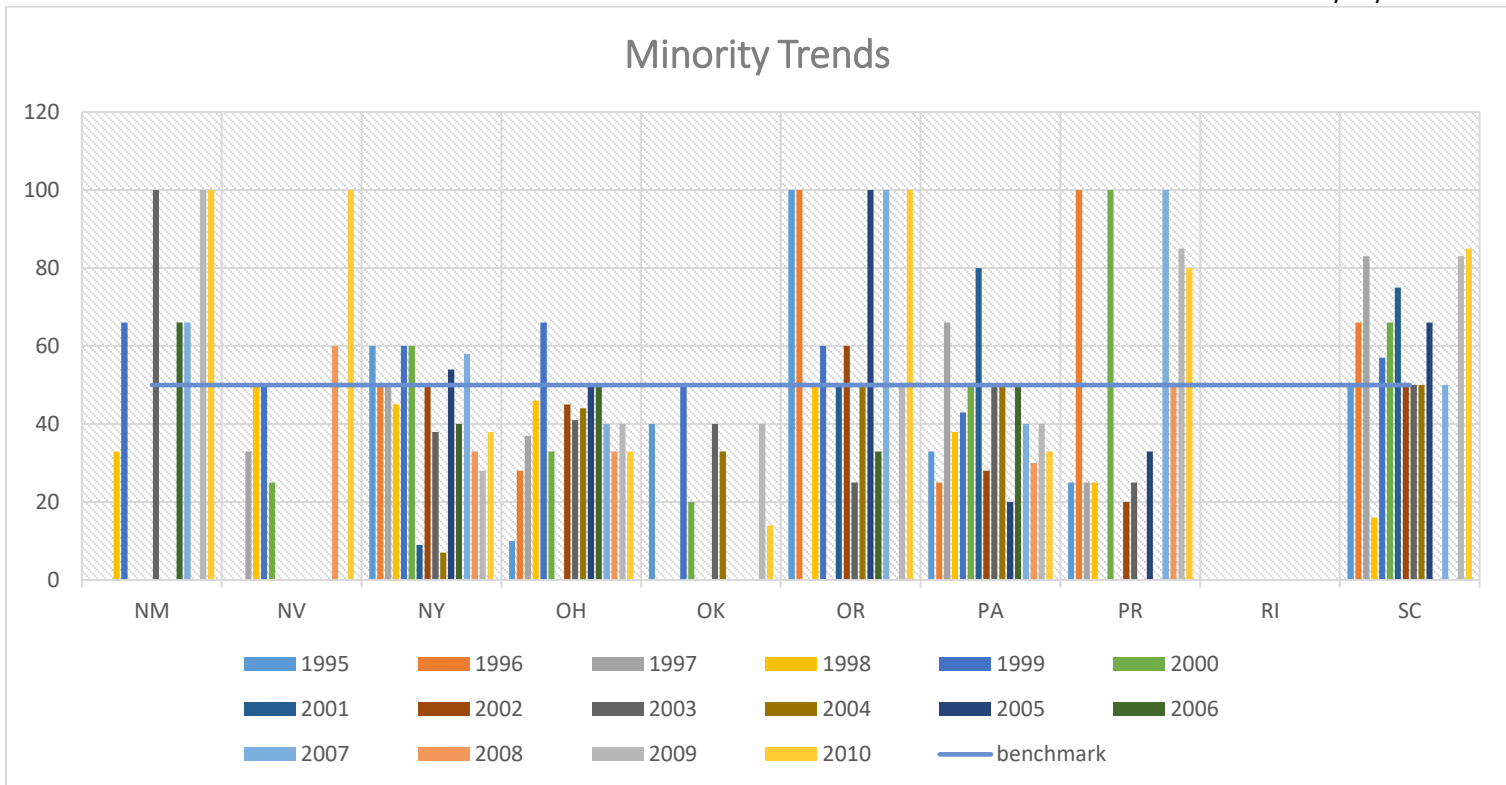


Minority Trends



Minority Trends





**Inference:** Clearly, from the graph we can see that **Alabama (AL)**, **Illinois (IL)** and **Minnesota (MN)** are among some of the most consistent states that have lent loans to minorities consistently over the period of time (1995-2010) according to the data set we have generated.