



Changing Patterns VII

Mortgage Lending to

Traditionally Underserved

Borrowers & Neighborhoods

in Greater Boston, 1990 – 1999

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in Greater Boston, 1990 - 1999

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INTRODUCTION¹

In January 1990, the leaders of the local and statewide banking industry announced a commitment to substantially increase the provision of credit and banking services to the low-income and minority communities within the City of Boston. Studies released in 1989 had demonstrated the existence of substantial racial disparities in the number of mortgage loans made in different neighborhoods within the city.² One of the principal components of the bankers' subsequent response was a pledge for a major expansion in the supply of mortgage lending to previously underserved borrowers.

As the fifth anniversary of the announcement of that commitment approached, the Massachusetts Community and Banking Council (MCBC) – whose Board of Directors has an equal number of bank and community representatives – commissioned a study to evaluate the extent to which it had been fulfilled. That study, conducted by the present author, was organized around three principal questions:

- Whether and to what extent had mortgage lending to low-income and minority households and neighborhoods in the City of Boston increased since 1990?
- Whether and to what extent had major types of lenders (the biggest Boston banks, other banks, and mortgage companies) performed differently in meeting previously underserved mortgage lending needs?
- Whether and to what extent had multi-bank targeted mortgage programs made significant contributions toward meeting the banks' commitments?

The resulting seventy-eight page report, *Changing Patterns: Mortgage Lending in Boston, 1990-1993*, was released by MCBC in August 1995. The present study is the latest in a series of annual updates of the original report. This is the third year in which the report's geographic scope has been expanded to include an examination of mortgage lending patterns in 27 cities and towns surrounding the City of Boston.³

¹ Preparation of this report was supported by a grant from the Massachusetts Community & Banking Council [MCBC] to the Mauricio Gastón Institute for Latino Community Development and Public Policy at the University of Massachusetts/Boston. An advisory board, consisting of four members of MCBC's Mortgage Lending Committee – Tom Callahan of the Massachusetts Affordable Housing Alliance, Mary Moura of Wainwright Bank, Esther Schlorholtz of Boston Private Bank & Trust Company, and Karen Wiener of Citizen's Housing and Planning Association (CHAPA) – plus MCBC manager Kathleen Tullberg, oversaw preparation of the report and reviewed the final draft. Bonnie Heudorfer and Katherine Krister of BankBoston provided the maps. In spite of helpful comments and suggestions received, the ideas and conclusions in this report are the responsibility of the author, and should not be attributed to any of the officers or board members of either the Gastón Institute or the MCBC.

² The two most important of these studies were: Katherine L. Bradbury, Karl E. Case, and Constance R. Dunham, "Geographic Patterns of Mortgage Lending in Boston, 1982-87," *New England Economic Review* [Federal Reserve Bank of Boston], September-October 1989, and Charles Finn, *Mortgage Lending in Boston's Neighborhoods, 1981-87: A Study of Bank Credit and Boston's Housing*, Boston Redevelopment Authority, 1989.

³ All of the previous reports are available from the Massachusetts Community & Banking Council [MCBC] at Exchange Place, 53 State Street, 8th Floor, Boston MA 02109 (617/725-5748), or by contacting the author – Jim Campen, Department of Economics, University of Massachusetts/Boston, 100 Morrissey Boulevard, Boston MA 02125; 617/287-6962; or jimcampen@mediaone.net.

This introduction is followed by ten pages of text that identify some of the most significant findings that emerge from the extensive set of tables and charts that constitute the bulk of this report. The first of the two major parts of the textual portion of the report, together with Tables 2 - 17 and their associated charts, provides an analysis of lending in the City of Boston from 1990 through 1999. This analysis is subdivided into three sections which focus, in turn, on total lending within the city, on lending by each of four major types of lenders, and on lending under four multi-bank targeted mortgage programs. The number of lender categories was increased from three to four this year in order to provide information for the first time about home-purchase loans by subprime lenders.

The second major part of the text, together with Tables 18 - 25, examines detailed information on mortgage lending patterns in 27 cities and towns surrounding Boston. The twelve cities and towns that share a boundary with Boston are grouped together as the "Inner Ring." Listed clockwise from the southeast, these are: Quincy, Milton, Dedham, Brookline, Newton, Watertown, Cambridge, Somerville, Everett, Chelsea, Revere, and Winthrop. The fifteen additional cities and towns that share a boundary with at least one of the "Inner Ring" municipalities constitute the "Outer Ring." These are Weymouth, Braintree, Randolph, Canton, Westwood, Needham, Wellesley, Weston, Waltham, Belmont, Arlington, Medford, Malden, Saugus, and Lynn.

Two maps located between the text and tables of this report show the location of each of the individual cities in the two rings and locate the rings within the Boston Metropolitan Statistical Area (MSA). Basic information about the population and income level of each of these cities and towns is then presented in Table 1, which makes clear that there is a great deal of variation among the communities within each of the two rings. The City of Boston plus the two rings contain approximately 60% of the population of the MSA.

All income and population data in this report are from the 1990 decennial census, the most recent source of consistent and reliable information. It should be noted that there may have been substantial changes in the composition of the population, and of the level of income, in some cities or towns during the years since that census. The "Notes on Data and Methods" at the conclusion of the report provide details on the definitions and sources of the data used in this report and on how the data were processed in preparing the tables and charts that appear below.

The current report, like its predecessors, is concerned only with *home-purchase* mortgage loans (that is, the analysis excludes loans to refinance existing mortgages). This report also follows its predecessors in containing no analysis of lending by individual banks or mortgage companies; MCBC is concerned with the performance of the lending industry as a whole and of major components of that industry, rather than with comparative examinations of the performance of individual lenders.

The primary goal of this series of reports 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 can agree is fair and accurate. It is beyond the scope of these reports to offer either an *explanation* of why the observed trends have occurred or an *evaluation* of how well lenders have performed. Rather, their descriptive contributions are intended to be important annual inputs into the complex, on-going tasks of explanation and evaluation.

I. LENDING IN THE CITY OF BOSTON

The following analysis of home-purchase lending to traditionally underserved borrowers and neighborhoods in the City of Boston is divided into three sections. The first examines overall lending in the city; the second examines lending by each of four types of lenders – the biggest Boston banks, all other Massachusetts banks and credit unions, mortgage company lenders (other than subprime), and subprime lenders; and the third examines loans made under four multi-bank targeted mortgage programs.

A. Total Boston Lending by Race, Income, and Neighborhood

The data presented in Tables 2 - 6 and their associated charts show that the patterns of mortgage lending to traditionally underserved borrowers and neighborhoods in the City of Boston in 1999 were generally similar to those during the previous year. While the share of loans going to black and Hispanic borrowers increased slightly, the loan shares of lower-income borrowers and of lower-income minority neighborhoods slightly decreased. For the ten-year period as a whole, the overall pattern that emerges is one of substantial increases in lending to traditionally underserved borrowers through 1993 or 1994, followed by relative constancy through 1996, a decline during 1997 and 1998, then last year's relative constancy. More specifically:

- **The share of Boston home-purchase loans that went to black borrowers rose slightly in 1998, the first increase in five years.** Blacks, who made up 20.6% of Boston's households according to the 1990 census, received just 12.4% of all loans in 1999. This share is up from 12.1% in the previous year, but remains well below the peak level of 20.8% reached in 1994, and substantially lower even than the 16.2% share in 1990, the earliest year for which data are available. Black borrowers received 902 loans in 1999, an increase of 15.1% from the 795 loans they received in the previous year. (Loans to whites increased 8.9% between 1998 and 1999.) The only year that black borrowers in the city received more loans was 1994, when they obtained 955 home-purchase loans. (See Table 2 and Chart 2.)⁴
- **The share of Boston home-purchase loans that went to Hispanic borrowers rose for the second consecutive year, almost regaining the peak level reached in 1996.** Hispanics, who made up 8.1% of the city's households in 1990, received 7.0% of all 1999 loans, up from 6.4% in the previous year, and just below the high point of 7.2% in 1996. The actual number of loans to Hispanics rose to a new high of 510, up 21.7% from 419 loans in 1998. (As noted just above, loans to whites increased 8.9% between 1998 and 1999.) (Table 2 and Chart 2)
- **The loan share of low- and moderate-income borrowers dropped in 1999 for the fourth consecutive year. At the same time, however, the number of loans to these same borrowers reached a new high.** The share of total Boston home-purchase loans that went to low- and moderate-income borrowers (those with incomes no greater than 80% of the median family income in the Boston metropolitan area) was 29.8%, down from 31.6% in 1998. This share has trended

⁴ Note that the comparison of the loan shares of blacks and Hispanics is to their shares of the city's *households* instead of to their shares of the city's *population*. This is the same comparison as in recent reports in this series, but is a change from the original report and the first update. Since the number of homes is much more closely related to the number of households than to the number of individuals, it seems more appropriate to compare the number of home-purchase loans to the former percentage than to the latter. (The 1990 population shares of blacks and Hispanics were 23.8% and 10.8%. The Massachusetts Institute for Social and Economic Research estimates that these population shares increased to 26.1% and 12.2%, respectively, in 1995. However, 1990 is the most recent year for which reliable data on household shares are available.)

downward since reaching a peak of 40.6% in 1993. Low-income borrowers alone (those with incomes no greater than 50% of the Boston area median) received 7.4% of all loans in 1999, down from 8.7% in 1998 and well below the peak level of 11.7% in 1993. Nevertheless, the *number* of loans to low- and moderate-income borrowers combined reached a new high of 2,321, up from the previous high of 2,167 in 1998. The number of loans to low-income borrowers alone was 578, very close to the number in the three preceding years. (In 1999, low-income borrowers were those with HMDA-reported incomes of \$31,000 or less, while moderate-income borrowers were those with incomes from \$32,000 to \$50,000). (Table 3 and Chart 3)

- **The 1999 denial rates for blacks, Hispanics, and whites were all substantially above the unusually low levels recorded in the previous year.** The Boston denial rate for black applicants increased from 15.2% to 20.5%, while the Hispanic denial rate rose from 12.1% to 15.7%, and the white denial rate rose from 7.7% to 9.5%. During the last five years, the denial rates for blacks, Hispanics, and whites have all fluctuated within fairly narrow ranges. Denial rates in Boston in 1999 were slightly lower than statewide denial rates and less than one-half of the corresponding nationwide denial rates. (Table 4)
- **In spite of minor year-to-year variations, the black/white and Hispanic/white denial rate ratios have been quite stable in recent years, with the black denial rate approximately two times as great as the rate for whites and the Hispanic rate about halfway between.** (The Hispanic/white ratio of 2.55 in 1995 is the only substantial variation from this pattern.) The black/white ratio was 2.16 in 1999, up from 1.97 the previous year, and equal to the peak ratio reached in 1995. The Hispanic/white ratio rose to 1.65 in 1999 from 1.57 in 1998. (Table 4 and Chart 4)
- **As in previous years, denial rates in 1999 fell consistently as incomes rose, from 24.2% for applicants with incomes of \$20,000 or less to 8.9% for applicants with incomes over \$80,000.** Even though black and Hispanic mortgage applicants had, on average, substantially lower incomes than their white counterparts, these lower incomes do not fully account for the fact that blacks and Hispanics experienced higher denial rates than whites. When applicants are grouped into income categories, the 1999 denial rates for blacks at every income level except the lowest were above those of white applicants in the same income categories, with the disparities greatest for those with incomes above \$60,000. Hispanic denial rates at most income levels were fairly close to those of whites, except that Hispanic applicants with incomes between \$50,000 and 70,000 had denial rates close to those for blacks, and far above those experienced by their white counterparts. (Table 5 and Chart 5)
- **Lower-income neighborhoods with a high concentration of black and Hispanic residents once again received only about three-quarters of their proportionate share of the city's home-purchase loans.** Although the 35 Boston low- or moderate-income census tracts – located primarily in Roxbury and Mattapan (see Map) – in which blacks and Hispanics made up more than 75% of the 1990 residents contained an estimated 11.6% of all mortgageable housing units in the city, these census tracts received only 8.8% of all loans last year (slightly up from 8.7% in 1998). Thus, the loan share of these 35 predominantly minority census tracts was only 75.8% as large as their share of mortgageable housing units. While these tracts have 57.6% as many mortgageable housing units as are in the 30 low- or moderate-income census tracts with over 75% white residents, they received only 44.1% as many home-purchase loans as the predominantly white census tracts did in 1999 – down marginally from the previous year's level of 44.2%, and the third consecutive year that this ratio has reached a new low. (Table 6, Chart 6, and Map)

B. Comparative Performance of Major Types of Lenders

The data presented in Tables 7 - 10 and their associated charts show that "mortgage company lenders" (the shorthand expression used in this report to refer to lenders not affiliated with Massachusetts banks or credit unions) continued to expand their share of total home-purchase loans made within the City of Boston and have continued to direct a relatively small share of their loans to traditionally underserved borrowers and neighborhoods. Subprime lenders, included as a separate group for the first time, directed their small share of total lending much more to minority borrowers and neighborhoods than did other mortgage companies. The group consisting of the biggest Boston banks, while accounting for a rapidly falling share of loans made, continued to have by far the best performance record according to the performance measures used in this series of reports. More specifically:

- **The biggest Boston banks made only one-sixth of all Boston home-purchase loans in 1999, while the share of loans made by mortgage company lenders grew to more than three-fifths of the total.** The biggest Boston banks, together with their affiliated mortgage companies – a group that consisted of BankBoston, Boston Safe Deposit, Citizens, and Fleet last year, but included BayBanks and Shawmut through 1996 – made just 17.3% of all loans in 1999. This market share is down from 20.2% in 1998, less than half of its peak level of 43.6% in 1995, and substantially lower than the 28.9% share in 1990. "Mortgage company" lenders (a group defined to include all lenders not affiliated with Massachusetts banks or credit unions)⁵ made 61.9% of all Boston home-purchase loans last year, up from 57.0% one year earlier, and from just 23.5% in 1990. Companies identified as "subprime" lenders by the U.S. Department of Housing and Urban Development (HUD) made approximately 5% of all mortgage company loans (3.3% of all loans).⁶ Meanwhile, 20.7% of 1999 loans were made by all other Massachusetts banks and credit unions. The share of these lenders, although down from 22.8% in 1998, has been relatively constant since 1993. (Table 7 and Chart 7)
- **Fleet remained the biggest individual lender in Boston in 1999, although the next five biggest lenders were "mortgage company" lenders.** Fleet made 698 loans in 1999, up from 521 the year before. BankBoston dropped from second to seventh place as its total loans dropped from 434 in 1998 to 308 in 1999.⁷ The combined total for these two banks was 1,006, up modestly from 990 and 955 in the two previous years, but remaining far below the 1,714 loans made in 1995 by these two banks plus their merger partners, Shawmut and BayBanks. The four biggest mortgage company lenders were Washington Mutual, whose 480 loans was nearly triple its total from a year earlier, North American Mortgage Company (a subsidiary of Dime Savings Bank), Bank of

⁵ That is, the category "mortgage companies" or "mortgage company lenders" is used in this report to include independent mortgage companies based either inside or outside of Massachusetts, non-Massachusetts banks and credit unions, mortgage companies affiliated with non-Massachusetts banks, and other lenders not affiliated with Massachusetts banks.

