

Changing Patterns XVI

Mortgage Lending to

Traditionally Underserved

Borrowers & Neighborhoods

in Boston, Greater Boston and

Massachusetts, 2008

BY

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MASSACHUSETTS COMMUNITY & BANKING COUNCIL

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FOREWORD

The Massachusetts Community & Banking Council (MCBC) is pleased to offer *Changing Patterns XVI*, its annual report on mortgage lending to traditionally underserved borrowers and neighborhoods in Boston, Greater Boston and Massachusetts. Once again, the report incorporates the analysis of higher-cost mortgage loans previously presented in a separate series of *Borrowing Trouble* reports. In addition to the data presented in this report, MCBC is also providing data on all Massachusetts cities and towns in a set of on-line tables. MCBC hopes that this report and its supplementary data can help to increase access to fair credit for lower-income and minority homebuyers and homeowners by providing bankers, mortgage lenders, community representatives, regulators and others involved in the mortgage process with information on current mortgage lending patterns and the performance of major types of lenders.

MCBC was established in 1990 to bring together community organizations and financial institutions to affect positive change in the availability of credit and financial services across Massachusetts by encouraging community investment in low- and moderate-income and minority neighborhoods; promoting fair and equitable access to financial products and services for minority group members; and providing research, other information, assistance and direction in understanding and addressing the credit and financial needs of low- and moderate-income individuals and neighborhoods.

MCBC's Mortgage Lending Committee, which includes bank and mortgage company lenders, home buyer counseling and foreclosure prevention agency representatives, public officials and consumer and housing advocates, oversees preparation of this report. The Committee also works to identify other ways to expand homeownership opportunities for low- and moderate-income homebuyers and to sustain homeownership in low- and moderate-income neighborhoods. Over the last year and more,

MCBC's Mortgage Lending Committee has served as a forum for information sharing on the efforts of homebuyer counselors, non-profit organizations and public agencies to address the rising rate of foreclosures.

MCBC continues to support mortgage lending and homebuyer counseling programs that help to promote sustainable homeownership. For nearly ten years, MCBC's Mortgage Lending Committee has collaborated with the Massachusetts Housing Partnership Fund to track and report the quarterly performance of the SoftSecond Mortgage Loan Program. The SoftSecond Loan Program, now available statewide, has provided mortgage loans to over 13,700 income-qualified borrowers. In the third quarter of 2009, 1.39 percent of prime, fixed-rate loans in Massachusetts were in process of foreclosure. Among SoftSecond borrowers, the number of loans in process of foreclosure was 0.75 percent. SoftSecond borrowers are required to attend pre-purchase home buyer counseling and can also take advantage of post-purchase counseling and foreclosure intervention assistance.

This report and its supplementary tables, as well as earlier reports in the *Changing Patterns* series are available on MCBC's website at www.mcabc.info. Other MCBC reports, including *Expanding Homeownership Opportunity II: The SoftSecond Loan Program 1991–2006* and the Fair Lending Coordinating Committee report, *Expanding Fair Access to Credit*, are also available at this website, together with further information on MCBC's committees and programs.

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Note: Additional tables, providing the same information for all Massachusetts cities and towns that the tables in this report provide for the state’s thirty-three biggest cities, are available in the “Reports” section of the MCBC website: www.mcabc.info.

EXECUTIVE SUMMARY

This is the sixteenth in the annual series of *Changing Patterns* reports prepared for the Massachusetts Community & Banking Council (MCBC) by the present author. The series is aptly named: mortgage lending since 1990 has indeed been characterized by “changing patterns.” In recent years, the major focus of the series shifted from concern for *fair access to credit* for traditionally underserved borrowers and neighborhoods to concern for *access to fair credit* for these same borrowers and neighborhoods. This reflects the extent to which the problem of *redlining* had become overshadowed by the problem of *reverse redlining*, whereby areas that previously had difficulty getting any mortgage loans at all became specifically targeted for higher-cost mortgage loans.

This year’s report offers information on patterns of mortgage lending during 2008, a year when there was very little subprime lending. While the limited subprime lending that remains continues to show substantial racial and ethnic disparities, this most recently changed pattern shifts attention back toward the original problem of fair access to good loans for traditionally underserved borrowers and neighborhoods.

The report presents information for the city of Boston, for Greater Boston, and for Massachusetts, as well as for each of the state’s fourteen counties and each of its thirty-three largest cities and towns. The primary data source is federal Home Mortgage Disclosure Act (HMDA) data for 2008, supplemented by data on population and income from the U.S. Census Bureau and annual data on metropolitan area income levels from the Department of Housing and Urban Development. The report is restricted to first-lien loans for owner-occupied homes. It gives particular attention to higher-cost loans, identified in HMDA data as having annual percentage rates (APRs) at least three percentage points higher than the current interest rate on long-term U.S. Treasury bonds; these loans are referred to in this report as **high-APR loans, or HALs**.

This “Executive Summary” highlights some of the most interesting findings presented in the following

pages. A more inclusive summary is provided by the bold-faced portions of the bullet points in the body of the report, and by the charts and tables that are interspersed with the text. Readers interested in additional detail will want to investigate the tables that follow the body of the report; these may be particularly useful for those interested in lending patterns in a particular community or region of the state.

Tables 1–28 provide data on lending patterns in Boston, Greater Boston, and Massachusetts. Tables 29–35 provide selected data on lending in the fourteen counties of Massachusetts, and Tables 36–42 provide data on lending in the state’s 33 largest cities and towns. Six supplemental tables, available online at www.mcabc.info, provide information on lending in all of the state’s 351 cities and towns.

- ❖ Both the HAL shares of total lending and the numbers of HALs were dramatically lower in 2008 than in previous years. Between 2006 and 2008 in the city of Boston, the HAL share of all loans fell from 25% to 4%, while the number of HALs fell from 3,651 loans to just 339.
- ❖ Even so, there were more than five thousand HALs in Massachusetts in 2008. HAL loan shares were highest in Springfield, Chicopee, and Brockton, but almost every city and town in Massachusetts—all but fifteen—received at least one HAL.
- ❖ HALs accounted for a substantially smaller percentage of loans in Massachusetts than they did nationwide. For home-purchase loans, the HAL loan shares were 4.6% in the state and 8.1% nationwide; for refinance loans, they were 3.9% in the state and 11.0% nationwide.
- ❖ Black and Latino borrowers in Boston, Greater Boston, and statewide received shares of total prime loans that were far below their shares of total households. In Boston, blacks made up 21.1% of households, but received only 9.5% of prime home-purchase loans and 8.1% of prime refinance loans. Latinos made up 13.6% of Boston households, but received only 5.3% of

prime home-purchase loans and 4.3% of prime refinance loans.

- ❖ Total home-purchase lending to blacks and Latinos was highly concentrated in a small number of the state's cities and towns, and entirely absent in many others. Just four cities and towns (Boston, Brockton, Springfield, and Randolph) accounted for over one-half of total loans to blacks in Massachusetts, and eight communities received over half of all lending to Latinos in the state. At the same time, blacks received no home-purchase loans in 189 of the state's 351 cities and towns and there were 132 communities where Latinos received no loans.
- ❖ Black and Latino borrowers were much more likely to receive HALs than were their white or Asian counterparts. Among homebuyers in Greater Boston, for example, the HAL loan shares were 10.0% for blacks and 8.1% for Latinos, but only 3.2% for whites. In other words, black homebuyers in Greater Boston were 3.1 times more likely, and Latinos were 2.5 times more likely, to get their home-purchase loan in the form of a HAL than were their white counterparts.
- ❖ HAL loan shares were higher for borrowers with lower incomes. For home-purchase loans statewide, for example, HAL loan shares ranged from 7.0% for low-income borrowers to 1.8% for borrowers in the highest income category.
- ❖ When borrowers are grouped by both race/ethnicity and income level, HAL loan shares for blacks and Latinos are usually substantially higher than HAL shares for white borrowers in the same income categories. For example, among homebuyers in Greater Boston with incomes of \$170,000 or more, blacks were 5.0 times more likely to receive a HAL than their white counterparts, and Latinos were 2.8 times more likely than whites to receive a HAL.
- ❖ HAL lending varied dramatically among Boston's major neighborhoods. For home-purchase loans, HAL shares ranged from 12.7% in Roxbury to 1.1% in Fenway/Kenmore. For home-purchase loans statewide, the HAL loan share in low-income census tracts was 4.6 times greater than that in upper-income tracts and the HAL loan share in predominantly minority tracts was 3.2 times greater than in predominantly white tracts.
- ❖ Denial rates on mortgage loan applications by blacks and Latinos were more than twice as high as the denial rates on applications by whites. For example, the denial rates on applications for home-purchase loans in Greater Boston were 27.8% for blacks, 25.1% for Latinos, and 10.3% for whites. When applicants are grouped into income categories, the denial rates for blacks and for Latinos were in every case well above the denial rates for white applicants in the same income category.
- ❖ Subprime lenders accounted for just 0.5% of all loans both in Boston and statewide, down from a peak loan share of 19%. Massachusetts banks and credit unions made 39.1% of all home-purchase loans in Boston, their highest market share since 1998.
- ❖ Massachusetts banks and credit unions (whose local performance in meeting community credit needs is subject to evaluation under the Community Reinvestment Act [CRA]) directed a substantially greater share of their total loans as prime loans—and a substantially smaller share of their total loans as HALs—to every one of the categories of traditionally underserved borrowers and neighborhoods examined in this report than did other types of lenders.
- ❖ The Bank of America “lender family” was by far the biggest lender both in Boston and statewide. Indeed, the two major individual lenders in this family—Countrywide Bank and Bank of America, NA—each made substantially more loans than the second ranked lender. Mortgage Master ranked second in Boston and third statewide, Wells Fargo was second statewide and third in Boston, and JPMorgan Chase ranked fourth in both areas. These top four lender families accounted for 36% of total loans in Boston and 25% in Massachusetts.
- ❖ Only two of the top ten overall lenders in the state (Bank of America and Sovereign, ranked #1 and #5), and eight of the top thirty, were fully or

partially covered by the CRA for their Massachusetts lending. The state's new Mortgage Lender Community Investment (MLCI) regulation, imposing CRA-like responsibilities on licensed mortgage lenders, was finalized in September 2008 and the first MLCI performance evaluations became public in October 2009. Eleven of the top thirty lending families in the state, including four of the top ten, consisted entirely or partially of licensed mortgage lenders.

- ❖ For the great majority of lenders, HALs made up much greater shares of their total loans to blacks and Latinos than of their total loans to whites. For the top five HAL lending families in Boston, the average black/white disparity ratio was 3.46 and the average Latino/white disparity ratio was 3.10. Mortgage Master, the third biggest overall lender but only the seventh biggest HAL lender, had a black/white disparity ratio of 4.85 and a Latino/white disparity ratio of 6.92.

INTRODUCTION

This report is the sixteenth in an annual series of studies that was initiated by *Changing Patterns: Mortgage Lending in Boston, 1990–1993*.¹ The report includes information on lending in Boston, Greater Boston, and Massachusetts, as well as in the state's fourteen counties and in its thirty-three largest cities and towns. In addition, a set of on-line tables provides selected data for every Massachusetts municipality.

The series is aptly named: mortgage lending since 1990 has indeed been characterized by “changing patterns.” In the early 1990s, Massachusetts banks, responding to community and regulatory pressures to fulfill their obligations under the state and/or federal Community Reinvestment Act (CRA), greatly increased their lending to the lower-income and minority borrowers and neighborhoods that had previously been underserved. In the following years, however, these banks lost most of their total market share to other lenders whose local lending was not covered by the CRA. In the middle 1990s, subprime lending began its explosive growth. Although subprime loans initially consisted overwhelmingly of loans to refinance existing mortgages, by 2003 they had become a larger share of home-purchase loans than of refinance loans. And all this was before the dramatic changes associated with the boom-and-bust developments in mortgage lending between 2004 and the present that resulted in the current foreclosure crisis.

This report offers information on patterns of mortgage lending during 2008, a year when the overall volume of mortgage lending fell for the fifth consecutive year and when there was very little subprime lending. As documented below, the number of high-cost loans statewide in 2008 was down 88% from the peak reached in 2005, and lenders specializing in subprime lending accounted for only 0.5% of total loans in the state in 2008, down from over 19% in 2006.

The basic goal which motivated the Massachusetts Community & Banking Council (MCBC) to initiate the *Changing Patterns* series of reports was to increase access to home-purchase mortgage loans—and, thus, access to homeownership—for traditionally underserved borrowers and neighborhoods. In the early 1990s, mortgages themselves were a relatively standard product, which potential home-buyers either got or didn't get. With the growth of subprime lending, however, a very different concern became increasingly important: the proliferation of higher-cost mortgage loans to the same borrowers and in the same neighborhoods that had traditionally been underserved. In short, concern shifted to include not only *fair access to credit* but also *access to fair credit*.²

Expressed differently, the problem of *redlining* became overshadowed by concern with *reverse redlining*, whereby areas that previously had difficulty getting any mortgage loans at all became specifically targeted for higher-cost mortgage loans. Predatory lenders pushed loans characterized by egregiously high interest rates and fees, unconscionable features, and/or highly deceptive sales practices. These loans were often aimed at stripping away the accumulated equity of vulnerable home owners, and they too often resulted in borrowers losing their homes.

More than a decade later, in light of the on-going foreclosure epidemic, it is particularly important to note that there is considerable evidence of a strong correlation between subprime lending and subsequent foreclosures. The Mortgage Bankers Association reported that the percentage of loans in the foreclosure process nationwide at the end of the third quarter of 2009 was 3.20% for prime loans (up from 1.58% a year earlier) and 15.35% for subprime loans (up from 12.55%).³ Closer to home, the City of Boston's Department of Neighborhood Development

¹ This year's report again incorporates the analysis of subprime lending previously presented in a companion series that ended with *Borrowing Trouble VII: Higher-Cost Mortgage Lending in Boston, Greater Boston and Massachusetts, 2005*.

² This shift is discussed in “From Fair Access to Credit to Access to Fair Credit,” Chapter 5 of Dan Immergluck, *Credit to the Community: Community Reinvestment and Fair Lending Policy in the United States* (M.E. Sharpe, 2004).

³ Mortgage Bankers Association, “Delinquencies Increase, Foreclosure Starts Flat in Latest MBA National Delinquency Survey,” December 5, 2008, and “Delinquencies Continue to Climb in Latest MBA National Delinquency Survey,” November 19, 2009. Available at: www.mbaa.org/newsandmedia.

found not only that the four Boston neighborhoods where the rate of foreclosure petitions were highest in 2007 were the same four neighborhoods where the rate of higher-cost lending was found to be highest in previous *Changing Patterns* reports, but also that “the top originating lenders of foreclosed loans were identified as top [high-cost] lenders in 2004, 2005, and 2006 by [these] reports.”⁴ In addition, researchers at the Federal Reserve Bank of Boston found that foreclosure rates tended to be high in the same Massachusetts communities in which rates of subprime lending were high.⁵

The main data source for this report is the Home Mortgage Disclosure Act (HMDA) data released annually by the Federal Financial Institutions Examination Council. HMDA data include information from almost all lenders who make substantial numbers of mortgage loans. For each loan application received, the data include the income, race, ethnicity, and sex of the applicant; the location of the property; whether the loan is for home-purchase, refinance, or home improvement; whether the loan is secured by a first lien or a junior lien on the property; and whether or not the loan is for an owner-occupied home. HMDA data also include limited information on the pricing of some higher-cost loans. In particular, lenders are required to compare the **annual percentage rate (APR)** on each mortgage loan to the current interest rate on U.S. Treasury securities of the same maturity. If the “spread” between the loan’s APR and the interest rate on the corresponding Treasury security is three percentage points or more for a first-lien loan (five percentage points or more for a junior-lien loan), then the spread for that loan must be reported in the lender’s HMDA data. **In this report, loans with**

reported rate spreads are referred to as “high-APR loans” or “HALs.”

The primary focus of many of this report’s tables and charts is to provide information on HALs as a share of all loans made to different categories of borrowers and in different geographical areas. To this end, the report draws on two major sources of data in addition to HMDA data. First, the estimates of the 2008 median family income (MFI) in each metropolitan area produced by the U.S. Department of Housing and Urban Development (HUD) are used to place borrowers into income categories. Second, information from the 2000 U.S. Census is utilized so that analysis of HAL lending patterns in terms of the income level and race of the *borrowers* who receive the loans can be supplemented by analysis of patterns in terms of the income level and percentage of minority households in the *geographic areas* where the loans were made. The “Notes on Data and Methods” at the end of the report provide details on the definitions and sources of the data used and on how the data were processed in preparing the report’s tables and charts.

The analysis in this report is limited to first-lien loans for owner-occupied homes, both home-purchase loans and refinance loans. That is, it excludes (1) second mortgages and other junior-lien loans,⁶ and (2) loans for homes that borrowers will not be occupying as a principal residence. Appendix Table 1 provides detailed data on the numbers and percentages of different types of loans in Massachusetts. It shows that first-lien loans for owner-occupied homes accounted for 84.4% of all loans in the state, that first-lien loans for non-owner-occupied homes accounted for 9.8%, and that junior-

⁴ City of Boston, Department of Neighborhood Development, “Foreclosure Trends 2007,” pages 2 and 8. Similar findings are reported in “Foreclosure Trends 2008,” p. 9. Available at: www.cityofboston.gov/dnd/PDFs/U_2007_Foreclosure_Trends.pdf and www.cityofboston.gov/dnd/PDFs/U_2008_Foreclosure_Trends.pdf.

⁵ For example, Ricardo Borgos, Prabal Chakrabarti, and Julia Reade found, for Massachusetts cities and towns, not only that “the correlation between higher-cost lending and foreclosure rates is strong,” but also that “higher foreclosure rates were more closely associated with higher-cost lending than with high rates of poverty.” (*Understanding Foreclosure Rates in Massachusetts*, Community Affairs Discussion Paper 07-1, Federal Reserve Bank of Boston, March 2007, page 7).

⁶ Junior-lien home-purchase loans—sometimes referred to as “piggyback loans”—became very common a few years ago, although they were seldom used in 2008. These loans provided a way of avoiding the cost of private mortgage insurance, which is generally required when the loan amount is greater than 80% of the value of the home being purchased. Thus, borrowers received a first-lien loan for 80% of the value of the home and a second, junior-lien mortgage for the additional amount being borrowed (20% of the home’s value in the case of a zero-down-payment loan). Restricting the analysis to first-lien loans avoids double-counting home buyers who obtained piggy-back second mortgages.

lien loans accounted for the remaining 5.8%.⁷ Appendix Table 2 provides information on the percentages of HAL loans—overall and by the race/ethnicity of borrowers—for both first-lien and junior-lien loans.

The principal goal of this report, like its predecessors, is to contribute to improving the performance of mortgage lenders in meeting the needs of traditionally underserved borrowers and neighborhoods by presenting a careful *description* of what has happened that all interested parties—community groups, consumer advocates, banks and other lenders, regulators, and policy-makers—can agree is fair and accurate. This series of reports offers neither *explanations* of why the observed trends have occurred nor *evaluations* of how well lenders have performed. Rather, its descriptive contributions are intended to be important annual inputs into the complex, ongoing tasks of explanation and evaluation.

For many readers, this report's main contribution will consist of the wealth of information contained in its forty-six pages of tables, especially data about individual municipalities or counties of particular interest.⁸ No attempt is made to summarize all of this information in the pages that follow.

For those seeking an overview, however, the following pages of text, charts, and simple tables attempt to highlight some of the most significant findings that emerge from an analysis of the data for Boston, Greater Boston, and Massachusetts, with limited attention to other areas. (In this report, *Greater Boston* is defined as consisting of the 101 cities and towns in the Metropolitan Area Planning

Council [MAPC] region.⁹) The remaining sections of the report are organized as follows:

- ❖ Part I presents information on the overall level of high-APR mortgage lending.
- ❖ Part II analyzes patterns of lending to borrowers grouped by race/ethnicity and by income level.
- ❖ Part III examines patterns of lending in neighborhoods. The analysis looks at census tracts grouped by income level and by percentage of minority households, as well as at Boston's major neighborhoods.
- ❖ Part IV summarizes data on denial rates, highlighting racial/ethnic disparities.
- ❖ Part V focuses on the relative importance and differential patterns of lending by three major types of mortgage lenders.
- ❖ Part VI presents information on the biggest lenders—both overall and for high-APR loans—both in Boston and statewide.
- ❖ Part VII offers information on a few matters not covered elsewhere in the report: the magnitude of the costs imposed on borrowers who obtain HALs rather than prime loans; the limitations of currently available HMDA data; the initial implementation of a regulation imposing CRA-type obligations on the state's licensed mortgage lenders; and the dramatic increase in FHA-insured mortgage lending.
- ❖ Finally, a section of "Notes on Data and Methods" provides considerable detail on a number of technical matters.

⁷ Some analysts restrict their coverage to conventional loans and/or to site-built homes (i.e., they exclude government-backed [VA and FHA] loans and/or loans for manufactured homes). The *Changing Patterns* reports have not restricted coverage in this way, because the numbers of government-backed loans and loans for manufactured home in Massachusetts have been so small that their impact on the analysis was negligible. In 2006, for example, government-backed loans accounted for only 1.0% of total loans and loans for manufactured homes made up just 0.2% of total loans. In 2008, however, FHA lending expanded dramatically; this development is noted in the introduction to Part I and discussed in Part VII.

⁸ Additional tables, available in the reports section of the website of the Massachusetts Community & Banking Council (www.mcabc.info) provide **information on mortgage lending in all of the cities and towns in Massachusetts**. The format of the six on-line tables is the same as the corresponding tables in this report that provide information for the state's 33 largest cities and towns (Tables 36–40 and 42). It should be noted that these on-line tables do not provide individual data for all 351 of the state's cities and towns; this is because census tracts are the smallest geographic units for which HMDA data are reported, and 68 towns in Massachusetts are too small to have even one census tract of their own. In these cases, information is reported for the set of towns that share a single tract (for example, Truro and Wellfleet in Barnstable County).

⁹ More information on the MAPC region and on the MAPC itself—a regional planning agency established by the state in 1963—is available at www.mapc.org. Another widely used definition of "Greater Boston" is the Boston Metropolitan Statistical Area (MSA), the Massachusetts portion of which is currently defined by the federal government to include the 147 communities in Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties. A map of the MAPC region and the Boston MSA precedes Table 1.

I. THE OVERALL LEVEL OF HIGHER-COST MORTGAGE LENDING

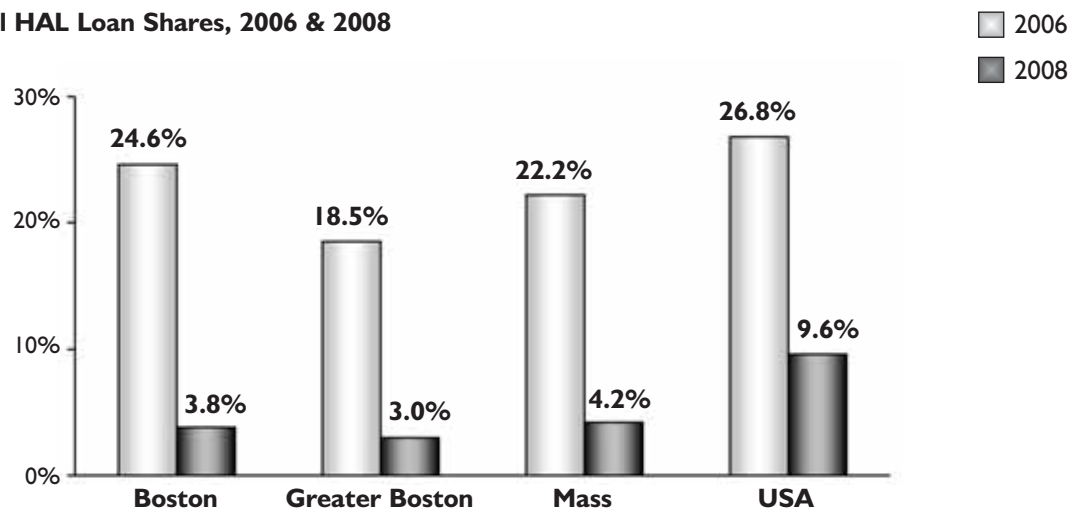
Before examining the distribution of **high-APR loans (HALs)** among different categories of borrowers and neighborhoods, this brief section reports on how large a share of total mortgage lending was accounted for by these loans. The findings presented in the bullet points and chart below are based on detailed tables that follow the text of this report. Tables 1 and 2 provide information on mortgage lending in the city of Boston, in the Greater Boston area, in Massachusetts; data for the fourteen counties of Massachusetts and for its thirty-three largest cities and towns are presented in Tables 29 and 36, respectively. For each geographical area, the tables provide information on the number of mortgage loans, the number of HALs, and the percentage of all loans that are HALs; this information is provided separately for home-purchase loans and refinance loans. This section provides no information on the dramatic rise in FHA loans during 2008.¹⁰ Among the main findings that emerge from analysis of these tables are the following:

❖ **Both HAL shares of total lending and the numbers of HALs were dramatically lower in 2008 than in previous years.** Statewide, the HAL share of all loans (home-purchase plus refinance) fell from 22.2% in 2006 to 4.2% in

2008, while the number of HALs dropped from 40,173 to 5,138 during the same period. In the city of Boston, the HAL share declined from 24.6% to 3.8% of all loans, while the number of HALs fell from 3,651 loans in 2006 to 339 loans in 2008. The declines were roughly comparable for Greater Boston, and for home-purchase loans and refinance loans considered separately in each area. In 2008, the percentages of HALs were somewhat higher for home-purchase loans than for refinance loans (for example, in Greater Boston HALs accounted for 3.5% of home-purchase loans and for 2.6% of refinance loans). (Tables 1 & 2 and Exhibit 1)

- ❖ **Even so, there were more than five thousand high-APR loans (HALs) in 2008 in Massachusetts—2,361 loans to finance home purchases and 2,777 refinance loans.** Borrowers in Greater Boston received about eighteen hundred HALs (920 home-purchase plus 902 refinance). In the city of Boston, there were 339 HALs (198 home-purchase plus 141 refinance). (Table 1)
- ❖ **High-APR loans accounted for a substantially smaller percentage of loans in Massachusetts than they did nationwide.** For home-purchase loans, the HAL loan shares were 4.6% in the state

EXHIBIT 1: Overall HAL Loan Shares, 2006 & 2008



Source: Table 2

¹⁰ The *Changing Pattern* series of reports has never distinguished conventional from government-backed (e.g., FHA-insured) mortgages because the latter have usually accounted for only about one percent of all loans here; in 2007 their share of total lending doubled to 2.1%. In 2008, however, government-backed loans accounted for 12.4% of all mortgage loans in Massachusetts, including 14.3% of first-lien loans for owner-occupied homes. This sharp increase in government-backed lending is discussed in Section VII.

and 8.1% nationwide; for refinance loans, they were 3.9% in the state and 11.0% nationwide.¹¹

- ❖ **Among the state's thirty-three biggest cities,¹² HAL loan shares were highest in Springfield** (where they accounted for 13.1% of all home-purchase loans and 17.2% of all refinance loans), **Chicopee** (8.4% and 13.6%) and **Brockton** (12.9% and 8.3%). Among these thirty-three cities, Springfield and Brockton have the second and third highest percentages (behind Boston) of black households, and Springfield has the second highest percentage of Latino households (behind Lawrence). (Table 36)

- ❖ **Almost every city and town in Massachusetts¹³—all but fifteen—received at least one high-APR loan (HAL) in 2008.** Weston, which has the highest median family income (MFI) of any community in the state (\$181,041, according to the 2000 Census), received two HALs. Dover, with the second highest MFI, did not receive a HAL, but Carlisle, which had the third highest MFI, received three HALs. The fifteen communities that did not receive HALs were Chatham, Dover, Dunstable, Florida, Harvard, Monterey, Pelham, Peru, Provincetown, Savoy, Stockbridge, West Newbury, West Stockbridge, Tyringham, and Windsor. (Supplemental Table 1, available online)

II. LENDING BY BORROWER RACE/ETHNICITY AND INCOME

In all areas of Massachusetts, black and Latino borrowers were much more likely than their white counterparts to receive **high-APR loans (HALs)**. At the same time, blacks and Latinos received shares of total **prime loans (a term we use here as equivalent to “non-HAL loans”)** that were disproportionately small compared to their shares of total households. The pattern with respect to HAL loans can be seen from two different perspectives. On the one hand, HALs made up much larger shares of all loans to black and Latino borrowers than they did of all loans to white borrowers. On the other hand, blacks and Latinos received much larger shares of total HALs than they received of total prime loans. When borrowers are grouped by income level, HAL loan shares were greater for borrowers with lower

incomes, although only a minority of total HALs went to low- and moderate income borrowers. When borrowers are classified by both race and income, the disparities between black and Latino borrowers and white borrowers tend to be *greater* at higher income levels.¹⁴

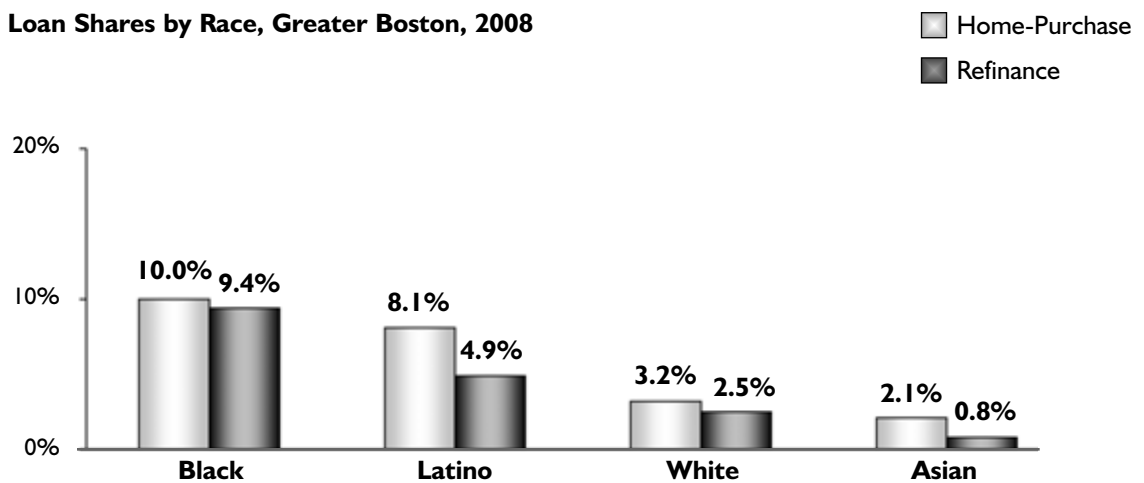
- ❖ **Black borrowers in Boston, Greater Boston, and statewide received shares of total prime loans that were far below their shares of total households. In Boston, for example, blacks made up 21.1% of households, but received only 9.5% of prime home-purchase loans and 8.1% of prime refinance loans.** Statewide, the black household share was 4.6%, but black loan shares were just 3.1% for prime home-purchase

¹¹ Nationwide HAL shares were calculated from data in Table 9 of Robert B. Avery, *et al.*, “The 2008 HMDA Data: The Mortgage Market during a Turbulent Year,” *Federal Reserve Bulletin*, 2009 [forthcoming]. These percentages are for conventional and government-backed first-lien loans on owner-occupied site-built homes. The overall percentage used in Exhibit 1 is from the same source, and the 2006 nationwide percentages in Exhibit 1 were calculated from data in Table 4 of Robert B. Avery, Kenneth P. Brevoort, and Glenn B. Canner, “The 2006 HMDA Data,” *Federal Reserve Bulletin*, December 2007.