⁶ "Subprime lenders" are those that HUD has determined make primarily subprime loans, nationwide. These companies may make prime loans as well as subprime loans, and lenders not classified as subprime may also originate subprime loans. None of the lenders on HUD's list are affiliated with a Massachusetts bank or credit union. A calculation not reported in Table 7 found that subprime lenders accounted for 6.3% of mortgage company loans (2.1% of all home-purchase loans in the city) in 1994. For more information on this category of lenders, see the "Notes on Data and Methods" at the end of this report.

⁷ Interpretation of lending by the two biggest bank lenders in 1999 is complicated by the merger of their parent corporations during 1999. While the combined total for Fleet plus BankBoston rose modestly, to 1,006 loans in 1999 from 955 loans in 1998, Fleet's share of this total was much larger in 1999 (69.4%) than it was a year earlier (54.6%). The Fleet – BankBoston merger was completed at the holding company level on October 1, 1999, and it is probably the case that all or most mortgages originated after that date were reported by Fleet. (At the bank level, Fleet National Bank and BankBoston NA remained separate institutions until March 1, 2000, and they submitted separate HMDA data for 1999.)

America, Chase Manhattan, and Assurance Mortgage Company (a subsidiary of H&R Block). Boston Federal Savings Bank and Citizens Bank, the fourth and fifth largest lenders in 1998, tied for eighth position in 1999, with 293 loans each. (Table 8 identifies the 19 mortgage company lenders and the 12 banks that made 60 or more Boston home-purchase loans in 1999, and reports the number of loans made by each of these 31 lenders during each of the last ten years.)

- As in previous years, **the big Boston banks directed a substantially greater share of their total Boston loans in 1999 to every one of the categories of traditionally underserved borrowers and neighborhoods examined in this report than did either of the other two major types of lenders.** Black borrowers received 30.0% of the loans made by the big Boston banks, but only 6.7% of those made by mortgage companies and 6.6% of those made by other in-state banks. (In this bullet point and the next, "mortgage companies" is used as shorthand for "mortgage companies, excluding subprime lenders." Lending by subprime lenders will be examined in a separate bullet point.) Hispanic borrowers received 18.4% of big bank loans, but only 3.7% of mortgage company loans and 3.5% of loans by other Massachusetts banks. Low-income borrowers obtained 16.5% of the loans made by the Big Boston banks, but only 4.8% of mortgage company loans and 6.4% of the loans made by other Massachusetts banks. Moderate-income borrowers received 38.2% of big bank loans, compared to 18.1% of mortgage company loans and 17.8% of loans by other in-state banks. Finally, low- and moderate-income census tracts that had over 75% black and Hispanic residents received 20.1% of the loans by the big Boston banks, but only 5.7% of the loans made by mortgage companies and 5.1% of the loans made by other Massachusetts banks. There were only small changes in these percentages between 1998 and 1999; four of five changes for the big banks and for all other Massachusetts banks were increases, but three of four changes for the mortgage company lenders were decreases. (Table 9 and Chart 9)
- Examining the same data from a different perspective shows that **the big Boston banks had shares of loans to each of the categories of traditionally underserved borrowers that were well above their share of all Boston loans while mortgage company lenders and all other Massachusetts banks had substantially smaller shares of the loans to these borrowers than they had of total lending.** Although the biggest Boston banks made only 17.3% of all home-purchase loans in Boston in 1999, they accounted for 46.0% of total loans to black borrowers, 50.0% of total loans to Hispanics, 39.4% of total loans to low-income borrowers, and 39.6% of total loans in lower-income minority neighborhoods. In contrast, mortgage companies made 58.6% of total loans, but they made just 34.9% of the total loans to blacks, 34.3% of total loans to Hispanics, 39.1% of total loans to low-income borrowers, and 38.3% of total loans in lower-income minority neighborhoods. Similarly, other in-state banks made 20.7% of total loans, but only 12.2% of total loans to blacks, 11.4% of loans to Hispanics, 18.5% of loans to low-income borrowers, and 12.1% of loans in lower-income minority neighborhoods. The pattern for loans to moderate-income borrowers was similar but less dramatic. (Table 10 and Chart 10)
- **Subprime lenders, who made one of every thirty home purchase loans in Boston in 1999, made a disproportionate amount of their loans to minority borrowers and in lower-income minority neighborhoods.** While black borrowers received 11.3% of all loans by all lenders, they received 23.2% of the loans made by subprime lenders, and while lower-income minority neighborhoods received 8.8% of all loans, they received 26.2% of the loans made by subprime lenders. (Table 9) The 267 loans by subprime lenders in 1999 accounted for 5.4% of all loans by mortgage company lenders and 3.3% of all loans by all lenders in 1999, compared to 280 loans that accounted for 7.0% of all loans by mortgage company lenders and 4.0% of all loans in 1998. These lenders made 6.9% of all loans to black borrowers and 10.0% of all loans in lower-income

minority neighborhoods, market shares that were two and three times as great as their 3.3% share of all loans in the city. Subprime lenders' shares of loans to Hispanics and to low- and moderate-income borrowers were fairly close to their share of total lending.⁸ (Table 10)

C. Targeted Mortgage Program Loan Originations⁹

Tables 11 - 17 and their associated charts provide information about lending under four multi-bank "targeted mortgage programs," including three that resulted from negotiations between individual community-based organizations and major Boston banks – the MAHA/MHP Soft Second Program, the NACA Mortgage Program, and the ACORN Housing Program – as well as the MHFA's Homeownership Programs.¹⁰ Table 11 summarizes key features of these mortgage programs. Tables 12 and 13 and their associated charts present summary information on the number of targeted mortgage program loans made and on the extent to which they were targeted to traditionally underserved borrowers and neighborhoods. Tables 14 - 17 present much more detailed information for each of the four individual programs for each of the last five years – the number, and the percentage distribution, of loans (1) to specific racial/ethnic groups (when data are available), (2) to relatively narrow (\$5,000) income categories, and (3) to individual ZIP code areas. The findings that emerge from the data in these tables and charts indicate that the number of loans made by the targeted mortgage programs has trended downward in recent years, while the programs remain generally well-targeted. More specifically:

- **The total number of targeted mortgage program loans made in Boston fell to the lowest level since 1994.** Total loans fell to 738 in 1999, down from 820 in 1998, and well below the peak level of 884 reached in 1996. When just the three programs negotiated by community-based organizations are included, the pattern is similar: 638 loans in 1999, compared to 670 in the previous year, and 691 in the peak year of 1996. Although the number of ACORN loans dropped from 337 to 267, that remained the largest individual program. The number of Soft Second Program loans dropped for the third consecutive year, from a high of 396 loans in 1996, to 235 loans in 1998, and 227 in 1999. The number of NACA loans increased from 98 to 144. (Table 12 and Chart 12)
- **In 1999, loans under the Soft Second, NACA, and ACORN programs accounted for 42.4% of all home-purchase loans made in the City of Boston by the city's biggest banks (BankBoston, Boston Safe Deposit, Citizens, and Fleet).** Their share of the biggest banks' loans in the city was down slightly from 43.7% in 1998, the first decrease in this percentage since targeted mortgage program lending began in 1991, but remained more than double their 20.2% share in 1994. **However, as a share of total home-purchase loans made in the city by all lenders, loans under these programs dropped for the fourth year in a row, falling to 8.0% of all loans in 1999 from 9.5% in 1998, 10.8% in 1997, 12.3% in 1996, and 14.9% in 1995.** (Table 12)

⁸ Subprime lenders have a substantially larger share of "refi" loans (those made to refinance an existing mortgage rather than to finance the purchase of a home). A companion report being prepared for the Massachusetts Community and Banking Council (MCBC) by the present author will present a detailed examination of refi lending by subprime lenders in the Boston area.

⁹ The original *Changing Patterns* report (July 1995) and *Targeted Mortgage Program Originations in Boston, 1990-1996* (January 1998) contain much more detail on the nature and features of the individual targeted mortgage programs.

¹⁰ MAHA is the Massachusetts Affordable Housing Alliance; MHP is the Massachusetts Housing Partnership Fund; NACA is the Neighborhood Assistance Corporation of America, formerly the Union Neighborhood Assistance Corporation (UNAC); ACORN is the Association of Community Organizations for Reform Now; and MHFA is the Massachusetts Housing Finance Agency.

- **The Soft Second, NACA, and ACORN programs remained highly targeted on minority borrowers, who received over three-fourths (77.8%) of all loans made under these programs in 1999.** The NACA program was the most highly targeted in this dimension, with 90.3% of its loans going to minority borrowers in 1999. MHFA loans were the least targeted, with 58.0% of 1999 loans going to minorities.¹¹ (Panel A of Table 13 and the left-hand bar-cluster of Chart 13)
- **The Soft Second Program remained the most effectively targeted on low- and moderate-income borrowers, who received virtually all (99.1%) of the program's loans in 1999.** Over three-quarters of ACORN and MHFA loans went to these borrowers (78.7% and 77.0% respectively). NACA loans were the least targeted by income, with just 60.0% of loans in 1999 – up from 44.3% in the previous year – going to low- and moderate-income borrowers. The disparity in the shares of the targeted mortgage loans that went to the poorest category of borrowers was even greater. **While low-income borrowers received three-fifths (58.4%) of Soft Second Program loans in 1999, they received only one-quarter (25.5%) of ACORN loans, one-sixth (16.0%) of MHFA loans, and one-seventh (14.6%) of NACA loans.** Additional calculations, not shown in any of the tables, found that the median borrower income in 1999 was \$30,297 for the Soft Second Program loans, \$39,996 for ACORN loans, \$40,590 for MHFA loans, and \$45,528 for NACA loans.¹² (Low-income borrowers are defined as those with incomes no greater than 50 percent of the Boston-area median family income as determined annually by HUD; moderate-income borrowers are those with incomes between 50 and 80 percent of this level. In 1999, low-income meant \$31,350 or less, while moderate-income was between \$31,351 and \$50,160.) (Panel B of Table 13 and the center bar-cluster of Chart 13)
- **The Soft Second, NACA, and ACORN programs remained well-targeted on the nine low- and moderate-income ZIP code areas where blacks and Hispanics made up more than 25 percent of the 1990 population, with just under two-thirds (65.6%) of all loans made under these programs in 1999 going to these neighborhoods,** up slightly from 64.6% in 1998. These "target neighborhoods" – which include the South End, Jamaica Plain, Dorchester, Roxbury, and Mattapan – were identified by the Community Investment Coalition, a consortium of community-based organizations that in 1990 led the local struggle for increased community investment. The percentages of loans made in these neighborhoods by the three individual programs were all between 68.4% (Soft Second) and 62.5% (ACORN). Only 45.0% of MHFA loans went to these neighborhoods last year, up from 39.3% in 1998.^{13 14} (Panel C of Table 13, the right-hand bar-cluster in Chart 13, and the accompanying Map.)

¹¹ These overall results are reported for "minority borrowers" - a classification that includes Native Americans, Asians, and "others" as well as blacks and Hispanics - because detailed information on the race/ethnicity of borrowers was not available for all programs. Detailed data for the Soft Second, NACA, and ACORN programs (in Tables 14-16) indicate that the vast majority of all minority borrowers are in fact blacks and Hispanics, the groups most underserved by mortgage lenders in the past.

¹² The highest reported borrower incomes in 1999 were \$61,668 for the Soft Second Program, \$64,024 for MHFA, \$98,112 for NACA, and \$146,904 for ACORN. (The second highest reported income for an ACORN loan recipient was \$73,478.)

¹³ When the focus is reduced to a more narrowly defined "core area" of the five lower-income ZIP code areas with more than 50% black and Hispanic residents, the 1999 loan percentages ranged from a high of 54.9% for NACA, through 43.1% for the Soft Second Program and 36.7% for ACORN, to a low of 29.0% for MHFA. (Tables 14-17 also include data for each individual ZIP code area.)

¹⁴ When interpreting these figures on the extent of geographical targeting, it is important to keep in mind that the data indicate only the location of the home purchased, not the previous residence of the homebuyer. Interviews with individuals involved with the targeted mortgage programs indicated that many residents of the target neighborhoods have used the targeted mortgage programs to purchase homes located elsewhere.

II. LENDING IN TWENTY-SEVEN COMMUNITIES SURROUNDING BOSTON

As noted in the introduction, there is great variation among the cities and towns within each of the two "rings" surrounding the City of Boston. Median family income as reported in the 1990 Census ranged from a low of \$29,039 in Chelsea to a high of \$108,751 in Weston. The combined percentage of black and Hispanic households ranged from 0.7% in Westwood – and less than 2% in nine additional communities – to a high of 26.5% in Chelsea. Although variation within each of the two rings was much greater than differences between the rings, incomes in the Outer Ring communities were, on average, slightly higher than those in the Inner Ring – \$51,662 vs. \$47,758 (compared to \$34,377 in Boston). The Outer Ring communities also had, on average, smaller percentages of Black and Hispanic households than the communities in the Inner Ring – 4.9% vs. 7.1% (compared to 28.7% in Boston). (See Table 1.)

Because of the highly disparate nature of the cities and towns, it is difficult to offer generalizations about mortgage lending patterns in this set of 27 communities. Accordingly, the data presented in Tables 18 – 25 should be regarded primarily as a resource for readers interested in learning about lending within their own community or in making comparisons among a particular set of communities of special interest. Nevertheless, it may be of interest to present the following findings and observations that emerge from an examination of the wealth of data presented in Tables 18 - 25:

A. Lending to Black and Hispanic Borrowers¹⁵ (Tables 18A&B and 19A&B)

- **The share of total loans received by black borrowers in each of the two rings and in the MSA as a whole increased in 1999 after falling in each of the two previous years.** Between 1998 and 1999, blacks' share of loans in the Inner Ring (where 3.6% of households were black) rose from 2.6% to 2.8%; their share in the Outer Ring (where 2.6% households were black) jumped from 3.9% to 4.9%; and their share in the entire MSA (where the black household share was 6.1%) increased from 3.0% to 3.4%.
- **Two communities stand out for high levels of lending to black borrowers. In Randolph (Outer Ring), the 556 loans received by blacks during the 1996-99 period accounted for 27.7% of all loans, a loan share four times as great as the 7.0% black share of 1990 households. In the Inner Ring town of Milton, the 189 loans received by blacks during the four years accounted for 11.6% of total loans, a loan share three times as great as the 3.9% black share of households. Everett (Inner Ring) and Malden (Outer Ring) were the only two other communities where blacks received more than 100 total loans during the period and where the black loan share was more than twice as great as the black household share.**
- **In a majority of the communities examined – fifteen of twenty-seven – blacks received 1.5% or less of total loans made during the 1996-1999 period. In the five communities where the 1990 black household share was 0.6% or less – Braintree, Needham, Saugus, Weston, and Westwood (all in the Outer Ring) – blacks received 0.6% or less of total loans during the**

¹⁵ This report contains no analysis of lending to Asians in the Inner Ring and Outer Ring communities. The primary reason for this is that virtually every study of mortgage lending of which I am aware has found that Asians are not underserved by mortgage lenders – that is, that denial rates for Asians are very similar (and often lower) than denial rates for whites, and that Asians receive shares of loans at least as great as their shares of the population. Findings of this sort for Boston are shown in Tables 2 and 4 of the present report. For detailed information on Asian population shares, loan shares, and denial rates in sixteen Massachusetts cities (including six of the 28 cities included in the present study), see James T. Campen, *Trailing the Pack: Hispanics and Mortgage Lending in Sixteen Massachusetts Cities, 1992-1996* (Gastón Institute, University of Massachusetts/Boston, 1998), especially Tables 6 and 7.

four-year period. In another five communities – Belmont, Wellesley, and Weymouth in the Outer Ring, and Brookline and Watertown in the Inner Ring – the black loan shares for the four-year period were between 0.7% and 0.9%. And in an additional five communities – Dedham, Newton, Quincy, and Winthrop in the Inner Ring and Arlington in the Outer Ring – black loan shares for the four-year period were between 1.0% and 1.5%.

- **The share of total loans received by Hispanic borrowers rose for the second consecutive year in each of the two rings and in the MSA as a whole. In both the Inner Ring and the Outer Ring, the Hispanic loan share rose to well above the Hispanic share of 1990 households. The Hispanic loan share in the Inner Ring (where 3.5% of households were Hispanic) rose from 3.7% in 1998 to 5.0% in 1999; their share of loans in the Outer Ring (where 2.3% of households were Hispanic) rose from 2.8% to 3.4%. The Hispanic loan share in the entire MSA (where 3.3% of households were Hispanic), rose from 2.3% to 2.9%.**
- **Chelsea (Inner Ring) had by far the largest Hispanic loan share; the 394 loans to Hispanics in the city during the four-year period accounted for 33.6% of all loans, substantially above the 22.6% Hispanic share of 1990 households. Lynn was the only Outer Ring community where Hispanics received a double-digit share of all loans; their 462 loans during the four-year period accounted for 11.2% of total loans in that community, almost double their 5.9% share of households. In the Inner Ring communities of Everett and Revere, the Hispanic loan shares over the four-year period were 9.1% and 9.6%, in each case more than triple the Hispanic share of 1990 households. The Outer Ring communities of Malden and Randolph had Hispanic loan shares of 4.4% and 3.8%, in each case more than double the Hispanic household share.**
- **The Hispanic four-year loan share was lowest in Weston (0.2%) and Wellesley (0.3%), although there were six additional Outer Ring communities where Hispanics received less than 1.0% of all loans – Braintree, Needham, Weymouth, Westwood, Saugus, and Canton. In Weston, only one of 649 home-purchase loans went to Hispanics; in Wellesley, Hispanics received just five of 1,693 loans. In four Inner Ring communities – Brookline, Newton, Quincy, and Winthrop – the Hispanic loan share over the four-year period was between 1.0% and 1.5%.**

B. Denial Rates for Black and Hispanic Applicants (Tables 20A&B and 21A&B)

- **Denial rates for blacks and Hispanics have been somewhat lower in the Inner Ring, the Outer Ring, and the entire MSA than in the City of Boston. The black denial rate of 18.5% for Boston for the entire four-year period was about four percentage points higher than the denial rates in the Inner and Outer Rings, while Boston's Hispanic denial rate of 14.8% was about one percentage point higher than the rates in the two rings. On the other hand, the black/white and Hispanic/white denial rate ratios have been somewhat higher in the two rings and the overall MSA than in Boston. The Hispanic/white denial rate ratio for the entire period was 1.60 for Boston, but ranged between 1.82 and 1.94 in the two rings and the MSA. Also, the black/white denial ratio of 2.01 for the entire period for Boston was lower than those for the Outer Ring and the MSA. However, the black/white denial rate ratio for the Inner Ring (1.86) provides an exception to the pattern by being lower than that for the City. Because of the small number of black applicants in most of the Inner Ring and Outer Ring communities in most years, small changes in the number of denials can result in large changes in denial rates, and in the black/white and Hispanic/white denial rate ratios. Thus, not too much significance should be attached to these figures for individual cities in individual years.**

C. Loans to Low- and Moderate-Income Borrowers (Tables 22A&B and 23A&B)

- The share of total loans that went to low- and moderate-income borrowers rose between 1998 and 1999 in the Inner Ring (from 24.8% to 25.3%), the Outer Ring (from 26.9% to 28.8%) and in the MSA as a whole (from 23.9% to 24.7%), although in each case these loan shares were lower in 1999 than they had been in 1996. In contrast, the share of loans that went to low-plus moderate-income borrowers in the City of Boston fell to 29.9% in 1999 from 30.7% in the previous year. When attention is directed to loans to *low-income borrowers only*, the trends are less uniform. The Inner Ring percentage fell from 6.4% in 1998 to 5.9% in 1999, and was lower in the last year of the four-year period than it was in the first year. On the other hand, the Outer Ring percentage rose from 6.3% in 1998 to 6.7% in 1999, a higher percentage than in 1996. (As noted earlier, low-income borrowers are defined as those with incomes no greater than 50 percent of the Boston-area median family income as determined annually by HUD; moderate-income borrowers are those with incomes between 50 and 80 percent of this level. In 1999, low-income meant \$31,000 or less, while moderate-income was between \$32,000 and \$50,000.)
- There is a very strong negative relationship between the level of 1990 median family income in a community and the percentage of mortgage loans in that community that went to low- and moderate-income borrowers during the 1996-1999 period. The three Inner Ring communities with the lowest incomes – Chelsea, Revere, and Everett – had the highest shares of loans to low- and moderate-income borrowers, and the three Inner Ring communities with the highest incomes – Newton, Milton, and Brookline – had the lowest shares of loans to low- and moderate-income borrowers. Chelsea had the lowest median family income (\$29,039) and the highest share of loans to low- and moderate-income borrowers (58.4%). Newton had the highest income (\$70,071) and the lowest share of loans to low- and moderate-income borrowers (7.6%).
- Similarly, the two Outer Ring communities with the lowest incomes – Lynn and Malden – had the highest shares of loans to low- and moderate-income borrowers, and the two Outer Ring towns with the highest incomes – Weston and Wellesley – had the lowest shares of loans to these borrowers. Lynn had the lowest median family income (\$35,830) and the highest share of loans to low- and moderate-income borrowers (56.7%). Weston had the highest income (\$108,751) and the lowest share of loans to low- and moderate-income borrowers (1.6%).

D. Comparing Lending to Lower-Income Borrowers with Lending to Minority Borrowers¹⁶

- Because blacks and Hispanics have, on average, substantially lower incomes than whites, there is a strong positive association between loan shares of lower-income borrowers and loan shares of black and Hispanic borrowers. For example, in the five communities with the highest shares of loans to lower-income borrowers over the four-year period (Chelsea, Lynn, Revere, Everett, and Malden), the average loan share for blacks and Hispanics was 19.9%, whereas in the five communities with the lowest percentages of loans to lower-income borrowers (Weston, Wellesley, Needham, Belmont, and Newton), the average loan share for blacks and Hispanics was only 1.3%.
- In two communities – Milton and Randolph – lending to black borrowers was unusually high relative to lending to lower-income borrowers. For the four-year period as a whole, in the two rings combined, the share of all loans that went to lower-income borrowers (27.1%) was seven

¹⁶ The term "lower-income" is used in this section as a shorthand expression for "low- and moderate-income." The loan shares and ratios reported in this section are not shown directly in any of the tables in this report; they were calculated from numbers presented in Tables 18A&B, 19A&B, 22A&B, and 23A&B.

times greater than the share of that went to blacks (3.7%). In Milton, however, the black loan share of 11.6% was greater than the 10.6% loan share of lower-income borrowers. In Randolph, the black loan share was 27.7%, while the loan-share of lower-income borrowers was 41.0%.

- **Chelsea was the only community where lending to Hispanics was unusually high relative to lending to low- and moderate-income borrowers.** For the four-year period as a whole, in the two rings combined, the share of all loans that went to Hispanics was 3.6% while the loan share of lower-income borrowers was 27.7%. In Chelsea, Hispanics received 33.6% of loans, compared to 58.4% received by lower-income borrowers.
- **In five communities – Weymouth, Braintree, Saugus, Quincy, and Winthrop – lending to blacks and Hispanics was unusually low relative to lending to low- and moderate-income borrowers.** During the four-year period, in the inner and outer rings combined, 7.3% of all loans went to blacks and Hispanics, while 27.7% went to lower-income borrowers. In Weymouth, however, just 1.3% of all home-purchase loans in Weymouth went to blacks and Hispanics while 39.1% went to lower-income borrowers. The gaps between loans to blacks and Hispanics and loans to lower-income borrowers were also very large in Braintree (1.1% to 25.7%), Saugus (1.2% to 28.5%), Quincy (2.4% to 36.0%), and Winthrop (2.8% to 30.7

E. Loans in Low- and Moderate-Income Census Tracts (Tables 24A&B)

- **Five communities had a majority of low- and moderate-income census tracts – Chelsea, Everett, Revere, Somerville (all in the Inner Ring) and Lynn (in the Outer Ring) – and in each of these communities the low- and moderate-income tracts received a majority of total loans.** Low- and moderate-income census tracts are those where median family income, as determined in the 1990 census, was no greater than \$38,949, which was 80% of the median family income of \$48,868 in the Boston MSA. Six of the 12 communities in the Inner Ring and ten of the 15 communities in the Outer Ring had no low- or moderate-income census tracts.

F. Loans by Four Types of Lenders (Table 25)

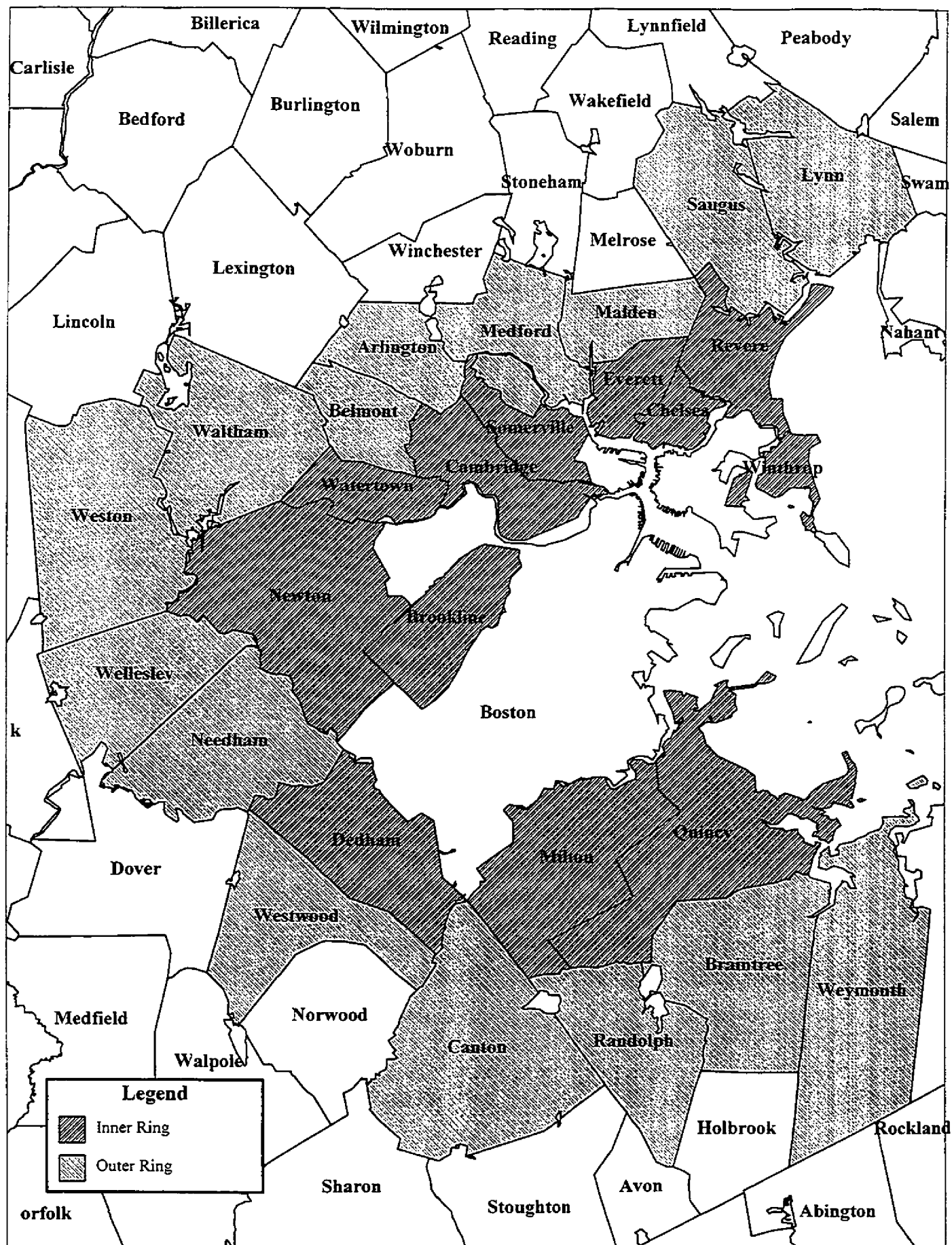
- **Table 25 presents data on 1999 lending to each of five categories of traditionally-underserved borrowers and neighborhoods (black borrowers, Hispanic borrowers, low-income borrowers, low- and moderate-income borrowers combined, and low- and moderate income census tracts) in each of four geographical areas (the Inner Ring, the Outer Ring, the City of Boston, and the entire Boston MSA) by each of the four major types of lenders identified in the first part of this report (the biggest Boston banks, all other Massachusetts banks and credit unions, mortgage company lenders [excluding subprime lenders], and subprime lenders). The four big Boston banks accounted for a significantly larger share of loans to each of the traditionally underserved categories than they did of overall lending in each of the geographic areas considered. Conversely, the shares of loans to the traditionally underserved categories that were made by prime mortgage company lenders and by all other Massachusetts banks were in every case smaller than their shares of total lending. Subprime lenders accounted for shares of loans to minority borrowers that were substantially larger – and shares of loans to lower-income borrowers and lower-income neighborhoods that were somewhat larger – than their approximately three percent share of total loans.**