¹² Although five of the state's thirty-three largest municipalities, as listed in Table 36, are officially towns, the municipalities will be referred to collectively as “cities” throughout this report. The five towns are: Arlington, Brookline, Framingham, Plymouth, and Weymouth. The smallest city or town among the biggest thirty-three is Westfield, with a population of 40,072.

¹³ More precisely, this should say “every city and town in Massachusetts that consists of at least one entire census tract, plus every multi-town census tract.” Of the 351 cities and towns in the state, only 283 are large enough to have at least one census tract entirely to themselves. The other 68 towns share a total of 23 census tracts, with the number of towns that share a single census tract ranging from two to six. Census tracts are the smallest geographical area for which HMDA data are available, so it is impossible to determine which towns received the loans made in these 23 census tracts.

¹⁴ Appendix Table 3 and the accompanying Chart A-3 update the table and chart from previous *Changing Patterns* reports that have tracked the number and percentage of all home-purchase loans (not just HALs) that have gone to borrowers of different races/ethnicities in Boston since 1990. In addition, information on the share of all loans (not just HALs) that went to borrowers at various income levels is presented in the bottom half of Table 4, and Appendix Table 4 and Chart A-4 provide data on the number and percentages of all loans that went to borrowers at different income levels in the city of Boston since 1990. This information is provided for readers who may be interested; none of it is discussed in the text of this report.

EXHIBIT 2: HAL Loan Shares by Race, Greater Boston, 2008

Source: Table 3

loans and 1.9% for prime refinance loans.¹⁵
(Panel II of Table 3)

- ❖ **Latino borrowers in Boston, Greater Boston, and statewide also received shares of total prime loans that were well below their shares of total households. In Boston, for example, Latinos made up 13.6% of households, but received only 5.3% of prime home-purchase loans and 4.3% of prime refinance loans.**

Statewide, the Latino household share was 6.9%, but Latino loan shares were 4.7% for prime home-purchase loans and just 2.4% for prime refinance loans. (Panel II of Table 3)

- ❖ Black and Latino borrowers in Boston, in Greater Boston, and statewide were much more likely to receive HALs than were their white or Asian counterparts. **Among homebuyers in Greater Boston in 2008, the HAL loan shares were 10.0% for blacks and 8.1% for Latinos, but only 3.2% for whites. Accordingly, the black/white disparity ratio was 3.1 and the Latino/white disparity ratio was 2.5; this black/white disparity ratio, for example, indicates that black**

homebuyers in Greater Boston were 3.1 times more likely to get a HAL than were their white counterparts. For *refinance loans* in Greater Boston, HALs accounted for 9.4% of loans to blacks and 4.9% of loans to Latinos, but only 2.5% of loans to whites, for a black/white disparity ratio of 3.8 and a Latino/white disparity ratio of 2.0. For home-purchase loans in the city of Boston, the black/white and Latino/white disparity ratios both were 3.1, while statewide the black/white disparity ratio was 2.6 and the Latino/white disparity ratio was 2.3. HAL loan shares were consistently much *lower* for Asian borrowers than for whites. (Exhibit 2 & Table 3)

- ❖ The dramatic racial/ethnic disparities in high-cost mortgage lending can be illuminated from a different perspective by noting that **while black homebuyers in Greater Boston received just 3.4% of all prime loans in 2008, their share of all HAL loans was three times greater—10.1%. Similarly, while Latino homebuyers received only 4.1% of all prime loans in Greater Boston, their share of all HAL loans was almost two and one-half times greater—9.8%.** (Table 3, Panel II)

¹⁵ The black and Latino household shares in this paragraph and the next are for 2008, calculated using data from the Census Bureau's American Fact Finder (www.census.gov). The black household shares both in Boston and statewide decreased slightly between 2000 and 2008: from 21.4% to 21.1% in Boston and from 4.7% to 4.6% statewide. The Latino household shares both in Boston and statewide increased between 2000 and 2008: from 10.6% to 13.6% in Boston and from 4.9% to 6.9% statewide. Calculations for 2000 were based on data in Tables H9 and H10 of Summary File 3 data. Calculations for 2008 were based on data in Tables B11001, B11001B, and B11001I of American Community Survey 1-year estimates for 2008. The method used for these calculations was consistent for the two dates; it produced percentages for 2000 that differ slightly from those shown in Table 1.

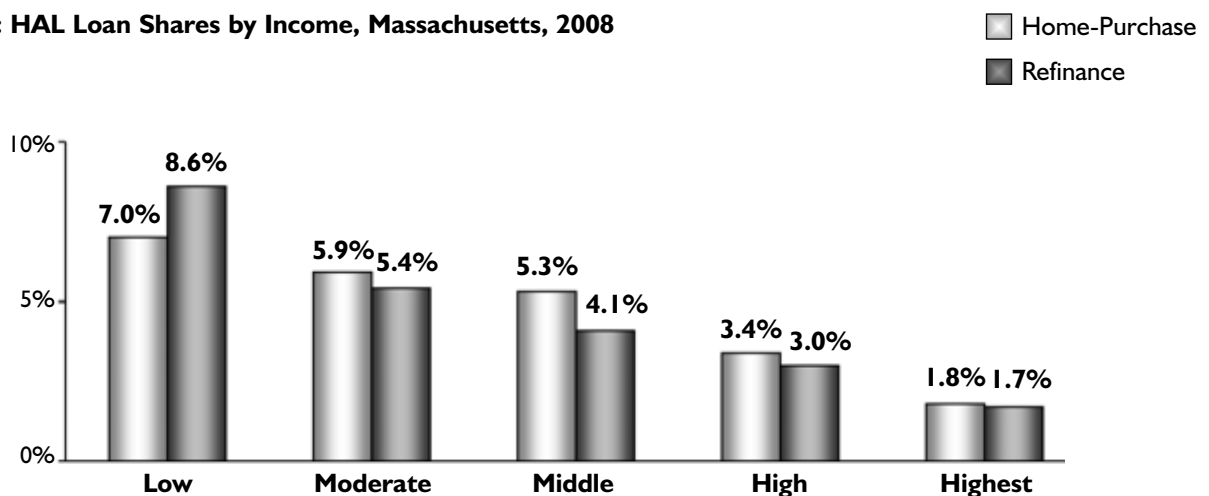
EXHIBIT 3: Black and Latino Homebuyer Shares of All Loans, Ten Biggest Cities in Massachusetts, 2008

	Black share of total		Latino share of total	
	non-HALs	HALs	non-HALs	HALs
Boston	9.5%	23.7%	5.3%	13.6%
Worcester	7.7%	11.6%	7.7%	8.4%
Springfield	12.8%	15.6%	21.1%	30.3%
Lowell	1.2%	1.6%	8.2%	6.3%
Cambridge	2.2%	0.0%	3.0%	0.0%
Brockton	32.6%	37.5%	10.2%	9.4%
New Bedford	6.7%	6.3%	8.5%	15.6%
Fall River	3.0%	3.3%	2.6%	10.0%
Lynn	4.4%	12.7%	21.3%	15.9%
Quincy	1.3%	0.0%	2.0%	8.0%

Source: Table 39

- ❖ The general patterns of HAL loan shares being substantially higher for black and Latino borrowers than for their white counterparts, and of blacks and Latinos having substantially larger shares of HALs than of prime loans, were also present in many of the state's counties and largest cities. (See Tables 30–31 [for counties], Tables 37–40 [for cities], and Exhibit 3)
- ❖ When borrowers in Boston, Greater Boston, and Massachusetts are grouped into five income categories, HAL loan shares in 2008 were higher for borrowers with lower incomes. For home-purchase loans statewide, for example, HAL loan shares ranged from 7.0% for low-income borrowers to 1.8% for highest-income borrowers, with shares falling steadily for the three intermediate income groups. This finding represents a significant change from 2007, when middle-income and high-income borrowers generally had *larger* HAL loan shares than low-income and moderate-income borrowers. This general pattern (and the reversal from 2007) held in Boston, in Greater Boston,

EXHIBIT 4: HAL Loan Shares by Income, Massachusetts, 2008



Source: Table 4

and in Massachusetts as a whole, and for both home-purchase and refinance loans. The median family income in the Boston MSA in 2008 was \$84,300, so low- and moderate income borrowers were those with incomes up to \$67,000 and middle- and high-income borrowers had incomes between \$68,000 and \$169,000.¹⁶ (Table 4 and Exhibit 4)

- ❖ Looking at the *numbers* of loans to borrowers at different income levels, however, shows that **low- and moderate-income borrowers still received a minority of HAL loans**. For home-purchase loans, low- and moderate-income (LMI) borrowers received 33.5% of all HALs in Boston, 31.8% of all HALs in Greater Boston, and 41.2% of HALs statewide. These loan shares are sharply up from 2007, when the HAL home-purchase loan shares of LMI borrowers were 11.9% in Boston, 15.5% in Greater Boston, and 25.3% in Massachusetts. (Table 4)¹⁷
- ❖ **When borrowers are grouped by both race/ethnicity and income level, the HAL loan shares for blacks and Latinos are usually substantially higher than the HAL shares for white borrowers in the same income category.**

Furthermore, the disparities in HAL shares tend to increase as the income level increases. These general patterns are the same for Boston (Table 6), for Greater Boston (Table 7), and for the entire state (Table 8). Black/white and Latino/white disparity ratios are generally greatest in either the “high” or “highest” income categories. (High-income borrowers in the Boston MSA in 2008 were those with incomes between \$102,000 and \$169,000 and highest-income borrowers were those with incomes of \$170,000 or more.) For brevity, only two specific examples will be provided here. **In Greater Boston, 10.6% of high-income blacks and 9.3% of high-income Latinos received their home-purchase loans in the form of HALs, while the HAL loan share was 3.0% for high-income whites. For the highest-income homebuyers in Greater Boston, the HAL loan shares were 8.1% for blacks, 4.5% for Latinos, and 1.6% for whites.** This means that among homebuyers with reported incomes of \$170,000 or more, blacks were 5.0 times more likely to receive a HAL than their white counterparts, and Latinos were 2.8 times more likely than whites to receive their mortgage in the form of a HAL. (Tables 6–8)

III. LENDING BY NEIGHBORHOOD RACE/ETHNICITY AND INCOME

In this part of the report the focus is on the characteristics of the *geographical areas* where high-APR loans (HALs) were made rather than on the characteristics of the *borrowers* who received such loans. The data in Tables 9–12 provide clear evidence that high-APR loans (HALs) are concentrated

disproportionately in areas where the percentage of minority residents is high and in areas where income levels are low (often, these are the same areas).

Table 9 (Boston), Table 10 (Greater Boston), and Table 11 (Massachusetts) classify census tracts by

¹⁶ Following standard practice in mortgage lending studies, these income categories are defined in relationship to the median family income (MFI) in the metropolitan area in which the home is located. Standard practice is to divide borrowers into four income categories: less than 50% of the MFI of the metro area is “low-income”; between 50% and 80% is “moderate-income”; between 80% and 120% is “middle-income”; and over 120% is “upper-income.” **In this report, the standard “upper-income” category for borrowers is subdivided into “high-income” (between 120% and 200% of the MFI in the relevant metropolitan area) and “highest-income” (more than double the MFI in the metro area).** This report also differs from standard practice in using the MFI of the Boston MSA for all communities in that five-county region. The standard practice for analysis of HMDA data now is based on the division of the Boston MSA into three Metropolitan Divisions (MDs), each with its own MFI. This report deviates from the standard practice because it makes no sense to treat, for example, Cambridge and Boston as being in different metropolitan areas. *Note:* HMDA data only reports borrower income to the nearest thousand dollars. See “Notes on Data and Methods” for more detailed information on metropolitan areas and MFIs.

¹⁷ Information on lending to borrowers at different income levels is provided for counties in Table 32 and for the state’s 33 biggest cities in Table 41. In a substantial majority of cases, HALs made up larger shares of total loans to low- and moderate-income (LMI) borrowers than of total loans to their middle- and high-income counterparts, although LMI borrowers received smaller *numbers* of HALs.

both race/ethnicity and income level.¹⁸ In each panel of these tables, the first four rows and columns of numbers provide information on tracts classified by both income level and race/ethnicity; the bottom row provides information for the total of all tracts at each income level; and the right-most column provides information for the total of all tracts in each racial/ethnic category. Panel A indicates the distribution of census tracts among categories; Panels B–D provide information on home-purchase lending: total number of loans, share of these loans that are HALs, and HAL-share disparity ratios (expressed as the ratio of each HAL share to the HAL share in upper-income, predominantly white tracts); and Panels E–G provide the same information on refinance lending. These tables show that high-APR loans account for greatly disproportionate shares of total lending in traditionally underserved neighborhoods—that is, in census tracts with low income levels and high concentrations of minority households. The first two bullets summarize results for home-purchase lending in Boston and statewide; the patterns that emerge from the table for Greater Boston are similar.

- ❖ **For home-purchase loans in the city of Boston in 2008, the HAL share in low-income census tracts was almost five times greater than that in upper-income tracts (6.3% vs. 1.3%) and the HAL loan share in predominantly minority tracts (those with more than 75% minority households) was almost four times greater than that in predominantly white tracts (11.4% vs. 2.9%).** For tracts in every income category, the HAL share rises consistently as the percentage of minority households increases.¹⁹ The concentration of high-APR lending is greatest in the predominantly minority census tracts (all of these tracts are low- or moderate-income). **For**

home-purchase loans in Boston, the HAL shares for low-income predominantly minority tracts was more than ten times higher than the HAL share in upper-income predominantly white tracts. (Table 9)

- ❖ **For home-purchase loans in the state as a whole, the HAL loan share in low-income census tracts was 4.6 times greater than that in upper-income tracts (10.2% vs. 2.2%) and the HAL loan share in predominantly minority tracts was 3.2 times greater than in predominantly white tracts (12.9% vs. 4.0%).** For tracts in every income category, the HAL share rises consistently as the percentage of minority households increases. The concentration of high-APR lending is greatest in the census tracts with lower income levels and with high percentages of minority households; the HAL share for low-income predominantly minority tracts was almost seven times higher than the HAL share in upper-income predominantly white tracts (15.2% vs. 2.2%). (Table 11)
- ❖ **High-APR lending varied dramatically among Boston's major neighborhoods. For home-purchase loans, HAL shares ranged from 12.7% in Roxbury and 12.5% in Mattapan to 1.5% in Back Bay/Beacon Hill and 1.1% in Fenway/Kenmore. For refinance loans, HAL shares ranged from 10.6% in Mattapan to 0.2% in the South End.** The four Boston neighborhoods with the highest percentages of minority residents—Mattapan, Roxbury, Dorchester, and Hyde Park—were all among the five neighborhoods with the highest HAL shares for home-purchase lending, all 6.4% or greater; meanwhile, in the four neighborhoods with fewer than 25% minority residents—Back

¹⁸ Census tracts, defined by the U.S. Census Bureau for each decennial census, are the smallest geographic area for which HMDA data are reported. Census tracts typically contain between 3,000 and 6,000 people and, in urban areas, cover an area several blocks square. Boston, with a population of 589,141 according to the 2000 census, has 157 census tracts. Census tracts are placed in racial/ethnic categories on the basis of percentages of minority and white households as reported in the 2000 census (minority households are all those for which the householder is other than a non-Latino white). A tract is placed into an income category on the basis of its median family income (MFI) in relationship to the MFI in the Metropolitan Statistical Area (MSA) within which the tract is located. MFIs for geographical areas are from the 2000 decennial census. "Low-income" tracts are those with MFIs less than 50% of the MFI in the MSA; "moderate-income" tracts have MFIs from 50%–80% of the MFI in the MSA; "middle-income" tracts have MFIs from 80%–120% of the MFI in the MSA; and "upper-income" tracts are those with MFIs greater than 120% of the MFI in their MSA.

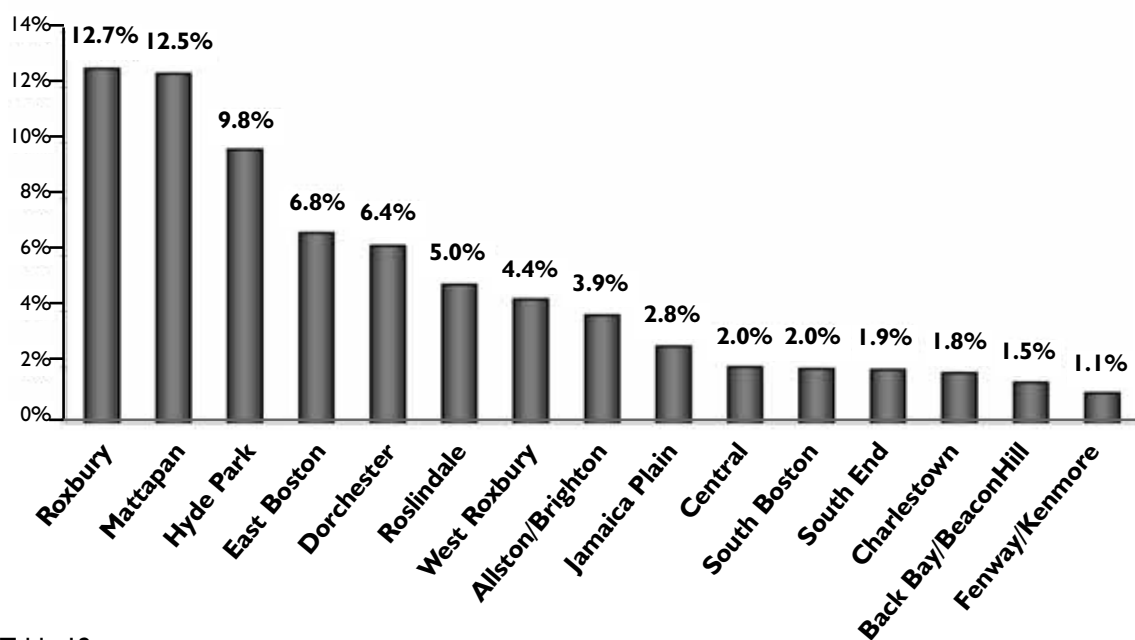
¹⁹ There is one exception to this generalization: there were no HALs among the seven home-purchase loans in the single upper-income census tract with 25%–50% minority households, while the HAL loan share was 1.3% in the thirteen upper-income tracts with more than 75% white households.

Bay/Beacon Hill, South Boston, West Roxbury, and Charlestown—the HAL shares were between 1.5% and 4.4%. (Table 12 and Exhibit 5)

- ❖ The same pattern emerges at the level of entire communities. For the 33 biggest cities in Massachusetts, Table 36 provides information on median family income and percentages of black and of Latino households as well as on high-APR lending. Examination of these data shows that HAL loan shares have a strong positive correlation with communities' percentages of black and Latino residents and a strong negative correlation with communities' median family incomes (MFIs). For example, **the four cities with the highest HAL shares for home-purchase loans in 2008 had an average of 34.8% black plus Latino households and an average MFI of \$39,906, while the four cities with the lowest HAL shares had an average of 8.3% black plus Latino households and an average MFI of \$73,938.** (The high HAL-share cities are Springfield, Brockton, Lawrence, and Lynn; the low HAL-share cities are Arlington, Brookline, Waltham and Cambridge.)

- ❖ **Total home-purchase lending to blacks and Latinos was highly concentrated in a small number of the state's cities and towns, and entirely absent in many others.** Just four cities and towns (Boston, Brockton, Springfield, and Randolph) accounted for over one-half (54.4%) of total loans to blacks in Massachusetts; these same four communities accounted for only 9.7% of the state's total loans to whites. Eight communities (Lawrence, Boston, Springfield, Lynn, Revere, Worcester, Chelsea, and Brockton) accounted for over half (51.1%) of all lending to Latinos in the state; these eight communities accounted for just 13.4% of total lending to whites. At the same time, **blacks received no home-purchase loans in 189 of the state's 351 cities and towns, and only a single loan in 60 more, while there were 132 communities where Latinos received no loans and 74 more where they received just one.** In 111 communities, nearly one-third (31.6%) of the state's cities and towns, there was not a single home-purchase loan to either a black or a Latino homebuyer. (Calculated from data presented in Supplemental Table 2, available online.)

EXHIBIT 5: HAL Loan Shares of Home-Purchase Loans, Boston Neighborhoods, 2008



Source: Table 12

IV. DENIALS OF MORTGAGE LOAN APPLICATIONS

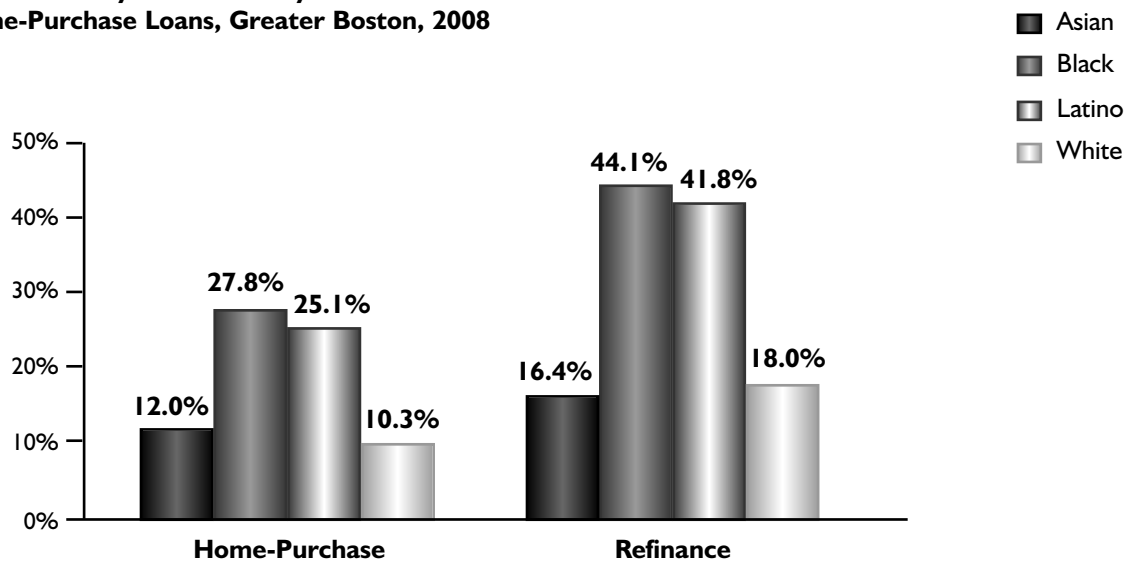
HMDA data include information not just on mortgage loans made, but also on all applications for mortgage loans, thereby making it possible to examine patterns of loan denials. The findings presented in this section are based on information presented in Tables 13–17 for Boston, Greater Boston, and Massachusetts. Information on denials for Asians, blacks, Latinos, and whites in each of the state's fourteen counties and in its thirty-three largest cities is presented in Table 33 and Table 42.²⁰

❖ **In Boston, Greater Boston, and Massachusetts in 2008, the denial rates on mortgage loan applications by blacks and Latinos were more than twice as high as the denial rates on applications by whites.** For example, the denial rates on applications for home-purchase loans in Greater Boston were 27.8% for blacks, 25.1% for Latinos, and 10.3% for whites; this translates into black/white and Latino/white denial rate disparity ratios of 2.69 and 2.43, respectively. For

refinance loan applications in Greater Boston, the denial rates were 44.1% for blacks, 41.8% for Latinos, and 18.0% for whites, resulting in disparity ratios of 2.45 and 2.33, respectively. Denial rates for Asians were fairly close to those for whites. (Table 13 and Exhibit 6)

❖ Even though black and Latino applicants had, on average, substantially lower incomes than their white counterparts,²¹ **the higher denial rates experienced by blacks and Latinos cannot be explained by their lower incomes. When applicants in Boston, in Greater Boston, and statewide are grouped into income categories, the 2008 denial rates for blacks and for Latinos were in every case well above the denial rates for white applicants in the same income category.** In fact, denial rate disparity ratios tended to be higher for applicants in higher income categories. For example, in Greater Boston, black applicants with incomes between \$91,000 and \$120,000

EXHIBIT 6: Denial Rates by Race/Ethnicity
Home-Purchase Loans, Greater Boston, 2008

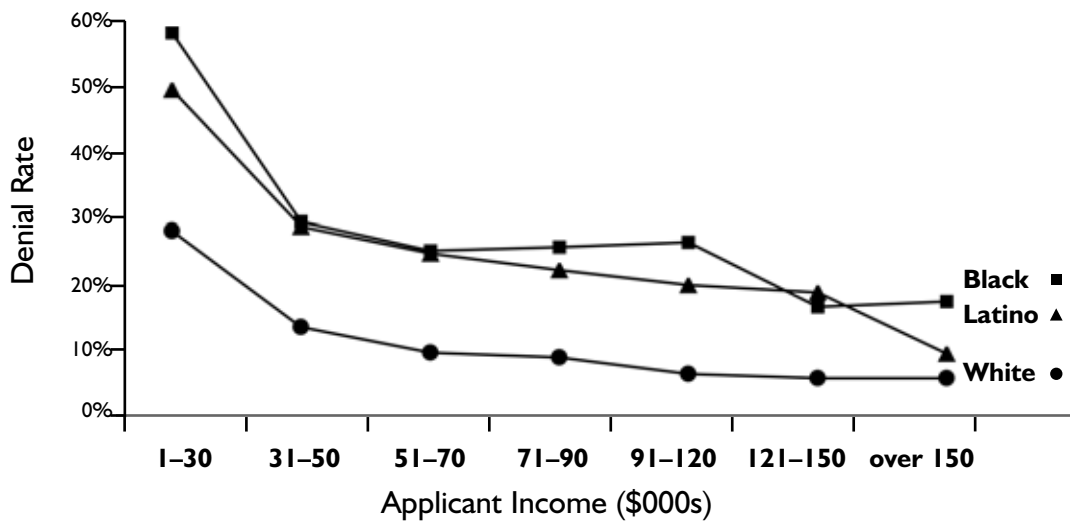


Source: Table 13

²⁰ Note that HMDA data do not provide any information on applications or denials for high-APR loans; this is because pricing (rate-spread) information is provided only for loans that were actually originated. Appendix Table 5 updates the table from earlier reports that provided information on overall denial rates and on denial rate disparity ratios since 1990. It shows that denial rates for black, and Latino applicants fell in Boston and Massachusetts in 2008 while denial rates for Asians and whites rose, leading to a significant decrease in black/white and Latino/white disparity ratios. In the U.S., however, black and Latino denial rates—and black/white and Latino/white disparity ratios—increased in 2008.

²¹ For example, it can be calculated from the data in Table 14 that 56% of white applicants in Greater Boston had reported incomes of \$91,000 or greater, compared to only 24% of black applicants and 25% of Latino applicants.

**EXHIBIT 7: Denial Rates by Race & Income,
Home-Purchase Loans, Greater Boston, 2008**



Source: Table 14

experienced a denial rate of 27.9%, more than three times greater than the 8.8% denial rate experienced by their white counterparts; the 21.7% denial rate for Latinos in this income category was two and one-half times the white rate. (Table 14 and Exhibit 7)

- ❖ Another interesting perspective on the differential outcomes experienced by black, Latino, and white loan applicants is to consider what percentage of applications resulted in a prime loan (i.e., a non-HAL loan). **In Greater Boston in 2008, 69.2% of white applicants for a home-purchase loan ended up receiving a prime loan, compared to 46.3% of black applicants and 50.1% of Latino applicants.** The difference has three components: blacks and Latinos applicants were more likely to be denied; more likely to have their applications result in neither a loan nor a denial; and, if they did receive a loan, more likely to have that loan be a HAL rather than a prime loan.²² (Tables 15 & 16)

- ❖ Table 17 provides summary information on the stated reasons for loan denials to black, Latino, and white applicants for home-purchase loans, both overall and for two broad income groupings. Providing up to three reasons for a loan denial is optional for most lenders and **in 2008 no reason was given for 22% of white denials, 23% of black denials, and 17% of Latino denials. Stated reasons for loan denials are quite similar for blacks, Latinos, and whites, but differ substantially by the income level of applicants.** For all three racial/ethnic groups, the most common reason for denial—given for about thirty percent of all denials for which any reason was provided—was “debt-to-income ratio.” The second most common reason was “other.” When applicants from each of the three racial/ethnic groups are divided into two major income categories, lenders were substantially more likely to cite “debt-to-income” or “credit history” as a reason for denials to low- and moderate-income applicants in each group than for denials to their middle- and upper-income counterparts.

²² Table 16 provides information on the percentage distribution of applications for home-purchase loans among the five possible results of a mortgage application that are reported in HMDA data (loan originated, loan approved by lender but declined by applicant, application denied, application withdrawn, and file closed for incompleteness). Data are provided for Boston, Greater Boston, and Massachusetts, separately for home-purchase and refinance loans.

V. LENDING BY MAJOR TYPE OF LENDER

The analysis in this section is based on classifying each mortgage lender into one of three major categories. *Massachusetts banks and credit unions* consist of all banks headquartered in Massachusetts or with branches in the state, plus Massachusetts-chartered credit unions, plus most mortgage lending affiliates of these institutions. *Licensed Mortgage Lenders* consist of all lenders who require a license from the state's Division of Banks in order to make mortgage loans in the state; these are primarily independent mortgage companies, but also include subsidiaries of non-Massachusetts federally-chartered banks as well as subsidiaries and affiliates of non-Massachusetts state-chartered banks. *Other Lenders* consist primarily of out-of-state banks and credit unions, plus federally-chartered Massachusetts credit unions.²³ This three-way classification has been used in the *Changing Patterns* series of reports to emphasize one crucial factor—whether a lender's Massachusetts mortgage lending (1) is currently covered by the state and/or federal Community Reinvestment Act (CRA); (2) is potentially subject to similar oversight by the state; or (3) is exempt from such state oversight.

This classification has proved useful in identifying dramatically different patterns of mortgage lending by lenders subject to evaluation under the CRA and by those not subject to such evaluation. Recognition of these different lending patterns was an important factor in the inclusion of CRA-type obligations and evaluation for licensed mortgage lenders (LMLs) as part of *An Act Protecting and Preserving Homeownership* that was signed into law in November 2007. In other words, the “potential”

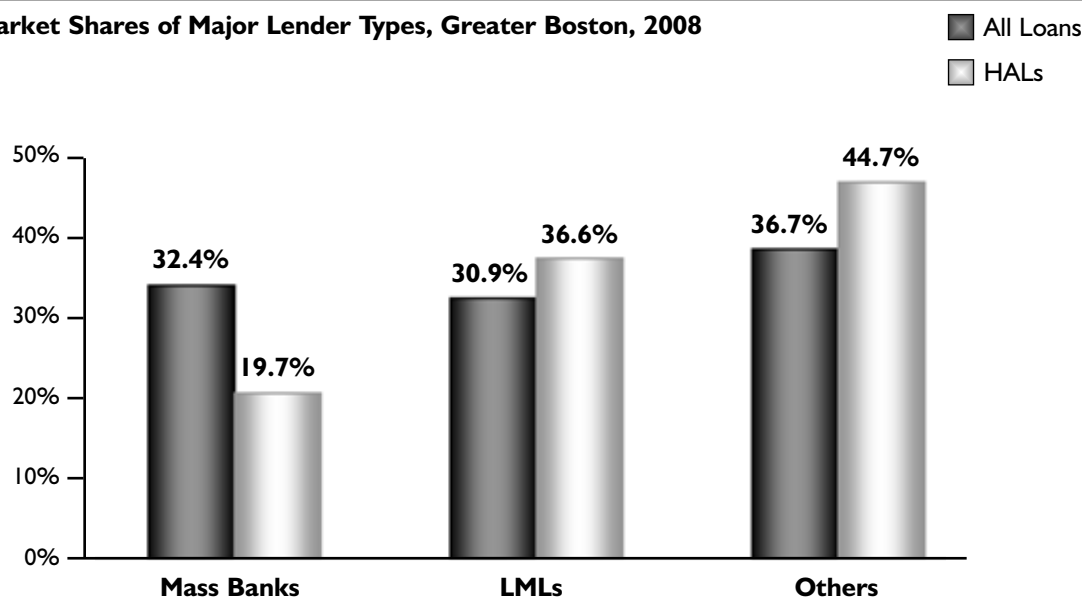
noted for category (2) at the end of the preceding paragraph has now become a reality for licensed mortgage lenders who have made at least fifty mortgage loans in Massachusetts during the preceding year. (See Section VII for more information on the implementation of the state's Mortgage Lender Community Investment regulations.)