TABLE 1
SUMMARY INFORMATION ON 1990 POPULATION AND INCOME
OF BOSTON AND 27 SURROUNDING CITIES AND TOWNS

	Total Population	% HseHlds Non- Hispanic Black	% HseHlds Hispanic	% HseHlds Non- Hispanic White	Median Family Income (MFI)	MFI as % of Boston MSA MFI	Low/Moderate Income Census Tracts	
							Number	% of Total
A. CITY OF BOSTON								
Boston	574,283	20.6%	8.1%	66.4%	\$34,377	70.6%	115	68.5%
B. TWELVE INNER-RING CITIES AND TOWNS								
Brookline	54,718	2.2%	2.2%	89.2%	\$61,799	126.9%	0	0.0%
Cambridge	95,802	10.9%	4.8%	78.5%	\$39,990	82.1%	13	43.3%
Chelsea	28,710	3.9%	22.6%	69.9%	\$29,039	59.6%	5	71.4%
Dedham	23,782	0.5%	0.8%	97.8%	\$52,554	107.9%	0	0.0%
Everett	35,701	3.0%	2.8%	92.8%	\$37,397	76.8%	5	71.4%
Milton	25,725	3.9%	0.7%	94.4%	\$61,964	127.3%	0	0.0%
Newton	82,585	1.6%	1.3%	93.8%	\$70,071	143.9%	0	0.0%
Quincy	84,985	1.0%	1.2%	93.5%	\$44,184	90.8%	3	18.8%
Revere	42,786	1.2%	3.0%	93.5%	\$37,213	76.4%	6	75.0%
Somerville	76,210	4.2%	4.4%	88.0%	\$38,532	79.1%	8	53.3%
Watertown	33,284	1.0%	1.6%	95.4%	\$49,467	101.6%	0	0.0%
Winthrop	18,127	0.6%	1.0%	97.9%	\$45,677	93.8%	0	0.0%
Inner-Ring Total	602,415	3.6%	3.5%	89.3%	\$47,758	98.1%	40	30.3%
C. FIFTEEN OUTER-RING CITIES AND TOWNS								
Arlington	44,630	1.2%	1.2%	95.0%	\$52,749	108.3%	1	14.3%
Belmont	24,720	0.7%	1.0%	95.7%	\$61,046	125.4%	0	0.0%
Braintree	33,836	0.6%	0.7%	97.4%	\$51,920	106.6%	0	0.0%
Canton	18,530	1.2%	0.7%	97.0%	\$62,471	128.3%	0	0.0%
Lynn	81,245	5.9%	6.7%	85.4%	\$35,830	73.6%	16	72.7%
Malden	53,884	3.9%	2.1%	90.2%	\$42,099	86.5%	1	11.1%
Medford	57,407	3.4%	1.4%	93.5%	\$45,532	93.5%	1	9.1%
Needham	27,557	0.5%	0.7%	97.2%	\$69,515	142.8%	0	0.0%
Randolph	30,093	7.0%	1.4%	87.5%	\$50,718	104.2%	0	0.0%
Saugus	25,549	0.5%	0.8%	98.0%	\$48,669	100.0%	0	0.0%
Waltham	57,878	2.3%	4.1%	90.8%	\$45,730	93.9%	4	30.8%
Wellesley	26,615	1.0%	1.1%	96.1%	\$90,030	184.9%	0	0.0%
Weston	10,200	0.4%	0.7%	95.3%	\$108,751	223.4%	0	0.0%
Westwood	12,557	0.3%	0.4%	98.2%	\$67,317	138.3%	0	0.0%
Weymouth	54,063	1.0%	0.9%	97.3%	\$48,331	99.3%	0	0.0%
Outer-Ring Total	558,764	2.6%	2.3%	92.9%	\$51,662	106.1%	23	19.7%
D. BOSTON METROPOLITAN STATISTICAL AREA (MSA)								
Boston MSA Total	2,870,650	6.1%	3.3%	87.8%	\$48,686	100.0%	228	N/A

Notes:

Data are from the 1990 U.S. Decennial Census, the most recent source of accurate information on population and income.
A Low/Moderate-Income census tract is one with an MFI no greater than 80% of the MFI of the Boston MSA (i.e., less than \$38,950).
The "Inner Ring" consists of all cities/towns that have a common boundary with Boston; the "Outer Ring" consists of all other cities/towns that have a common boundary with one or more of the Inner Ring cities/towns.
The City of Boston plus the cities/towns in the two "Rings" account for only 60% of the total population in the Boston MSA.



Boston PMSA

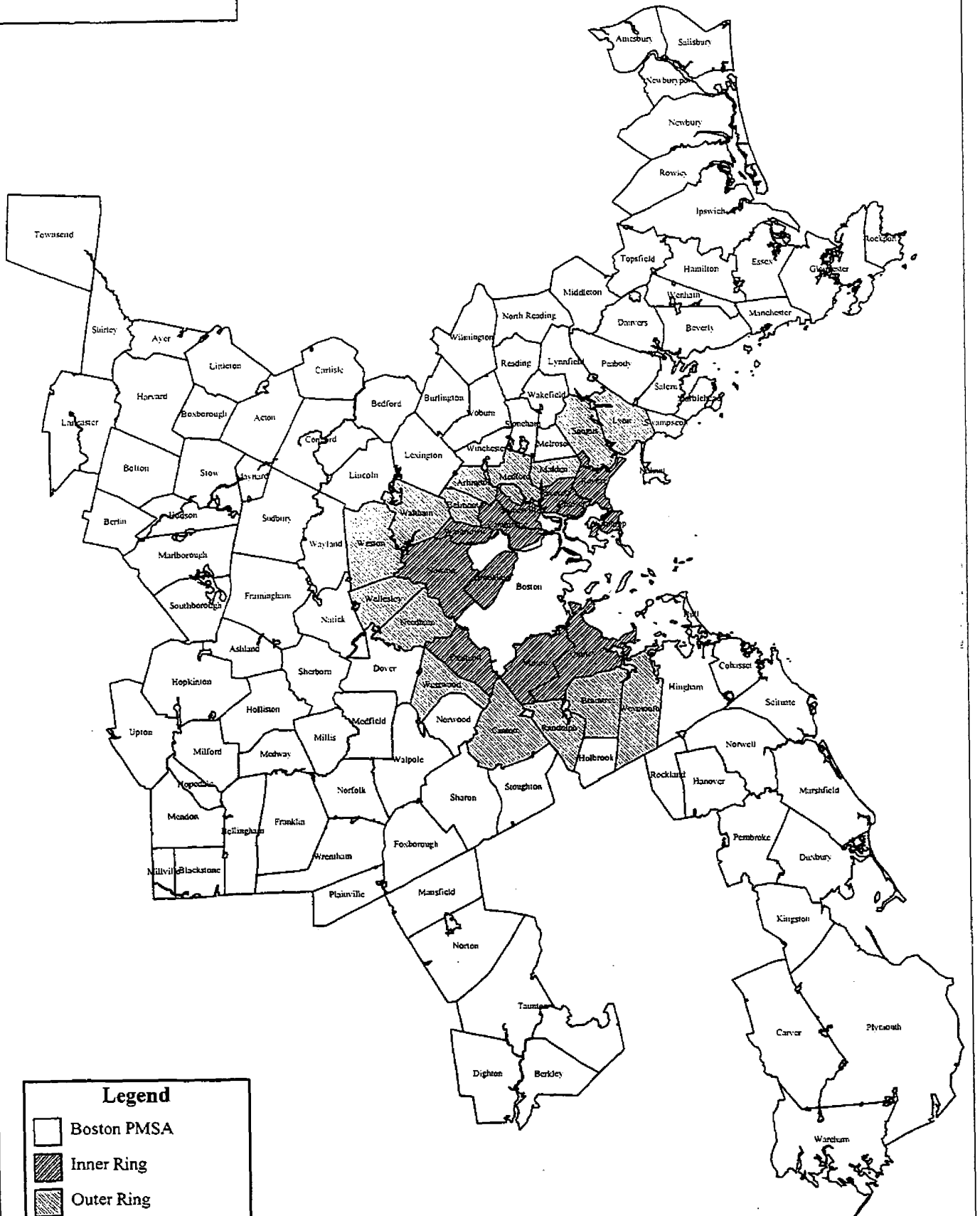


TABLE 2
BOSTON HOME-PURCHASE LOANS BY RACE, 1990 & 1995-99 *

	Number of Loans						Percent of All Loans					
	1990	1995	1996	1997	1998	1999	1990	1995	1996	1997	1998	1999
Asian	100	269	282	328	356	407	5.6%	6.0%	5.2%	5.7%	5.4%	5.6%
Black	287	880	897	836	795	902	16.2%	19.8%	16.5%	14.7%	12.1%	12.4%
Hispanic	91	303	392	334	419	510	5.1%	6.8%	7.2%	5.9%	6.4%	7.0%
White	1,266	2,866	3,725	4,086	4,841	5,272	71.5%	64.4%	68.5%	71.6%	73.8%	72.7%
Total #	1,770	4,450	5,436	5,706	6,560	7,248	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* Columns for 1991 through 1994 are omitted from this table because of insufficient space.

Total includes loans to Native Americans (130 loans in 10 years, 15 in 1999) and "others" (851 loans in 10 years, 142 in 1999) but excludes loans for which race of borrower was not reported (2,415 loans in 10 years, 754 in 1999).

CHART 2
SHARES OF BOSTON HOUSEHOLDS AND HOME-PURCHASE LOANS
BY RACE: 1990, 1998 & 1999

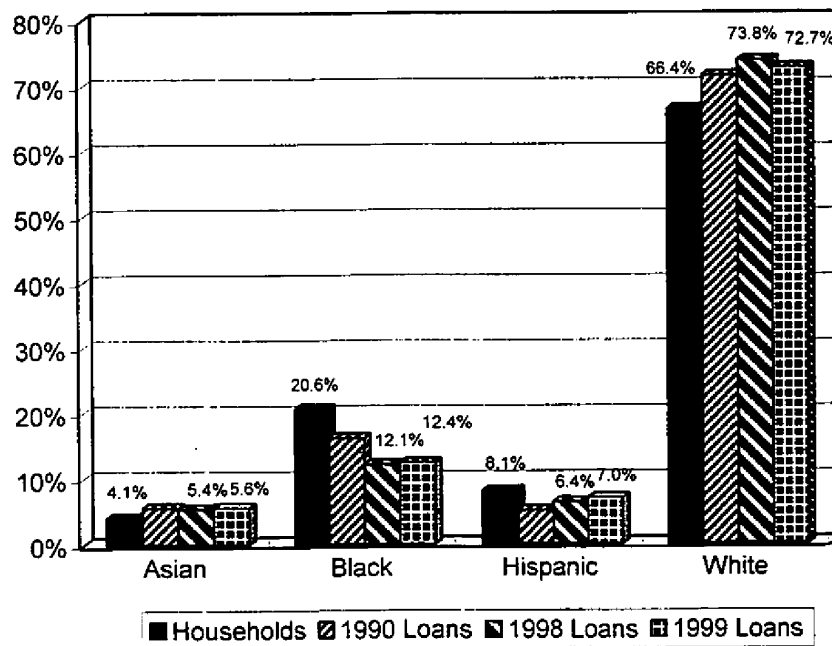


TABLE 3
BOSTON HOME-PURCHASE LOANS BY INCOME LEVEL
1990 & 1995-1999*

Income Level^	Number of Loans						As Percent of All Loans					
	1990	1995	1996	1997	1998	1999	1990	1995	1996	1997	1998	1999
Low#	51	530	589	587	597	578	2.8%	11.6%	10.8%	10.1%	8.7%	7.4%
Moderate	352	1,233	1,473	1,434	1,570	1,743	19.6%	27.0%	26.9%	24.6%	22.9%	22.4%
Middle	527	1,261	1,429	1,535	1,818	2,065	29.3%	27.6%	26.1%	26.4%	26.5%	26.6%
High	513	889	1,173	1,358	1,658	1,998	28.5%	19.4%	21.4%	23.2%	24.1%	25.7%
Highest	355	659	810	908	1,223	1,382	19.7%	14.4%	14.8%	15.6%	17.8%	17.8%
Hi+Hi'est	868	1,548	1,983	2,266	2,881	3,380	48.3%	33.9%	36.2%	38.8%	42.0%	43.5%
Total#	1,798	4,572	5,474	5,822	6,866	7,766	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* Columns for 1991 through 1994 are omitted from this table because of insufficient space, but all years are shown in Chart 3, below.

Low and Total include only applicants with reported incomes over \$10,000.

^ Income categories are defined in relationship to Boston MSA 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 MSA 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.

CHART 3
LOANS TO LOW- AND MODERATE-INCOME BORROWERS
AS % OF ALL BOSTON HOME-PURCHASE LOANS, 1990-1999

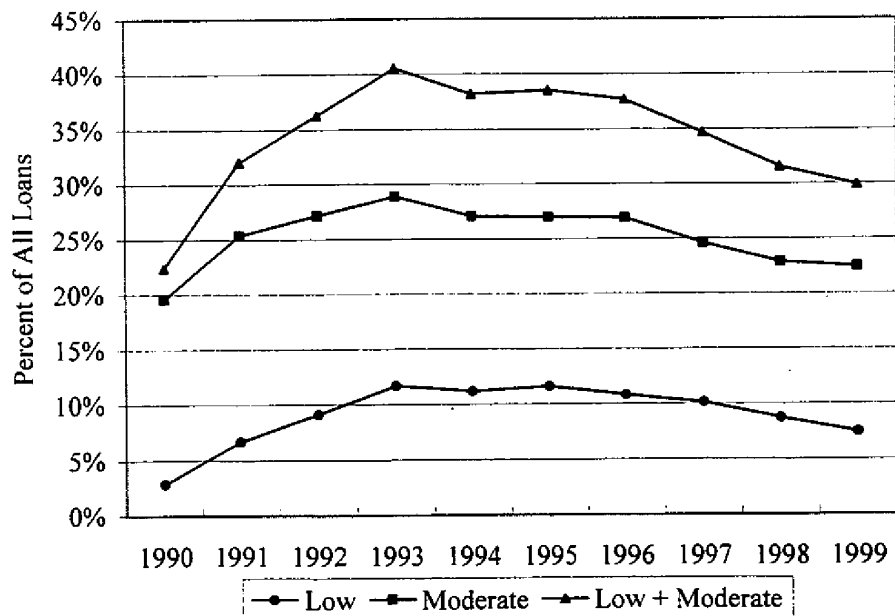


TABLE 4
HOME-PURCHASE LOAN DENIAL RATES BY RACE
BOSTON, MASSACHUSETTS, AND UNITED STATES# -- 1990 & 1995-99*

	Denial Rate						Ratio to White Denial Rate					
	1990	1995	1996	1997	1998	1999	1990	1995	1996	1997	1998	1999
A. BOSTON												
Asian	14.5%	8.2%	11.0%	9.4%	9.6%	10.5%	0.89	1.12	1.18	0.88	1.25	1.10
Black	32.7%	15.8%	18.3%	19.5%	15.2%	20.5%	2.00	2.16	1.97	1.82	1.97	2.16
Hispanic	25.3%	18.6%	15.2%	16.1%	12.1%	15.7%	1.55	2.55	1.63	1.50	1.57	1.65
White	16.4%	7.3%	9.3%	10.7%	7.7%	9.5%	1.00	1.00	1.00	1.00	1.00	1.00
B. MASSACHUSETTS												
Asian		7.3%	8.5%	8.0%	7.0%	8.8%		0.99	1.04	1.00	1.03	1.09
Black		16.3%	17.8%	17.6%	14.1%	17.1%		2.23	2.17	2.20	2.07	2.12
Hispanic		13.1%	15.3%	14.4%	12.7%	15.5%		1.79	1.87	1.80	1.87	1.91
White		7.3%	8.2%	8.0%	6.8%	8.1%		1.00	1.00	1.00	1.00	1.00
C. UNITED STATES #												
Asian	12.9%	12.5%	13.8%	12.7%	11.8%	11.8%	0.90	0.61	0.57	0.49	0.45	0.46
Black	33.9%	40.5%	48.8%	53.0%	53.7%	49.0%	2.35	1.97	2.02	2.05	2.07	1.92
Hispanic	21.4%	29.5%	34.4%	37.8%	38.7%	35.0%	1.49	1.43	1.43	1.47	1.49	1.37
White	14.4%	20.6%	24.1%	25.8%	26.0%	25.5%	1.00	1.00	1.00	1.00	1.00	1.00

Massachusetts denial rates for 1995-1999 calculated by author.

U.S. denial rates from *Federal Reserve Bulletin*: 11/91, 11/92, 2/94, 2/95, 9/95, 9/96, 9/97, 9/98, 9/99, and 9/00.

U.S. denial rates are for conventional loans only; in Boston and Mass. overall denial rates (shown here) are very similar to conventional denial rates.

* Columns for 1991 through 1994 are omitted from this table because of insufficient space, but denial rate ratios for all years are shown in Chart 4.

CHART 4
MINORITY/WHITE DENIAL RATIOS, BY RACE
BOSTON HOME-PURCHASE LOANS, 1990-1999

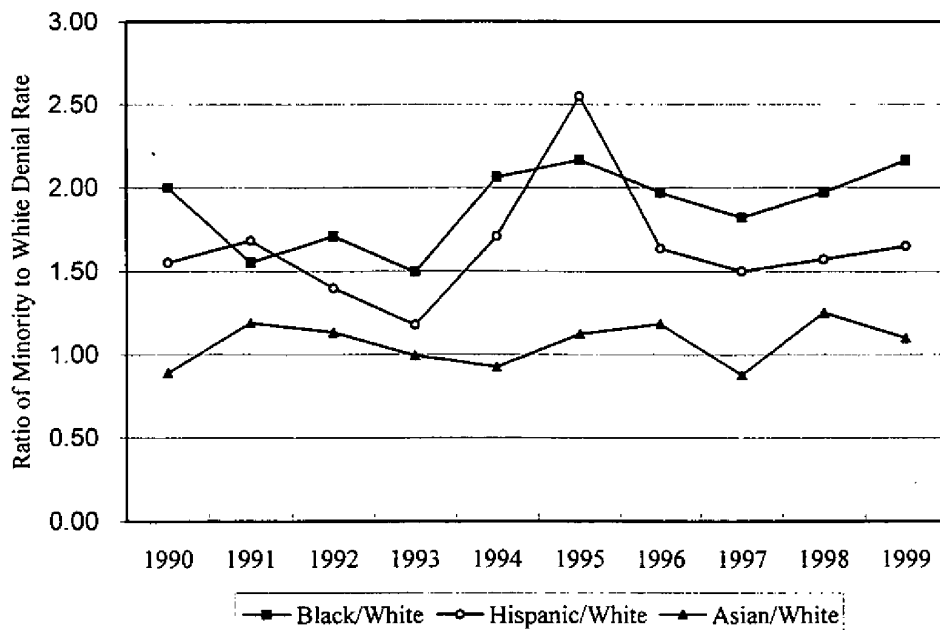


TABLE 5
APPLICATIONS AND DENIAL RATES, BY RACE & INCOME OF APPLICANT
BOSTON HOME-PURCHASE LOANS, 1999

Income (\$000)	Black		Hispanic		White		Total	
	Applics	D-Rate	Applics	D-Rate	Applics	D-Rate	Applics	D-Rate
11-20	28	21.4%	24	20.8%	57	26.3%	149	24.2%
21-30	161	19.9%	111	16.2%	277	16.6%	655	18.0%
31-40	286	19.9%	147	14.3%	581	12.7%	1,243	15.3%
41-50	303	19.5%	133	13.5%	718	11.3%	1,398	14.8%
51-60	243	18.1%	117	17.9%	709	9.6%	1,291	13.4%
61-70	137	24.8%	56	26.8%	665	7.5%	1,039	11.6%
71-80	110	20.9%	39	10.3%	609	8.2%	917	10.0%
over 80	187	23.0%	82	11.0%	2,950	7.5%	3,948	8.9%
Total*	1,455	20.5%	709	15.7%	6,566	9.2%	10,640	12.1%

Total* includes only applications with reported incomes over \$10,000.

CHART 5
DENIAL RATES BY RACE AND INCOME
BOSTON HOME-PURCHASE LOANS, 1999

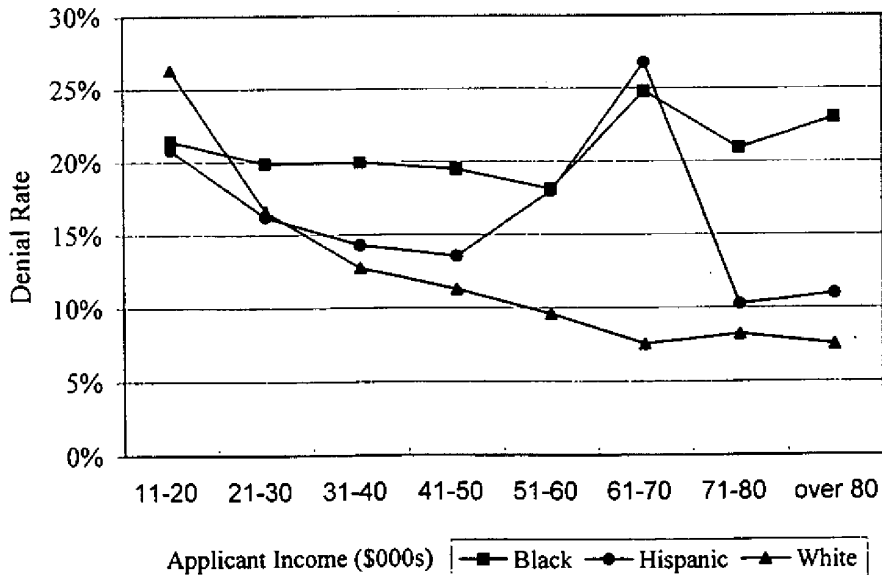


TABLE 6
LOAN DISTRIBUTION BY RACIAL COMPOSITION OF NEIGHBORHOOD
BOSTON LOW- AND MODERATE-INCOME CENSUS TRACTS, 1990 & 1995 -1999*

Racial Composition of Census Tract	No. of Census Tracts	No. of MHUs#	% of all Boston MHUs#	% of all Boston Home-Purchase Loans					
				1990	1995	1996	1997	1998	1999
>75% Blk + Hisp	35	11,341	11.6%	11.7%	8.8%	9.0%	8.8%	8.7%	8.8%
50%-75% Blk+Hisp	14	3,939	4.0%	3.2%	5.5%	4.9%	5.3%	5.0%	6.5%
All Other	33	16,687	17.1%	17.0%	16.3%	16.0%	17.3%	18.6%	19.6%
>75% White	30	19,684	20.1%	19.4%	18.7%	19.1%	19.7%	19.6%	19.9%
Total: All Low/Mod CTs	112	51,651	52.8%	51.3%	49.3%	48.9%	51.5%	51.9%	54.8%
Compare: All Boston CTs	164	97,782	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ratio: >75%B+H / >75%White		57.6%		60.1%	46.9%	47.0%	44.6%	44.2%	44.1%

* Columns for 1991 through 1994 are omitted from this table because of insufficient space.

"MHUs" are "mortgageable housing units," an estimate of the properties eligible for mortgage loans.

CHART 6
HOME-PURCHASE LOANS IN LOW/MOD CENSUS TRACTS
WITH OVER 75% BLACK+HISPANIC RESIDENTS AS A
PERCENT OF THOSE IN LOW/MOD TRACTS WITH MORE
THAN 75% WHITE RESIDENTS

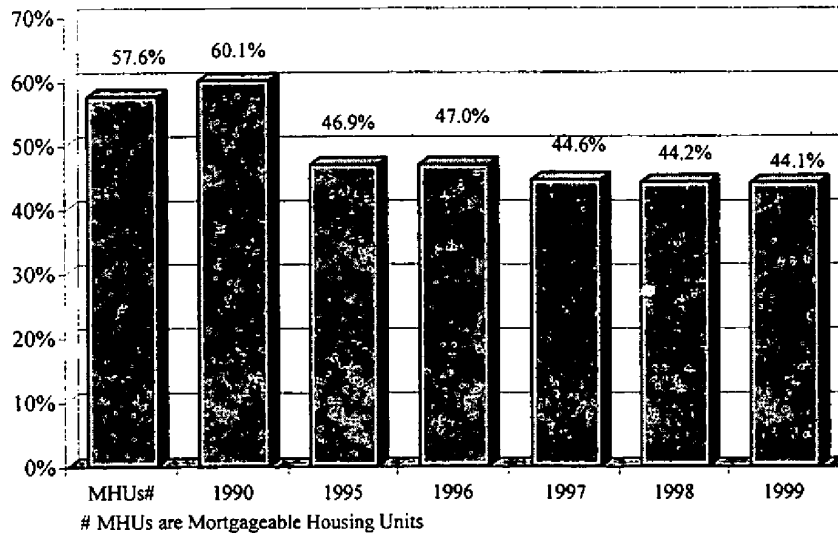


TABLE 7
BOSTON HOME-PURCHASE LOANS BY MAJOR TYPES OF LENDERS, 1990-1999

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
A. BIG BOSTON BANKS										
Number of Loans	541	609	911	1,532	1,849	2,020	1,954	1,496	1,429	1,383
% of All Loans	28.9%	31.0%	38.6%	41.2%	39.4%	43.6%	34.8%	25.1%	20.2%	17.3%
B. ALL OTHER MASS. BANKS AND CREDIT UNIONS										
Number of Loans	919	819	871	854	1,158	869	1,230	1,238	1,615	1,660
% of All Loans	49.1%	41.7%	36.9%	22.9%	24.7%	18.7%	21.9%	20.7%	22.8%	20.7%
C. MORTGAGE COMPANIES, EXCLUDING SUBPRIME LENDERS AFTER 1997										
Number of Loans	410	535	580	1,336	1,690	1,748	2,439	3,238	3,746	4,692
% of All Loans	21.9%	27.3%	24.6%	35.9%	36.0%	37.7%	43.4%	54.2%	53.0%	58.6%
D. SUBPRIME MORTGAGE COMPANIES										
Number of Loans									280	267
% of All Loans									4.0%	3.3%
E. TOTAL										
Number of Loans	1,870	1,963	2,362	3,722	4,697	4,637	5,623	5,972	7,070	8,002
% of All Loans	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

"Big Boston Banks": BankBoston, BayBanks (through 1996), Boston Safe Deposit, Citizens, Fleet, & Shawmut (through 1996) — plus their affiliated mortgage companies.

"All Other Massachusetts Banks and Credit Unions" include their affiliated mortgage companies.

"Mortgage Companies": all lenders not affiliated with Mass. banks or credit unions, including out-of-state banks.

"Subprime Mortgage Companies" are identified from lists prepared by HUD (see "Notes on Data and Methods")

CHART 7
BOSTON HOME-PURCHASE LOAN SHARES FOR
MAJOR TYPES OF LENDERS, 1990-1999

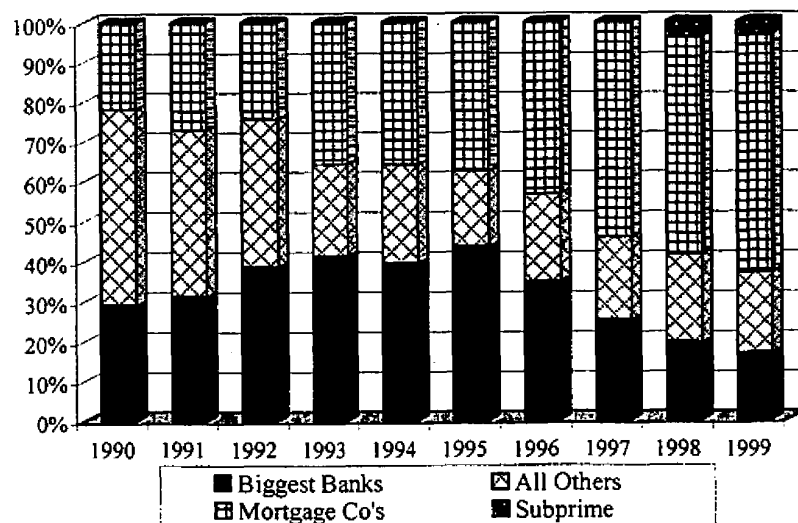


TABLE 8
THE BIGGEST MORTGAGE LENDERS IN BOSTON, 1999
(ALL LENDERS WITH 60 OR MORE HOME-PURCHASE LOANS IN 1999)

LENDER	1990 Loans	1991 Loans	1992 Loans	1993 Loans	1994 Loans	1995 Loans	1996 Loans	1997 Loans	1998 Loans	1999 Loans
A. THE 19 BIGGEST MORTGAGE COMPANY LENDERS[^]										
Washington Mutual								148	188	480
North American Mortgage Co					39	98	177	316	408	431
Bank of America						116	186	189	194	324
Chase Manhattan	11	37	26	37	170	115	176	237	230	318
Assurance Mortgage Co				12	25	62	99	19	313	315
Ohio Savings Bank FSB							31	51	134	274
Norwest Mortgage Co	6	17	50	4	1	157	250	255	259	268
Countrywide Funding Corp		4	9	77	128	108	101	144	218	247
Greepoint Mortgage Funding						3	21	41	28	138
GMAC Mortgage Co	1	7	6	7	5	18	70	68	103	105
World Savings (CA)							15	18	15	94
Old Kent								25	77	93
Suntrust										93
Flagstar Bank (MI)							12	30	67	91
RBMG										85
Standard Federal Bank							16	45	56	83
Cendant Mort (was PHH US Mort)	29	19	2	19	21	10	10	50	74	80
Crossland Mortgage Co					35	59	55	45	77	71
Bank United (TX)			20	61	85	63	73	19	32	68
Subtotal: These 19 Mortgage Co Lenders	47	84	113	217	509	809	1,292	1,700	2,473	3,658
Total: All Mortgage Co Lenders	410	535	580	1,301	1,690	1,748	2,439	3,238	4,026	4,959
B. THE 12 BIGGEST BANK LENDERS										
Fleet*	7		96	261	497	462	687	513	521	698
BankBoston#	146	86	207	312	281	237	366	477	434	308
Boston Federal Savings Bank	18	15	29	32	102	71	202	216	341	293
Citizens (Boston Five thru '92)	40	98	97	181	157	210	513	374	332	293
PNC				35	23	34	49	89	93	107
UStTrust	6	19	26	33	53	26	4	1	32	96
Boston Private Bank & Trust	1	3	4	14	29	18	52	60	102	90
Boston Safe Deposit (inc. Mellon since 1994)	10	11	57	117	108	96	107	132	142	84
People's Federal SB	14	21	28	30	21	0	35	39	54	76
Cambridgeport Bank	85	95	107	50	36	20	27	75	61	71
Cambridge Savings Bank	4	10	14	11	36	17	42	66	60	63
Mt. Washington Co-op Bank	15	21	22	23	13	30	34	67	53	61
Subtotal: These 12 Bank Lenders	346	379	687	1,099	1,356	1,221	2,118	2,109	2,225	2,240
Total: All Bank & CU Lenders	1,460	1,428	1,782	2,421	3,007	2,889	3,184	2,734	3,044	3,043
Total Boston Home-Purchase Loans	1,870	1,963	2,362	3,722	4,697	4,637	5,623	5,972	7,070	8,002

"Mortgage Companies": all lenders not affiliated with Mass. banks or credit unions, including out-of-state banks.

"Bank Lenders": Massachusetts banks, their affiliated mortgage companies, and Massachusetts credit unions.

[^] No subprime mortgage company lender made 60 or more loans in Boston. The three biggest subprime lenders in 1999 were

Option One Mortgage (45 loans), First Franklin Financial (35 loans) and New Century Mortgage (23 loans).

* Fleet and Shawmut combined made 440 loans in 1992, 718 in 1993, 989 in 1994, 1014 in 1995, and 728 in 1996.

BankBoston and BayBanks combined made 317 loans in 1992, 516 in 1993, 595 in 1994, 700 in 1995, and 606 in 1996.