- ❖ **The home-purchase loan shares of Massachusetts banks and credit unions increased in 2008, from 36.8% to 39.1% in Boston and from 37.7% to 41.2% statewide. The loan shares of subprime lenders both in Boston and statewide shrank to just 0.5% of all loans, down from peaks of 19%.²⁴** Table 18 shows how the shares of major categories of mortgage lenders have changed since 1990, following the same format—and the same lender categories—as the corresponding table in previous reports.²⁵ For this table only, Licensed Mortgage Lenders and Other Lenders are combined into “Mortgage Companies and Out-of-State Banks,” and lenders classified as “subprime lenders” are separated out from the other lenders within this broad grouping. (Table 18)
- ❖ **Massachusetts banks and credit unions accounted for a substantially larger share of total (home-purchase plus refinance) loans than of HALs (e.g., 32.4% vs. 19.7% in Greater Boston).** On the other hand, both Licensed Mortgage Lenders (LMLs) and Other Lenders each accounted for substantially larger shares of HALs than of total lending (e.g., Other Lenders accounted for 44.7% of HALs but only 36.7% of total loans in Greater Boston). (Table 19)

²³ Federal credit unions based in Massachusetts are included in the “other lenders” category because they are not subject to either the federal or state CRA.

²⁴ From 1998 through 2003, lenders were classified as “subprime” on the basis of annual lists published by the U.S. Department of Housing and Urban Development (HUD). Beginning with 2004, the *Changing Patterns* series of reports identifies “subprime lenders” on the basis of information on high-APR loans (HALs), which was included for the first time in 2004 HMDA data. A lender is classified as a “subprime lender” for 2008 if HALs constituted more than 40% of its total loans in the state. See “Notes on Data and Methods” for more information on the classification of lenders as subprime lenders.

²⁵ For Boston only, the “Big Boston Banks” are separated out from other Massachusetts banks and credit unions to document how the formerly dominant market share of this group has diminished. In 2008, the biggest Boston banks consisted of Citizens, Bank of America, and Sovereign, together with their affiliated mortgage companies. Bank of America includes Bank of America and Fleet loans for 2004, but only Fleet loans for earlier years. Five former banks were included in this grouping while they still existed: Bank of New England (1990–91), Boston Five Cents Savings Bank (1990–92), BayBanks (1990–96), Shawmut (1990–96), and BankBoston (1990–99). A sixth bank, Boston Safe Deposit (now Mellon New England), was included in this category until it exited the mortgage lending business in 2002.

EXHIBIT 8: Market Shares of Major Lender Types, Greater Boston, 2008

Source: Table 19

- ❖ **HAL shares of all loans by LMLs and by Other Lenders were approximately twice as large as the HAL shares of all loans by Massachusetts banks and credit unions.** In Greater Boston, for example, HALs constituted 1.8% of all loans by Massachusetts banks and credit unions, 3.5% of all loans by LMLs and 3.7% of all loans by Other Lenders. (Table 20)
- ❖ Table 21 (Boston) and Table 22 (Massachusetts) present information on the shares of the total loans of each of the three major types of lenders that consisted of prime loans (a term used here as equivalent to “non-HAL loans”) to traditionally underserved borrowers and neighborhoods, and on the shares of their total loans that consisted of HALs to these same borrowers and neighborhoods. **Massachusetts banks and credit unions (“CRA-covered lenders”) directed a substantially greater share of their total loans as prime loans—and a substantially smaller share of their total loans as HALs—to every one of the categories of traditionally underserved borrowers and neighborhoods examined in this report than did LMLs and Other Lenders.**²⁶ For

home-purchase loans in Boston, for example, prime loans to black borrowers made up 12.0% of all loans made by CRA-covered lenders, but only 6.2% of all loans by LMLs and 8.1% of all loans by Other Lenders. At the same time, HAL loans to black borrowers made up just 0.5% of all loans made by CRA-covered lenders, while making up 1.2% of the loans by LMLs and 1.6% of the loans by Other Lenders. (This same pattern holds for loans to Latino borrowers.) CRA-covered lenders directed 11.6% of their total loans to predominantly black and Latino LMI census tracts in the form of prime loans, and only 0.6% in the form of HALs. LMLs directed 7.8% of their total loans to these tracts in the form of prime loans, and 0.9% in the form of HALs; for Other Lenders, the corresponding percentages were 7.0% and 2.4%. The general patterns statewide are similar to those in Boston, although the percentages of total loans to black and Latino borrowers and to LMI census tracts are lower, reflecting the greater concentration of these borrowers and census tracts in Boston. (Tables 21 & 22)

²⁶ LMLs and Other Lenders directed quite similar shares of their total loans to these categories of borrowers and neighborhoods. For home-purchase lending statewide, for example, their loan shares were within 0.3 percentage points of each other in eight of the ten categories. In future years, it will be interesting to see if the implementation of the state's Mortgage Lender Community Investment (MLCI) regulation covering LMLs will have an impact on their performance relative to the other two major types of lenders. In 2008, however, it seems highly unlikely that the new regulation would have had any impact on LML lending since the regulation was not issued in final form until September of that year.

VI. THE BIGGEST LENDERS

Who were the biggest lenders, both overall and for high-APR loans (HALs)? Tables 23 and 24 present information on the 30 biggest overall lenders in 2008 in the city of Boston and in Massachusetts. For each lender, these tables show the total number of loans, the total number of HALs, and HALs as a percentage of the total (for overall lending as well as for home-purchase and refinance loans separately). These tables include the 12 biggest HAL lenders in Boston and the 15 biggest HAL lenders statewide. Loans by separate lenders within the same corporate family are consolidated; information on the lending by individual lenders within each family is presented in Tables 27 and 28.

❖ **The Bank of America “lender family” was by far the biggest lender both in Boston and statewide. In fact, the two major individual lenders in this family—Countrywide Bank and Bank of America, NA—each made substantially more loans than the second ranked family.²⁷** In Boston, the Bank of America family made 1,623 total loans (including 885 by Countrywide Bank

and 735 by Bank of America, NA), while second-ranked Mortgage Master made 582 loans.²⁸ In Massachusetts, the Bank of America family made 15,898 total loans (including 9,031 by Countrywide Bank and 6,822 by Bank of America, NA), while the second-ranked Wells Fargo lender family made 5,614 loans. Mortgage Master ranked third statewide while Wells Fargo ranked third in Boston. JPMorgan Chase ranked fourth both in Boston and statewide. These top four lender families accounted for 36.3% of the total loans in Boston, and 24.6% of the total loans in Massachusetts. (Tables 23, 24, 27, & 28)

❖ **The Bank of America and Wells Fargo lender families were Boston and the state’s two biggest HAL lenders in 2008, with JPMorgan Chase, HSBC, and CitiGroup rounding out the top five lenders in Boston and Wachovia replacing JPMorgan Chase among the top five statewide.** HALs accounted for a very small percentage of total loans by Bank of America and Wells Fargo (e.g., 3.0% and 7.0% statewide, respectively), but

**EXHIBIT 9: The 5 Biggest HAL Lender Families in Boston & Massachusetts
Home-Purchase & Refinance Loans Combined, 2008**

Rank	Boston		Massachusetts	
	Lender	HALs	Lender	HALs
1	Bank of America	38	Bank of America	478
2	Wells Fargo	36	Wells Fargo	393
3	JPMorgan Chase Bank	23	CitiGroup	349
4	HSBC	22	HSBC	272
5	CitiGroup	20	Wachovia	184
	Total, Top 5 Lenders	139		1,676
	Total, All Lenders	339		5,138
	Share of Top 5 lenders	41.0%		32.6%

Source: Tables 23 & 24. For data on individual lenders within these families: Tables 27 & 28.

²⁷ Bank of America Corp. announced on January 11, 2008 that it would purchase Countrywide Financial; the purchase was completed on July 1, 2008. Thus, this report includes Countrywide Bank and Countrywide Home Loans as members of the Bank of America lender family for 2008. However, Countrywide Bank remained a separate legal entity until April 27, 2009, and its Massachusetts lending was not included in Bank of America’s CRA performance evaluation for Massachusetts; therefore, it is classified as an out-of-state bank and the Bank of America lender family is classified as a “MIX.”

²⁸ Mortgage Master, Inc. is a privately-held mortgage company based in Walpole, Massachusetts. In 2007, it was the tenth biggest lender both in Boston and statewide.

**EXHIBIT 10: Disparity Ratios of 5 Biggest HAL Lending Families
Boston, 2008**

Lender	HALs as Share of Total Loans			HAL share Disparity Ratios	
	Blacks	Latinos	Whites	Black/White	Latino/White
Bank of America	5.6%	2.8%	1.8%	3.08	1.54
Wells Fargo	14.5%	14.3%	4.9%	2.98	2.94
JPMorgan Chase	20.0%	18.2%	3.5%	5.71	5.19
HSBC	72.7%	100.0%	29.7%	2.45	3.36
CitiGroup	20.8%	16.7%	6.7%	3.10	2.48
Five-Lender Average	26.7%	30.4%	9.3%	3.46	3.10
All Lenders	9.9%	8.2%	2.9%	3.40	2.81

Source: Table 25

accounted for double-digit shares of statewide loans by CitiGroup (13.9%) and Wachovia (12.3%), and made up almost one-third (32.0%) of HSBC's Massachusetts loans. The top five HAL lenders accounted for 41.0% of the total HALs in Boston, and for 32.6% of the total HALs statewide. (Tables 23 & 24 and Exhibit 9)

- ❖ **Of the top four overall lender families in Boston and the state, only one had its Massachusetts lending covered by the CRA, and this coverage was only partial because CRA oversight applied only to the portion of Bank of America's lending done by Bank of America, NA, not the larger portion done by Countrywide Bank. Mortgage Master, ranked second in Boston and third statewide, is now covered by the state's new Mortgage Lender Community Investment (MLCI) regulations.** Of the thirty biggest lender families statewide, fifteen are (completely or partially) out-of-state banks, eleven are (completely or partially) covered by MLCI, and just eight are (completely or partially) covered by the CRA. (Table 24)
- ❖ Table 25 (Boston) and Table 26 (Massachusetts) provide information on lending to blacks, Latino, and white borrowers by each of the lenders

included in Tables 23 and 24 (listed in the same order). This information includes: total loans to each of these racial/ethnic groups, the percentage of high-APR loans for each group, and the disparity ratios for black/white and Latino/white HAL shares (calculated as the black [or Latino] HAL share divided by the white HAL share). **For the great majority of lenders, HALs made up much greater shares of their total loans to blacks and Latinos than of their total loans to whites. For the top five HAL lending families in Boston, the average black/white disparity ratio was 3.46 and the average Latino/white disparity ratio was 3.10. JPMorgan Chase had the highest disparity ratios among these five lenders; it gave HALs to 20.0% of its black borrowers and 18.2% of its Latino borrowers, but to only 3.5% of its white borrowers, resulting in a black/white ratio of 5.71 and a Latino/white ratio of 5.19.** Mortgage Master, the third biggest overall lender but only the seventh biggest HAL lender, had even greater disparity ratios: its black/white ratio was 4.85 and its Latino/white ratio was 6.92. Statewide, the general pattern was the same as in Boston although the disparity ratios tended to be smaller.²⁹ (See Exhibit 10)

²⁹ For example, for the top five HAL lenders statewide, the average black/white disparity ratio was 2.15 and the average Latino/white disparity ratio was 1.82. Mortgage Master's statewide disparity ratios were notably high; it gave HALs to 6.9% of its black borrowers and 11.3% of its Latino borrowers, but to only 1.3% of its white borrowers, for black/white disparity ratio of 5.43 and a Latino/white ratio of 8.85.

VII. ADDITIONAL INFORMATION

It is beyond the scope of this descriptive report to offer explanations of the causes underlying the observed patterns of high-APR subprime mortgage lending or to investigate the extent to which HAL lenders engage in predatory lending, opportunity pricing, or racial/ethnic discrimination. Instead, this concluding section offers supplementary information on four matters that may help readers better interpret the report's findings.

High-APR Loans Involve Very Substantial Cost for Borrowers, Compared to Prime Loans

To examine the extra costs imposed by high-APR loans compared to prime loans, the monthly payments on a thirty-year fixed-rate loan of \$259,000 (the median size of a first-lien HAL for an owner-occupied home in Greater Boston in 2008)³⁰ were calculated at three different interest rates: 6.03% (the average interest rate for a prime 30-year fixed-rate

loan in 2008); 7.28% (the estimated minimum rate to qualify as a high-APR loan when the rate for prime mortgages was 6.03%); and 7.63% (the estimated median rate on first-lien HALs in 2008 when the rate for prime mortgages was 6.03%).³¹ The calculated monthly payments for principal and interest are shown in the table below—together with the additional monthly and annual costs resulting from above-prime interest rates. Even the lowest-price HAL costs twenty-five hundred dollars more per year than a prime-rate loan. **The median-rate HAL entails annual payments \$3,264 greater than for a prime-rate loan.**³²

This table indicates the higher costs imposed on HAL borrowers who make their monthly payments in a timely manner. However, this represents only part of the additional costs imposed by high-APR lending. In fact, **many homeowners who received high-APR**

**EXHIBIT 11: Monthly Payments on a \$259,000 Thirty-Year Fixed-Rate Mortgage
Selected Interest Rates, 2008**

Rate Level	Interest Rate	Monthly Payment	Extra over Prime-rate loan: per month	Extra over Prime-rate loan: per year
Prime loan	6.03%	\$1,550	--	--
Minimum-rate HAL	7.28%	\$1,761	\$211	\$2,532
Median-rate HAL	7.63%	\$1,822	\$272	\$3,264

³⁰ The median loan amount for a first-lien HAL for an owner-occupied home in 2008 was slightly lower than this in the city of Boston (\$254K), and was considerably lower statewide (\$198K). In Greater Boston in 2008, the median loan amount for a first-lien *non-HAL* loan was \$296K.

³¹ 6.03% is the annual interest rate on a thirty-year fixed rate mortgage loan in 2008 as reported by Freddie Mac's Primary Mortgage Market Survey (www.freddiemac.com/pmms/pmms30.htm). Information presented in the article accompanying the Federal Reserve's release of the 2008 HMDA data indicates that the average difference between the APR for 30-year fixed rate prime loans and the reporting threshold for high-APR loans was about 1.25 percentage points in 2008 (Robert Avery *et al.*, "The 2008 HMDA Data: The Mortgage Market during a Turbulent Year," *Federal Reserve Bulletin*, 2009 [forthcoming], mss. pp. 12–18 and Figure 5). Appendix Table 2 of the present report shows that the median rate spread on first-lien HALs in Massachusetts in 2008 was 3.24 percentage points for home-purchase loans and 3.45 percentage points for refinance loans. The average of these two rate spreads is 3.35 percentage points, which is 0.35 percentage points above the threshold rate spread of 3.00. Thus, the accompanying table shows the minimum-rate HAL having an interest rate 1.25 percentage points above the interest rate on prime mortgages and the median-rate HAL having an interest rate 0.35 percentage points higher than that. For simplicity, this table assumes that the interest rates are the same as the APRs.

³² These extra costs of HALs are significantly lower than those calculated for last year's report, where the additional annual cost over a prime loan was \$4,008 for a minimum-rate HAL and \$8,316 for a median-rate HAL. The difference is accounted for by a much lower loan amount (\$259K this year vs. \$330K last year), a lower spread between the prime mortgage rate and the minimum-rate HAL (1.25 vs. 1.50 percentage points), and a much lower spread between the median-rate HAL and the minimum-rate HAL (0.35 vs. 1.53 percentage points).

loans in previous years have been unable to keep up their monthly payments and have lost their homes through foreclosure, and many more are expected to lose their homes before the current foreclosure epidemic has run its course. In addition to the human costs involved, these foreclosures impose financial costs including: the loss of any home equity previously achieved, the possible costs imposed by foreclosure rescue scams, the future costs resulting from ruined credit ratings, the neighborhood effects of lowered property values, and the impacts on municipal budgets.³³

Limitations of HMDA Data Could be Reduced by Including Additional Information

Analysis of mortgage lending—particularly of subprime lending—is constrained by the limited nature of HMDA data. Many of the questions that may have occurred to readers of this report could be explored much more fruitfully if HMDA data included appropriate additional information. Important possible enhancements to HMDA include expanding the information available about *the borrower* (e.g., creditworthiness, such as measured by a FICO or other credit score); *the lender* (e.g., the top-level corporate parent, to facilitate identifying affiliated lenders); *the lending channel* (e.g., broker, correspondent lender, or retail); *the type of loan* (e.g., fixed-rate or adjustable-rate and, if the latter, what sub-type); *loan ratios* (e.g., the loan-to-value ratio and the debt-to-income ratio); *loan features* (e.g., prepayment penalty, balloon payment, single-payment credit insurance, low- or no-doc, stated-income, interest-only, payment-option); and *loan pricing* (e.g., separate information on interest rate and fees).

In October 2008, the Federal Reserve published a final rule revising the reporting of price information for high-APR loans that is a major improvement over

the present method. Under the new rules, lenders will compare the APR of each loan to an estimate of the current APR of prime loans in the same category (e.g., 30-year fixed-rate; one-year adjustable rate) that will be updated weekly by the Fed. However, the new rules did not become effective until October 1, 2009, and so it will not be until September 2011 that HMDA data based on a whole year under the new rule will become available.³⁴

Congress is currently considering legislation that would significantly expand the data collected under HMDA as part of proposed legislation that would establish a Consumer Financial Protection Agency. The Wall Street Reform and Consumer Protection Act of 2009 (H.R. 4173) was passed by the House of Representatives in December 2009, related legislation will be considered by the Senate in 2010.³⁵

The State Began Implementation of its Mortgage Lender Community Investment (MLCI) Regulation

Under the federal Community Reinvestment Act (CRA), as under its Massachusetts counterpart, a lender's performance in meeting the credit needs of local communities is evaluated by government regulators only if the lender is a bank with at least one branch office in the area. As a result, most mortgage lending in Massachusetts is done by lenders who are not subject to CRA regulatory review, evaluation, and ratings for their lending here.

This situation has been partially remedied with the enactment of Section 13 of "An Act Protecting and Preserving Homeownership" (Chapter 206 of the Acts of 2007), which provides that licensed mortgage lenders (LMLs) that made fifty or more mortgage loans in the Commonwealth during the preceding year will be evaluated by the Division of Banks for their performance in helping low- and moderate-

³³ Remember, lenders maintain that borrowers obtain high-APR loans only when there is too great a risk that they will be unable to successfully make the required monthly payments on prime loans. But the substantially higher monthly payments required by high-APR loans can only make the likelihood of default even greater. While it is often true that borrowers receive costlier loans because they are riskier borrowers, causation also runs in the other direction: subprime borrowers are riskier *because* they receive costlier loans.

³⁴ These revisions to Regulation C (Home Mortgage Disclosure Act) were published in the *Federal Register* on October 24, 2008 and are available at: <http://edocket.access.gpo.gov/2008/E8-25320.htm>.

³⁵ The proposed amendments to the Home Mortgage Disclosure Act are contained in Section 4808 of H.R. 4173, available at: <http://www.thomas.gov/cgi-bin/query/F?c111:l:/temp/~c111vnnQnE:e1177886>.

income residents acquire and remain in affordable housing with loans on reasonable rates and terms, avoiding patterns of lending that result in the loss of affordable housing, and working with delinquent borrowers. The Division's examinations result in public performance evaluations and ratings, and an unsatisfactory rating may provide the basis for non-renewal of a lender's license. The implementation of the new law will be governed by a regulation, entitled "Mortgage Lender Community Investment" (MCLI), issued by the Division of Banks in September 2008.³⁶

The Division of Banks' website provides quarterly lists of LMLs scheduled for performance evaluations as well as a list, updated monthly, of performance evaluations and ratings that have been completed and made public. The latter list has links to the written performance evaluations for the individual lenders. As of November 30, 2009, the performance evaluations for four mortgage companies had been made public; all of these received an overall rating of "Satisfactory."³⁷ On the basis of their total (any purpose, any lien, any occupancy) lending in the state in 2008, these four lenders ranked between 24th and 42nd among the 77 LMLs currently eligible for evaluation under MLCI on the basis of the statutory cutoff point of at least fifty Massachusetts reported in HMDA data. (An additional 130 LMLs made between one and forty-nine loans in 2008.)

Out-of-state banks (and subsidiaries of federally-chartered out-of-state banks) without local branches are not covered by the new legislation; imposing CRA obligations on them for their Massachusetts lending

would require legislation and/or regulatory changes at the federal level. Such changes are included in the CRA Modernization Act of 2009 (H.R. 1479), whose principal sponsor is Rep. Eddie Bernice Johnson of Texas, and whose 56 co-sponsors includes Massachusetts Reps. Capuano, Delahunt, Lynch, McGovern, and Tsongas.

FHA Lending Increased Dramatically in 2008

There were 17,420 government-backed loans in Massachusetts in 2008, accounting for 14.3% of all loans in the state. This is up very sharply from 2007, when 3,995 government-backed loans accounted for 2.8% of all loans (this latter percentage was double the 1.4% for 2006).³⁸ The great majority (92.9% in 2008) of these government-backed loans were insured by the Federal Housing Administration (FHA loans); accordingly, the discussion that follows will focus on FHA lending.³⁹

The Federal Reserve researchers who wrote the *Federal Reserve Bulletin* article accompanying the release of the 2008 HMDA data report that, nationwide, FHA loans accounted for over 21% of home-purchase and finance loans in 2008, up from less than 6% in the preceding year. They devote an entire section of their article to exploring the causes and significance of "The Surge in FHA and VA Lending."⁴⁰

The following bullet points present some summary information about FHA lending in Massachusetts in 2008. All numbers and percentages refer to first-lien home-purchase loans for owner-occupied homes, statewide.

³⁶ The final regulations (209 CMR 54.00: *Mortgage Lending Community Investment*, effective September 5, 2008), are available at the Division of Banks website: www.mass.gov/dob. Licensed mortgage lenders continue to be covered by fair lending laws, truth-in-lending laws, and the state's anti-predatory lending law.

³⁷ The lists of lenders scheduled for MLCI examinations and of publicly available MLCI performance evaluations and ratings can be reached from www.mass.gov/dob by clicking on "Loans & Mortgages" (under "Consumer Services") and then clicking on "CRA at Mortgage Lenders." The URL of the relevant webpage is too long to reproduce here.

³⁸ These numbers and percentages are all for the total of first-lien home-purchase and refinance loans for owner-occupied homes; based on data in Appendix Table 1 of this report and of the two previous reports in the *Changing Patterns* series.

³⁹ Loans guaranteed by the Veterans Administration (VA loans) accounted for 5.7% of government-backed loans in 2008 and the remaining 1.5% of government-backed loans were backed by the Rural Housing Service of the U.S. Department of Agriculture (RHS loans). It is notable that while 11.4% of all FHA loans were HALs in 2008, only 1.1% of VA loans and just 0.4% of RHS loans were HALs; for all loans in the state, the HAL percentage was 4.2% (Table 2).

⁴⁰ Robert B. Avery, et al., "The 2008 HMDA Data: The Mortgage Market during a Turbulent Year," *Federal Reserve Bulletin*, 2009 [forthcoming], pp. 6 & 19–27. Available at: www.federalreserve.gov/pubs/bulletin/2009/pdf/hmda08draft2.pdf. (URL and page numbers are for draft version of article; as of mid-January, the final version had not been posted by the Fed.)

- ❖ Blacks and Latino borrowers were much more likely to receive FHA loans than were whites. The shares of FHA loans among all loans were 37.7% for blacks, 40.4% for Latinos, and 16.8% for whites. This translates to a black/white disparity ratio of 2.24 and a Latino/white disparity ratio of 2.40.
- ❖ FHA loan shares were considerably higher in neighborhoods with higher percentages of minority households. The FHA loan share was 16.6% in census tracts with fewer than 25% minority households, 24.6% in tracts with 25%–50% minority households, 31.8% in tracts with 50%–75% minority households, and 29.7% in tracts with 75%–100% minority households.
- ❖ HALs made up a considerably larger share of FHA loans than of all loans—12.0% vs. 4.6%.
- ❖ Black and Latino recipients of FHA loans were only moderately more likely to receive HALs than their white counterparts—HAL shares were 16.5% for blacks, 12.9% for Latinos, and 11.6% for whites.
- ❖ The two biggest overall lenders in the state (Bank of America and Wells Fargo) were also the two biggest FHA lenders. First Tennessee, GMAC, and Flagstar Bank ranked third through fifth in FHA lending.

[illegible]

Thick black boundary is MAPC region boundary. Thin black boundaries are town boundaries. Thick white boundaries are county boundaries. Darker gray shaded area is the Massachusetts portion of the Boston MSA.

TABLE 1
High-APR Loans in the City of Boston, Greater Boston, and Statewide
First-Lien Home-Purchase and Refinance Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans			Refinance Loans			%	%	Median Family Income
	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR	Black House- holds	Latino House- holds	
Boston	4,472	198	4.4%	4,443	141	3.2%	21.4%	10.8%	\$44,151
Greater Boston*	25,928	920	3.5%	34,763	902	2.6%	6.6%	4.7%	N/A
Massachusetts	51,279	2,361	4.6%	70,957	2,777	3.9%	4.9%	5.0%	\$61,664

* In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 2
Total and High-APR Lending, by Year, 2004–2008
Loans for First-Lien, Owner-Occupied Homes

	City of Boston			Greater Boston*			Massachusetts		
	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR
A. HOME-PURCHASE LOANS									
2004	8,658	573	6.6%	46,819	2,463	5.3%	98,297	6,887	7.0%
2005	8,330	1,596	19.2%	44,583	7,202	16.2%	94,286	18,249	19.4%
2006	7,052	1,522	21.6%	36,538	5,788	15.8%	76,984	14,639	19.0%
2007	5,718	545	9.5%	30,982	1,977	6.4%	62,973	5,085	8.1%
2008	4,472	198	4.4%	25,928	920	3.5%	51,279	2,361	4.6%
B. REFINANCE LOANS									
2004	10,996	983	8.9%	79,579	4,719	5.9%	177,135	14,553	8.2%
2005	9,157	1,754	19.2%	62,947	8,215	13.1%	146,120	24,155	16.5%
2006	6,635	1,839	27.7%	43,625	9,061	20.8%	103,877	25,534	24.6%
2007	4,882	735	15.1%	34,185	3,885	11.4%	78,322	11,205	14.3%
2008	4,443	141	3.2%	34,763	902	2.6%	70,957	2,777	3.9%
C. TOTAL: HOME-PURCHASE PLUS REFINANCE LOANS									
2004	19,654	1,556	7.9%	126,398	7,182	5.7%	275,432	21,440	7.8%
2005	17,487	3,350	19.2%	107,530	15,417	14.3%	240,406	42,404	17.6%
2006	13,687	3,361	24.6%	80,163	14,849	18.5%	180,861	40,173	22.2%
2007	10,600	1,280	12.1%	65,167	5,862	9.0%	141,295	16,290	11.5%
2008	8,915	339	3.8%	60,691	1,822	3.0%	122,236	5,138	4.2%

Note: In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 3
High-APR Loans (HALs), by Race/Ethnicity of Borrower
City of Boston, Greater Boston, and Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

I. HALs AS PERCENTAGE OF ALL LOANS, BY RACE/ETHNICITY OF BORROWER												
Borrower Race/ Ethnicity	City of Boston				Greater Boston				Massachusetts			
	All Loans	High- APR Loans	% High- APR	Ratio to White %	All Loans	High- APR Loans	% High- APR	Ratio to White %	All Loans	High- APR Loans	% High- APR	Ratio to White %
A. HALs AS PERCENT OF ALL HOME-PURCHASE LOANS												
Asian	320	8	2.5%	0.74	2,269	47	2.1%	0.65	3,196	85	2.7%	0.63
Black	454	47	10.4%	3.05	934	93	10.0%	3.10	1,710	188	11.0%	2.62
Latino	255	27	10.6%	3.12	1,114	90	8.1%	2.52	2,567	250	9.7%	2.33
White	2,858	97	3.4%	1.00	18,731	601	3.2%	1.00	39,178	1,641	4.2%	1.00
Other*	22	2	9.1%		98	4	4.1%		182	10	5.5%	
No Info ^	563	17	3.0%		2,782	85	3.1%		4,446	187	4.2%	
Total	4,472	198	4.4%		25,928	920	3.5%		51,279	2,361	4.6%	
B. HALs AS PERCENT OF ALL REFINANCE LOANS												
Asian	176	2	1.1%	0.46	1,688	13	0.8%	0.31	2,354	34	1.4%	0.39
Black	385	36	9.4%	3.81	786	74	9.4%	3.82	1,445	165	11.4%	3.10
Latino	197	10	5.1%	2.07	802	39	4.9%	1.98	1,751	132	7.5%	2.05
White	3,016	74	2.5%	1.00	27,214	670	2.5%	1.00	57,631	2,124	3.7%	1.00
Other*	9	1	11.1%		71	3	4.2%		182	13	7.1%	
No Info ^	660	18	2.7%		4,202	103	2.5%		7,594	309	4.1%	
Total	4,443	141	3.2%		34,763	902	2.6%		70,957	2,777	3.9%	
II. SHARES OF ALL LOANS, NON-HAL LOANS, AND HALs, BY RACE/ETHNICITY OF BORROWER												
Borrower Race/ Ethnicity	City of Boston				Greater Boston				Massachusetts			
	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans
A. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL HOME-PURCHASE LOANS												
Asian	320	7.2%	7.3%	4.0%	2,269	8.8%	8.9%	5.1%	3,196	6.2%	6.4%	3.6%
Black	454	10.2%	9.5%	23.7%	934	3.6%	3.4%	10.1%	1,710	3.3%	3.1%	8.0%
Latino	255	5.7%	5.3%	13.6%	1,114	4.3%	4.1%	9.8%	2,567	5.0%	4.7%	10.6%
White	2,858	63.9%	64.6%	49.0%	18,731	72.2%	72.5%	65.3%	39,178	76.4%	76.7%	69.5%
Other*	22	0.5%	0.5%	1.0%	98	0.4%	0.4%	0.4%	182	0.4%	0.4%	0.4%
No Info ^	563	12.6%	12.8%	8.6%	2,782	10.7%	10.8%	9.2%	4,446	8.7%	8.7%	7.9%
Total	4,472	100.0%	100.0%	100.0%	25,928	100.0%	100.0%	100.0%	51,279	100.0%	100.0%	100.0%
B. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL REFINANCE LOANS												
Asian	176	4.0%	4.0%	1.4%	1,688	4.9%	4.9%	1.4%	2,354	3.3%	3.4%	1.2%
Black	385	8.7%	8.1%	25.5%	786	2.3%	2.1%	8.2%	1,445	2.0%	1.9%	5.9%
Latino	197	4.4%	4.3%	7.1%	802	2.3%	2.3%	4.3%	1,751	2.5%	2.4%	4.8%
White	3,016	67.9%	68.4%	52.5%	27,214	78.3%	78.4%	74.3%	57,631	81.2%	81.4%	76.5%
Other*	9	0.2%	0.2%	0.7%	71	0.2%	0.2%	0.3%	182	0.3%	0.2%	0.5%
No Info ^	660	14.9%	14.9%	12.8%	4,202	12.1%	12.1%	11.4%	7,594	10.7%	10.7%	11.1%
Total	4,443	100.0%	100.0%	100.0%	34,763	100.0%	100.0%	100.0%	70,957	100.0%	100.0%	100.0%

Note: In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* "Other" combines "American Indian or Alaska Native" and "Native Hawaiian or Other Pacific Islander."