TABLE 9
SHARES OF LOANS BY EACH MAJOR TYPE OF LENDER THAT WENT TO
TRADITIONALLY UNDERSERVED BORROWERS AND NEIGHBORHOODS
(BOSTON HOME-PURCHASE LOANS, 1998 & 1999)

	Total Loans		Loans to Black Borrowers		Loans to Hispanic Borrowers		Loans to Low-Income Borrowers		Loans to Moderate-Income Borrowers		Loans in CenTracts >75% Blk+Hisp	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
A. 4 BIG BOSTON BANKS												
Number of Loans	1,429	1,383	406	415	218	255	271	228	530	528	255	278
% of Loans	100%	100%	28.4%	30.0%	15.3%	18.4%	19.0%	16.5%	37.1%	38.2%	17.8%	20.1%
B. ALL OTHER MASS. BANKS AND CREDIT UNIONS												
Number of Loans	1,615	1,660	94	110	75	58	100	107	278	295	74	85
% of Loans	100%	100%	5.8%	6.6%	4.6%	3.5%	6.2%	6.4%	17.2%	17.8%	4.6%	5.1%
C. MORTGAGE COMPANIES, EXCLUDING SUBPRIME LENDERS												
Number of Loans	3,746	4,692	250	315	116	175	211	226	697	847	229	269
% of Loans	100%	100%	6.7%	6.7%	3.1%	3.7%	5.6%	4.8%	18.6%	18.1%	6.1%	5.7%
D. SUBPRIME MORTGAGE COMPANIES												
Number of Loans	280	267	45	62	10	22	15	17	65	73	55	70
% of Loans	100%	100%	16.1%	23.2%	3.6%	8.2%	5.4%	6.4%	23.2%	27.3%	19.6%	26.2%
E. TOTAL												
Number of Loans	7,070	8,002	795	902	419	510	597	578	1,570	1,743	613	702
% of Loans	100%	100%	11.2%	11.3%	5.9%	6.4%	8.4%	7.2%	22.2%	21.8%	8.7%	8.8%

Notes

"4 Big Boston Banks": BankBoston, Boston Safe Deposit, Citizens, and Fleet -- + affiliated mortgage companies.
 "All Other Massachusetts Banks and Credit Unions" include their affiliated mortgage companies.
 "Mortgage Companies": all lenders not affiliated with Massachusetts banks or credit unions, including out-of-state banks.
 "Subprime Mortgage Companies" are identified from list prepared by HUD (see "Notes on Data and Methods")
 "Low-income" is above \$10K and below 50% of Boston MSA median (\$30K or less in 1998; \$31K or less in 1999).
 "Moderate-income" is between 50% and 80% of MSA median (\$31K - \$48K in 1998; \$32K - \$50K in 1999).
 "CenTracts >75% Blk+Hisp": The 35 low- or moderate-income Boston CTs in which over 75% of the population was black or Hispanic.

CHART 9
SHARES OF LOANS BY EACH TYPE OF LENDER THAT
WENT TO TRADITIONALLY UNDERSERVED BORROWERS
AND NEIGHBORHOODS IN 1999

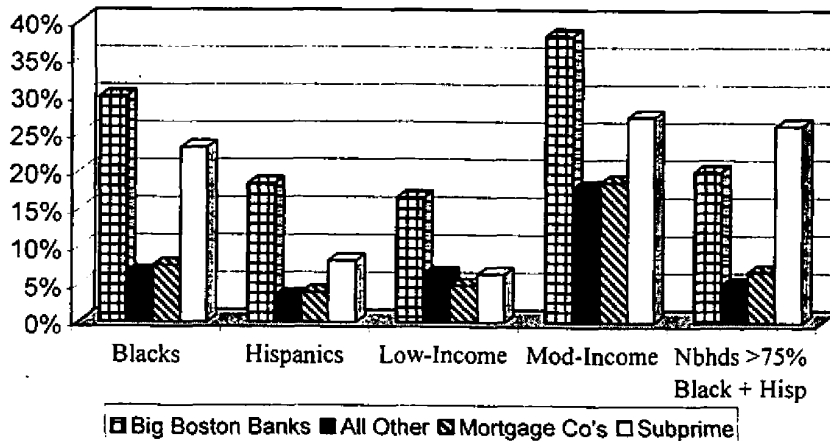


TABLE 10
SHARES OF LOANS TO TRADITIONALLY UNDERSERVED BORROWERS AND
NEIGHBORHOODS THAT WERE MADE BY EACH MAJOR TYPE OF LENDER
(BOSTON HOME-PURCHASE LOANS, 1998 & 1999)

	Total Loans		Loans to Black Borrowers		Loans to Hispanic Borrowers		Loans to Low-Income Borrowers		Loans to Moderate-Income Borrowers		Loans in CenTracts >75% Blk+Hisp	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
A. 4 BIG BOSTON BANKS												
Number of Loans	1,429	1,383	406	415	218	255	271	228	530	528	255	278
% of Loans	20.2%	17.3%	51.1%	46.0%	52.0%	50.0%	45.4%	39.4%	33.8%	30.3%	41.6%	39.6%
B. ALL OTHER MASS. BANKS AND CREDIT UNIONS												
Number of Loans	1,615	1,660	94	110	75	58	100	107	278	295	74	85
% of Loans	22.8%	20.7%	11.8%	12.2%	17.9%	11.4%	16.8%	18.5%	17.7%	16.9%	12.1%	12.1%
C. MORTGAGE COMPANIES, EXCLUDING SUBPRIME LENDERS												
Number of Loans	3,746	4,692	250	315	116	175	211	226	697	847	229	269
% of Loans	53.0%	58.6%	31.4%	34.9%	27.7%	34.3%	35.3%	39.1%	44.4%	48.6%	37.4%	38.3%
D. SUBPRIME MORTGAGE COMPANIES												
Number of Loans	280	267	45	62	10	22	15	17	65	73	55	70
% of Loans	4.0%	3.3%	5.7%	6.9%	2.4%	4.3%	2.5%	2.9%	4.1%	4.2%	9.0%	10.0%
E. TOTAL												
Number of Loans	7,070	8,002	795	902	419	510	597	578	1,570	1,743	613	702
% of Loans	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes

"4 Big Boston Banks": BankBoston, Boston Safe Deposit, Citizens, and Fleet – + affiliated mortgage companies.

"All Other Massachusetts Banks and Credit Unions" include their affiliated mortgage companies.

"Mortgage Companies": all lenders not affiliated with Massachusetts banks or credit unions, including out-of-state banks.

"Subprime Mortgage Companies" are identified from list prepared by HUD (see "Notes on Data and Methods")

"Low-income" is above \$10K and below 50% of Boston MSA median (\$30K or less in 1998; \$31K or less in 1999).

"Moderate-income" is between 50% and 80% of MSA median (\$31K - \$48K in 1997; \$32K - \$50K in 1999).

"CenTracts >75% Blk+Hisp": The 35 low- or moderate-income Boston CTs in which over 75% of the population was black or Hispanic.

CHART 10

SHARES OF LOANS TO TRADITIONALLY UNDERSERVED BORROWERS &
NEIGHBORHOODS THAT WERE MADE
BY EACH TYPE OF LENDER IN 1999

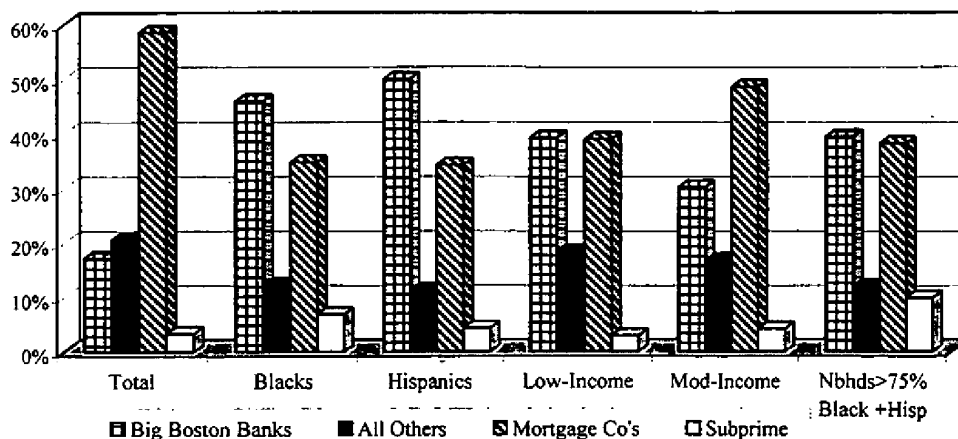


TABLE 11: KEY FEATURES OF TARGETED MORTGAGE PROGRAMS IN BOSTON

TARGETED MORTGAGE PROGRAM & Participating Banks	First Loan	Income Limit	Down Payment	Interest Rate	Mortgage Insurance	Monthly Payment on \$180,000 3-Fam House at 11/15/99 Interest Rate	Maximum Ratios for Housing & Debt as % of Income	Other Features
SOFT SECOND MAHA/MHP BankBoston BayBank (through '97) Boston Co. Boston Private B&T Citizens Fleet Hyde Park Co-op Hyde Park SB Shawmut (through '96) USTRust	1991	80% of HUD's Boston area median family income; varies by family size	5% down with 3/2 option (3% buyers own funds; 2% gift or grant)	0.5% below 2-point market rate On 11/15/99: 6.875% (varies slightly among banks; this is median rate)	PMI not required; Loan-Loss Reserve equal to 10% of second mortgage (not to exceed \$2500) provided by city and state subsidies	With no subsidy: \$1,093 in years 1-10; \$1,163 in years 11+ With max. subsidy: \$939 in years 1-5; \$970 in year 6 \$1,000 in year 7 \$1,031 in year 8 \$1,062 in year 9 \$1,093 in year 10 \$1,163 in years 11+	33%/38%	No points; reduced fees & closing costs Purchase and rehab option since 1995 Second mortgage interest subsidy thru year 10
	1991							
	1991							
	1992							
	1996							
	1995							
	1992							
	1995							
	1997							
	1991							
	1994							
ACORN BankBoston # Citizens Fleet # Shawmut (through '95) #: participation suspended in second half of 1999	1994	115% of HUD's Boston area median family income; varies by family size	5% down; (1% or \$1,000 must be from buyer's own funds)	1% to 1.25% below 0-point market rate On 11/15/99: 6.75% if income <80% of median 7.88% otherwise	PMI application required but loan may be made even if PMI denied	Income < 80% of median: \$1,217 (includes \$108 PMI) Income > 80% of median: \$1,348 (includes \$108 PMI)	33%/41%	No points Reduced fees
	1994							
	1994							
	1996							
	1994							
NACA (UNAC) Boston Co. (through '96) Fleet Shawmut (through '95)	1993	No income limit in "priority area," which includes all of Boston except central/downtown and Back Bay	None	0-point market On 11/15/99: regular: 8.0%; w/ buydown* if income <80% of median: 7.30%	PMI not required; instead, payment of \$50/month to Neighborhood Stabilization Fund for 5 years	No buydown*: First 5 Years: \$1,371 (includes \$50 to Nbid Stab Fund) After 5 Years: \$1,321 With buydown*: \$1,284, then \$1,234 \$1,273	43%/43%	No points, fees, or closing costs; * interest rate "buydown" available if income <80% of median
	1993							
	1994							
	1993							
MHFA Many participating banks	1979	\$60,000 for family of 1 or 2 and \$69,000 for family of 3+ (lower limits in some special cases)	5% down (2.5% must be buyer's own funds; 2.5% can be gift or grant)	0.25% - 0.5% below market. On 11/15/99: 7.24% (2 points) 7.55% (0 points)	PMI required	(includes \$108 mortgage insurance; 2-point rate)	33%/38%	Conventional fees and closing costs; Down payment & closing cost assistance available

revised: November 1999

TABLE 12
TOTAL LOANS BY TARGETED MORTGAGE PROGRAMS
BOSTON HOME-PURCHASE LOANS, 1990-99

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	10-Year Total
Soft Second		30	83	168	207	273	396	308	235	227	1,927
NACA (UNAC)				27	145	286	124	99	98	144	923
ACORN					22	131	171	235	337	267	1,163
Sub-Total		30	83	195	374	690	691	642	670	638	4,013
MHFA	215	259	180	82	99	107	193	122	150	100	1,507
Total	215	289	263	277	473	797	884	764	820	738	5,520
All Boston Loans# -- for comparison:											
By Biggest Banks*	541	609	911	1,532	1,849	2,020	1,954	1,496	1,429	1,383	13,724
By All Lenders	1,870	1,963	2,362	3,722	4,697	4,637	5,623	5,972	7,070	8,002	45,918
Soft Second + NACA + ACORN Loans as Percent of All Boston Loans #@:											
By Biggest Banks* @		4.9%	9.1%	12.7%	20.2%	34.2%	35.4%	40.2%	43.7%	42.4%	28.2%
By All Lenders		1.5%	3.5%	5.2%	8.0%	14.9%	12.3%	10.8%	9.5%	8.0%	8.7%

All Boston loans by biggest banks and all lenders calculated from HMDA data.

* The "biggest banks" are BankBoston, BayBanks (through 1996), Boston Co., Citizens, Fleet, & Shawmut (through 1996).

@ Percentages for biggest banks reflect fact that 40 SSP loans in 1997, 46 in 1998, & 52 in 1999 were made by other banks.