^ "No Info" is short for "Information not provided by applicant in telephone or mail application" or "not available."

TABLE 4
Total and High-APR Lending, by Income of Borrower
City of Boston, Greater Boston, and Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

I. HALs AS PERCENTAGE OF ALL LOANS BY INCOME OF BORROWER												
Borrower Income	City of Boston				Greater Boston				Massachusetts			
	All Loans	High- APR Loans	% High- APR	Ratio to Highest %	All Loans	High- APR Loans	% High- APR	Ratio to Highest %	All Loans	High- APR Loans	% High- APR	Ratio to Highest %
A. HALs AS PERCENT OF ALL HOME-PURCHASE LOANS AT EACH INCOME LEVEL												
Low	236	13	5.5%	2.73	1,288	56	4.3%	2.62	3,269	229	7.0%	3.79
Moderate	1,044	53	5.1%	2.51	5,235	234	4.5%	2.70	12,393	732	5.9%	3.19
Middle	1,248	75	6.0%	2.97	7,114	312	4.4%	2.65	14,872	792	5.3%	2.88
High	1,077	39	3.6%	1.79	7,258	228	3.1%	1.90	13,167	447	3.4%	1.84
Highest	841	17	2.0%	1.00	4,890	81	1.7%	1.00	7,245	134	1.8%	1.00
No Info	26	1	3.8%		143	9	6.3%		333	27	8.1%	
Total	4,472	198	4.4%		25,928	920	3.5%		51,279	2,361	4.6%	
B. HALs AS PERCENT OF ALL REFINANCE LOANS AT EACH INCOME LEVEL												
Low	234	16	6.8%	6.15	1,565	92	5.9%	5.18	4,057	348	8.6%	5.18
Moderate	827	42	5.1%	4.57	5,460	208	3.8%	3.35	13,386	724	5.4%	3.26
Middle	1,260	46	3.7%	3.28	9,452	272	2.9%	2.53	19,885	820	4.1%	2.49
High	1,191	26	2.2%	1.96	10,716	226	2.1%	1.86	20,555	625	3.0%	1.83
Highest	809	9	1.1%	1.00	6,605	75	1.1%	1.00	10,319	171	1.7%	1.00
No Info	122	2	1.6%		965	29	3.0%		2,755	89	3.2%	
Total	4,443	141	3.2%		34,763	902	2.6%		70,957	2,777	3.9%	
II. SHARES OF ALL LOANS, NON-HAL LOANS, AND HALs, BY INCOME OF BORROWER												
Borrower Income	City of Boston				Greater Boston				Massachusetts			
	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans	All Loans	% of All Loans	% of Non-HAL Loans	% of HAL Loans
A. LOANS TO EACH INCOME CATEGORY AS PERCENT OF TOTAL HOME-PURCHASE LOANS: ALL LOANS, NON-HAL LOANS, AND HALs												
Low	236	5.3%	5.2%	6.6%	1,288	5.0%	4.9%	6.1%	3,269	6.4%	6.2%	9.7%
Moderate	1,044	23.3%	23.2%	26.8%	5,235	20.2%	20.0%	25.4%	12,393	24.2%	23.8%	31.0%
Middle	1,248	27.9%	27.4%	37.9%	7,114	27.4%	27.2%	33.9%	14,872	29.0%	28.8%	33.5%
High	1,077	24.1%	24.3%	19.7%	7,258	28.0%	28.1%	24.8%	13,167	25.7%	26.0%	18.9%
Highest	841	18.8%	19.3%	8.6%	4,890	18.9%	19.2%	8.8%	7,245	14.1%	14.5%	5.7%
No Info	26	0.6%	0.6%	0.5%	143	0.6%	0.5%	1.0%	333	0.6%	0.6%	1.1%
Total	4,472	100.0%	100.0%	100.0%	25,928	100.0%	100.0%	100.0%	51,279	100.0%	100.0%	100.0%
B. LOANS TO EACH INCOME CATEGORY AS PERCENT OF TOTAL REFINANCE LOANS: ALL LOANS, NON-HAL LOANS, AND HALs												
Low	234	5.3%	5.1%	11.3%	1,565	4.5%	4.4%	10.2%	4,057	5.7%	5.4%	12.5%
Moderate	827	18.6%	18.2%	29.8%	5,460	15.7%	15.5%	23.1%	13,386	18.9%	18.6%	26.1%
Middle	1,260	28.4%	28.2%	32.6%	9,452	27.2%	27.1%	30.2%	19,885	28.0%	28.0%	29.5%
High	1,191	26.8%	27.1%	18.4%	10,716	30.8%	31.0%	25.1%	20,555	29.0%	29.2%	22.5%
Highest	809	18.2%	18.6%	6.4%	6,605	19.0%	19.3%	8.3%	10,319	14.5%	14.9%	6.2%
No Info	122	2.7%	2.8%	1.4%	965	2.8%	2.8%	3.2%	2,755	3.9%	3.9%	3.2%
Total	4,443	100.0%	100.0%	100.0%	34,763	100.0%	100.0%	100.0%	70,957	100.0%	100.0%	100.0%

Note: In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. For the Boston Metropolitan Statistical Area (MSA), which includes all of Greater Boston, the MFI in 2007 was \$84,300. There are five other MSAs in the state, with MFIs in 2008 ranging from \$64,800 to \$76,900. Borrowers in Dukes and Nantucket Counties, which are not in any metro area, were classified using the MFI for the nonmetro part of the state (\$74,000). "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%–80% of this amount; "Middle" is 80%–120% of this amount; "High" is 120%–200% of this amount; and "Highest" over 200% of the MFI in the relevant metro area. (More detail in "Notes on Data & Methods.")

TABLE 5
High-APR Loans (HALs) to Borrowers at Different Income Levels#
in the City of Boston, Greater Boston, and Statewide
First-Lien Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans					Refinance Loans				
	Low/Mod Income		Mid/High Income		Ratio:	Low/Mod Income		Mid/High Income		Ratio:
	Number HALs	% HALs	Number HALs	% HALs	LMI%/ MHI%	Number HALs	% HALs	Number HALs	% HALs	LMI%/ MHI%
Boston	66	5.2%	114	4.9%	1.05	58	5.5%	72	2.9%	1.86
Greater Boston	290	4.4%	540	3.8%	1.18	300	4.3%	498	2.5%	1.73
Massachusetts	961	6.1%	1,239	4.4%	1.39	1,072	6.1%	1,445	3.6%	1.72

“Low/Mod Income” is no more than 80% of the Median Family Income (MFI) of the metro area in which the home is located; “Mid/High-income” is between 80%–200% of the MFI in the relevant metro area. “Highest-income” borrowers (those with incomes more than double the MFI in the metro area) are excluded from this table. For more information, see footnote to Table 8 or “Notes on Data & Methods.”

* In this report, “Greater Boston” consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 6
High-APR Loans by Race/Ethnicity & Income of Borrower
Number of Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, City of Boston, 2008

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
A. TOTAL NUMBER OF HOME-PURCHASE LOANS					
Asian	42	94	69	64	49
Black	40	186	161	57	10
Latino	25	99	88	30	11
White	113	547	778	796	607
B. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS					
Asian	4.8%	2.1%	0.0%	4.7%	2.0%
Black	5.0%	8.6%	15.5%	7.0%	0.0%
Latino	8.0%	10.1%	10.2%	16.7%	9.1%
White	6.2%	3.7%	4.5%	2.8%	2.1%
C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	0.77	0.58	0.00	1.70	0.95
Black	0.81	2.35	3.45	2.54	0.00
Latino	1.29	2.76	2.27	6.03	4.24
White	1.00	1.00	1.00	1.00	1.00
D. TOTAL NUMBER OF REFINANCE LOANS					
Asian	9	37	62	33	34
Black	45	123	116	69	13
Latino	23	39	59	43	12
White	120	512	841	892	600
E. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: REFINANCE LOANS					
Asian	0.0%	0.0%	1.6%	3.0%	0.0%
Black	2.2%	13.8%	10.3%	7.2%	7.7%
Latino	13.0%	2.6%	3.4%	9.3%	0.0%
White	7.5%	3.5%	2.9%	1.6%	1.3%
F. REFINANCE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	0.00	0.00	0.57	1.93	0.00
Black	0.30	3.93	3.63	4.62	5.77
Latino	1.74	0.73	1.19	5.93	0.00
White	1.00	1.00	1.00	1.00	1.00

* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$84,300 in 2008).
“Low” is less than 50% of this amount (\$1K–\$42K in 2008); “Moderate” is 50%–80% of this amount (\$43K–\$67K);
“Middle” is 80%–120% of this amount (\$68K–\$101K); “High” is 120%–200% of this amount (\$102K–\$169K); and
“Highest” is over 200% of this amount (\$170K or more). HMDA data report income to the nearest thousand dollars.

TABLE 7
High-APR Loans by Race/Ethnicity & Income of Borrower
Number of Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, Greater Boston, 2008

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
A. TOTAL NUMBER OF HOME-PURCHASE LOANS					
Asian	166	529	594	570	398
Black	76	332	335	151	37
Latino	98	403	379	161	67
White	844	3,514	5,107	5,531	3,635
B. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS					
Asian	4.8%	1.7%	1.9%	1.8%	2.0%
Black	3.9%	9.3%	11.9%	10.6%	8.1%
Latino	9.2%	7.9%	7.9%	9.3%	4.5%
White	4.0%	3.9%	4.0%	3.0%	1.6%
C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	1.20	0.43	0.47	0.59	1.24
Black	0.98	2.38	3.02	3.57	5.00
Latino	2.28	2.02	2.00	3.14	2.76
White	1.00	1.00	1.00	1.00	1.00
D. TOTAL NUMBER OF REFINANCE LOANS					
Asian	42	202	486	560	366
Black	69	213	249	161	56
Latino	52	201	248	174	60
White	1,216	4,246	7,437	8,599	5,051
E. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: REFINANCE LOANS					
Asian	2.4%	1.0%	0.8%	0.7%	0.3%
Black	5.8%	12.2%	11.6%	8.1%	3.6%
Latino	11.5%	2.0%	6.9%	6.3%	1.7%
White	5.6%	3.6%	2.5%	2.1%	1.3%
F. REFINANCE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	0.43	0.28	0.33	0.35	0.22
Black	1.04	3.43	4.61	3.92	2.82
Latino	2.06	0.56	2.71	3.07	1.32
White	1.00	1.00	1.00	1.00	1.00

Note: In this report, “Greater Boston” consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. All but 3 of the 101 communities in the MAPC Region are in the Boston MSA where the MFI in 2008 was \$84,300 (three small communities were in the Worcester MSA, where the MFI in 2008 was \$76,900). “Low” is less than 50% of the MFI in the relevant MSA; “Moderate” is 50%–80% of this amount; “Middle” is 80%–120% of this amount; “High” is 120%–200% of this amount; and “Highest” is over 200% of the MFI in the relevant MSA. For more information, see “Notes on Data & Methods.”

TABLE 8
High-APR Loans by Race/Ethnicity & Income of Borrower
Number of Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2008

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
A. TOTAL NUMBER OF HOME-PURCHASE LOANS					
Asian	262	762	855	798	500
Black	151	657	585	255	55
Latino	353	1,038	777	294	95
White	2,292	9,062	11,466	10,497	5,607
B. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS					
Asian	5.3%	3.1%	2.9%	1.5%	1.6%
Black	8.6%	11.4%	11.5%	11.8%	5.5%
Latino	13.3%	9.6%	9.0%	8.5%	5.3%
White	6.4%	5.2%	5.0%	3.2%	1.8%
C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	0.83	0.60	0.59	0.48	0.90
Black	1.34	2.18	2.31	3.72	3.06
Latino	2.08	1.84	1.82	2.69	2.95
White	1.00	1.00	1.00	1.00	1.00
D. TOTAL NUMBER OF REFINANCE LOANS					
Asian	73	290	648	802	482
Black	143	388	432	290	80
Latino	142	503	513	336	98
White	3,263	10,866	16,257	17,022	8,152
E. HIGH-APR LOANS (HALs) AS PERCENT OF TOTAL: REFINANCE LOANS					
Asian	8.2%	2.1%	1.4%	1.2%	0.2%
Black	14.0%	14.7%	11.8%	10.3%	5.0%
Latino	12.7%	8.5%	8.6%	6.3%	3.1%
White	8.1%	4.7%	3.9%	2.9%	1.8%
F. REFINANCE LOANS SHARE DISPARITY RATIOS (Ratio to White HAL percentage for same income category)					
Asian	1.02	0.44	0.36	0.43	0.12
Black	1.74	3.09	3.04	3.55	2.79
Latino	1.57	1.80	2.21	2.14	1.71
White	1.00	1.00	1.00	1.00	1.00

* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area (MSA) in which the home is located. Communities in Massachusetts are located in six different MSAs, with MFIs in 2008 ranging from \$64,800 to \$84,300. "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%–80% of this amount; "Middle" is 80%–120% of this amount; "High" is 120%–200% of this amount; and "Highest" is over over 200% of the MFI in the relevant MSA. The minimum income needed to qualify for the "Highest" income category ranged from \$131K in the Pittsfield MSA to \$170K in the Boston MSA. See "Notes on Data & Methods."

TABLE 9
High-APR Loans by Race/Ethnicity & Income of Census Tracts*
Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, City of Boston, 2008

	Low Income	Moderate Income	Middle Income	Upper Income	Total
A. NUMBER OF CENSUS TRACTS					
> 75% Minority	24	17	0	0	41
50%-75% Minority	7	13	0	0	20
25%-50% Minority	9	23	10	1	43
> 75% White	0	11	28	13	52
Total	40	64	38	14	156
B. NUMBER OF HOME-PURCHASE LOANS					
> 75% Minority	223	346	0	0	569
50%-75% Minority	98	348	0	0	446
25%-50% Minority	253	688	321	7	1,269
> 75% White	0	381	1,136	671	2,188
Total	574	1,763	1,457	678	4,472
C. HIGH-APR LOANS (HALs) AS PERCENT OF ALL HOME-PURCHASE LOANS					
> 75% Minority	13.9%	9.8%	na	na	11.4%
50%-75% Minority	3.1%	6.0%	na	na	5.4%
25%-50% Minority	0.8%	4.1%	5.0%	0.0%	3.6%
> 75% White	na	3.9%	3.4%	1.3%	2.9%
Total	6.3%	5.6%	3.8%	1.3%	4.4%
D. HOME-PURCHASE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	10.36	7.33	na	na	8.52
50%-75% Minority	2.28	4.50	na	na	4.01
25%-50% Minority	0.59	3.03	3.72	0.00	2.70
> 75% White	na	2.94	2.56	1.00	2.15
Total	4.68	4.14	2.81	0.99	3.30
E. NUMBER OF REFINANCE LOANS					
> 75% Minority	152	304	0	0	456
50%-75% Minority	109	344	0	0	453
25%-50% Minority	203	591	353	23	1,170
> 75% White	0	348	1,326	690	2,364
Total	464	1,587	1,679	713	4,443
F. HIGH-APR LOANS (HALs) AS PERCENT OF ALL REFINANCE LOANS					
> 75% Minority	7.2%	7.9%	na	na	7.7%
50%-75% Minority	1.8%	5.8%	na	na	4.9%
25%-50% Minority	0.0%	3.2%	4.5%	0.0%	3.0%
> 75% White	na	3.4%	2.1%	1.3%	2.1%
Total	2.8%	4.7%	2.6%	1.3%	3.2%
G. REFINANCE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	5.55	6.05	na	na	5.88
50%-75% Minority	1.41	4.46	na	na	3.72
25%-50% Minority	0.00	2.46	3.47	0.00	2.29
> 75% White	na	2.64	1.62	1.00	1.59
Total	2.15	3.62	2.01	0.97	2.43

* A census tract is placed into an income category based on the relationship, according to the 2000 census, between its Median Family Income (MFI) and the MFI of the Boston MSA. "Low" is less than 50% of the MFI of the MSA; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the MSA.

A census tract is placed into a racial/ethnic category based on its percentage of minority households according to the 2000 census. All householders other than non-Latino whites are classified as minority.

The 2000 Census did not report an MFI for tract 1501.00 (Harbor Islands).

TABLE 10
High-APR Loans by Race/Ethnicity & Income of Census Tracts*
Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, Greater Boston ^, 2008

	Low Income	Moderate Income	Middle Income	Upper Income	Total
A. NUMBER OF CENSUS TRACTS					
> 75% Minority	30	17	0	0	47
50%–75% Minority	27	22	0	0	49
25%–50% Minority	21	62	21	3	107
> 75% White	2	70	340	224	636
Total	80	171	361	227	839
B. NUMBER OF HOME-PURCHASE LOANS					
> 75% Minority	223	346	0	0	569
50%–75% Minority	288	454	0	0	742
25%–50% Minority	332	1,398	877	125	2,732
> 75% White	6	1,700	10,319	9,860	21,885
Total	849	3,898	11,196	9,985	25,928
C. HIGH-APR LOANS (HALs) AS PERCENT OF ALL HOME-PURCHASE LOANS					
> 75% Minority	13.9%	9.8%	na	na	11.4%
50%–75% Minority	5.9%	5.7%	na	na	5.8%
25%–50% Minority	3.9%	4.4%	6.5%	2.4%	4.9%
> 75% White	0.0%	4.6%	4.0%	1.9%	3.1%
Total	7.2%	5.1%	4.2%	1.9%	3.5%
D. HOME-PURCHASE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	7.33	5.18	na	na	6.02
50%–75% Minority	3.11	3.02	na	na	3.06
25%–50% Minority	2.06	2.34	3.43	1.27	2.61
> 75% White	0.00	2.42	2.11	1.00	1.63
Total	3.79	2.71	2.21	1.00	1.87
E. NUMBER OF REFINANCE LOANS					
> 75% Minority	152	304	0	0	456
50%–75% Minority	218	415	0	0	633
25%–50% Minority	243	1,059	876	177	2,355
> 75% White	15	1,557	14,183	15,564	31,319
Total	628	3,335	15,059	15,741	34,763
F. HIGH-APR LOANS (HALs) AS PERCENT OF ALL REFINANCE LOANS					
> 75% Minority	7.2%	7.9%	na	na	7.7%
50%–75% Minority	3.2%	5.5%	na	na	4.7%
25%–50% Minority	1.2%	3.0%	5.1%	1.7%	3.5%
> 75% White	13.3%	4.3%	3.1%	1.5%	2.4%
Total	3.7%	4.4%	3.3%	1.5%	2.6%
G. REFINANCE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	4.69	5.12	na	na	4.98
50%–75% Minority	2.08	3.59	na	na	3.07
25%–50% Minority	0.80	1.96	3.33	1.10	2.29
> 75% White	8.65	2.79	2.03	1.00	1.56
Total	2.38	2.84	2.11	1.00	1.68

* A census tract is placed into an income category based on the relationship, according to the 2000 census, between its Median Family Income (MFI) and the MFI of the MSA within which it is located. All but 3 of the 101 communities in Greater Boston are in the Boston MSA where the MFI in 2000 was \$66,676 (3 small communities were in the Worcester MSA where the MFI in 2000 was \$58,426). "Low" is less than 50% of the MFI of the MSA; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the MSA.

A census tract is placed into a racial/ethnic category based on its percentage of minority households according to the 2000 census. All householders other than non-Latino whites are classified as minority.

^ **Note:** In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 11
High-APR Loans by Race/Ethnicity & Income of Census Tracts*
Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios
First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2008

	Low Income	Moderate Income	Middle Income	Upper Income	Total
A. NUMBER OF CENSUS TRACTS					
> 75% Minority	40	18	0	0	58
50%–75% Minority	38	24	0	0	62
25%–50% Minority	35	84	27	3	149
> 75% White	12	147	593	335	1,087
Total	125	273	620	338	1,356
B. NUMBER OF HOME-PURCHASE LOANS					
> 75% Minority	374	361	0	0	735
50%–75% Minority	622	654	0	0	1,276
25%–50% Minority	647	2,457	1,080	125	4,309
> 75% White	59	4,119	24,754	16,008	44,940
Total	1,702	7,591	25,834	16,133	51,260
C. HIGH-APR LOANS (HALs) AS PERCENT OF ALL HOME-PURCHASE LOANS					
> 75% Minority	15.2%	10.5%	na	na	12.9%
50%–75% Minority	11.4%	8.6%	na	na	10.0%
25%–50% Minority	6.6%	7.7%	8.3%	2.4%	7.6%
> 75% White	5.1%	6.3%	4.9%	2.2%	4.0%
Total	10.2%	7.2%	5.0%	2.2%	4.6%
D. HOME-PURCHASE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	7.03	4.86	na	na	5.96
50%–75% Minority	5.27	3.95	na	na	4.59
25%–50% Minority	3.07	3.57	3.84	1.11	3.49
> 75% White	2.35	2.92	2.24	1.00	1.86
Total	4.72	3.31	2.31	1.00	2.12
E. NUMBER OF REFINANCE LOANS					
> 75% Minority	245	330	0	0	575
50%–75% Minority	399	512	0	0	911
25%–50% Minority	418	2,026	1,105	177	3,726
> 75% White	75	4,221	35,723	25,673	65,692
Total	1,137	7,089	36,828	25,850	70,904
F. HIGH-APR LOANS (HALs) AS PERCENT OF ALL REFINANCE LOANS					
> 75% Minority	11.8%	9.7%	na	na	10.6%
50%–75% Minority	10.5%	7.2%	na	na	8.7%
25%–50% Minority	3.6%	7.6%	7.5%	1.7%	6.8%
> 75% White	13.3%	6.4%	4.3%	2.2%	3.6%
Total	8.4%	7.0%	4.4%	2.2%	3.9%
G. REFINANCE LOANS: HAL SHARE DISPARITY RATIOS (Ratio to HAL % in Upper-Income Tracts >75% White)					
> 75% Minority	5.38	4.41	na	na	4.82
50%–75% Minority	4.78	3.28	na	na	3.94
25%–50% Minority	1.63	3.43	3.41	0.77	3.10
> 75% White	6.06	2.93	1.95	1.00	1.65
Total	3.84	3.17	2.00	1.00	1.78

* A census tract is placed into an income category based on the relationship, according to the 2000 census, between its Median Family Income (MFI) and the MFI of the metro area within which it is located. Communities in Massachusetts are located in six different MSAs, with MFIs in 2000 ranging from \$50,150 to \$66,676. "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%–80% of this amount; "Middle" is 80%–120% of this amount; "High" is 120%–200% of this amount; and "Upper" is greater than 120% of the MFI of the metro area.

A census tract is placed into a racial/ethnic category based on its percentage of minority households according to the 2000 census. All householders other than non-Latino whites are classified as minority.

TABLE 12
High-APR Loans (HALs), by Neighborhood#
First-Lien Loans for Owner-Occupied Homes, City of Boston, 2008

Neighborhood	All Loans	High-APR Loans	Percent HALs	Percent Minority	Income Level
A. HOME-PURCHASE LOANS					
Roxbury	221	28	12.7%	95.2%	\$30,358
Mattapan	128	16	12.5%	96.2%	\$38,463
Hyde Park	215	21	9.8%	57.0%	\$54,666
East Boston	220	15	6.8%	50.3%	\$36,213
Dorchester	582	37	6.4%	68.2%	\$39,856
Roslindale	262	13	5.0%	44.2%	\$53,418
West Roxbury	270	12	4.4%	16.4%	\$68,966
Allston/Brighton	310	12	3.9%	31.3%	\$47,693
Jamaica Plain	326	9	2.8%	50.2%	\$45,762
Central	248	5	2.0%	30.4%	\$61,837
South Boston	512	10	2.0%	15.5%	\$47,794
South End	468	9	1.9%	54.7%	\$42,263
Charlestown	277	5	1.8%	21.4%	\$59,265
BackBay/BeaconHill	341	5	1.5%	15.2%	\$127,542
Fenway/Kenmore	92	1	1.1%	30.5%	\$48,961
City of Boston	4,472	198	4.4%	50.5%	\$44,151
B. REFINANCE LOANS					
Mattapan	151	16	10.6%	96.2%	\$38,463
East Boston	178	16	9.0%	50.3%	\$36,213
Roxbury	150	11	7.3%	95.2%	\$30,358
Hyde Park	245	17	6.9%	57.0%	\$54,666
Dorchester	467	21	4.5%	68.2%	\$39,856
Roslindale	317	14	4.4%	44.2%	\$53,418
West Roxbury	383	13	3.4%	16.4%	\$68,966
Jamaica Plain	304	9	3.0%	50.2%	\$45,762
South Boston	518	12	2.3%	15.5%	\$47,794
BackBay/BeaconHill	342	5	1.5%	15.2%	\$127,542
Fenway/Kenmore	106	1	0.9%	30.5%	\$48,961
Central	261	2	0.8%	30.4%	\$61,837
Charlestown	276	2	0.7%	21.4%	\$59,265
Allston/Brighton	336	1	0.3%	31.3%	\$47,693
South End	409	1	0.2%	54.7%	\$42,263
City of Boston	4,443	141	3.2%	50.5%	\$44,151

The neighborhoods used in this study are based on the Planning Districts (PDs) defined by the Boston Redevelopment Authority (BRA), except: North and South Dorchester are combined and the Harbor Islands PD (no loans in 2007) is omitted. *Percent minority* population was calculated by the BRA for these exact neighborhoods from 2000 Census data. However, lending data are available only on a census tract basis and many tracts are divided among two or more PDs; *loans* in each PD were calculated using a list of census tracts obtained from the BRA that correspond to the PDs as closely as possible. The income level is estimated as the median of the Median Family Incomes of the census tracts in the PD.

TABLE 13
Denial Rates and Ratios, By Race/Ethnicity
City of Boston, Greater Boston#, and Statewide
First-Lien Loans for Owner-Occupied Homes, 2008

	Applications				Denial Rate				Denial Rate Ratio		
	Asians	Blacks	Latinos	Whites	Asians	Blacks	Latinos	Whites	Asian/ White	Black/ White	Latino/ White
A. HOME-PURCHASE LOANS											
Boston	540	967	502	4,198	14.8%	30.8%	28.7%	12.0%	1.24	2.57	2.39
Greater Boston	3,469	1,816	2,044	26,196	12.0%	27.8%	25.1%	10.3%	1.16	2.69	2.43
Massachusetts	4,962	3,245	4,553	55,345	13.3%	26.6%	25.0%	11.2%	1.19	2.37	2.23
B. REFINANCE LOANS											
Boston	323	1,261	533	4,973	22.9%	46.2%	41.1%	19.0%	1.20	2.42	2.16
Greater Boston	2,692	2,523	2,269	43,991	16.4%	44.1%	41.8%	18.0%	0.91	2.45	2.33
Massachusetts	3,943	4,715	5,514	99,598	19.3%	45.2%	44.3%	21.3%	0.91	2.12	2.08

In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 14
Applications and Denial Rates By Race & Income of Applicant
First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2008

Income (\$000)	Black		Latino		White		D-Rate Ratio	
	Applics	D-Rate	Applics	D-Rate	Applics	D-Rate	Blk/White	Lat/White
A. BOSTON								
1-30	20	50.0%	13	61.5%	31	32.3%	1.55	1.91
31-50	167	29.9%	89	22.5%	360	18.1%	1.66	1.24
51-70	314	27.7%	133	27.8%	730	12.9%	2.15	2.16
71-90	255	31.4%	142	33.1%	706	14.2%	2.21	2.34
91-120	129	34.9%	72	20.8%	757	9.1%	3.83	2.29
121-150	41	29.3%	27	44.4%	491	11.0%	2.66	4.04
over 150	30	26.7%	23	17.4%	1,090	9.5%	2.79	1.82
Total*	967	30.8%	502	28.7%	4,198	12.0%	2.57	2.39
B. GREATER BOSTON								
1-30	36	58.3%	46	50.0%	281	29.5%	1.97	1.69
31-50	308	30.8%	365	30.1%	2,395	15.6%	1.98	1.94
51-70	551	26.7%	639	26.3%	4,344	11.9%	2.25	2.21
71-90	467	27.2%	460	23.9%	4,267	11.2%	2.44	2.14
91-120	269	27.9%	281	21.7%	5,124	8.8%	3.18	2.48
121-150	81	18.5%	102	20.6%	3,150	8.1%	2.28	2.53
over 150	88	19.3%	137	11.7%	6,443	8.1%	2.38	1.44
Total*	1,816	27.8%	2,044	25.1%	26,198	10.3%	2.69	2.43
C. MASSACHUSETTS								
1-30	119	47.1%	282	47.2%	1,336	28.3%	1.66	1.67
31-50	723	27.1%	1,243	27.4%	8,343	16.1%	1.69	1.70
51-70	1,016	25.9%	1,406	23.3%	11,556	11.9%	2.18	1.97
71-90	723	25.2%	794	22.7%	9,660	10.6%	2.38	2.14
91-120	404	26.2%	454	20.3%	9,861	8.8%	2.99	2.31
121-150	117	21.4%	156	19.9%	5,244	8.3%	2.58	2.40
over 150	118	21.2%	189	15.9%	9,084	8.0%	2.64	1.98
Total*	3,245	26.6%	4,553	25.0%	55,345	11.2%	2.37	2.23

* Total includes applicants without reported income.

TABLE 15
Percent of Applications that Resulted in Non-HAL Loans, by Race/Ethnicity of Borrower
City of Boston, Greater Boston, and Massachusetts
First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2008

Borrower Race/ Ethnicity	City of Boston				Greater Boston				Massachusetts			
	Appli- cations	Non- Hal Loans	%	Ratio to White %	Appli- cations	Non- Hal Loans	%	Ratio to White %	Appli- cations	Non- Hal Loans	%	Ratio to White %
A. HOME-PURCHASE APPLICATIONS AND LOANS												
Asian	540	312	57.8%	0.88	3,469	2,222	64.1%	0.93	4,962	3,111	62.7%	0.92
Black	967	407	42.1%	0.64	1,816	841	46.3%	0.67	3,245	1,522	46.9%	0.69
Latino	502	228	45.4%	0.69	2,044	1,024	50.1%	0.72	4,553	2,317	50.9%	0.75
White	4,198	2,761	65.8%	1.00	26,196	18,130	69.2%	1.00	55,345	37,537	67.8%	1.00
Other*	40	20	50.0%		156	94	60.3%		291	172	59.1%	
No Info ^	979	546	55.8%		4,587	2,697	58.8%		7,642	4,259	55.7%	
Total	7,226	4,274	59.1%		38,268	25,008	65.3%		76,038	48,918	64.3%	
B. REFINANCE APPLICATIONS AND LOANS												
Asian	323	174	53.9%	0.91	2,692	1,675	62.2%	1.03	3,943	2,320	58.8%	1.06
Black	1,261	349	27.7%	0.47	2,523	712	28.2%	0.47	4,715	1,280	27.1%	0.49
Latino	533	187	35.1%	0.59	2,269	763	33.6%	0.56	5,514	1,619	29.4%	0.53
White	4,973	2,942	59.2%	1.00	43,991	26,544	60.3%	1.00	99,598	55,507	55.7%	1.00
Other*	33	8	24.2%		196	68	34.7%		523	169	32.3%	
No Info ^	1,459	642	44.0%		8,678	4,099	47.2%		17,743	7,285	41.1%	
Total	8,582	4,302	50.1%		60,349	33,861	56.1%		132,036	68,180	51.6%	

Note: In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* "Other" combines "American Indian or Alaska Native" and "Native Hawaiian or Other Pacific Islander".

^ "No Info" is short for "Information not provided by applicant in telephone or mail application" or "not available."

TABLE 16
Results of Applications, by Race/Ethnicity of Applicant [^]
Applications for First-Lien Home-Purchase Loans for Owner-Occupied Homes
As Percentage of Total, 2008

	Prime Lenders*						Subprime Lenders*					
	Appli- cations	Loan Made	Approv No Loan	Denied	With- drawn	File In- complete	Appli- cations	Loan Made	Approv No Loan	Denied	With- drawn	File In- complete
A. BOSTON												
Asian	540	59.3%	9.8%	14.8%	11.9%	4.3%	323	54.5%	9.0%	22.9%	11.8%	1.9%
Black	967	46.9%	6.7%	30.8%	9.8%	5.7%	1,261	30.5%	6.9%	46.2%	13.3%	3.1%
Latino	502	50.8%	7.0%	28.7%	10.4%	3.2%	533	37.0%	7.7%	41.1%	10.7%	3.6%
White	4,198	68.1%	7.2%	12.0%	10.1%	2.6%	4,973	60.6%	6.5%	19.0%	11.5%	2.3%
Total*	7,226	61.9%	7.3%	17.0%	10.7%	3.1%	8,582	51.8%	7.0%	26.3%	12.1%	2.9%
B. GREATER BOSTON+												
Asian	3,469	65.4%	8.3%	12.0%	10.7%	3.5%	2,692	62.7%	7.2%	16.4%	10.5%	3.2%
Black	1,816	51.4%	6.9%	27.8%	8.9%	5.0%	2,523	31.2%	8.0%	44.1%	13.2%	3.6%
Latino	2,044	54.5%	7.4%	25.1%	10.0%	2.9%	2,269	35.3%	7.6%	41.8%	11.2%	4.0%
White	26,196	71.5%	7.1%	10.3%	8.9%	2.2%	43,991	61.9%	7.0%	18.0%	10.7%	2.5%
Total*	38,268	67.8%	7.4%	12.6%	9.7%	2.5%	60,349	57.6%	7.3%	20.9%	11.4%	2.9%
C. MASSACHUSETTS												
Asian	4,962	64.4%	7.9%	13.3%	10.5%	3.8%	3,943	59.7%	7.1%	19.3%	10.6%	3.3%
Black	3,245	52.7%	6.9%	26.6%	8.5%	5.3%	4,715	30.6%	7.6%	45.2%	12.8%	3.8%
Latino	4,553	56.4%	6.7%	25.0%	8.8%	3.1%	5,514	31.8%	7.6%	44.3%	12.2%	4.1%
White	55,345	70.8%	7.0%	11.2%	8.7%	2.3%	99,598	57.9%	7.1%	21.3%	11.0%	2.7%
Total*	76,038	67.4%	7.2%	13.4%	9.3%	2.6%	132,036	53.7%	7.4%	24.0%	11.8%	3.1%

[^] HMDA data include one of the following five “actions” for each application: loan originated; application approved but not accepted; application denied by financial institution; application withdrawn by applicant; file closed for incompleteness.

* “Total” includes applicants with other race/ethnicity and those for whom race/ethnicity information was not reported.

+ In this report, “Greater Boston” consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

TABLE 17
Reasons Given for Denials of Mortgage Loan Applications
From Black, Latino, and White Applicants in Massachusetts
First-Lien, Owner-Occupied Home-Purchase Loans Only, 2008

A: NUMBER OF DENIALS FOR WHICH THIS WAS THE FIRST OR SECOND REASON REPORTED IN HMDA DATA									
Reason	Black			Latino			White		
	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	126	70	191	244	58	295	792	530	1,313
Employment History	16	8	25	26	8	36	96	73	172
Credit History	88	63	152	130	60	192	414	405	839
Collateral	69	66	139	120	76	197	385	741	1,143
Insufficient Cash	25	25	150	53	27	80	159	222	383
Unverifiable Information	16	24	40	35	40	75	105	212	319
Credit Application Incomplete	18	30	48	60	29	89	172	390	566
Mortgage Insurance Denied	15	11	26	4	14	18	45	74	122
Other	93	88	185	127	111	238	389	737	1,144
Total Denials	455	394	862	731	394	1,139	2,566	3,509	6,209
Number with Reason Reported	341	314	663	609	334	950	1,958	2,781	4,819
Number with No Reason Reported	114	80	199	122	60	189	608	728	1,390
Percent with No Reason Reported	25.1%	20.3%	23.1%	16.7%	15.2%	16.6%	23.7%	20.7%	22.4%
B: NUMBER OF DENIALS WITH THIS REASON AS PERCENT OF TOTAL DENIALS FOR WHICH ANY REASON WAS REPORTED									
Reason	Black			Latino			White		
	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	37%	22%	29%	40%	17%	31%	40%	19%	27%
Employment History	5%	3%	4%	4%	2%	4%	5%	3%	4%
Credit History	26%	20%	23%	21%	18%	20%	21%	15%	17%
Collateral	20%	21%	21%	20%	23%	21%	20%	27%	24%
Insufficient Cash	7%	8%	23%	9%	8%	8%	8%	8%	8%
Unverifiable Information	5%	8%	6%	6%	12%	8%	5%	8%	7%
Credit Application Incomplete	5%	10%	7%	10%	9%	9%	9%	14%	12%
Mortgage Insurance Denied	4%	4%	4%	1%	4%	2%	2%	3%	3%
Other	27%	28%	28%	21%	33%	25%	20%	27%	24%

Notes: Lenders can report up to three reasons for the denial of a mortgage loan application. This is why percentages in Panel B add to more than 100%.

Lenders supervised by OTS or OCC must report at least one reason for each denial; reporting reasons is optional for all other lenders.

Lenders reported three reasons for only 4.5 % of denials in Massachusetts in 2007; to greatly simplify calculations, this table includes only first and second reasons.

HMDA reporting instructions specify which of the approximately twenty reasons for denial listed in the model form for adverse action contained in the appendix to

Regulation B (Equal Credit Opportunity) correspond to each of the reasons for denial that are available in HMDA data:

Debt-to-income ratio: income insufficient for amount of credit requested; excessive obligations in relation to income

Employment history: temporary or irregular employment; length of employment

Credit history: insufficient number of credit references provided; unacceptable type of credit references provided; no credit file; limited

credit experience; poor credit performance with us; delinquent past or present credit obligations with others;

garnishment, attachment, foreclosure, repossession, collection action, or judgment; bankruptcy

Collateral: value or type of collateral not sufficient

Insufficient cash: [for downpayment or closing costs]

Unverifiable information: unable to verify credit references; unable to verify employment; unable to verify income; unable to verify residence

Credit application incomplete: credit application incomplete

Mortgage insurance denied: [none listed]

Other: length of residence; temporary residence; other reasons specified on notice.

TABLE 18
Home-Purchase Loans by Major Types of Lenders, Boston & Massachusetts, 1990–2008
(For 2004–2008, Includes Only First-Lien Loans for Owner-Occupied Homes*)

	1990	1992	1994	1996	1998	2000	2002	2004	2005	2006	2007	2008
I. BOSTON												
A. BIG BOSTON BANKS												
Number of Loans	541	911	1,849	1,954	1,429	876	860	736	695	699	1,019	723
% of All Loans	28.9%	38.6%	39.4%	34.8%	20.2%	11.7%	10.9%	8.5%	8.3%	9.9%	17.8%	16.2%
B. OTHER MASSACHUSETTS BANKS AND CREDIT UNIONS												
Number of Loans	919	871	1,158	1,230	1,615	1,367	1,229	1,189	946	868	1,084	1,023
% of All Loans	49.1%	36.9%	24.7%	21.9%	22.8%	18.3%	15.6%	13.7%	11.4%	12.3%	19.0%	22.9%
C. MORTGAGE COMPANIES & OUT-OF-STATE BANKS (excluding subprime lenders after 1997)												
Number of Loans	410	580	1,690	2,439	3,746	4,736	5,213	5,752	5,196	4,159	3,275	2,703
% of All Loans	21.9%	24.6%	36.0%	43.4%	53.0%	63.4%	66.0%	66.4%	62.4%	59.0%	57.3%	60.4%
D. SUBPRIME LENDERS #												
Number of Loans					280	488	600	981	1,493	1,326	340	23
% of All Loans					4.0%	6.5%	7.6%	11.3%	17.9%	18.8%	5.9%	0.5%
E. TOTAL												
Number of Loans	1,870	2,362	4,697	5,623	7,070	7,467	7,902	8,658	8,330	7,052	5,718	4,472
% of All Loans	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
II. MASSACHUSETTS												
A + B. MASSACHUSETTS BANKS AND CREDIT UNIONS												
Number of Loans							31,946	26,038	22,238	19,734	23,750	21,131
% of All Loans							32.1%	26.5%	23.6%	25.6%	37.7%	41.2%
C. MORTGAGE COMPANIES & OUT-OF-STATE BANKS (excluding subprime lenders)												
Number of Loans							60,387	59,961	53,719	44,437	36,185	29,870
% of All Loans							60.7%	61.0%	57.0%	57.7%	57.5%	58.2%
D. SUBPRIME LENDERS #												
Number of Loans							7,186	12,298	18,329	12,813	3,038	278
% of All Loans							7.2%	12.5%	19.4%	16.6%	4.8%	0.5%
E. TOTAL												
Number of Loans							99,519	98,297	94,286	76,984	62,973	51,279
% of All Loans							100%	100%	100%	100%	100%	100%

* **Important Note:** 2004 and later data are not strictly comparable to those for earlier years. Beginning in 2004, loans other than first-lien mortgages on owner-occupied homes are excluded. Previously, only second-lien loans under the SoftSecond Program were excluded.

Subprime lenders for 1998–2003 are from HUD's annual lists of subprime lenders. Subprime lenders for 2004, 2005, and 2006–2008 are those for whom high-APR loans constituted more than 15.0%, 33.3%, and 40.0% (respectively) of their total Massachusetts loans.

Lenders were also classified as subprime for 2007 if they were classified as subprime in 2006 and had more than 25% HALs in 2007.

Two Mass. banks met criteria for subprime lenders in 2008 (Holbrook Co-op and Merrimac SB); their 10 loans in Mass. are in row A+B, not row D.

"Big Boston Banks": Citizens, Bank of America, and Sovereign in 2004–2008. BankBoston, Bank of New England, BayBanks, Boston Five, Boston Safe Deposit, Fleet and Shawmut were included during the years they existed. Mortgage companies affiliated with these banks are included, except that in 2008 Countrywide was not considered part of Bank of America for this purpose.

"Other Mass. Banks and Credit Unions": all other banks with Mass. branches, plus all affiliated mortgage companies, plus Mass.-chartered CUs.

"Mortgage Companies & Out-of-State Banks": all lenders not affiliated with Massachusetts banks or state-chartered credit unions.

For Massachusetts banks and credit unions local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Revestment Act (CRA). Local lending by mortgage companies (licensed mortgage lenders) became subject to similar evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Out-of-state are not subject to any such evaluation.

TABLE 19
Shares of Total Loans by Major Types of Lenders*
In the City of Boston, Greater Boston, and Statewide
First-Lien Mortgage Loans for Owner-Occupied Homes, 2008

	All Loans (HomePur + Refi)				High-APR Loans (HomePur + Refi)			
	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*
Boston	8,915	32.7%	28.7%	38.5%	339	19.2%	33.3%	50.4%
Greater Boston	60,691	32.4%	30.9%	36.7%	1,822	19.7%	35.6%	44.7%
Massachusetts	122,236	36.4%	27.6%	36.0%	5,138	22.3%	36.5%	41.2%

In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* "Mass. Banks and Credit Unions": all banks with Mass. offices, plus all affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": those requiring a state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Revestment Act (CRA). Licensed mortgage lenders became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are are, essentially, exempt from such oversight and evaluation.

TABLE 20
High-APR Loans and Loan Percentages by Major Lender Type
In the City of Boston, Greater Boston, and Statewide
First Lien Mortgage Loans (Home-Purchase + Refinance) for Owner-Occupied Homes, 2008

	Mass. Banks & CUs*			Licensed Mort Lenders*			Other Lenders*		
	Total Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR
Boston	2,916	65	2.2%	2,563	113	4.4%	3,436	161	4.7%
Greater Boston	19,661	359	1.8%	18,769	649	3.5%	22,261	814	3.7%
Massachusetts	44,459	1,145	2.6%	33,771	1,875	5.6%	44,006	2,118	4.8%

In this report, "Greater Boston" consists of the 101 cities and towns that constitute the Metropolitan Area Planning Council (MAPC) region.

* "Mass. Banks and Credit Unions": all banks with Mass. offices, plus all affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": those requiring a state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are are, essentially, exempt from such oversight and evaluation.

TABLE 21
Shares of the High-APR Loans (HALs) and non-HAL Loans by Each Major Type of Lender*
That Went to Traditionally Underserved Borrowers and Neighborhoods
First-Lien Loans for Owner-Occupied Homes, City of Boston, 2008

	Total Loans	Black Borrowers		Latino Borrowers		LMI Borrowers		LMI Census Tracts		LMI Census Tracts >75% Blk+Latino	
		Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non-HAL Loans	HAL Loans
I. HOME-PURCHASE LOANS											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS*											
Number of Loans	1,746	209	8	119	7	608	14	950	30	202	10
% of Loans	100%	12.0%	0.5%	6.8%	0.4%	34.8%	0.8%	54.4%	1.7%	11.6%	0.6%
B. LICENSED MORTGAGE LENDERS*											
Number of Loans	1,162	72	14	48	5	282	18	527	31	91	11
% of Loans	100%	6.2%	1.2%	4.1%	0.4%	24.3%	1.5%	45.4%	2.7%	7.8%	0.9%
C. OTHER LENDERS*											
Number of Loans	1,564	126	25	61	15	324	34	726	73	109	37
% of Loans	100%	8.1%	1.6%	3.9%	1.0%	20.7%	2.2%	46.4%	4.7%	7.0%	2.4%
D. TOTAL											
Number of Loans	4,472	407	47	228	27	1,214	66	2,203	134	402	58
% of Loans	100%	9.1%	1.1%	5.1%	0.6%	27.1%	1.5%	49.3%	3.0%	9.0%	1.3%
II. REFINANCE LOANS											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS*											
Number of Loans	1,170	112	4	58	2	317	5	556	9	105	3
% of Loans	100%	9.6%	0.3%	5.0%	0.2%	27.1%	0.4%	47.5%	0.8%	9.0%	0.3%
B. LICENSED MORTGAGE LENDERS*											
Number of Loans	1,401	102	17	49	4	281	28	567	33	89	16
% of Loans	100%	7.3%	1.2%	3.5%	0.3%	20.1%	2.0%	40.5%	2.4%	6.4%	1.1%
C. OTHER LENDERS*											
Number of Loans	1,872	135	15	80	4	405	25	840	46	154	11
% of Loans	100%	7.2%	0.8%	4.3%	0.2%	21.6%	1.3%	44.9%	2.5%	8.2%	0.6%
D. TOTAL											
Number of Loans	4,443	349	36	187	10	1,003	58	1,963	88	348	30
% of Loans	100%	7.9%	0.8%	4.2%	0.2%	22.6%	1.3%	44.2%	2.0%	7.8%	0.7%

* "Mass. Banks and Credit Unions": banks with Mass. offices, plus affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": require state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Revestment Act (CRA). Licensed mortgage lenders became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and regulation.

"Low-Income" borrowers: reported incomes below 50% of median family income (MFI) in Boston MSA (<\$41K in 2007).

"LMI [low- or moderate-income] borrowers": reported incomes below 80% of MFI in Boston MSA (<\$65K in 2007).

"LMI census tracts" have median family incomes (MFIs) less than 80% of the MFI in the Boston MSA (2000 Census data).

TABLE 22
Shares of the High-APR Loans (HALs) and non-HAL Loans by Each Major Type of Lender*
That Went to Traditionally Underserved Borrowers and Neighborhoods
First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2008

	Total Loans	Black Borrowers		Latino Borrowers		LMI Borrowers		LMI Census Tracts		LMI Census Tracts >75% Blk+Latino	
		Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non- HAL Loans	HAL Loans	Non-HAL Loans	HAL Loans
I. HOME-PURCHASE LOANS											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS											
Number of Loans	21,131	714	37	1,009	50	6,916	220	3,837	137	283	12
% of Loans	100%	3.4%	0.2%	4.8%	0.2%	32.7%	1.0%	18.2%	0.6%	1.3%	0.1%
B. LICENSED MORTGAGE LENDERS											
Number of Loans	13,832	351	72	608	86	3,762	332	2,043	257	129	18
% of Loans	100%	2.5%	0.5%	4.4%	0.6%	27.2%	2.4%	14.8%	1.9%	0.9%	0.1%
C. OTHER LENDERS*											
Number of Loans	16,316	457	79	700	114	4,023	409	2,693	325	150	55
% of Loans	100%	2.8%	0.5%	4.3%	0.7%	24.7%	2.5%	16.5%	2.0%	0.9%	0.3%
D. TOTAL											
Number of Loans	51,279	1,522	188	2,317	250	14,701	961	8,573	719	562	85
% of Loans	100%	3.0%	0.4%	4.5%	0.5%	28.7%	1.9%	16.7%	1.4%	1.1%	0.2%
II. REFINANCE LOANS											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS											
Number of Loans	23,328	401	25	426	26	5,866	317	2,492	128	129	10
% of Loans	100%	1.7%	0.1%	1.8%	0.1%	25.1%	1.4%	10.7%	0.5%	0.6%	0.0%
B. LICENSED MORTGAGE LENDERS											
Number of Loans	19,939	376	79	552	60	4,124	374	2,027	232	121	22
% of Loans	100%	1.9%	0.4%	2.8%	0.3%	20.7%	1.9%	10.2%	1.2%	0.6%	0.1%
C. OTHER LENDERS											
Number of Loans	27,690	503	61	641	46	6,381	381	3,117	230	184	18
% of Loans	100%	1.8%	0.2%	2.3%	0.2%	23.0%	1.4%	11.3%	0.8%	0.7%	0.1%
D. TOTAL											
Number of Loans	70,957	1,280	165	1,619	132	16,371	1,072	7,636	590	434	50
% of Loans	100%	1.8%	0.2%	2.3%	0.2%	23.1%	1.5%	10.8%	0.8%	0.6%	0.1%

* "Mass. Banks and Credit Unions": banks with Mass. offices, plus affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": require state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Revestment Act (CRA). Licensed mortgage lenders became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and regulation.

"Low-Income" borrowers: reported incomes below 50% of median family income (MFI) in the relevant metropolitan area.

"LMI [low- or moderate-income] borrowers": reported incomes below 80% of MFI in the relevant metropolitan area.

"LMI census tracts" have median family incomes (MFIs) less than 80% of the MFI in the Boston MD (2000 Census data).

"LMI CTs >75% Blk+Latino" include all 31 census tracts in which over 75% of the population was black or Latino (2000 Census).

TABLE 23
The 31 Biggest Lenders (“Lender Families”) in the City of Boston*
(These Include the Top 12 High-APR Loan [HAL] Lenders)
First-Lien Loans for Owner-Occupied Homes, 2008

Lender Family*	Lender Type#	Total Loans			Number of HALs			HALs as % of Total			HAL Rank
		Total	HmPur	ReFi	Total	HmPur	ReFi	Total	HmPur	ReFi	
Bank of America*	MIX	1,623	802	821	38	32	6	2.3%	4.0%	0.7%	1
Mortgage Master	LML	582	270	312	13	11	2	2.2%	4.1%	0.6%	7T
Wells Fargo*	OSB ^	568	338	230	36	24	12	6.3%	7.1%	5.2%	2
JPMorgan Chase*	OSB	460	196	264	23	9	14	5.0%	4.6%	5.3%	3
CitiGroup*	CRA ^	250	111	139	20	6	14	8.0%	5.4%	10.1%	5
RBS Citizens	CRA	239	147	92	13	6	7	5.4%	4.1%	7.6%	7T
Sovereign	CRA	233	108	125	12	6	6	5.2%	5.6%	4.8%	10
Taylor, Bean & Whitaker	LML	211	64	147	0	0	0	0.0%	0.0%	0.0%	
GMAC*	MIX	201	67	134	7	5	2	3.5%	7.5%	1.5%	11
Amtrust Bank	OSB	188	93	95	2	1	1	1.1%	1.1%	1.1%	
Mt. Washington Co-op	CRA	188	127	61	4	1	3	2.1%	0.8%	4.9%	
NE Moves	LML	158	125	33	0	0	0	0.0%	0.0%	0.0%	
Wachovia*	OSB	138	53	85	14	4	10	10.1%	7.5%	11.8%	6
Bank of Canton	CRA	133	106	27	3	3	0	2.3%	2.8%	0.0%	
Boston Private	CRA	128	112	16	0	0	0	0.0%	0.0%	0.0%	
First Tennessee	OSB	123	52	71	4	3	1	3.3%	5.8%	1.4%	
Provident Funding	LML	120	43	77	0	0	0	0.0%	0.0%	0.0%	
Suntrust	LML	105	51	54	5	4	1	4.8%	7.8%	1.9%	
Fairway	LML	96	53	43	6	3	3	6.3%	5.7%	7.0%	12
Greenpark Mortgage	LML	94	58	36	0	0	0	0.0%	0.0%	0.0%	
Dynamic Capital Mortgage	LML	86	30	56	0	0	0	0.0%	0.0%	0.0%	
1st Mariner Bank	OSB	84	44	40	1	1	0	1.2%	2.3%	0.0%	
Franklin American Mort	LML	81	36	45	3	2	1	3.7%	5.6%	2.2%	
Flagstar Bank	OSB	79	32	47	13	4	9	16.5%	12.5%	19.1%	7T
National City	OSB	79	55	24	4	4	0	5.1%	7.3%	0.0%	
Merrill Lynch*	OSB	65	45	20	0	0	0	0.0%	0.0%	0.0%	
Salem Five	CRA	62	43	19	2	2	0	3.2%	4.7%	0.0%	
Poli Mortgage	LML	61	12	49	0	0	0	0.0%	0.0%	0.0%	
HSBC*	MIX	58	16	42	22	4	18	37.9%	25.0%	42.9%	4
Hyde Park SB	CRA	57	36	21	1	1	0	1.8%	2.8%	0.0%	
Wainwright	CRA	57	31	26	0	0	0	0.0%	0.0%	0.0%	
Total, 31 Biggest Lenders		6,607	3,356	3,251	246	136	110	3.7%	4.1%	3.4%	
Total, All 340 Lenders		8,915	4,472	4,443	339	198	141	3.8%	4.4%	3.2%	

* Indicates that the loans shown are for two or more affiliated lenders in the same “lender family.”

Table 27 provides information on the individual lenders within each “lender family.”

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. LML: licensed mortgage lenders, mostly mortgage companies, who became subject to CRA-type state regulation beginning in 2008. OSB: other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation. CRA^ or LML^ or OSB^ indicates that the family includes more than one type of lender, but that more than 90% of the lending family's loans are accounted for by lenders of the type indicated. MIX: lender families that include two types of lenders (with each lender type accounting for at least 10% of the lender family's total loans).

TABLE 24
The 30 Biggest Lenders (“Lender Families”) in Massachusetts*
(These Include the Top 15 High-APR Loan [HAL] Lenders)
First-Lien Loans for Owner-Occupied Homes, 2008

Lender Family*	Lender Type#	Total Loans			Number of HALs			HALs as % of Total			HAL Rank
		Total	HmPur	ReFi	Total	HmPur	ReFi	Total	HmPur	ReFi	
Bank of America*	MIX	15,898	6,962	8,936	478	296	182	3.0%	4.3%	2.0%	1
Wells Fargo*	OSB ^	5,614	2,921	2,693	393	177	216	7.0%	6.1%	8.0%	2
Mortgage Master	LML	4,589	1,775	2,814	72	56	16	1.6%	3.2%	0.6%	15
JPMorgan Chase*	OSB	4,024	1,315	2,709	175	67	108	4.3%	5.1%	4.0%	7
Sovereign	CRA	3,588	1,413	2,175	178	89	89	5.0%	6.3%	4.1%	6
GMAC*	MIX	3,504	1,108	2,396	112	43	69	3.2%	3.9%	2.9%	10
Taylor, Bean & Whitaker	LML	3,024	1,022	2,002	0	0	0	0.0%	0.0%	0.0%	
CitiGroup*	MIX	2,518	738	1,780	349	41	308	13.9%	5.6%	17.3%	3
NE Moves	LML	2,324	1,880	444	40	37	3	1.7%	2.0%	0.7%	
Amtrust Bank	OSB	2,303	870	1,433	61	36	25	2.6%	4.1%	1.7%	
First Tennessee	OSB	2,205	815	1,390	80	51	29	3.6%	6.3%	2.1%	13
RBS Citizens	CRA	1,961	898	1,063	93	18	75	4.7%	2.0%	7.1%	12
Provident Funding	LML	1,712	468	1,244	2	2	0	0.1%	0.4%	0.0%	
Franklin American Mort	LML	1,569	690	879	75	50	25	4.8%	7.2%	2.8%	14
National City	OSB	1,490	673	817	95	74	21	6.4%	11.0%	2.6%	11
Wachovia*	OSB	1,490	448	1,042	184	52	132	12.3%	11.6%	12.7%	5
Flagstar Bank	OSB	1,445	574	871	173	59	114	12.0%	10.3%	13.1%	8
Salem Five*	CRA	1,443	746	697	64	48	16	4.4%	6.4%	2.3%	
Quicken Loans	LML	1,311	112	1,199	46	16	30	3.5%	14.3%	2.5%	
Suntrust	LML	1,302	620	682	48	36	12	3.7%	5.8%	1.8%	
Eastern Bank*	CRA	1,137	488	649	28	18	10	2.5%	3.7%	1.5%	
Metlife Bank	OSB	1,115	428	687	123	59	64	11.0%	13.8%	9.3%	9
Bank of Canton	CRA	1,063	738	325	14	13	1	1.3%	1.8%	0.3%	
TD Bank	CRA	1,059	470	589	52	15	37	4.9%	3.2%	6.3%	
Merrimack Mort Co	LML	1,017	512	505	56	43	13	5.5%	8.4%	2.6%	
Greenpark Mortgage	LML	903	413	490	0	0	0	0.0%	0.0%	0.0%	
Greylock FCU	OSB	884	451	433	7	5	2	0.8%	1.1%	0.5%	
HSBC*	MIX	851	148	703	272	14	258	32.0%	9.5%	36.7%	4
1st Mariner Bank	OSB	827	317	510	13	12	1	1.6%	3.8%	0.2%	
First Eastern Mort	OSB	823	423	400	0	0	0	0.0%	0.0%	0.0%	
Total, 30 Biggest Lenders		72,993	30,436	42,557	3,283	1,427	1,856	4.5%	4.7%	4.4%	
Total, All 691 Lenders		122,236	51,279	70,957	5,138	2,361	2,777	4.2%	4.6%	3.9%	

* Indicates that the loans shown are for two or more affiliated lenders in the same “lender family.”

Table 28 provides information on the individual lenders within each “lender family.”

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. LML: licensed mortgage lenders, mostly mortgage companies, who became subject to CRA-type state regulation beginning in 2008. OSB: other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation. CRA^ or LML^ or OSB^ indicates that the family includes more than one type of lender, but that more than 90% of the lending family's loans are accounted for by lenders of the type indicated. MIX: lender families that include two types of lenders (with each lender type accounting for at least 10% of the lender family's total loans).

TABLE 25
The 31 Biggest Lenders (“Lender Families”) in the City of Boston*
High-APR Lending by Borrower Race/Ethnicity
First-Lien Loans for Owner-Occupied Homes, 2008

Lender Family*	Lender Type#	Total Loans			HALs as % of Total			Ratio to White		HAL Rank
		Black	Latino	White	Black	Latino	White	Black	Latino	
Bank of America*	MIX	179	107	826	5.6%	2.8%	1.8%	3.08	1.54	1
Mortgage Master	LML	10	7	533	10.0%	14.3%	2.1%	4.85	6.92	7T
Wells Fargo*	OSB ^	69	35	350	14.5%	14.3%	4.9%	2.98	2.94	2
JPMorgan Chase*	OSB	35	11	314	20.0%	18.2%	3.5%	5.71	5.19	3
CitiGroup*	CRA ^	24	12	149	20.8%	16.7%	6.7%	3.10	2.48	5
RBS Citizens	CRA	50	27	119	6.0%	11.1%	5.0%	1.19	2.20	7T
Sovereign	CRA	34	33	141	2.9%	9.1%	4.3%	0.69	2.14	10
Taylor, Bean & Whitaker	LML	20	18	158	0.0%	0.0%	0.0%	na	na	
GMAC*	MIX	10	8	137	0.0%	25.0%	2.9%	0.00	8.56	11
Amtrust Bank	OSB	6	1	137	16.7%	0.0%	0.7%	22.83	0.00	
Mt. Washington Co-op	CRA	42	6	129	2.4%	0.0%	2.3%	1.02	0.00	
NE Moves	LML	6	10	127	0.0%	0.0%	0.0%	na	na	
Wachovia*	OSB	13	6	85	7.7%	16.7%	11.8%	0.65	1.42	6
Bank of Canton	CRA	3	1	87	33.3%	0.0%	2.3%	14.50	0.00	
Boston Private	CRA	12	14	72	0.0%	0.0%	0.0%	na	na	
First Tennessee	OSB	18	26	55	0.0%	0.0%	3.6%	0.00	0.00	
Provident Funding	LML	7	5	90	0.0%	0.0%	0.0%	na	na	
Suntrust	LML	9	6	75	22.2%	0.0%	4.0%	5.56	0.00	
Fairway	LML	3	2	81	0.0%	0.0%	6.2%	0.00	0.00	12
Greenpark Mortgage	LML	5	1	82	0.0%	0.0%	0.0%	na	na	
Dynamic Capital Mortgage	LML	3	2	78	0.0%	0.0%	0.0%	na	na	
1st Mariner Bank	OSB	0	1	64	na	0.0%	1.6%	na	0.00	
Franklin American Mort	LML	8	5	58	12.5%	0.0%	1.7%	7.25	0.00	
Flagstar Bank	OSB	18	3	49	27.8%	33.3%	12.2%	2.27	2.72	7T
National City	OSB	29	1	33	3.4%	0.0%	3.0%	1.14	0.00	
Merrill Lynch*	OSB	0	1	32	na	0.0%	0.0%	na	na	
Salem Five	CRA	3	1	52	0.0%	0.0%	3.8%	0.00	0.00	
Poli Mortgage	LML	0	1	54	na	0.0%	0.0%	na	na	
HSBC*	MIX	11	3	37	72.7%	100.0%	29.7%	2.45	3.36	4
Hyde Park SB	CRA	9	3	39	0.0%	0.0%	2.6%	0.00	0.00	
Wainwright	CRA	0	3	42	na	0.0%	0.0%	na	na	
Total, 31 Biggest Lenders		636	360	4,285	9.1%	7.2%	3.0%	3.03	2.40	
Total, All 340 Lenders		839	452	5,874	9.9%	8.2%	2.9%	3.40	2.81	

* Indicates that the loans shown are for two or more affiliated lenders in the same “lender family.”