CHART 12
TARGETED MORTGAGE PROGRAM LOANS
BY PROGRAM AND YEAR, 1990-99

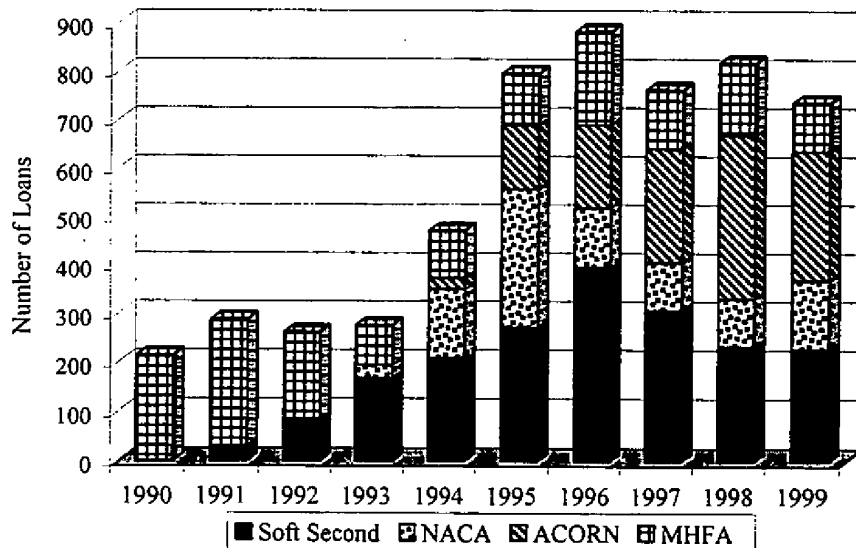


TABLE 13
LOANS TO TARGETED BORROWERS AND TARGET AREA, BY PROGRAM
BOSTON HOME-PURCHASE LOANS, 1995-99

	1995		1996		1997		1998		1999		Total, 1995-99	
	#	%	#	%	#	%	#	%	#	%	#	%
A. LOANS TO MINORITY BORROWERS												
Soft Second	196	73.7%	228	68.3%	184	76.0%	98	87.5%	80	80.8%	786	74.4%
NACA (UNAC)	250	87.4%	104	83.1%	86	86.9%	83	84.5%	130	90.3%	653	87.0%
ACORN	116	89.2%	131	78.0%	162	77.9%	221	67.0%	184	70.0%	814	74.1%
Sub-Total	562	81.4%	463	73.3%	432	79.2%	402	74.4%	394	77.8%	2,253	77.5%
MHFA	51	47.7%	83	43.0%	66	54.1%	82	54.7%	58	58.0%	340	50.6%
Total Targ. Programs	613	76.9%	546	66.2%	498	74.2%	484	70.1%	452	74.6%	2,593	72.5%
All Boston Loans, for Comparison:												
Biggest Banks	1,060	54.8%	960	51.0%	729	51.1%	727	53.8%	758	58.9%	4,234	53.7%
All Lenders	1,584	35.6%	1,711	31.5%	1,620	28.4%	1,719	26.2%	1,976	27.3%	8,610	29.3%
B. LOANS TO LOW- AND MODERATE-INCOME BORROWERS												
Soft Second	270	98.9%	394	99.5%	306	99.4%	235	100.0%	224	99.1%	1,429	99.6%
NACA (UNAC)	199	69.6%	63	50.8%	61	61.6%	43	44.3%	78	60.0%	444	61.4%
ACORN	37	84.1%	148	86.5%	195	84.1%	235	70.8%	210	78.7%	825	78.9%
Sub-Total	506	83.9%	605	87.6%	562	87.9%	513	77.3%	512	82.2%	2,698	83.9%
MHFA	71	66.4%	149	77.2%	108	88.5%	130	86.7%	77	77.0%	535	79.6%
Total Targ. Programs	577	81.3%	754	85.3%	670	88.0%	643	79.0%	589	81.5%	3,233	83.2%
All Boston Loans, for Comparison:												
Biggest Banks	1,082	54.0%	1,117	58.4%	851	57.3%	801	56.1%	756	55.7%	4,607	56.3%
All Lenders	1,763	38.6%	2,062	37.7%	2,021	34.7%	2,167	31.6%	2,321	29.9%	10,334	33.9%
C. LOANS IN NINE-ZIP-CODE TARGET AREA*												
Soft Second	165	60.4%	199	50.3%	188	61.0%	147	67.7%	154	68.4%	853	60.6%
NACA (UNAC)	192	67.1%	89	71.0%	67	88.9%	64	65.3%	96	66.7%	508	67.6%
ACORN	79	60.3%	102	59.6%	155	66.0%	210	62.3%	167	62.5%	713	62.5%
Sub-Total	436	63.2%	390	56.3%	410	67.1%	421	64.6%	417	65.6%	2,074	62.8%
MHFA	52	48.6%	81	42.0%	51	41.8%	59	39.3%	45	45.0%	288	42.2%
Total Targ. Programs	488	67.9%	471	50.3%	461	63.1%	480	58.6%	462	62.8%	2,362	59.5%

Sources: Tables 14 through 17; HMDA data. For more information on sources and additional explanations, see "Notes on Data and Tables"
 The nine ZIP codes in the "target area" are 02118-02122, 02124-02126 & 02130.

- * Panel C does not include a comparison to all Boston loans because HMDA data do not report ZIP code of property.

CHART 13
PERCENT OF LOANS THAT HIT "TARGETS"
BY PROGRAM AND FOR ALL LENDERS, 1999

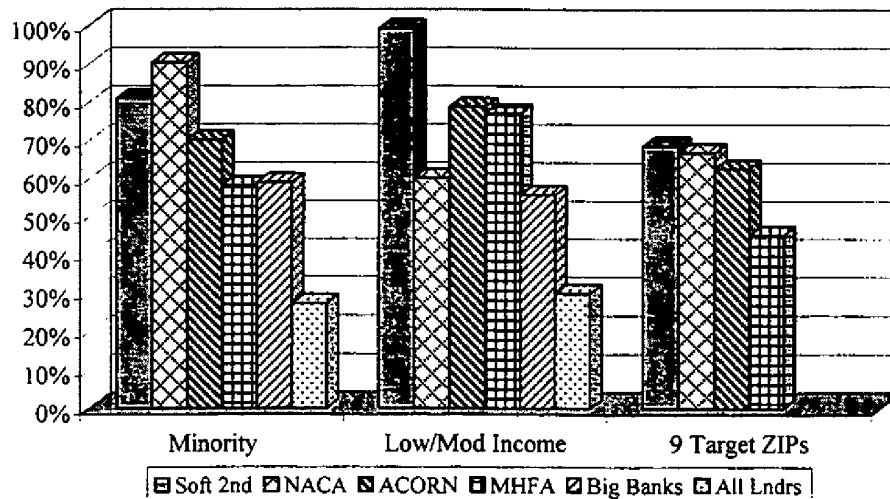


TABLE 14
DETAILED INFORMATION ON SOFT SECOND PROGRAM LOANS IN BOSTON
ALL BANKS COMBINED, 1995-1999

	1995		1996		1997		1998		1999		Total 1994-99	
	#	%	#	%	#	%	#	%	#	%	#	%
TOTAL LOANS	273		396		308		235		227		1439	
BY RACE												
Asian			12	3.6%	12	5.0%	8	7.1%	6	6.1%		
Black			119	35.6%	104	43.0%	30	26.8%	38	38.4%		
Hispanic			71	21.3%	58	24.0%	47	42.0%	35	35.4%		
Other			26	7.8%	10	4.1%	13	11.6%	1	1.0%		
Total Minority	196	73.7%	228	68.3%	184	76.0%	98	87.5%	80	80.8%	786	74.4%
White	70	26.3%	109	32.6%	58	24.0%	14	12.5%	19	19.2%	270	25.6%
No Information	7		59		66		123		128	129.3%	383	
BY INCOME												
below 20	50	18.5%	62	15.7%	21	6.8%	24	10.2%	9	4.0%	166	11.6%
20-25	63	23.3%	98	24.7%	74	24.0%	42	17.9%	39	17.3%	316	22.0%
25-30	81	30.0%	88	22.2%	110	35.7%	75	31.9%	58	25.7%	412	28.7%
30-35	56	20.7%	84	21.2%	52	16.9%	49	20.9%	76	33.6%	317	22.1%
35-40	18	6.7%	54	13.6%	32	10.4%	26	11.1%	28	12.4%	158	11.0%
above 40	2	0.7%	9	2.3%	19	6.2%	19	8.1%	16	7.1%	65	4.5%
low*	137	50.7%	221	55.8%	198	64.3%	141	60.0%	132	58.4%	829	57.8%
moderate*	133	49.3%	173	43.7%	108	35.1%	94	40.0%	92	40.7%	600	41.8%
low/moderate*	270	100.0%	394	99.5%	306	99.4%	235	100.0%	224	99.1%	1429	99.6%
No Information	3								1		4	
BY ZIP CODE												
BackBay -- 02115	1	0.4%	4	1.0%	1	0.3%	0	0.0%	1	0.4%	7	0.5%
Fenway -- 02116	0	0.0%	1	0.3%	1	0.3%	1	0.5%	1	0.4%	4	0.3%
South End -- 02118	1	0.4%	7	1.8%	0	0.0%	1	0.5%	3	1.3%	12	0.9%
Roxbury -- 02119	25	9.3%	21	5.4%	20	6.5%	18	8.3%	24	10.7%	108	7.7%
Roxbury Crossing -- 02120	1	0.4%	0	0.0%	3	1.0%	2	0.9%	0	0.0%	6	0.4%
Grove Hall -- 02121	8	3.0%	18	4.6%	10	3.2%	9	4.1%	16	7.1%	61	4.3%
Fields Corner -- 02122	12	4.5%	22	5.6%	20	6.5%	12	5.5%	14	6.2%	80	5.7%
Codman Square -- 02124	58	21.6%	45	11.5%	52	16.9%	41	18.9%	39	17.3%	235	16.7%
Uphams Corner -- 02125	24	9.0%	37	9.5%	29	9.4%	25	11.5%	30	13.3%	145	10.3%
Mattapan -- 02126	21	7.8%	21	5.4%	26	8.4%	21	9.7%	18	8.0%	107	7.6%
South Boston -- 02127	12	4.5%	16	4.1%	12	3.9%	2	0.9%	3	1.3%	45	3.2%
East Boston -- 02128	9	3.4%	35	9.0%	29	9.4%	22	10.1%	27	12.0%	122	8.7%
Charlestown -- 02129	0	0.0%	1	0.3%	0	0.0%	0	0.0%	0	0.0%	1	0.1%
Jamaica Plain -- 02130	15	5.6%	28	7.2%	28	9.1%	18	8.3%	10	4.4%	99	7.0%
Roslindale -- 02131	35	13.1%	47	12.1%	28	9.1%	17	7.8%	7	3.1%	134	9.5%
West Roxbury -- 02132	6	2.2%	16	4.1%	7	2.3%	3	1.4%	2	0.9%	34	2.4%
Allston -- 02134	2	0.7%	0	0.0%	1	0.3%	1	0.5%	0	0.0%	4	0.3%
Brighton -- 02135	6	2.2%	4	1.0%	4	1.3%	3	1.4%	7	3.1%	24	1.7%
Hyde Park -- 02136	29	10.8%	46	11.8%	36	11.7%	19	8.8%	18	8.0%	148	10.5%
Other Boston ZIPs	3	1.1%	21	5.4%	1	0.3%	2	0.9%	5	2.2%	32	2.3%
No Information	5		6				18		2		31	2.2%
5 Majority B+H ZIPs**	113	41.4%	105	26.5%	111	36.0%	91	41.9%	97	43.1%	517	36.7%
9 CIC Target ZIPs**	165	60.4%	199	50.3%	188	61.0%	147	67.7%	154	68.4%	853	60.6%

- * "Low" income is < \$26,151 for 1995; < \$28,251 for 1996; < \$29,801 for 1997; < \$30,001 for 1998; & < \$31,351 for 1999
 "Moderate" income is \$26,151-\$41,480 for 1995; \$28,251-\$45,200 for 1996; \$29,801-\$47,680 for 1997; \$30,0001-\$48,000 for 1998;
 and \$31,351-\$50,160 for 1999
- ** The 5 majority black & Hispanic ("core") ZIP code areas are 02119, 02120, 02121, 02124, & 02126; the 9 ZIPs in the Community Investment Coalition (CIC) "target area" are these five plus 02118, 02122, 02125, & 02130.

TABLE 15
DETAILED INFORMATION ON NACA (UNAC) MORTGAGE PROGRAM LOANS IN BOSTON
ALL BANKS COMBINED, 1995-1999

	1995		1996		1997		1998		1999		Total 1994-99	
	#	%	#	%	#	%	#	%	#	%	#	%
TOTAL LOANS	286		124		99		98		144		751	
BY RACE												
Asian	3	1.0%	3	2.4%	2	2.0%	1	1.0%	2	1.4%	11	1.5%
Black	199	69.6%	80	64.5%	68	68.7%	60	61.2%	88	61.1%	495	65.9%
Hispanic	47	16.4%	19	15.3%	10	10.1%	19	19.4%	39	27.1%	134	17.8%
Other	1	0.3%	2	1.6%	6	6.1%	3	3.1%	1	0.7%	13	1.7%
Total Minority	250	87.4%	104	83.9%	86	86.9%	83	84.7%	130	90.3%	653	87.0%
White	36	12.6%	20	16.1%	13	13.1%	15	15.3%	14	9.7%	98	13.0%
No Information												
BY INCOME												
below 20	33	11.5%	5	4.1%	0	0.0%	0	0.0%	1	0.8%	39	5.4%
20-25	34	11.9%	3	2.4%	4	4.0%	2	2.1%	6	4.6%	49	6.8%
25-30	42	14.7%	7	5.7%	10	10.1%	4	4.1%	7	5.4%	70	9.7%
30-35	48	16.8%	20	16.3%	10	10.1%	6	6.2%	11	8.5%	95	13.1%
35-40	31	10.8%	19	15.4%	14	14.1%	14	14.4%	13	10.0%	91	12.6%
above 40	97	33.9%	69	56.1%	61	61.6%	71	73.2%	92	70.8%	390	53.9%
low*	78	27.3%	11	8.9%	13	13.1%	6	6.2%	19	14.6%	127	17.6%
moderate*	121	42.3%	52	42.3%	48	48.5%	37	38.1%	59	45.4%	317	43.8%
low/moderate*	199	69.6%	63	51.2%	61	61.6%	43	44.3%	78	60.0%	444	61.4%
No Information			1				1		14		16	
BY ZIP CODE												
BackBay -- 02115	2	0.7%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	2	0.3%
Fenway -- 02116	3	1.0%	0	0.0%	2	2.0%	1	1.0%	0	0.0%	6	0.8%
South End -- 02118	2	0.7%	2	1.6%	1	1.0%	0	0.0%	0	0.0%	5	0.7%
Roxbury -- 02119	17	5.9%	4	3.2%	4	4.0%	10	10.2%	9	6.3%	44	5.9%
Roxbury Crossing -- 02120	3	1.0%	2	1.6%	1	1.0%	0	0.0%	1	0.7%	7	0.9%
Grove Hall -- 02121	6	2.1%	6	4.8%	5	5.1%	8	8.2%	12	8.3%	37	4.9%
Fields Corner -- 02122	7	2.4%	7	5.6%	3	3.0%	3	3.1%	7	4.9%	27	3.6%
Codman Square -- 02124	85	29.7%	41	33.1%	28	28.3%	26	26.5%	42	29.2%	222	29.6%
Uphams Corner -- 02125	22	7.7%	5	4.0%	8	8.1%	9	9.2%	5	3.5%	49	6.5%
Mattapan -- 02126	29	10.1%	11	8.9%	13	13.1%	5	5.1%	15	10.4%	73	9.7%
South Boston -- 02127	8	2.8%	3	2.4%	6	6.1%	2	2.0%	1	0.7%	20	2.7%
East Boston -- 02128	3	1.0%	2	1.6%	1	1.0%	7	7.1%	8	5.6%	21	2.8%
Charlestown -- 02129	1	0.3%	1	0.8%	0	0.0%	0	0.0%	1	0.7%	3	0.4%
Jamaica Plain -- 02130	21	7.3%	11	8.9%	4	4.0%	3	3.1%	5	3.5%	44	5.9%
Roslindale -- 02131	31	10.8%	9	7.3%	12	12.1%	8	8.2%	12	8.3%	72	9.6%
West Roxbury -- 02132	5	1.7%	2	1.6%	0	0.0%	2	0.0%	0	0.0%	9	1.2%
Allston -- 02134	1	0.3%	0	0.0%	0	0.0%	1	0.0%	2	1.4%	4	0.5%
Brighton -- 02135	2	0.7%	2	1.6%	2	2.0%	0	0.0%	0	0.0%	6	0.8%
Hyde Park -- 02136	38	13.3%	15	12.1%	9	9.1%	13	13.3%	23	16.0%	98	13.0%
Other Boston ZIPs	0	0.0%	1	0.8%	0	0.0%	0	0.0%	1	0.7%	2	0.3%
No Information												
5 Majority B+H ZIPs**	140	49.0%	64	51.6%	51	51.5%	49	50.0%	79	54.9%	383	51.0%
9 CIC Target ZIPs**	192	67.1%	89	71.8%	67	67.7%	64	65.3%	96	66.7%	508	67.6%

* "Low" income is < \$26,151 for 1995; < \$28,251 for 1996; < \$29,801 for 1997; < \$30,001 for 1998; & < \$31,351 for 1999
 "Moderate" income is \$26,151-\$41,480 for 1995; \$28,251-\$45,200 for 1996; \$29,801-\$47,680 for 1997; \$30,001-\$48,000 for 1998;
 and \$31,351-\$50,160 for 1999

** The 5 majority black & Hispanic ("core") ZIP code areas are 02119, 02120, 02121, 02124, & 02126; the 9 ZIPs in the Community Investment Coalition (CIC) "target area" are these five plus 02118, 02122, 02125, & 02130.