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. LML: licensed mortgage lenders, mostly mortgage companies, who became subject to CRA-type state regulation beginning in 2008. OSB: other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation. CRA^ or LML^ or OSB^ indicates that the family includes more than one type of lender, but that more than 90% of the lending family's loans are accounted for by lenders of the type indicated. MIX: lender families that include two types of lenders (with each lender type accounting for at least 10% of the lender family's total loans).

TABLE 26
The 30 Biggest Lenders (“Lender Families”) in Massachusetts*
High-APR Lending by Borrower Race/Ethnicity
First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2008

Lender Family*	Lender Type#	Total Loans			HALs as % of Total			Ratio to White		HAL Rank
		Black	Latino	White	Black	Latino	White	Black	Latino	
Bank of America*	MIX	536	831	10,214	5.6%	4.3%	2.8%	1.98	1.54	1
Wells Fargo*	OSB ^	234	289	4,343	10.7%	9.7%	7.3%	1.46	1.32	2
Mortgage Master	LML	58	80	4,013	6.9%	11.3%	1.3%	5.43	8.85	15
JPMorgan Chase*	OSB	112	106	3,082	17.9%	13.2%	3.7%	4.87	3.60	7
Sovereign	CRA	112	178	3,017	6.3%	7.9%	4.8%	1.30	1.64	6
GMAC*	MIX	54	84	2,875	3.7%	10.7%	2.9%	1.27	3.67	10
Taylor, Bean & Whitaker	LML	81	260	2,425	0.0%	0.0%	0.0%	na	na	
CitiGroup*	MIX	85	93	1,952	36.5%	28.0%	13.8%	2.65	2.03	3
NE Moves	LML	39	58	1,970	7.7%	0.0%	1.7%	4.46	0.00	
Amtrust Bank	OSB	30	45	1,745	20.0%	6.7%	2.3%	8.51	2.84	
First Tennessee	OSB	60	169	1,755	1.7%	3.0%	3.6%	0.46	0.81	13
RBS Citizens	CRA	94	104	1,281	5.3%	3.8%	6.0%	0.88	0.64	12
Provident Funding	LML	17	22	1,404	0.0%	0.0%	0.1%	0.00	0.00	
Franklin American Mort	LML	55	72	1,248	10.9%	15.3%	3.9%	2.78	3.89	14
National City	OSB	64	65	1,262	18.8%	12.3%	5.5%	3.38	2.22	11
Wachovia*	OSB	42	40	1,056	26.2%	27.5%	12.2%	2.14	2.25	5
Flagstar Bank	OSB	56	72	1,150	19.6%	25.0%	10.9%	1.81	2.30	8
Salem Five*	CRA	26	43	1,277	11.5%	14.0%	4.0%	2.89	3.49	
Quicken Loans	LML	29	27	1,094	6.9%	7.4%	3.4%	2.04	2.19	
Suntrust	LML	35	34	1,101	17.1%	11.8%	3.5%	4.97	3.41	
Eastern Bank*	CRA	13	28	942	7.7%	3.6%	1.9%	4.03	1.87	
Metlife Bank	OSB	32	99	883	12.5%	9.1%	11.4%	1.09	0.79	9
Bank of Canton	CRA	15	21	805	6.7%	0.0%	1.5%	4.47	0.00	
TD Bank	CRA	23	38	844	4.3%	5.3%	5.1%	0.85	1.03	
Merrimack Mort Co	LML	30	78	843	10.0%	11.5%	4.4%	2.28	2.63	
Greenpark Mortgage	LML	9	15	821	0.0%	0.0%	0.0%	na	na	
Greylock FCU	OSB	18	15	833	0.0%	0.0%	0.8%	0.00	0.00	
HSBC*	MIX	35	29	666	80.0%	62.1%	32.0%	2.50	1.94	4
1st Mariner Bank	OSB	6	7	671	0.0%	0.0%	1.3%	0.00	0.00	
First Eastern Mort	OSB	17	21	745	0.0%	0.0%	0.0%	na	na	
Total, 30 Biggest Lenders		2,017	3,023	56,317	11.1%	8.2%	4.3%	2.57	1.90	
Total, All 691 Lenders		3,155	4,318	96,809	11.2%	8.8%	3.9%	2.88	2.27	

* Indicates that the loans shown are for two or more affiliated lenders in the same “lender family.”

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. **LML:** licensed mortgage lenders, mostly mortgage companies, who became subject to CRA-type state regulation beginning in 2008. **OSB:** other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation. **CRA^** or **LML^** or **OSB^** indicates that the family includes more than one type of lender, but that more than 90% of the lending family's loans are accounted for by lenders of the type indicated. **MIX:** lender families that include two types of lenders (with each lender type accounting for at least 10% of the lender family's total loans).

TABLE 27
Individual Lenders in the 31 Biggest Lender “Families” in Boston*
First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2008

Lender Family	Lender Name	Lender Type#	Total Loans	High-APR Loans	% HALs
Bank of America*	BANK OF AMERICA, N.A.	CRA	735	14	1.9%
Bank of America*	COUNTRYWIDE BANK, FSB	OSB	885	24	2.7%
CitiGroup*	CITICORP TRUST BANK, FSB	OSB	16	11	68.8%
CitiGroup*	CITIMORTGAGE, INC	CRA	232	8	3.4%
GMAC*	GMAC BANK	OSB	145	4	2.8%
GMAC*	GMAC MORTGAGE LLC	LML	31	2	6.5%
GMAC*	HOMEcomings FINANCIAL LLC	LML	21	0	0.0%
HSBC*	BENEFICIAL COMPANY LLC	LML	6	6	100.0%
HSBC*	HFC COMPANY LLC	LML	10	10	100.0%
HSBC*	HSBC MORTGAGE CORP	OSB	41	5	12.2%
JPMorgan Chase*	CHASE MANHATTAN BANK USA, NA	OSB	8	8	100.0%
JPMorgan Chase*	JPMORGAN CHASE BANK, NA	OSB	451	15	3.3%
Merrill Lynch*	MERRILL LYNCH BK&TC FSB	OSB	52	0	0.0%
Merrill Lynch*	MERRILL LYNCH CREDIT CORP.	OSB	13	0	0.0%
Wachovia*	AMERICAN MORTGAGE NETWORK	OSB	62	3	4.8%
Wachovia*	WACHOVIA MORTGAGE FSB	OSB	69	10	14.5%
Wells Fargo*	WELLS FARGO BANK, NA	OSB	546	29	5.3%
Wells Fargo*	WELLS FARGO FINL MASSACHUSETTS	LML	7	7	100.0%
Wells Fargo*	WELLS FARGO FUNDING, INC	OSB	14	0	0.0%

* This table is a supplement to Table 23, which shows total loans for each of the 31 biggest “lender families.” This table includes only individual lenders in multi-lender families, as indicated by an asterisk following the family name in Table 23. Nine individual lenders with 5 or fewer total loans in Boston are excluded from this table, but their loans are included in the lender family totals in Table 23. These eleven lenders include one each from Bank of America*, GMAC*, HSBC*, JPMorgan Chase*, and Wells Fargo*, and two each from CitiGroup* and Wachovia*.

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. **LML:** licensed mortgage lenders, mostly mortgage companies, who will become subject to state CRA-type regulation beginning in 2008. **OSB:** other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation.

TABLE 28
Individual Lenders in the 30 Biggest Lender “Families” in Massachusetts*
First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2008

Lender Family	Lender Name	Lender Type#	Total Loans	High-APR Loans	% HALs
Bank of America*	BANK OF AMERICA, N.A.	CRA	6,822	173	2.5%
Bank of America*	COUNTRYWIDE BANK, FSB	OSB	9,031	304	3.4%
Bank of America*	COUNTRYWIDE HOME LOANS	LML	38	1	2.6%
CitiGroup*	CITICORP TRUST BANK, FSB	OSB	270	139	51.5%
CitiGroup*	CITIFINANCIAL SERVICES, INC.	CRA	133	129	97.0%
CitiGroup*	CITIMORTGAGE, INC	CRA	2,105	80	3.8%
Eastern Bank*	EASTERN BANK	CRA	1,009	28	2.8%
Eastern Bank*	EASTERN BANK FOR MASSBANK	CRA	128	0	0.0%
GMAC*	DITECH.COM LLC	LML	99	6	6.1%
GMAC*	GMAC BANK	OSB	2,217	75	3.4%
GMAC*	GMAC MORTGAGE LLC	LML	916	20	2.2%
GMAC*	HOMEcomings FINANCIAL LLC	LML	272	11	4.0%
HSBC*	BENEFICIAL COMPANY LLC	LML	79	69	87.3%
HSBC*	HFC COMPANY LLC	LML	175	155	88.6%
HSBC*	HSBC MORTGAGE CORP	OSB	583	40	6.9%
JPMorgan Chase*	CHASE MANHATTAN BANK USA, NA	OSB	65	63	96.9%
JPMorgan Chase*	JPMORGAN CHASE BANK, NA	OSB	3,951	112	2.8%
RBS Citizens*	RBS CITIZENS, N.A.	CRA	1,960	92	4.7%
Salem Five*	SALEM FIVE MORTGAGE CO., LLC	CRA	1,443	64	4.4%
Wachovia*	AMERICAN MORTGAGE NETWORK	OSB	584	24	4.1%
Wachovia*	WACHOVIA MORTGAGE CORP	OSB	66	4	6.1%
Wachovia*	WACHOVIA MORTGAGE FSB	OSB	823	156	19.0%
Wells Fargo*	WELLS FARGO BANK, NA	OSB	5,333	263	4.9%
Wells Fargo*	WELLS FARGO FINL MASSACHUSETTS	LML	143	130	90.9%
Wells Fargo*	WELLS FARGO FUNDING, INC	OSB	119	0	0.0%

* This table is a supplement to Table 24, which shows total loans for each of the 30 biggest “lender families.” This table includes only individual lenders in multi-lender families, as indicated by an asterisk following the family name in Table 24. Seventeen individual lenders with fewer than 25 total loans are excluded from this table, but their loans are included in the lender family totals in Table 24. These seventeen lenders include one from Bank of America*, two from CitiGroup*, one from HSBC*, three from JPMorgan Chase*, one from RBS Citizens*, one from Salem Five*, one from Wachovia*, and eight from Wells Fargo*.

CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. **LML:** licensed mortgage lenders, mostly mortgage companies, who became subject to state CRA-type regulation beginning in 2008. **OSB:** other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation.

TABLE 29
High-APR Loans (HALs) in the Fourteen Counties of Massachusetts
First-Lien Home-Purchase and Refinance Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans			Refinance Loans			% Black House- holds	% Latino House- holds	Median Family Income
	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR			
Barnstable	1,597	43	2.7%	3,136	104	3.3%	1.4%	0.8%	\$54,728
Berkshire	1,068	40	3.7%	1,531	74	4.8%	1.6%	1.1%	\$50,162
Bristol	3,726	181	4.9%	5,669	267	4.7%	2.1%	2.6%	\$53,733
Dukes	38	7	18.4%	193	7	3.6%	2.6%	0.7%	\$55,018
Essex	5,968	322	5.4%	8,634	251	2.9%	2.3%	8.1%	\$63,746
Franklin	496	24	4.8%	635	41	6.5%	0.8%	1.3%	\$50,915
Hampden	3,378	279	8.3%	3,918	461	11.8%	7.5%	11.6%	\$49,257
Hampshire	1,143	34	3.0%	1,317	69	5.2%	1.5%	2.4%	\$57,480
Middlesex	12,621	367	2.9%	17,018	439	2.6%	3.1%	3.3%	\$74,194
Nantucket	44		0.0%	162	4	2.5%	2.4%	1.2%	\$66,786
Norfolk	5,914	213	3.6%	8,756	245	2.8%	2.8%	1.3%	\$77,847
Plymouth	4,028	255	6.3%	6,571	252	3.8%	4.3%	1.7%	\$65,554
Suffolk	5,195	232	4.5%	5,089	163	3.2%	19.5%	11.4%	\$44,361
Worcester	6,055	364	6.0%	8,304	400	4.8%	2.3%	5.1%	\$58,394
Massachusetts	51,279	2,361	4.6%	70,957	2,777	3.9%	4.9%	5.0%	\$61,664

TABLE 30
High-APR Loans (HALs) to Black, Latino, & White Borrowers
In the Fourteen Counties of Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

	Black Borrowers			Latino Borrowers			White Borrowers			High-APR Share Disparity Ratios	
	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	Black/White	Latino/White
A. HOME PURCHASE LOANS											
Barnstable	17	1	5.9%	27	1	3.7%	1,401	37	2.6%	2.23	1.40
Berkshire	14	0	0.0%	24	3	12.5%	979	34	3.5%	0.00	3.60
Bristol	84	7	8.3%	120	12	10.0%	3,183	135	4.2%	1.96	2.36
Dukes	1	0	0.0%	1	1	100.0%	31	6	19.4%	0.00	5.17
Essex	90	13	14.4%	676	67	9.9%	4,471	209	4.7%	3.09	2.12
Franklin	0	0	na	11	1	9.1%	453	22	4.9%	na	1.87
Hampden	156	24	15.4%	324	50	15.4%	2,661	180	6.8%	2.27	2.28
Hampshire	12	2	16.7%	17	2	11.8%	1,025	28	2.7%	6.10	4.31
Middlesex	205	14	6.8%	422	29	6.9%	9,138	249	2.7%	2.51	2.52
Nantucket	1	0	0.0%	1	0	0.0%	33	0	0.0%	na	na
Norfolk	218	20	9.2%	127	14	11.0%	4,335	148	3.4%	2.69	3.23
Plymouth	280	40	14.3%	115	12	10.4%	3,272	183	5.6%	2.55	1.87
Suffolk	482	50	10.4%	460	38	8.3%	3,271	115	3.5%	2.95	2.35
Worcester	150	17	11.3%	242	20	8.3%	4,919	295	6.0%	1.89	1.38
Massachusetts	1,710	188	11.0%	2,567	250	9.7%	39,178	1,641	4.2%	2.62	2.33
B. REFINANCE LOANS											
Barnstable	20	1	5.0%	31	0	0.0%	2,730	91	3.3%	1.50	0.00
Berkshire	18	2	11.1%	15	3	20.0%	1,400	58	4.1%	2.68	4.83
Bristol	92	9	9.8%	115	7	6.1%	4,921	227	4.6%	2.12	1.32
Dukes	6	0	0.0%	1	1	100.0%	163	6	3.7%	0.00	27.17
Essex	74	5	6.8%	269	12	4.5%	7,280	208	2.9%	2.36	1.56
Franklin	3	0	0.0%	3	0	0.0%	574	35	6.1%	0.00	0.00
Hampden	187	47	25.1%	262	47	17.9%	3,012	298	9.9%	2.54	1.81
Hampshire	13	0	0.0%	13	3	23.1%	1,161	58	5.0%	0.00	4.62
Middlesex	201	22	10.9%	340	22	6.5%	13,100	334	2.5%	4.29	2.54
Nantucket	0	0	na	4	0	0.0%	123	3	2.4%	na	0.00
Norfolk	172	17	9.9%	119	5	4.2%	6,963	186	2.7%	3.70	1.57
Plymouth	166	15	9.0%	113	5	4.4%	5,632	202	3.6%	2.52	1.23
Suffolk	391	36	9.2%	274	12	4.4%	3,510	88	2.5%	3.67	1.75
Worcester	102	11	10.8%	192	15	7.8%	7,042	330	4.7%	2.30	1.67
Massachusetts	1,445	165	11.4%	1,751	132	7.5%	57,631	2,124	3.7%	3.10	2.05

TABLE 31
Black, Latino, & White Borrowers' Shares of All Loans
In the Fourteen Counties of Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non- HAL Loans	High- APR Loans	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs
A. HOME-PURCHASE LOANS												
Barnstable	1,597	1,554	43	1.1%	1.0%	2.3%	1.7%	1.7%	2.3%	87.7%	87.8%	86.0%
Berkshire	1,068	1,028	40	1.3%	1.4%	0.0%	2.2%	2.0%	7.5%	91.7%	91.9%	85.0%
Bristol	3,726	3,545	181	2.3%	2.2%	3.9%	3.2%	3.0%	6.6%	85.4%	86.0%	74.6%
Dukes	38	31	7	2.6%	3.2%	0.0%	2.6%	0.0%	14.3%	81.6%	80.6%	85.7%
Essex	5,968	5,646	322	1.5%	1.4%	4.0%	11.3%	10.8%	20.8%	74.9%	75.5%	64.9%
Franklin	496	472	24	0.0%	0.0%	0.0%	2.2%	2.1%	4.2%	91.3%	91.3%	91.7%
Hampden	3,378	3,099	279	4.6%	4.3%	8.6%	9.6%	8.8%	17.9%	78.8%	80.1%	64.5%
Hampshire	1,143	1,109	34	1.0%	0.9%	5.9%	1.5%	1.4%	5.9%	89.7%	89.9%	82.4%
Middlesex	12,621	12,254	367	1.6%	1.6%	3.8%	3.3%	3.2%	7.9%	72.4%	72.5%	67.8%
Nantucket	44	44	0	2.3%	2.3%	na	2.3%	2.3%	na	75.0%	75.0%	na
Norfolk	5,914	5,701	213	3.7%	3.5%	9.4%	2.1%	2.0%	6.6%	73.3%	73.4%	69.5%
Plymouth	4,028	3,773	255	7.0%	6.4%	15.7%	2.9%	2.7%	4.7%	81.2%	81.9%	71.8%
Suffolk	5,195	4,963	232	9.3%	8.7%	21.6%	8.9%	8.5%	16.4%	63.0%	63.6%	49.6%
Worcester	6,055	5,691	364	2.5%	2.3%	4.7%	4.0%	3.9%	5.5%	81.2%	81.3%	81.0%
Massachusetts	51,279	48,918	2,361	3.3%	3.1%	8.0%	5.0%	4.7%	10.6%	76.4%	76.7%	69.5%
B. REFINANCE LOANS												
Barnstable	3,136	3,032	104	0.6%	0.6%	1.0%	1.0%	1.0%	0.0%	87.1%	87.0%	87.5%
Berkshire	1,531	1,457	74	1.2%	1.1%	2.7%	1.0%	0.8%	4.1%	91.4%	92.1%	78.4%
Bristol	5,669	5,402	267	1.6%	1.5%	3.4%	2.0%	2.0%	2.6%	86.8%	86.9%	85.0%
Dukes	193	186	7	3.1%	3.2%	0.0%	0.5%	0.0%	14.3%	84.5%	84.4%	85.7%
Essex	8,634	8,383	251	0.9%	0.8%	2.0%	3.1%	3.1%	4.8%	84.3%	84.4%	82.9%
Franklin	635	594	41	0.5%	0.5%	0.0%	0.5%	0.5%	0.0%	90.4%	90.7%	85.4%
Hampden	3,918	3,457	461	4.8%	4.0%	10.2%	6.7%	6.2%	10.2%	76.9%	78.5%	64.6%
Hampshire	1,317	1,248	69	1.0%	1.0%	0.0%	1.0%	0.8%	4.3%	88.2%	88.4%	84.1%
Middlesex	17,018	16,579	439	1.2%	1.1%	5.0%	2.0%	1.9%	5.0%	77.0%	77.0%	76.1%
Nantucket	162	158	4	0.0%	0.0%	0.0%	2.5%	2.5%	0.0%	75.9%	75.9%	75.0%
Norfolk	8,756	8,511	245	2.0%	1.8%	6.9%	1.4%	1.3%	2.0%	79.5%	79.6%	75.9%
Plymouth	6,571	6,319	252	2.5%	2.4%	6.0%	1.7%	1.7%	2.0%	85.7%	85.9%	80.2%
Suffolk	5,089	4,926	163	7.7%	7.2%	22.1%	5.4%	5.3%	7.4%	69.0%	69.5%	54.0%
Worcester	8,304	7,904	400	1.2%	1.2%	2.8%	2.3%	2.2%	3.8%	84.8%	84.9%	82.5%
Massachusetts	70,957	68,180	2,777	2.0%	1.9%	5.9%	2.5%	2.4%	4.8%	81.2%	81.4%	76.5%

Note: See Table 30 for the *numbers* of loans to black, Latino, & white borrowers that were used to calculate this table's *percentages*.

TABLE 32
High-APR Loans (HALs) to Borrowers at Different Income Levels#
In the Fourteen Counties of Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans					Refinance Loans				
	Low/Mod Income		Mid/High Income		Ratio: LMI%/MHI%	Low/Mod Income		Mid/High Income		Ratio: LMI%/MHI%
	Number HALs	% HALs	Number HALs	% HALs		Number HALs	% HALs	Number HALs	% HALs	
Barnstable	16	3.0%	19	2.3%	1.30	34	4.0%	47	2.8%	1.44
Berkshire	22	5.7%	17	3.2%	1.77	37	7.4%	29	3.6%	2.06
Bristol	66	6.4%	108	4.7%	1.38	86	6.3%	155	4.6%	1.37
Dukes	0	0.0%	4	20.0%	0.00	1	2.6%	4	3.8%	0.67
Essex	148	6.7%	159	5.2%	1.28	85	3.8%	135	2.8%	1.36
Franklin	12	6.3%	11	4.2%	1.51	16	7.6%	23	6.5%	1.17
Hampden	136	10.3%	136	7.6%	1.36	219	17.6%	226	10.5%	1.68
Hampshire	13	4.6%	20	2.9%	1.58	25	7.9%	39	5.0%	1.58
Middlesex	124	4.1%	207	2.9%	1.42	181	5.5%	221	2.2%	2.51
Nantucket	0	0.0%	0	0.0%	na	0	0.0%	1	1.4%	0.00
Norfolk	55	3.8%	134	4.1%	0.91	65	3.8%	147	2.9%	1.32
Plymouth	123	9.0%	121	5.6%	1.62	99	5.1%	123	3.4%	1.51
Suffolk	83	5.1%	129	4.8%	1.06	66	5.0%	85	3.1%	1.63
Worcester	163	7.4%	174	5.3%	1.38	158	6.6%	210	4.5%	1.46
Massachusetts	961	6.1%	1,239	4.4%	1.39	1,072	6.1%	1,445	3.6%	1.72

"Low/Mod Income" is no more than 80% of the Median Family Income (MFI) of the metro area in which the home is located; "Mid/High-income" is between 80%–200% of the MFI in the relevant metro area. "Highest-income" borrowers (those with incomes more than double the MFI in the metro area) are excluded from this table. For more information, see footnote to Table 30 or "Notes on Data & Methods."

TABLE 33
Denial Rates and Ratios, by Race/Ethnicity
In the Fourteen Counties of Massachusetts
First-Lien HOME-PURCHASE LOANS for Owner-Occupied Homes, 2008

	Applications				Denial Rate				Denial Rate Ratio		
	Asians	Blacks	Latinos	Whites	Asians	Blacks	Latinos	Whites	Asian/ White	Black/ White	Latino/ White
Barnstable	25	34	49	1,967	8.0%	20.6%	32.7%	11.7%	0.68	1.75	2.78
Berkshire	22	17	32	1,249	13.6%	11.8%	9.4%	7.4%	1.85	1.60	1.27
Bristol	118	130	190	4,648	11.9%	23.1%	21.6%	13.6%	0.87	1.70	1.59
Dukes	1	2	4	57	0.0%	50.0%	75.0%	21.1%	0.00	2.38	3.56
Essex	390	150	1,194	6,396	15.6%	21.3%	28.0%	11.6%	1.35	1.84	2.41
Franklin	20	1	18	647	25.0%	0.0%	22.2%	11.3%	2.22	0.00	1.97
Hampden	99	303	532	3,745	22.2%	24.4%	23.3%	10.5%	2.12	2.33	2.22
Hampshire	50	15	22	1,366	10.0%	6.7%	13.6%	8.9%	1.12	0.75	1.53
Middlesex	2,150	372	732	12,614	12.2%	22.6%	22.7%	9.8%	1.24	2.30	2.31
Nantucket	1	2	5	53	0.0%	0.0%	60.0%	9.4%	0.00	0.00	6.36
Norfolk	909	379	205	5,889	11.9%	27.2%	21.0%	9.5%	1.26	2.87	2.22
Plymouth	106	524	202	4,578	15.1%	25.8%	24.3%	11.7%	1.29	2.21	2.08
Suffolk	599	1,033	896	4,868	15.2%	30.7%	25.7%	12.8%	1.19	2.40	2.01
Worcester	467	280	461	7,166	14.8%	26.1%	24.1%	12.4%	1.19	2.10	1.94
Massachusetts	4,962	3,245	4,553	55,345	13.3%	26.6%	25.0%	11.2%	1.19	2.37	2.23

Note: Numbers of denials are in hidden columns.

TABLE 34
Shares of Total Loans by Major Types of Lenders*
In the Fourteen Counties of Massachusetts
First-Lien Mortgage Loans for Owner-Occupied Homes, 2008

	All Loans (HomePur + Refi)				High-APR Loans (HomePur + Refi)			
	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*
Barnstable	4,733	49.9%	17.9%	32.2%	147	17.7%	35.4%	46.9%
Berkshire	2,599	39.9%	9.2%	50.9%	114	9.6%	46.5%	43.9%
Bristol	9,395	40.8%	22.7%	36.5%	448	26.1%	32.6%	41.3%
Dukes	231	33.3%	24.7%	42.0%	14	7.1%	21.4%	71.4%
Essex	14,602	33.7%	29.4%	36.9%	573	17.5%	40.5%	42.1%
Franklin	1,131	51.8%	14.9%	33.2%	65	16.9%	36.9%	46.2%
Hampden	7,296	43.5%	23.5%	33.0%	740	18.6%	44.2%	37.2%
Hampshire	2,460	58.9%	18.9%	22.2%	103	18.4%	43.7%	37.9%
Middlesex	29,639	28.8%	32.4%	38.8%	806	17.1%	40.0%	42.9%
Nantucket	206	70.9%	5.8%	23.3%	4	25.0%	0.0%	75.0%
Norfolk	14,670	30.3%	31.8%	37.9%	458	16.4%	36.7%	46.9%
Plymouth	10,599	35.6%	26.6%	37.9%	507	18.9%	36.3%	44.8%
Suffolk	10,284	30.6%	28.6%	40.8%	395	14.9%	34.7%	50.4%
Worcester	14,359	33.1%	27.3%	39.6%	764	18.7%	40.7%	40.6%
Massachusetts	122,236	34.5%	27.7%	37.7%	5,138	18.2%	39.0%	42.8%

* "Mass. Banks and Credit Unions": all banks with Mass. offices, plus all affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": require a state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders became subject to state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and regulation.

TABLE 35
High-APR Loans and Loan Percentages by Major Lender Type
In the Fourteen Counties of Massachusetts
First Lien Mortgage Loans (Home-Purchase + Refinance) for Owner-Occupied Homes, 2008

	Mass. Banks & CUs*			Licensed Mort Lenders*			Other Lenders*		
	Total Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR
Barnstable	2,362	26	1.1%	849	52	6.1%	1,522	69	4.5%
Berkshire	1,036	11	1.1%	240	53	22.1%	1,323	50	3.8%
Bristol	3,835	117	3.1%	2,129	146	6.9%	3,431	185	5.4%
Dukes	77	1	1.3%	57	3	5.3%	97	10	10.3%
Essex	4,919	100	2.0%	4,293	232	5.4%	5,390	241	4.5%
Franklin	586	11	1.9%	169	24	14.2%	376	30	8.0%
Hampden	3,174	138	4.3%	1,714	327	19.1%	2,408	275	11.4%
Hampshire	1,449	19	1.3%	464	45	9.7%	547	39	7.1%
Middlesex	8,526	138	1.6%	9,599	322	3.4%	11,514	346	3.0%
Nantucket	146	1	0.7%	12		0.0%	48	3	6.3%
Norfolk	4,439	75	1.7%	4,666	168	3.6%	5,565	215	3.9%
Plymouth	3,769	96	2.5%	2,817	184	6.5%	4,013	227	5.7%
Suffolk	3,142	59	1.9%	2,945	137	4.7%	4,197	199	4.7%
Worcester	4,755	143	3.0%	3,919	311	7.9%	5,685	310	5.5%
Massachusetts	42,215	935	2.2%	33,904	2,004	5.9%	46,117	2,199	4.8%

* "Mass. Banks and Credit Unions": all banks with Mass. offices, plus all affiliated mortgage companies; excludes fed-chartered CUs.

"Licensed Mortgage Lenders": require a state license to make mortgage loans in Mass.; mostly independent mortgage companies.

"Other Lenders": those not in either of the two preceding categories; mainly out-of-state banks.

For Mass. banks and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and regulation.

TABLE 36
High-APR Loans (HALs) in the 33 Biggest Cities & Towns in Massachusetts
First-Lien Home-Purchase and Refinance Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans			Refinance Loans			% Black House- holds	% Latino House- holds	Median Family Income
	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR			
Arlington	455	8	1.8%	558	12	2.2%	1.6%	1.3%	\$78,741
Attleboro	343	21	6.1%	487	23	4.7%	1.6%	3.1%	\$59,112
Barnstable	374	9	2.4%	616	19	3.1%	2.4%	1.1%	\$54,026
Boston	4,472	198	4.4%	4,443	141	3.2%	21.4%	10.8%	\$44,151
Brockton	743	96	12.9%	593	49	8.3%	16.9%	6.4%	\$46,235
Brookline	611	9	1.5%	673	2	0.3%	2.4%	2.8%	\$92,993
Cambridge	864	5	0.6%	703	14	2.0%	10.5%	5.2%	\$59,423
Chicopee	427	36	8.4%	471	64	13.6%	1.7%	6.1%	\$44,136
Fall River	460	30	6.5%	458	24	5.2%	2.1%	2.3%	\$37,671
Framingham	557	27	4.8%	579	12	2.1%	4.2%	7.8%	\$67,420
Haverhill	534	26	4.9%	611	18	2.9%	1.8%	6.1%	\$59,772
Lawrence	515	56	10.9%	210	11	5.2%	2.0%	50.6%	\$31,809
Leominster	287	18	6.3%	341	30	8.8%	3.1%	8.7%	\$54,660
Lowell	709	63	8.9%	651	46	7.1%	3.4%	11.4%	\$45,901
Lynn	608	63	10.4%	653	25	3.8%	9.0%	13.2%	\$45,295
Malden	379	11	2.9%	333	12	3.6%	7.4%	3.6%	\$55,557
Medford	474	15	3.2%	619	32	5.2%	5.4%	1.7%	\$62,409
Methuen	440	21	4.8%	470	22	4.7%	0.8%	7.1%	\$59,831
New Bedford	493	32	6.5%	597	45	7.5%	4.5%	7.4%	\$35,708
Newton	717	13	1.8%	1,136	14	1.2%	1.4%	1.6%	\$105,289
Peabody	379	29	7.7%	599	24	4.0%	0.8%	2.6%	\$65,483
Pittsfield	421	13	3.1%	484	29	6.0%	3.1%	1.3%	\$46,228
Plymouth	523	25	4.8%	885	32	3.6%	1.1%	0.6%	\$63,266
Quincy	713	25	3.5%	770	35	4.5%	2.2%	1.6%	\$59,735
Revere	412	16	3.9%	342	13	3.8%	2.6%	6.3%	\$45,865
Salem	395	19	4.8%	415	21	5.1%	2.1%	7.4%	\$55,635
Somerville	504	12	2.4%	460	14	3.0%	5.4%	5.7%	\$51,243
Springfield	928	122	13.1%	957	165	17.2%	19.4%	21.8%	\$36,285
Taunton	427	30	7.0%	622	33	5.3%	2.4%	3.0%	\$52,433
Waltham	501	6	1.2%	569	9	1.6%	3.6%	5.9%	\$64,595
Westfield	338	25	7.4%	377	48	12.7%	0.7%	3.7%	\$55,327
Weymouth	391	21	5.4%	668	29	4.3%	1.5%	1.1%	\$64,083
Worcester	1,166	95	8.1%	1,001	87	8.7%	5.9%	11.8%	\$42,988

TABLE 37
High-APR Loans (HALs) to Black, Latino, & White Borrowers
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien HOME-PURCHASE LOANS for Owner-Occupied Homes, 2008

	Black Borrowers			Latino Borrowers			White Borrowers			High-APR Share Disparity Ratios	
	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	Black/White	Latino/White
Arlington	2	0	0.0%	8	0	0.0%	353	7	2.0%	0.00	0.00
Attleboro	8	1	12.5%	17	0	0.0%	271	17	6.3%	1.99	0.00
Barnstable	13	0	0.0%	10	0	0.0%	320	7	2.2%	0.00	0.00
Boston	454	47	10.4%	255	27	10.6%	2,858	97	3.4%	3.05	3.12
Brockton	247	36	14.6%	75	9	12.0%	341	43	12.6%	1.16	0.95
Brookline	3	0	0.0%	9	1	11.1%	425	5	1.2%	0.00	9.44
Cambridge	19	0	0.0%	26	0	0.0%	586	5	0.9%	0.00	0.00
Chicopee	12	1	8.3%	26	2	7.7%	361	31	8.6%	0.97	0.90
Fall River	14	1	7.1%	14	3	21.4%	405	24	5.9%	1.21	3.62
Framingham	12	1	8.3%	44	7	15.9%	415	16	3.9%	2.16	4.13
Haverhill	8	1	12.5%	42	4	9.5%	423	19	4.5%	2.78	2.12
Lawrence	12	2	16.7%	357	40	11.2%	110	11	10.0%	1.67	1.12
Leominster	8	0	0.0%	21	2	9.5%	232	11	4.7%	0.00	2.01
Lowell	9	1	11.1%	57	4	7.0%	425	35	8.2%	1.35	0.85
Lynn	32	8	25.0%	126	10	7.9%	338	33	9.8%	2.56	0.81
Malden	23	2	8.7%	25	3	12.0%	164	3	1.8%	4.75	6.56
Medford	11	0	0.0%	8	1	12.5%	329	12	3.6%	0.00	3.43
Methuen	13	1	7.7%	73	5	6.8%	298	13	4.4%	1.76	1.57
New Bedford	33	2	6.1%	44	5	11.4%	374	17	4.5%	1.33	2.50
Newton	7	0	0.0%	13	0	0.0%	473	8	1.7%	0.00	0.00
Peabody	3	0	0.0%	12	0	0.0%	323	27	8.4%	0.00	0.00
Pittsfield	9	0	0.0%	12	1	8.3%	385	12	3.1%	0.00	2.67
Plymouth	3	0	0.0%	10	1	10.0%	472	21	4.4%	0.00	2.25
Quincy	9	0	0.0%	16	2	12.5%	416	16	3.8%	0.00	3.25
Revere	14	2	14.3%	121	6	5.0%	230	8	3.5%	4.11	1.43
Salem	4	0	0.0%	18	4	22.2%	326	15	4.6%	0.00	4.83
Somerville	7	0	0.0%	12	1	8.3%	363	8	2.2%	0.00	3.78
Springfield	122	19	15.6%	207	37	17.9%	515	52	10.1%	1.54	1.77
Taunton	7	1	14.3%	9	3	33.3%	372	22	5.9%	2.42	5.64
Waltham	5	0	0.0%	13	0	0.0%	364	5	1.4%	0.00	0.00
Westfield	0	0	na	8	0	0.0%	312	24	7.7%	na	0.00
Weymouth	7	0	0.0%	10	2	20.0%	325	19	5.8%	0.00	3.42
Worcester	94	11	11.7%	90	8	8.9%	800	68	8.5%	1.38	1.05

TABLE 38
High-APR Loans (HALs) to Black, Latino, & White Borrowers
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien REFINANCE LOANS for Owner-Occupied Homes, 2008

	Black Borrowers			Latino Borrowers			White Borrowers			High-APR Share Disparity Ratios	
	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	All Loans	High-APR Loans	% High-APR	Black/White	Latino/White
Arlington	5	0	0.0%	2	0	0.0%	436	12	2.8%	0.00	0.00
Attleboro	7	0	0.0%	4	0	0.0%	421	22	5.2%	0.00	0.00
Barnstable	5	0	0.0%	15	0	0.0%	531	16	3.0%	0.00	0.00
Boston	385	36	9.4%	197	10	5.1%	3,016	74	2.5%	3.81	2.07
Brockton	119	12	10.1%	41	2	4.9%	343	26	7.6%	1.33	0.64
Brookline	5	0	0.0%	11	0	0.0%	495	1	0.2%	0.00	0.00
Cambridge	19	0	0.0%	16	1	6.3%	489	11	2.2%	0.00	2.78
Chicopee	5	1	20.0%	21	5	23.8%	404	51	12.6%	1.58	1.89
Fall River	3	0	0.0%	10	0	0.0%	411	24	5.8%	0.00	0.00
Framingham	11	1	9.1%	23	2	8.7%	440	8	1.8%	5.00	4.78
Haverhill	9	0	0.0%	19	0	0.0%	502	15	3.0%	0.00	0.00
Lawrence	6	1	16.7%	91	4	4.4%	87	4	4.6%	3.63	0.96
Leominster	8	1	12.5%	15	2	13.3%	284	23	8.1%	1.54	1.65
Lowell	15	2	13.3%	36	4	11.1%	446	28	6.3%	2.12	1.77
Lynn	30	0	0.0%	63	3	4.8%	465	13	2.8%	0.00	1.70
Malden	22	1	4.5%	20	4	20.0%	204	6	2.9%	1.55	6.80
Medford	28	5	17.9%	11	0	0.0%	470	25	5.3%	3.36	0.00
Methuen	7	2	28.6%	27	2	7.4%	377	16	4.2%	6.73	1.75
New Bedford	32	5	15.6%	38	3	7.9%	480	33	6.9%	2.27	1.15
Newton	12	0	0.0%	15	0	0.0%	815	11	1.3%	0.00	0.00
Peabody	5	0	0.0%	10	0	0.0%	523	23	4.4%	0.00	0.00
Pittsfield	12	2	16.7%	7	1	14.3%	433	21	4.8%	3.44	2.95
Plymouth	8	0	0.0%	17	1	5.9%	780	28	3.6%	0.00	1.64
Quincy	5	0	0.0%	11	1	9.1%	560	29	5.2%	0.00	1.76
Revere	1	0	0.0%	34	1	2.9%	258	8	3.1%	0.00	0.95
Salem	1	0	0.0%	17	0	0.0%	357	20	5.6%	0.00	0.00
Somerville	10	2	20.0%	18	1	5.6%	337	10	3.0%	6.74	1.87
Springfield	160	40	25.0%	161	25	15.5%	498	73	14.7%	1.71	1.06
Taunton	12	0	0.0%	19	2	10.5%	528	29	5.5%	0.00	1.92
Waltham	6	3	50.0%	21	0	0.0%	440	4	0.9%	55.00	0.00
Westfield	3	1	33.3%	10	3	30.0%	327	34	10.4%	3.21	2.89
Weymouth	7	1	14.3%	11	0	0.0%	557	21	3.8%	3.79	0.00
Worcester	50	8	16.0%	70	7	10.0%	759	61	8.0%	1.99	1.24

TABLE 39
Black, Latino, & White Borrowers' Shares of All Loans
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien HOME-PURCHASE LOANS for Owner-Occupied Homes, 2008

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non- HAL Loans	High- APR Loans	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs
Arlington	455	447	8	0.4%	0.4%	0.0%	1.8%	1.8%	0.0%	77.6%	77.4%	87.5%
Attleboro	343	322	21	2.3%	2.2%	4.8%	5.0%	5.3%	0.0%	79.0%	78.9%	81.0%
Barnstable	374	365	9	3.5%	3.6%	0.0%	2.7%	2.7%	0.0%	85.6%	85.8%	77.8%
Boston	4,472	4,274	198	10.2%	9.5%	23.7%	5.7%	5.3%	13.6%	63.9%	64.6%	49.0%
Brockton	743	647	96	33.2%	32.6%	37.5%	10.1%	10.2%	9.4%	45.9%	46.1%	44.8%
Brookline	611	602	9	0.5%	0.5%	0.0%	1.5%	1.3%	11.1%	69.6%	69.8%	55.6%
Cambridge	864	859	5	2.2%	2.2%	0.0%	3.0%	3.0%	0.0%	67.8%	67.6%	100.0%
Chicopee	427	391	36	2.8%	2.8%	2.8%	6.1%	6.1%	5.6%	84.5%	84.4%	86.1%
Fall River	460	430	30	3.0%	3.0%	3.3%	3.0%	2.6%	10.0%	88.0%	88.6%	80.0%
Framingham	557	530	27	2.2%	2.1%	3.7%	7.9%	7.0%	25.9%	74.5%	75.3%	59.3%
Haverhill	534	508	26	1.5%	1.4%	3.8%	7.9%	7.5%	15.4%	79.2%	79.5%	73.1%
Lawrence	515	459	56	2.3%	2.2%	3.6%	69.3%	69.1%	71.4%	21.4%	21.6%	19.6%
Leominster	287	269	18	2.8%	3.0%	0.0%	7.3%	7.1%	11.1%	80.8%	82.2%	61.1%
Lowell	709	646	63	1.3%	1.2%	1.6%	8.0%	8.2%	6.3%	59.9%	60.4%	55.6%
Lynn	608	545	63	5.3%	4.4%	12.7%	20.7%	21.3%	15.9%	55.6%	56.0%	52.4%
Malden	379	368	11	6.1%	5.7%	18.2%	6.6%	6.0%	27.3%	43.3%	43.8%	27.3%
Medford	474	459	15	2.3%	2.4%	0.0%	1.7%	1.5%	6.7%	69.4%	69.1%	80.0%
Methuen	440	419	21	3.0%	2.9%	4.8%	16.6%	16.2%	23.8%	67.7%	68.0%	61.9%
New Bedford	493	461	32	6.7%	6.7%	6.3%	8.9%	8.5%	15.6%	75.9%	77.4%	53.1%
Newton	717	704	13	1.0%	1.0%	0.0%	1.8%	1.8%	0.0%	66.0%	66.1%	61.5%
Peabody	379	350	29	0.8%	0.9%	0.0%	3.2%	3.4%	0.0%	85.2%	84.6%	93.1%
Pittsfield	421	408	13	2.1%	2.2%	0.0%	2.9%	2.7%	7.7%	91.4%	91.4%	92.3%
Plymouth	523	498	25	0.6%	0.6%	0.0%	1.9%	1.8%	4.0%	90.2%	90.6%	84.0%
Quincy	713	688	25	1.3%	1.3%	0.0%	2.2%	2.0%	8.0%	58.3%	58.1%	64.0%
Revere	412	396	16	3.4%	3.0%	12.5%	29.4%	29.0%	37.5%	55.8%	56.1%	50.0%
Salem	395	376	19	1.0%	1.1%	0.0%	4.6%	3.7%	21.1%	82.5%	82.7%	78.9%
Somerville	504	492	12	1.4%	1.4%	0.0%	2.4%	2.2%	8.3%	72.0%	72.2%	66.7%
Springfield	928	806	122	13.1%	12.8%	15.6%	22.3%	21.1%	30.3%	55.5%	57.4%	42.6%
Taunton	427	397	30	1.6%	1.5%	3.3%	2.1%	1.5%	10.0%	87.1%	88.2%	73.3%
Waltham	501	495	6	1.0%	1.0%	0.0%	2.6%	2.6%	0.0%	72.7%	72.5%	83.3%
Westfield	338	313	25	0.0%	0.0%	0.0%	2.4%	2.6%	0.0%	92.3%	92.0%	96.0%
Weymouth	391	370	21	1.8%	1.9%	0.0%	2.6%	2.2%	9.5%	83.1%	82.7%	90.5%
Worcester	1,166	1,071	95	8.1%	7.7%	11.6%	7.7%	7.7%	8.4%	68.6%	68.3%	71.6%

Note: See Table 37 for the *numbers* of loans to black, Latino, & white borrowers that were used to calculate this table's *percentages*.

TABLE 40
Black, Latino, & White Borrowers' Shares of All Loans
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien REFINANCE LOANS for Owner-Occupied Homes, 2008

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non- HAL Loans	High- APR Loans	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs	% of All Loans	% of All Non- HALs	% of All HALs
Arlington	558	546	12	0.9%	0.9%	0.0%	0.4%	0.4%	0.0%	78.1%	77.7%	100.0%
Attleboro	487	464	23	1.4%	1.5%	0.0%	0.8%	0.9%	0.0%	86.4%	86.0%	95.7%
Barnstable	616	597	19	0.8%	0.8%	0.0%	2.4%	2.5%	0.0%	86.2%	86.3%	84.2%
Boston	4,443	4,302	141	8.7%	8.1%	25.5%	4.4%	4.3%	7.1%	67.9%	68.4%	52.5%
Brockton	593	544	49	20.1%	19.7%	24.5%	6.9%	7.2%	4.1%	57.8%	58.3%	53.1%
Brookline	673	671	2	0.7%	0.7%	0.0%	1.6%	1.6%	0.0%	73.6%	73.6%	50.0%
Cambridge	703	689	14	2.7%	2.8%	0.0%	2.3%	2.2%	7.1%	69.6%	69.4%	78.6%
Chicopee	471	407	64	1.1%	1.0%	1.6%	4.5%	3.9%	7.8%	85.8%	86.7%	79.7%
Fall River	458	434	24	0.7%	0.7%	0.0%	2.2%	2.3%	0.0%	89.7%	89.2%	100.0%
Framingham	579	567	12	1.9%	1.8%	8.3%	4.0%	3.7%	16.7%	76.0%	76.2%	66.7%
Haverhill	611	593	18	1.5%	1.5%	0.0%	3.1%	3.2%	0.0%	82.2%	82.1%	83.3%
Lawrence	210	199	11	2.9%	2.5%	9.1%	43.3%	43.7%	36.4%	41.4%	41.7%	36.4%
Leominster	341	311	30	2.3%	2.3%	3.3%	4.4%	4.2%	6.7%	83.3%	83.9%	76.7%
Lowell	651	605	46	2.3%	2.1%	4.3%	5.5%	5.3%	8.7%	68.5%	69.1%	60.9%
Lynn	653	628	25	4.6%	4.8%	0.0%	9.6%	9.6%	12.0%	71.2%	72.0%	52.0%
Malden	333	321	12	6.6%	6.5%	8.3%	6.0%	5.0%	33.3%	61.3%	61.7%	50.0%
Medford	619	587	32	4.5%	3.9%	15.6%	1.8%	1.9%	0.0%	75.9%	75.8%	78.1%
Methuen	470	448	22	1.5%	1.1%	9.1%	5.7%	5.6%	9.1%	80.2%	80.6%	72.7%
New Bedford	597	552	45	5.4%	4.9%	11.1%	6.4%	6.3%	6.7%	80.4%	81.0%	73.3%
Newton	1,136	1,122	14	1.1%	1.1%	0.0%	1.3%	1.3%	0.0%	71.7%	71.7%	78.6%
Peabody	599	575	24	0.8%	0.9%	0.0%	1.7%	1.7%	0.0%	87.3%	87.0%	95.8%
Pittsfield	484	455	29	2.5%	2.2%	6.9%	1.4%	1.3%	3.4%	89.5%	90.5%	72.4%
Plymouth	885	853	32	0.9%	0.9%	0.0%	1.9%	1.9%	3.1%	88.1%	88.2%	87.5%
Quincy	770	735	35	0.6%	0.7%	0.0%	1.4%	1.4%	2.9%	72.7%	72.2%	82.9%
Revere	342	329	13	0.3%	0.3%	0.0%	9.9%	10.0%	7.7%	75.4%	76.0%	61.5%
Salem	415	394	21	0.2%	0.3%	0.0%	4.1%	4.3%	0.0%	86.0%	85.5%	95.2%
Somerville	460	446	14	2.2%	1.8%	14.3%	3.9%	3.8%	7.1%	73.3%	73.3%	71.4%
Springfield	957	792	165	16.7%	15.2%	24.2%	16.8%	17.2%	15.2%	52.0%	53.7%	44.2%
Taunton	622	589	33	1.9%	2.0%	0.0%	3.1%	2.9%	6.1%	84.9%	84.7%	87.9%
Waltham	569	560	9	1.1%	0.5%	33.3%	3.7%	3.8%	0.0%	77.3%	77.9%	44.4%
Westfield	377	329	48	0.8%	0.6%	2.1%	2.7%	2.1%	6.3%	86.7%	89.1%	70.8%
Weymouth	668	639	29	1.0%	0.9%	3.4%	1.6%	1.7%	0.0%	83.4%	83.9%	72.4%
Worcester	1,001	914	87	5.0%	4.6%	9.2%	7.0%	6.9%	8.0%	75.8%	76.4%	70.1%

Note: See Table 38 for the *numbers* of loans to black, Latino, & white borrowers that were used to calculate this table's *percentages*.

TABLE 4I
High-APR Loans (HALs) to Borrowers at Different Income Levels
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien Loans for Owner-Occupied Homes, 2008

	Home-Purchase Loans					Refinance Loans				
	Low/Mod Income		Mid/High Income		Ratio: LMI%/MHI%	Low/Mod Income		Mid/High Income		Ratio: LMI%/MHI%
	Number HALs	% HALs	Number HALs	% HALs		Number HALs	% HALs	Number HALs	% HALs	
Arlington	1	1.4%	4	1.4%	1.00	7	10.8%	4	1.1%	10.23
Attleboro	7	7.2%	12	5.6%	1.29	10	8.2%	11	3.7%	2.22
Barnstable	4	2.6%	3	1.7%	1.52	9	5.5%	7	2.1%	2.59
Boston	66	5.2%	114	4.9%	1.05	58	5.5%	72	2.9%	1.86
Brockton	65	13.7%	31	12.2%	1.12	22	7.3%	21	9.8%	0.74
Brookline	1	1.1%	3	1.1%	1.00		0.0%	2	0.6%	0.00
Cambridge	1	0.6%	2	0.4%	1.30	6	6.3%	5	1.2%	5.08
Chicopee	15	8.1%	21	9.3%	0.88	32	16.8%	32	13.2%	1.28
Fall River	13	7.0%	17	6.5%	1.07	10	5.6%	12	5.6%	1.00
Framingham	12	6.8%	14	4.1%	1.64	2	1.6%	9	2.4%	0.67
Haverhill	14	5.5%	11	4.3%	1.28	6	2.5%	10	3.0%	0.83
Lawrence	46	11.5%	10	8.8%	1.31	7	5.7%	4	7.5%	0.75
Leominster	5	3.6%	12	8.3%	0.44	14	12.0%	13	7.3%	1.65
Lowell	36	8.1%	26	10.3%	0.79	33	10.4%	12	4.5%	2.32
Lynn	34	9.6%	27	11.2%	0.86	9	3.4%	14	4.3%	0.80
Malden	3	1.8%	8	4.0%	0.45	6	4.8%	6	3.3%	1.47
Medford	5	5.2%	9	2.7%	1.91	9	5.7%	23	5.9%	0.97
Methuen	10	4.8%	11	5.2%	0.94	10	5.7%	9	3.8%	1.53
New Bedford	15	6.8%	17	6.5%	1.05	16	7.5%	26	9.4%	0.79
Newton		0.0%	6	1.7%	0.00	1	1.0%	8	1.4%	0.72
Peabody	10	7.3%	19	8.3%	0.88	9	5.1%	13	3.4%	1.48
Pittsfield	8	4.4%	4	2.0%	2.23	17	9.3%	10	4.1%	2.28
Plymouth	7	3.9%	15	5.3%	0.74	14	4.7%	14	2.9%	1.64
Quincy	8	2.8%	13	3.4%	0.82	12	5.1%	21	4.7%	1.09
Revere	10	4.9%	4	2.0%	2.39	7	4.9%	5	3.0%	1.62
Salem	5	3.4%	13	5.8%	0.60	8	5.7%	10	4.2%	1.34
Somerville	3	2.6%	8	2.5%	1.05	6	5.2%	6	2.1%	2.50
Springfield	77	14.5%	43	11.5%	1.26	91	21.8%	71	15.8%	1.38
Taunton	14	9.5%	16	6.0%	1.60	15	8.4%	18	4.8%	1.73
Waltham		0.0%	5	1.5%	0.00	5	3.5%	4	1.1%	3.16
Westfield	9	7.6%	16	8.7%	0.88	20	20.4%	28	12.3%	1.66
Weymouth	7	4.6%	14	6.3%	0.73	14	6.4%	14	3.6%	1.77
Worcester	48	8.2%	40	7.5%	1.10	42	10.0%	43	9.1%	1.10

“Low/Mod Income” is no more than 80% of the Median Family Income (MFI) of the metro area in which the home is located; “Mid/High Income” is between 80%–200% of the MFI in the relevant metro area. “Highest-income” borrowers (those with incomes more than double the median income of the metro area) are excluded from this table. For more information, see footnote to Table 4 or “Notes on Data & Methods.”

TABLE 42
Denial Rates and Ratios, by Race/Ethnicity
In the 33 Biggest Cities and Towns in Massachusetts
First-Lien HOME-PURCHASE Loans for Owner-Occupied Homes, 2008

	Applications				Denial Rate				Denial Rate Ratio		
	Asians	Blacks	Latinos	Whites	Asians	Blacks	Latinos	Whites	Asian/ White	Black/ White	Latino/ White
Arlington	49	2	11	462	8%	0%	9%	8%	1.05	0.00	1.17
Attleboro	27	12	25	380	15%	25%	12%	14%	1.04	1.76	0.84
Barnstable	8	21	25	484	0%	14%	52%	14%	0.00	1.05	3.81
Boston	540	967	502	4,198	15%	31%	29%	12%	1.24	2.57	2.39
Brockton	48	478	143	533	23%	27%	27%	20%	1.14	1.34	1.36
Brookline	114	3	16	601	10%	0%	25%	7%	1.32	0.00	3.41
Cambridge	162	35	35	807	9%	20%	11%	7%	1.25	2.69	1.54
Chicopee	6	18	41	504	17%	17%	24%	12%	1.35	1.35	1.98
Fall River	15	24	30	598	27%	25%	33%	18%	1.52	1.42	1.90
Framingham	68	19	81	570	16%	16%	25%	11%	1.46	1.43	2.23
Haverhill	16	13	62	623	6%	23%	21%	15%	0.41	1.53	1.39
Lawrence	21	20	636	186	14%	20%	29%	20%	0.72	1.01	1.44
Leominster	9	11	38	319	22%	18%	26%	9%	2.36	1.93	2.80
Lowell	268	37	103	609	22%	41%	23%	16%	1.37	2.52	1.45
Lynn	99	59	257	510	23%	29%	34%	17%	1.39	1.73	2.05
Malden	200	48	53	245	15%	27%	26%	15%	0.99	1.84	1.80
Medford	83	20	16	436	1%	20%	31%	8%	0.14	2.36	3.68
Methuen	36	22	119	403	6%	23%	24%	11%	0.51	2.08	2.23
New Bedford	8	43	72	546	0%	14%	28%	14%	0.00	1.00	2.00
Newton	172	7	17	645	10%	0%	0%	8%	1.27	0.00	0.00
Peabody	8	4	24	467	13%	0%	33%	11%	1.14	0.00	3.05
Pittsfield	4	9	16	464	0%	0%	13%	5%	0.00	0.00	2.76
Plymouth	8	3	12	653	25%	0%	8%	11%	2.30	0.00	0.77
Quincy	321	12	24	549	14%	8%	17%	9%	1.64	0.97	1.95
Revere	39	33	224	380	21%	18%	20%	16%	1.30	1.15	1.27
Salem	28	4	32	427	18%	0%	16%	8%	2.31	0.00	2.02
Somerville	74	14	27	501	12%	36%	37%	12%	1.05	3.08	3.20
Springfield	44	251	353	750	36%	27%	26%	13%	2.81	2.13	1.99
Taunton	11	18	13	601	9%	44%	15%	15%	0.61	2.97	1.03
Waltham	86	11	18	506	9%	18%	17%	10%	0.89	1.74	1.59
Westfield	5	2	13	428	40%	0%	15%	8%	4.89	0.00	1.88
Weymouth	23	8	15	440	22%	13%	27%	12%	1.80	1.04	2.21
Worcester	160	177	195	1,218	19%	28%	29%	14%	1.31	1.97	2.00

Note: Numbers of denials are in hidden columns.

APPENDIX TABLE I

All Home-Purchase and Refinance Loans in Massachusetts, 2008, Classified by Five Characteristics:
(1) Home-purchase or Refinance; (2) Conventional or Government-Backed; (3) First-Lien or Subordinate-Lien;
(4) Owner-Occupied or Not Owner-Occupied; and (5) Site-Built or Manufactured Housing

A. NUMBER OF LOANS									
	Home Purchase Loans			Refinance Loans			Total Loans		
	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total
First Lien	48,096	10,569	58,665	70,398	7,362	77,760	118,494	17,931	136,425
Owner-Occupied	41,051	10,228	51,279	63,765	7,192	70,957	104,816	17,420	122,236
Site-built	40,807	10,226	51,033	63,548	7,189	70,737	104,355	17,415	121,770
Mfg housing	244	2	246	217	3	220	461	5	466
Not Owner-Occ	7,045	341	7,386	6,633	170	6,803	13,678	511	14,189
Site-built	7,038	341	7,379	6,631	170	6,801	13,669	511	14,180
Mfg housing	7	0	7	2	0	2	9	0	9
Sub Lien	3,537	3	3,540	4,924	8	4,932	8,461	11	8,472
Owner-Occupied	3,472	3	3,475	4,851	8	4,859	8,323	11	8,334
Site-built	3,463	3	3,466	4,849	8	4,857	8,312	11	8,323
Mfg housing	9	0	9	2	0	2	11	0	11
Not Owner-Occ	65	0	65	73	0	73	138	0	138
Site-built	65	0	65	73	0	73	138	0	138
Mfg housing	0	0	0	0	0	0	0	0	0
Any Lien	51,633	10,572	62,205	75,322	7,370	82,692	126,955	17,942	144,897
Owner-Occupied	44,523	10,231	54,754	68,616	7,200	75,816	113,139	17,431	130,570
Site-built	44,270	10,229	54,499	68,397	7,197	75,594	112,667	17,426	130,093
Mfg housing	253	2	255	219	3	222	472	5	477
Not Owner-Occ	7,110	341	7,451	6,706	170	6,876	13,816	511	14,327
Site-built	7,103	341	7,444	6,704	170	6,874	13,807	511	14,318
Mfg housing	7	0	7	2	0	2	9	0	9
memo:									
total site-built	51,373	10,570	61,943	75,101	7,367	82,468	126,474	17,937	144,411
total mfg hsing	260	2	262	221	3	224	481	5	486
B. PERCENTAGE OF TOTAL LOANS									
	Home Purchase Loans			Refinance Loans			Total Loans		
	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total
First Lien	33.2%	7.3%	40.5%	48.6%	5.1%	53.7%	81.8%	12.4%	94.2%
Owner-Occupied	28.3%	7.1%	35.4%	44.0%	5.0%	49.0%	72.3%	12.0%	84.4%
Site-built	28.2%	7.1%	35.2%	43.9%	5.0%	48.8%	72.0%	12.0%	84.0%
Mfg housing	0.2%	0.0%	0.2%	0.1%	0.0%	0.2%	0.3%	0.0%	0.3%
Not Owner-Occ	4.9%	0.2%	5.1%	4.6%	0.1%	4.7%	9.4%	0.4%	9.8%
Site-built	4.9%	0.2%	5.1%	4.6%	0.1%	4.7%	9.4%	0.4%	9.8%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub Lien	2.4%	0.0%	2.4%	3.4%	0.0%	3.4%	5.8%	0.0%	5.8%
Owner-Occupied	2.4%	0.0%	2.4%	3.3%	0.0%	3.4%	5.7%	0.0%	5.8%
Site-built	2.4%	0.0%	2.4%	3.3%	0.0%	3.4%	5.7%	0.0%	5.7%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Not Owner-Occ	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%
Site-built	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.0%	0.1%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Any Lien	35.6%	7.3%	42.9%	52.0%	5.1%	57.1%	87.6%	12.4%	100.0%
Owner-Occupied	30.7%	7.1%	37.8%	47.4%	5.0%	52.3%	78.1%	12.0%	90.1%
Site-built	30.6%	7.1%	37.6%	47.2%	5.0%	52.2%	77.8%	12.0%	89.8%
Mfg housing	0.2%	0.0%	0.2%	0.2%	0.0%	0.2%	0.3%	0.0%	0.3%
Not Owner-Occ	4.9%	0.2%	5.1%	4.6%	0.1%	4.7%	9.5%	0.4%	9.9%
Site-built	4.9%	0.2%	5.1%	4.6%	0.1%	4.7%	9.5%	0.4%	9.9%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
memo:									
total site-built	35.5%	7.3%	42.7%	51.8%	5.1%	56.9%	87.3%	12.4%	99.7%
total mfg hsing	0.2%	0.0%	0.2%	0.2%	0.0%	0.2%	0.3%	0.0%	0.3%

Note: This five-way classification results in a total of 32 categories. The number of loans in each of these categories was obtained from the 2008 HMDA data. All other numbers in this table are calculated from these 32 basic numbers.

The text of this report, and all other tables, include only first-lien loans for owner-occupied homes, which are shown in this table to constitute 84.4% of total loans. The loans excluded by this criterion consisted of first-lien loans for non-owner occupied homes 9.8% of the total) and subordinate-lien loans (5.8%).

Additional details: Of the government-backed loans, 93.0% were FHA, 5.5% were VA, and 1.4% were FSA/RHS. There were a total of exactly 5 HEOPA loans.

This table ignores 256 loans (0.1% of the total) for which owner-occupancy status was not reported.

This table also ignores the state's 13,207 home-improvement loans, of which 5,128 were first-lien loans on owner-occupied homes.

APPENDIX TABLE 2
High-APR Loans (HALs), by Race/Ethnicity of Borrower
By Loan Purpose and Lien Type, with Median Rate Spread#
Loans for Owner-Occupied Homes, Massachusetts, 2008

Borrower Race/Ethnicity	All Loans	Non-HAL Loans	High-APR Loans	Percent HALs	Ratio to White %	Median Rate Spread
A-1. HOME-PURCHASE LOANS — ANY LIEN						
Asian	3,521	3,420	101	2.9%	0.67	3.38
Black	1,961	1,768	193	9.8%	2.30	3.28
Latino	2,962	2,702	260	8.8%	2.05	3.27
White	41,320	39,553	1,767	4.3%	1.00	3.26
No Info*	4,785	4,578	207	4.3%		
Total*	54,754	52,216	2,538	4.6%		3.28
A-2. HOME-PURCHASE LOANS — FIRST LIEN (93.7% of all Home Purchase Loans)						
Asian	3,196	3,111	85	2.7%	0.63	3.30
Black	1,710	1,522	188	11.0%	2.62	3.27
Latino	2,567	2,317	250	9.7%	2.33	3.26
White	39,178	37,537	1,641	4.2%	1.00	3.23
No Info*	4,446	4,259	187	4.2%		
Total*	51,279	48,918	2,361	4.6%		3.24
A-3. HOME-PURCHASE LOANS — JUNIOR LIEN (6.3% of all Home Purchase Loans)						
Asian	325	309	16	4.9%	0.84	5.48
Black	251	246	5	2.0%	0.34	6.23
Latino	395	385	10	2.5%	0.43	5.73
White	2,142	2,016	126	5.9%	1.00	5.44
No Info*	339	319	20	5.9%		
Total*	3,475	3,298	177	5.1%		5.46
B-1. REFINANCE LOANS — ANY LIEN						
Asian	2,456	2,414	42	1.7%	0.43	3.38
Black	1,536	1,355	181	11.8%	2.97	3.58
Latino	1,850	1,708	142	7.7%	1.93	3.44
White	61,556	59,111	2,445	4.0%	1.00	3.60
No Info*	8,218	7,876	342	4.2%		
Total*	75,816	72,646	3,170	4.2%		3.56
B-2. REFINANCE LOANS — FIRST LIEN (93.6% of all Refinance Loans)						
Asian	2,354	2,320	34	1.4%	0.39	3.26
Black	1,445	1,280	165	11.4%	3.10	3.46
Latino	1,751	1,619	132	7.5%	2.05	3.36
White	57,631	55,507	2,124	3.7%	1.00	3.46
No Info*	7,594	7,285	309	4.1%		
Total*	70,957	68,180	2,777	3.9%		3.45
B-3. REFINANCE LOANS — JUNIOR LIEN (6.4% of all Refinance Loans)						
Asian	102	94	8	7.8%	0.96	6.14
Black	91	75	16	17.6%	2.15	8.71
Latino	99	89	10	10.1%	1.24	7.18
White	3,925	3,604	321	8.2%	1.00	7.88
No Info*	624	591	33	5.3%		
Total*	4,859	4,466	393	8.1%		7.85
C-1. ALL HOME-PURCHASE AND REFINANCE LOANS — ANY LIEN						
Asian	5,977	5,834	143	2.4%	0.58	3.38
Black	3,497	3,123	374	10.7%	2.61	3.36
Latino	4,812	4,410	402	8.4%	2.04	3.33
White	102,876	98,664	4,212	4.1%	1.00	3.42
No Info*	13,003	12,454	549	4.2%		
Total*	130,570	124,862	5,708	4.4%		3.41

For each High-APR loan, HMDA data include the difference between the APR of the loan and the interest rate on Treasury securities of the same maturity (e.g., 30 years) at the time the loan was made. This difference, reported in percentage points, is referred to as the "rate spread."

* "No Info" is "Information not provided...in mail or telephone application" & "Not applicable."

"Total" includes "Other" as well as the categories shown in the table; "other" is 0.3% of all loans & below 0.7% in each category.

APPENDIX TABLE 3
Boston Home-Purchase Loans by Race/Ethnicity, 1990–2008 *

Race/ Ethnicity	Number of Loans						Percent of All Loans#					
	1990	1995	2000	2005	2007	2008	1990	1995	2000	2005	2007	2008
Asian	100	269	381	453	304	320	5.7%	6.0%	5.8%	6.1%	6.1%	8.2%
Black	287	880	710	1,065	674	454	16.4%	19.8%	10.9%	14.3%	13.5%	11.6%
Latino	91	303	463	719	384	255	5.2%	6.8%	7.1%	9.7%	7.7%	6.5%
White	1,266	2,866	4,831	5,175	3,622	2,858	72.5%	64.4%	74.0%	69.5%	72.4%	73.1%
Other	3	132	147	34	17	22	0.2%	3.0%	2.3%	0.5%	0.3%	0.6%
SubTotal#	1,747	4,450	6,532	7,446	5,001	3,909	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
No Info+	23	187	935	884	717	563						
Total	1,770	4,637	7,467	8,330	5,718	4,472						

Important Note: 2004 and later data are not strictly comparable to those for previous years. Beginning in 2004, loans other than first-lien mortgages for owner-occupied homes are excluded; previously only junior-lien loans under the SoftSecond Program were excluded. In addition, race and ethnicity are treated differently in the HMDA data beginning in 2004 so the definitions underlying the categories are different. See “Notes on Data and Methods” for details.

* Columns for many years are omitted from this table because of insufficient space, but all years are shown in Chart A-3.

Percentages are of subtotal of all loans for which information on race/ethnicity was reported.

+ “No Info” is short for “Information not provided by applicant in telephone or mail application” or “not available.”

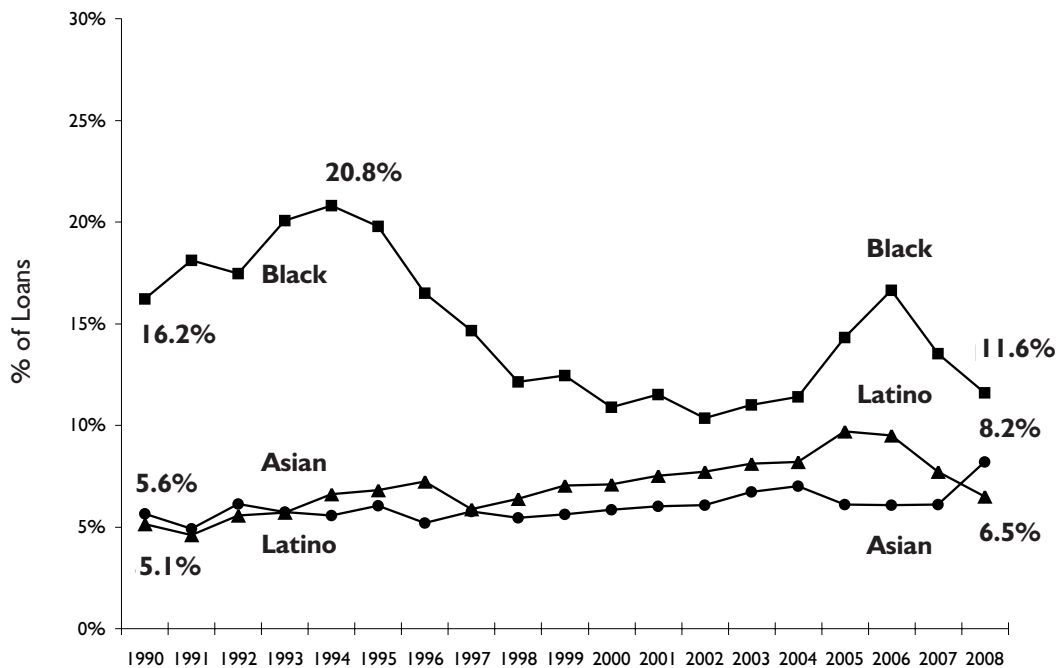
Chart A-3: Shares of Home-Purchase Loans & Households by Race/Ethnicity, Boston, 1990–2008*

The black share of Boston households was 20.6% in 1990 and 21.4% in 2000.

The Asian share of Boston households was 4.1% in 1990 and 6.8% in 2000.

The Latino share of Boston households was 8.1% in 1990 and 10.8% in 2000.

* Percentages for 2004 and later are not strictly comparable to those for earlier years.



APPENDIX TABLE 4
Boston Home-Purchase Loans by Income Level, 1990–2008*

Income Level ^	Number of Loans						As Percent of All Loans					
	1990	1995	2000	2005	2007	2008	1990	1995	2000	2005	2007	2008
Low#	51	530	369	216	173	236	2.8%	11.6%	5.1%	2.7%	3.1%	5.3%
Moderate	352	1,233	1,321	1,314	1,104	1,044	19.6%	27.0%	18.4%	16.4%	19.9%	23.5%
Middle	527	1,261	1,815	2,281	1,650	1,248	29.3%	27.6%	25.2%	28.5%	29.7%	28.1%
High	513	889	2,095	2,715	1,480	1,077	28.5%	19.4%	29.1%	33.9%	26.6%	24.2%
Highest	355	659	1,589	1,474	1,151	841	19.7%	14.4%	22.1%	18.4%	20.7%	18.9%
Hi + Hi'est	868	1,548	3,684	4,189	2,631	1,918	48.3%	33.9%	51.2%	52.4%	47.3%	43.1%
Total#	1,798	4,572	7,189	8,000	5,558	4,446	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Important Note: The metropolitan area used to determine income categories for Boston borrowers changed in 2004, so data for 2004 and later are not directly comparable to those for earlier years. If the metro area definitions had not changed, there would have been 376 loans (4.5%) to low-income borrowers and 1,864 loans (22.4%) to moderate-income borrowers in 2004. Also, beginning in 2004, loans other than first-lien loans for owner-occupied loans are excluded; previously, only junior-lien loans under the SoftSecond Program were excluded. See "Notes on Data and Methods" for details.

* Columns for many years are omitted from this table because of insufficient space, but all years are shown in Chart A-7.

"Total" excludes borrowers without income data (26 in 2008); before 2004, Low & Total also excluded those with incomes of \$10K or less.

^ Income categories are defined in relationship to Boston Metro Area Median Family Income as follows:

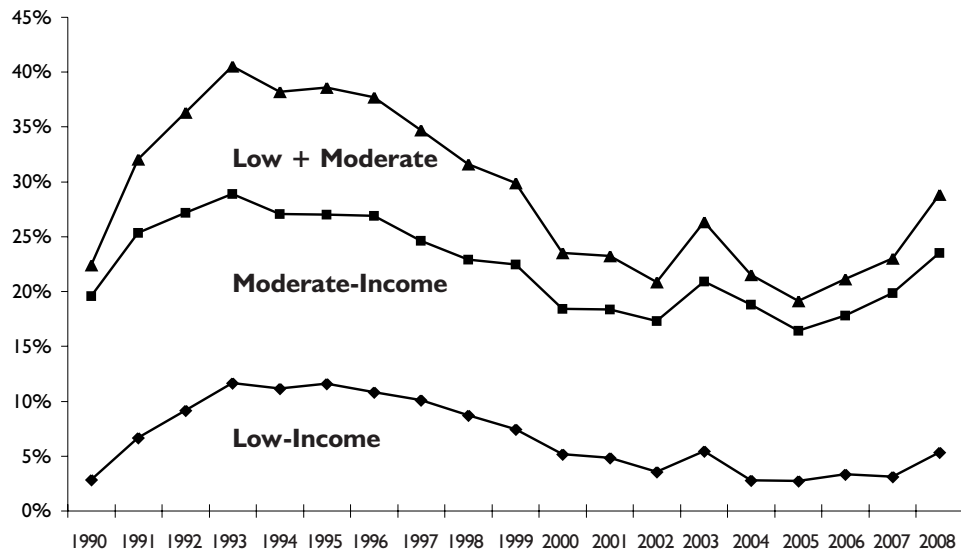
Low: <50% Moderate: 50%–80% Middle: 80%–120% High: 120%–200% Highest: >200%

The actual income ranges for each year were calculated from the following Boston Metro Area Median Family Incomes:

1990: \$46,300; 1991: \$50,200; 1992: \$51,100; 1993: \$51,200; 1994: \$51,300; 1995: \$53,100; 1996: \$56,500; 1997: \$59,600
1998: \$60,000; 1999: \$62,700; 2000: \$65,500; 2001: \$70,000; 2002: \$74,200; 2003: \$80,800; 2004: \$75,300; 2005: \$76,400
2006: \$82,000; 2007: \$80,500; 2008: \$84,300

**Chart A-4: Loans to Low- and Moderate-Income Borrowers
as % of All Boston Home-Purchase Loans, 1990–2008***

* Percents for 2004 and later are not directly comparable to those for earlier years; see Table 2 and "notes on Data Methods."



APPENDIX TABLE 5
Home-Purchase Loan Denial Rates by Race
Boston, Massachusetts, and United States, 1990–2008*

	Denial Rate						Ratio to White Denial Rate					
	1990	1995	2000	2005	2007	2008	1990	1995	2000	2005	2007	2008
A. BOSTON												
Asian	14.5%	8.2%	12.7%	14.6%	13.3%	14.8%	0.89	1.12	1.37	1.45	1.23	1.23
Black	32.7%	15.8%	24.5%	23.6%	35.3%	30.8%	2.00	2.16	2.63	2.34	3.28	2.57
Latino	25.3%	18.6%	18.9%	20.9%	36.3%	28.7%	1.55	2.55	2.03	2.07	3.37	2.39
White	16.4%	7.3%	9.3%	10.1%	10.8%	12.0%	1.00	1.00	1.00	1.00	1.00	1.00
B. MASSACHUSETTS												
Asian		7.3%	9.1%	10.1%	10.9%	13.3%		0.99	1.08	1.04	1.05	1.19
Black		16.3%	20.7%	21.3%	30.5%	26.6%		2.23	2.46	2.20	2.94	2.38
Latino		13.1%	17.2%	19.1%	28.0%	25.0%		1.79	2.05	1.97	2.70	2.23
White		7.3%	8.4%	9.7%	10.4%	11.2%		1.00	1.00	1.00	1.00	1.00
C. UNITED STATES #												
Asian	12.9%	12.5%	12.4%	15.8%	17.3%	18.7%	0.90	0.61	0.56	1.28	1.31	1.38
Black	33.9%	40.5%	44.6%	27.5%	30.9%	36.1%	2.35	1.97	2.00	2.24	2.34	2.65
Latino	21.4%	29.5%	31.4%	21.3%	24.7%	31.1%	1.49	1.43	1.41	1.73	1.87	2.29
White	14.4%	20.6%	22.3%	12.3%	13.2%	13.6%	1.00	1.00	1.00	1.00	1.00	1.00

Important Note: Denial rates & ratios for 2004 and later are not strictly comparable to those for previous years. Beginning in 2004, all applications other than for first-lien mortgages for owner-occupied homes are excluded; previously only junior liens under the SoftSecond Program in Boston were excluded. In addition, race and ethnicity are treated differently in HMDA data beginning in 2004, so the definitions underlying the categories used in this table are different for 2004 than for earlier years. See “Notes on Data and Methods” for details.

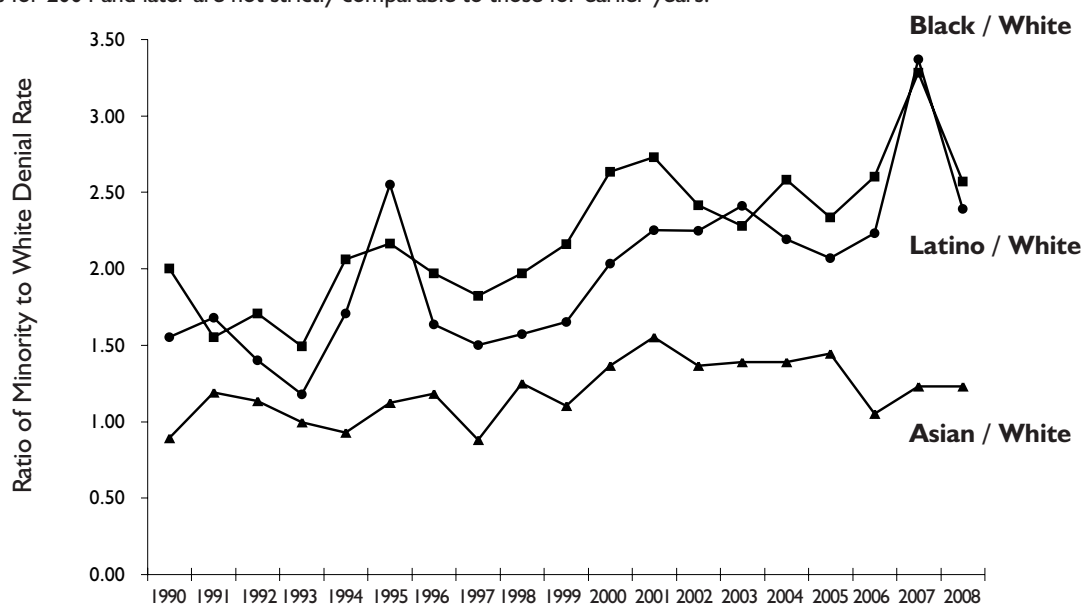
* Columns for many years are omitted from this table because of insufficient space, but denial rate ratios for all years are shown in Chart A-5.

U.S. denial rates from *Federal Reserve Bulletin* and FFIEC annual press releases, various dates.

U.S. denial rates are for conventional loans only; in Boston and MA overall denial rates (in table) are very close to conventional denial rates.

Chart A-5: Minority/White Denial Ratios, by Race
Boston Home-Purchase Loans, 1990–2008*

* Ratios for 2004 and later are not strictly comparable to those for earlier years.



NOTES ON DATA AND METHODS

Introduction

This report is based primarily on data from three major sources: the Federal Financial Institutions Examination Council (FFIEC) for Home Mortgage Disclosure Act (HMDA) data; the U.S. Census Bureau for data from the 2000 Census; and the U.S. Department of Housing and Urban Development (HUD) for annual data on income levels for metropolitan areas. These “Notes” provide information on the data obtained from these three sources. The information here is intended to supplement the information provided in the notes to the tables, and not all of that information is repeated here.

Home Mortgage Disclosure Act (HMDA) Data

HMDA Loan Application Register (LAR) data are the main source of data on loans, lenders, and borrowers for this report. These data are collected, processed, and released each year by the FFIEC (www.ffiec.gov/hmda). Among the HMDA data provided for each loan are: the identity of the lending institution; the census tract, county, and metropolitan area in which the property is located; the race, ethnicity, and sex of the applicant (and co-applicant, if any); the income of the applicant(s); the purpose of the loan (home-purchase, refinancing of existing mortgage, or home improvement); the amount of the loan, the *lien status* of the loan (first lien or junior lien), *pricing information* for loans with annual percentage rates above threshold levels (see below), whether the loan is secured by a *manufactured home*, and whether the loan is a *HOEPA loan* (that is, a high-cost loan subject to the protections of the Home Ownership and Equity Protection Act of 1994; home-purchase loans are not covered by HOEPA). The information in *italics* was included for the first time in 2004 HMDA data. The FFIEC makes raw HMDA LAR data available on CD-ROM. Starting with data for 2006, raw HMDA LAR data may also be downloaded from the FFIEC website.

High-APR loans (HALs) were identified for the first time in 2004 HMDA data. Lenders are required to compare the annual percentage rate (APR) on each loan made to the current interest rate on U.S. Treasury securities of the same maturity. If the difference (“spread”) between the loan’s APR and the interest rate on Treasury securities is three percentage points or more for a first-lien loan (or five percentage points or more for a junior-lien loan) then the spread for that loan must be reported, to two decimal points. In this report, loans for which the spreads are reported are referred to as “high-APR loans” or “HALs.”

The tables in this report provide information on first-lien loans for owner-occupied homes, usually presented separately for home-purchase loans and refinance loans.

(A few tables combine data for home-purchase and refinance loans; a few other tables have data for home-purchase loans only.) This involves ignoring a great deal of data in order to avoid a proliferation of tables that would result in information overload. In fact, information in the HMDA LAR data makes it possible to present results for 72 categories of loans on the basis of the following five distinctions: government-backed vs. conventional loans; 1–4 family site-built homes vs. manufactured homes vs. multi-family properties; owner-occupied vs. non-owner-occupied homes; home-purchase vs. refinance vs. home improvement loans; and first-lien vs. junior-lien loans. To achieve simplicity and to focus on the loans of greatest interest, I have taken two measures. First, I ignored all junior-lien loans, all loans for multi-family properties, all home improvement loans, and all loans for non-owner-occupied homes—that is, none of these types of loans are included in any of the numbers contained in this report’s tables. Second, I ignored the distinction between conventional and government-backed loans and the distinction between site-built and manufactured homes (in 2008, government-backed loans accounted for 12.4% of all loans in Massachusetts [up from 2.1% in 2007] and loans for manufactured homes accounted for only 0.3% of the state’s loans). Appendix Tables 1 and 2 provide data that allow the interested reader to assess the impact of these decisions about what loans to include and exclude from the analysis in this report. (These tables do not provide any information on home-improvement loans. There were a total of 13,207 home-improvement loans reported in 2008 HMDA data for Massachusetts, which constituted 8.3% of total [home-purchase plus refinance plus home-improvement] loans. Of these, 5,128 were first-lien home-improvement loans for owner-occupied homes, which constituted 4.0% of total first-lien loans for owner-occupied homes. HALs made up 6.0% of all home-improvement loans, and 9.6% of first-lien home-improvement loans for owner-occupied homes.)

The decision to include only first-lien loans in all of the tables in body of this report has less impact for 2008 data than in previous years because junior-lien loans made up just 6.3% of all home-purchase loans and 6.4% of all refinance loans, and because the percentage of junior-lien home-purchase loans that were HALs (5.1%) was quite close to the percentage of first-lien home-purchase loans that were HALs (4.6%); all data in this sentence are for loans for owner-occupied homes. Appendix Table 1 provides information on the breakdown of home-purchase and refinance lending between first-lien and junior-lien loans for total loans and HALs, overall and for each of the major racial/ethnic groups included in this report. In the case of home-purchase loans, including all loans (rather than restricting the analysis to first-lien loans as is done in this study) would have resulted in reporting the same higher

percentage of HALs among home-purchase loans (4.6%), and only a slightly higher percentage of HALs among refinance loans (4.2% vs. 3.9%). Black-white and Latino-white disparity ratios for all loans were similar to those for first-lien loans only.

Income categories for applicants/borrowers are defined in relationship to the median family income (MFI) of the Metropolitan Statistical Area (MSA) in which the property is located, as reported annually by the U.S. Department of Housing and Urban Development (see below). These categories are as follows—low: below 50% of the MFI in the MSA; moderate: between 50% and 80% of the MFI; middle: between 80% and 120% of the MFI; high: between 120% and 200% of the MFI; and highest: over 200% of the MFI. (Note that the “high-income” and “highest-income” categories used in this report are subdivisions of the standard “upper-income” category.) Using these definitions, specific income ranges were calculated for each income category for each MSA. Applicants/borrowers were assigned to income categories on the basis of their income as reported (to the nearest \$1000) in the HMDA data.

Metropolitan areas used in defining income categories for borrowers. Beginning in 2004, HMDA data use the revised metropolitan areas defined by U.S. Office of Management and Budget OMB in June 2003, under which New England joined the rest of the U.S. in having metropolitan areas consist of entire counties

[www.whitehouse.gov/omb/bulletins/b03-04.html]. The Boston MSA now consists of Essex, Middlesex, Suffolk, Norfolk, and Plymouth counties. (Actually, this is just the Massachusetts portion of the Boston-Cambridge-Quincy MA-NH MSA; only data for the Massachusetts portion of the MSA are analyzed in this series of reports). Furthermore, like ten other large MSAs in the U.S., the Boston MSA is divided into Metropolitan Divisions (MDs). The Boston MSA now consists of three MDs: the Essex Country MD; the Cambridge-Newton-Framingham MD (Middlesex County); and the Boston-Quincy MD (Suffolk, Norfolk, and Plymouth Counties). Although the standard practice—by bank regulators and others—in analyzing HMDA data is to use the MFI of MDs in classifying borrowers and census tracts into income categories, **this report uses the MFI of the Boston MSA to classify all borrowers and census tracts in the Boston MSA into income categories.** This practice, first used in *Changing Patterns XIV*, was adopted because there is little or no economic, political, or social logic to a system which places Cambridge and Boston into separate Metropolitan areas. (The 2008 MFIs for the three MDs as well as for the entire Boston MSA are provided below.)

Racial/ethnic categories: Beginning with 2004, HMDA data classify each applicant and co-applicant by both ethnicity (Latino or Not Latino) and race (the possible races are now: American Indian or Alaska Native, Asian, Black, Native

Hawaiian or Other Pacific Islander, and White) and each person can choose as many races as they wish (up to all five). This report uses this information to place each borrower into one of six categories: “Asian” is shorthand for non-Latino Asian; “black” is shorthand for non-Latino black; “Latino” includes all applicants with Latino ethnicity; “white” is shorthand for non-Latino white; “other” is shorthand for non-Latino American Indian, Alaska Native, Native Hawaiian, or Other Pacific Islander; and “no information” includes borrowers with no information on race and either no information or Not Latino for ethnicity. Other analysts, including the Federal Reserve researchers who write an annual analysis of HMDA data for the *Federal Reserve Bulletin*, have grouped black Latinos with other blacks rather than with other Latinos. Which of these two ways of classifying black Latinos is adopted makes relatively little difference because the number of such borrowers is relatively small. Of all 122,236 first-lien loans for owner-occupied homes in Massachusetts in 2008, a total of 3,360 are identified in the HMDA data as going to black borrowers and a total of 4,318 are identified as going to Latinos; only 205 are identified as going to borrowers who were both black and Latino.

This report classifies borrowers on the basis of the ethnicity and first race of the applicant—that is, information about second or additional races of the applicant is ignored, as is all information about co-applicants. This provides considerable simplification to the analysis with very small impact: For example, of all loans for owner-occupied homes in Massachusetts in 2008 with information on the race of the borrower, only 0.4% of borrowers specified more than one race and only 1.3% of borrowers had co-borrowers of a different race; only 1.0% of borrowers had co-borrowers with different ethnicity.

Denial rates are calculated simply as the number of applications denied divided by the total number of applications. Not all loan applications result in either a loan or a denial. Table 16 provides data on how the actions taken on mortgage loan applications (for first-lien home-purchase loans on owner-occupied homes) were distributed among the five possible outcomes. This information is provided for four racial/ethnic categories as well as overall—for Boston, Greater Boston, and Massachusetts.

Lenders in HMDA data are not necessarily the same as the lenders who close the loans or those who interact directly with borrowers. In many cases, local banks dealing with borrowers are, in effect, acting as agents or brokers for out of state banks. HMDA regulations specify that a loan is reported only by the lender that makes the “credit decision.” For details on this matter see the Fed’s “Official Staff Commentary” on Section 203.1 of its Regulation C (available in the 2004 edition of *A Guide to HMDA Reporting: Getting It Right!*, Appendix D, pages D1–D2 [www.ffiec.gov/hmda/guide.htm]).

Data from the 2000 Census

All population and income data presented in this report for geographic areas are from the 2000 Census. Rolf Goetz of the Policy Development and Research Department at the Boston Redevelopment Authority (BRA) provided me with 2000 Census data in electronic form on requested variables for all of the census tracts in the city of Boston. Roy Williams of the Massachusetts State Data Center provided me with information on these same variables for all Massachusetts cities and towns and for all census tracts in the state. Income data from the 2000 Census were obtained using the “American FactFinder” feature on the website of the U.S. Census Bureau (www.census.gov).

Racial/ethnic composition of geographic areas may be defined in a number of ways as a result of the fact that the 2000 Census allowed individuals to choose two or more racial categories for themselves, in addition to classifying themselves as either Hispanic/Latino or not (the 2000 Census regards the terms “Latino” and “Hispanic” as equivalent; this report uses the term “Latino”). The percentage for Latinos consists of all those who classified themselves as Latino, regardless of the race or races that they selected. The terms “Asian,” “black,” and “white” are used in this report as shorthand for “non-Latino Asian,” “non-Latino black,” and “non-Latino white,” respectively. The percentage for a single race is calculated as the average of (1) the percentage that chose that race alone and (2) the percentage that chose that race alone or together with one or more other races. One advantage of this method is that the sum of the percentages for all of the races is very close to 100% (the sum of all percentages based on each race alone is less than 100%, while the sum of all percentages based on each race alone or together with one or more other races is greater than 100%).

Racial/ethnic composition may be reported either as percentage of the entire population or as percentage of households, where a household is defined as one or more persons living in a single housing unit. (In many cases, a household consists of a family, but there are also many non-family households consisting of a single individual or a set of unrelated individuals.) In most cases, this report uses household percentages because households provide a better indicator of the number of potential home mortgage borrowers. The race/ethnicity of a household is determined by the race/ethnicity of the individual identified as the householder.

Census tracts are assigned to income categories on the basis of decennial census data, using the metropolitan area definitions adopted by the federal government in June 2003 (see above). This differs from the way that borrowers are assigned to income categories on the basis of annually updated data on median family incomes (MFIs) for

metropolitan areas as reported annually by HUD. MFIs for census tracts are only reported (by the Census Bureau) once every ten years, so the assignment of census tracts to income categories does not change annually. (However, the assignment of census tracts is different in this report than in *Changing Patterns XIII* and earlier reports because of the decision [discussed above] to classify all census tracts in the Boston MSA on the basis of the MFI in the MSA rather than on the basis of the MFIs in the three Metropolitan Divisions [MDs] within the Boston MSA.)

Data from the Department of Housing and Urban Development (HUD)

Median family income (MFI) of each metropolitan area is reported annually by HUD. Borrowers are placed into income categories by comparing their reported incomes to the annual HUD estimate of the MFI in the Metropolitan Statistical Area (MSA) area where the home being mortgaged is located. The Boston MSA is divided into three Metropolitan Divisions (MDs), but the MFIs of these MDs were not used in this report. The 2008 MFIs for all of the state’s metropolitan areas were:

Barnstable MSA (Barnstable County)	\$73,500
Boston MSA (Essex/Middlesex/Norfolk/Plymouth/Suffolk Counties)	\$84,300
Boston–Quincy MD (Norfolk/Plymouth/Suffolk Counties)	\$79,500
Cambridge–Newton–Framingham MD (Middlesex County)	\$93,000
Peabody MD (Essex County)	\$78,800
Pittsfield MSA (Berkshire County)	\$64,800
Providence–Fall River–New Bedford MSA (Bristol County)	\$68,300
Springfield MSA (Franklin/Hampden/Hampshire Counties)	\$64,800
Worcester MSA (Worcester County)	\$76,900
Non-Metro part of Massachusetts (Dukes/Nantucket Counties)	\$74,000

Subprime lenders among HMDA-reporting lenders were identified, for the *Changing Patterns* covering lending from 1998 through 2003, using annual lists prepared by Randall Scheessele of HUD. HUD’s lists include lenders who specialized in subprime loans or for whom subprime loans constituted a majority of loans originated. Information on how the lists were compiled, and the lists themselves through 2005, are available at: www.huduser.org/datasets/manu.html. HUD’s lists for 2004 and 2005 were not available in time for use in preparing the *Changing Patterns* report on lending during those years. For most purposes, it is preferable to identify higher-cost loans directly rather than to try to

approximate these loans by identifying lenders who specialize in such loans and for this reason HUD has stopped preparing annual lists of subprime lenders. HUD never classified any Massachusetts bank or credit union (or any affiliate) as a “subprime lender.”

For 2004 and later years, lenders were classified as *subprime lenders*—for the purposes of this series of reports—on the basis of the percentage of their total Massachusetts loans that consisted of high-APR loans (HALs). Minimum percentages for specifying subprime lenders were chosen to include known subprime lenders, including those identified as subprime lenders on HUD’s annual lists. A lender was classified as a “subprime lender” for 2004 if it made at least five first-lien, owner-occupied, home-purchase HALs in Massachusetts, and if these HALs constituted more than 15% of its total loans in the state. A lender was classified as a “subprime lender” for 2005 if HALs constituted more than

one-third (33.3%) of its total loans in the state. A lender was classified as a “subprime lender” for 2006 if HALs constituted more than 40% of its total loans in the state. A lender was classified as a “subprime lender” for 2007 if HALs constituted more than 40% of its total loans in the state in 2007 or more than 40% of its loans in 2006 and at least 25% of its loans in 2007.

A lender was classified as a “subprime lender” for 2008 if HALs constituted at least 40% of its total loans in the state in 2008.

The 46 lenders identified in this report as subprime lenders for 2008 accounted for 21.6% of all the first-lien home-purchase and refinance HALs on owner-occupied homes made in Massachusetts by the 263 lenders that made at least one HAL loan.