TABLE 16
DETAILED INFORMATION ON ACORN HOUSING PROGRAM LOANS IN BOSTON
ALL BANKS COMBINED, 1995-1999

	1995		1996		1997		1998		1999		Total 1994-99	
	#	%	#	%	#	%	#	%	#	%	#	%
TOTAL LOANS	131		171		235		337		267		1141	
BY RACE												
Asian	2	1.5%	3	1.8%	6	2.9%	8	2.4%	10	3.8%	29	2.6%
Black	90	69.2%	94	56.0%	112	53.8%	161	48.8%	122	46.4%	579	52.7%
Hispanic	23	17.7%	33	19.6%	41	19.7%	49	14.8%	47	17.9%	193	17.6%
Other	1	0.8%	1	0.6%	3	1.4%	3	0.9%	5	1.9%	13	1.2%
Total Minority	116	89.2%	131	78.0%	162	77.9%	221	67.0%	184	70.0%	814	74.1%
White	14	10.8%	37	22.0%	46	22.1%	109	33.0%	79	30.0%	285	25.9%
No Information	1		3		27		7		4		42	
BY INCOME												
below 20	4	9.1%	14	8.2%	14	6.0%	5	1.5%	10	3.7%	47	4.5%
20-25	12	27.3%	29	17.0%	27	11.6%	19	5.7%	19	7.1%	106	10.1%
25-30	9	20.5%	31	18.1%	40	17.2%	39	11.7%	33	12.4%	152	14.5%
30-35	8	18.2%	33	19.3%	51	22.0%	40	12.0%	35	13.1%	167	16.0%
35-40	3	6.8%	20	11.7%	32	13.8%	55	16.6%	37	13.9%	147	14.1%
above 40	8	18.2%	44	25.7%	68	29.3%	174	52.4%	133	49.8%	427	40.8%
low*	18	40.9%	60	35.1%	79	34.1%	63	19.0%	68	25.5%	288	27.5%
moderate*	19	43.2%	88	51.5%	116	50.0%	172	51.8%	142	53.2%	537	51.3%
low/moderate*	37	84.1%	148	86.5%	195	84.1%	235	70.8%	210	78.7%	825	78.9%
No Information	87				3		5				95	
BY ZIP CODE												
BackBay -- 02115	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	0.4%	1	0.1%
Fenway -- 02116	0	0.0%	0	0.0%	0	0.0%	3	0.9%	0	0.0%	3	0.3%
South End -- 02118	0	0.0%	0	0.0%	1	0.4%	0	0.0%	4	1.5%	5	0.4%
Roxbury -- 02119	1	0.8%	5	2.9%	18	7.7%	21	6.2%	22	8.2%	67	5.9%
Roxbury Crossing -- 02120	3	2.3%	0	0.0%	2	0.9%	4	1.2%	2	0.7%	11	1.0%
Grove Hall -- 02121	4	3.1%	9	5.3%	14	6.0%	9	2.7%	10	3.7%	46	4.0%
Fields Corner -- 02122	6	4.6%	11	6.4%	18	7.7%	22	6.5%	29	10.9%	86	7.5%
Codman Square -- 02124	41	31.3%	41	24.0%	51	21.7%	60	17.8%	41	15.4%	234	20.5%
Uphams Corner -- 02125	5	3.8%	5	2.9%	23	9.8%	27	8.0%	20	7.5%	80	7.0%
Mattapan -- 02126	14	10.7%	17	9.9%	19	8.1%	40	11.9%	23	8.6%	113	9.9%
South Boston -- 02127	4	3.1%	6	3.5%	9	3.8%	16	4.7%	7	2.6%	42	3.7%
East Boston -- 02128	2	1.5%	3	1.8%	8	3.4%	25	7.4%	27	10.1%	65	5.7%
Charlestown -- 02129	0	0.0%	0	0.0%	2	0.9%	2	0.6%	1	0.4%	5	0.4%
Jamaica Plain -- 02130	5	3.8%	14	8.2%	9	3.8%	27	8.0%	16	6.0%	71	6.2%
Roslindale -- 02131	22	16.8%	20	11.7%	29	12.3%	27	8.0%	26	9.7%	124	10.9%
West Roxbury -- 02132	3	2.3%	5	2.9%	5	2.1%	8	2.4%	5	1.9%	26	2.3%
Allston -- 02134	1	0.8%	1	0.6%	0	0.0%	0	0.0%	1	0.4%	3	0.3%
Brighton -- 02135	1	0.8%	2	1.2%	0	0.0%	3	0.9%	0	0.0%	6	0.5%
Hyde Park -- 02136	19	14.5%	29	17.0%	23	9.8%	38	11.3%	26	9.7%	135	11.8%
Other Boston ZIPs	0	0.0%	3	1.8%	4	1.7%	5	1.5%	6	2.2%	18	1.6%
No Information												
5 Majority B+H ZIPs**	63	48.1%	72	42.1%	104	44.3%	134	39.8%	98	36.7%	471	41.3%
9 CIC Target ZIPs**	79	60.3%	102	59.6%	155	66.0%	210	62.3%	167	62.5%	713	62.5%

* "Low" income is < \$26,151 for 1995; < \$28,251 for 1996; < \$29,801 for 1997; < \$30,001 for 1998; & < \$31,351 for 1999

"Moderate" income is \$26,151-\$41,480 for 1995; \$28,251-\$45,200 for 1996; \$29,801-\$47,680 for 1997; \$30,001-\$48,000 for 1998; and \$31,351-\$50,160 for 1999

** The 5 majority black & Hispanic ("core") ZIP code areas are 02119, 02120, 02121, 02124, & 02126; the 9 ZIPs in the Community Investment Coalition (CIC) "target area" are these five plus 02118, 02122, 02125, & 02130.

TABLE 17
DETAILED INFORMATION ON MHFA MORTGAGE LOANS IN BOSTON
ALL BANKS COMBINED, 1995-1999

	1995		1996		1997		1998		1999		Total 1994-99	
	#	%	#	%	#	%	#	%	#	%	#	%
TOTAL LOANS	107		193		122		150		100		672	
BY RACE												
Asian												
Black												
Hispanic												
Other												
Total Minority	51	47.7%	83	43.0%	66	54.1%	82	54.7%	58	58.0%	340	50.6%
White	56	52.3%	110	57.0%	56	45.9%	68	45.3%	42	42.0%	332	49.4%
No Information												
BY INCOME												
below 20	1	0.9%	3	1.6%	2	1.6%	1	0.7%	0	0.0%	7	1.0%
20-25	4	3.7%	8	4.1%	7	5.7%	9	6.0%	3	3.0%	31	4.6%
25-30	18	16.8%	14	7.3%	9	7.4%	17	11.3%	8	8.0%	66	9.8%
30-35	18	16.8%	36	18.7%	17	13.9%	19	12.7%	15	15.0%	105	15.6%
35-40	21	19.6%	46	23.8%	36	29.5%	36	24.0%	19	19.0%	158	23.5%
above 40	45	42.1%	86	44.6%	51	41.8%	68	45.3%	55	55.0%	305	45.4%
low*	10	9.3%	20	10.4%	16	13.1%	27	18.0%	16	16.0%	89	13.2%
moderate*	61	57.0%	129	66.8%	92	75.4%	103	68.7%	61	61.0%	446	66.4%
low/moderate*	71	66.4%	149	77.2%	108	88.5%	130	86.7%	77	77.0%	535	79.6%
No Information												
BY ZIP CODE												
BackBay -- 02115	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Fenway -- 02116	4	3.7%	0	0.0%	2	0.0%	0	0.0%	1	1.0%	7	1.0%
South End -- 02118	1	0.9%	3	1.6%	1	0.8%	0	0.0%	0	0.0%	5	0.7%
Roxbury -- 02119	3	2.8%	9	4.7%	9	7.4%	8	5.3%	2	2.0%	31	4.6%
Roxbury Crossing -- 02120	1	0.9%	2	1.0%	0	0.0%	0	0.0%	1	1.0%	4	0.6%
Grove Hall -- 02121	2	1.9%	2	1.0%	1	0.8%	1	0.7%	4	4.0%	10	1.5%
Fields Corner -- 02122	6	5.6%	11	5.7%	2	1.6%	5	3.3%	2	2.0%	26	3.9%
Codman Square -- 02124	16	15.0%	15	7.8%	11	9.0%	21	14.0%	18	18.0%	81	12.1%
Uphams Corner -- 02125	7	6.5%	14	7.3%	4	3.3%	8	5.3%	9	9.0%	42	6.3%
Mattapan -- 02126	4	3.7%	7	3.6%	4	3.3%	6	4.0%	4	4.0%	25	3.7%
South Boston -- 02127	11	10.3%	20	10.4%	5	4.1%	4	2.7%	4	4.0%	44	6.5%
East Boston -- 02128	4	3.7%	22	11.4%	19	15.6%	39	26.0%	27	27.0%	111	16.5%
Charlestown -- 02129	3	2.8%	7	3.6%	2	1.6%	8	5.3%	1	1.0%	21	3.1%
Jamaica Plain -- 02130	12	11.2%	18	9.3%	19	15.6%	10	6.7%	5	5.0%	64	9.5%
Roslindale -- 02131	19	17.8%	21	10.9%	14	11.5%	11	7.3%	7	7.0%	72	10.7%
West Roxbury -- 02132	4	3.7%	18	9.3%	5	4.1%	3	2.0%	3	3.0%	33	4.9%
Allston -- 02134	0	0.0%	2	1.0%	0	0.0%	0	0.0%	0	0.0%	2	0.3%
Brighton -- 02135	6	5.6%	7	3.6%	4	3.3%	5	3.3%	2	2.0%	24	3.6%
Hyde Park -- 02136	3	2.8%	5	2.6%	17	13.9%	18	12.0%	10	10.0%	53	7.9%
Other Boston ZIPs	1	0.9%	10	5.2%	3	2.5%	3	2.0%	0	0.0%	17	2.5%
No Information												
5 Majority B+H ZIPs**	26	24.3%	35	18.1%	25	20.5%	36	24.0%	29	29.0%	151	22.5%
9 CIC Target ZIPs**	52	48.6%	81	42.0%	51	41.8%	59	39.3%	45	45.0%	288	42.9%

* "Low" income is < \$26,151 for 1995; < \$28,251 for 1996; < \$29,801 for 1997; < \$30,001 for 1998; & < \$31,351 for 1999
 "Moderate" income is \$26,151-\$41,480 for 1995; \$28,251-\$45,200 for 1996; \$29,801-\$47,680 for 1997; \$30,001-\$48,000 for 1998;
 and \$31,351-\$50,160 for 1999

** The 5 majority black & Hispanic ("core") ZIP code areas are 02119, 02120, 02121, 02124, & 02126; the 9 ZIPs in the Community Investment Coalition (CIC) "target area" are these five plus 02118, 02122, 02125, & 02130.

TABLE 18-A

**NUMBER OF HOME-PURCHASE LOANS TO BLACK AND HISPANIC BORROWERS
IN 12 BOSTON INNER-RING CITIES & TOWNS, 1996-1999**

INNER RING		Black Borrowers				Hispanic Borrowers				All Borrowers					
City/Town	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	8	8	6	7	29	10	9	14	5	38	771	862	873	916	3,422
Cambridge	37	40	28	31	136	12	15	16	26	69	881	998	1,002	1,097	3,978
Chelsea	14	7	15	17	53	95	61	97	141	394	247	235	319	373	1,174
Dedham	3	4	6	3	16	3	6	5	10	24	347	345	357	373	1,422
Everett	21	30	40	45	136	23	18	32	61	134	296	287	401	495	1,479
Milton	48	62	28	51	189	9	4	6	7	26	384	394	436	411	1,625
Newton	11	7	13	11	42	14	11	8	13	46	961	1,017	1,108	1,151	4,237
Quincy	13	11	17	15	56	18	14	14	11	57	1,027	1,056	1,211	1,320	4,614
Revere	6	12	14	12	44	45	31	51	80	207	463	459	559	666	2,147
Somerville	31	26	24	27	108	37	38	32	40	147	474	518	642	691	2,325
Watertown	6	3	2	2	13	6	7	3	7	23	354	340	375	368	1,437
Winthrop	4	1	2	6	13	2	3	1	6	12	191	183	254	276	904
Inner-Ring Total	202	211	195	227	1,048	274	217	279	407	1,430	6,396	6,694	7,537	8,137	34,172
For Comparison:															
City of Boston	897	836	795	902	3,430	392	334	419	510	1,655	5,623	5,970	7,070	8,002	26,665
Outer-Ring Total	339	304	315	401	1,359	202	184	222	280	888	6,877	7,202	8,024	8,190	30,293
Boston MSA Total	1,689	1,564	1,565	1,823	6,641	1,114	974	1,215	1,577	4,880	43,641	45,854	52,009	54,079	195,583

TABLE 18-B
NUMBER OF HOME-PURCHASE LOANS TO BLACK AND HISPANIC BORROWERS
IN 15 BOSTON OUTER-RING CITIES & TOWNS, 1996-1999

OUTER RING City/Town	Black Borrowers				Hispanic Borrowers				All Borrowers						
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	7	8	7	8	30	11	5	5	7	28	563	633	665	614	2,475
Belmont	9	0	1	1	11	1	4	4	3	12	300	247	296	320	1,163
Braintree	4	2	1	3	10	3	3	4	1	11	456	460	466	597	1,979
Canton	5	6	10	5	26	3	1	2	7	13	326	295	379	388	1,388
Lynn	58	65	58	96	277	97	94	113	158	462	932	927	1,057	1,227	4,143
Malden	56	40	58	61	215	28	23	19	33	103	528	548	644	626	2,346
Medford	25	23	21	40	109	10	12	20	15	57	568	649	743	713	2,673
Needham	1	1	2	1	5	2	3	3	2	10	398	438	483	444	1,763
Randolph	142	131	132	151	556	18	17	16	26	77	453	484	519	554	2,010
Saugus	0	1	0	5	6	2	2	4	3	11	314	358	384	352	1,408
Waltham	19	16	16	19	70	22	14	20	14	70	600	556	614	593	2,363
Wellesley	4	3	2	3	12	0	0	2	3	5	381	423	456	433	1,693
Weston	0	1	0	3	4	0	0	1	0	1	181	173	164	131	649
Westwood	3	0	1	1	5	2	1	3	1	7	238	246	253	234	971
Weymouth	6	7	6	4	23	3	5	6	7	21	639	765	901	964	3,269
Outer-Ring Total	339	304	315	401	1,232	202	184	222	280	775	6,877	7,202	8,024	8,190	27,698
For Comparison:															
City of Boston	897	836	795	802	3,330	392	334	419	510	1,655	5,623	5,970	7,070	8,002	26,665
Inner-Ring Total	202	211	195	227	835	274	217	279	407	1,177	6,396	6,694	7,537	8,137	28,764
Boston MSA Total	1,689	1,564	1,565	1,823	6,641	1,114	974	1,215	1,577	4,880	43,641	45,854	52,009	54,079	195,583

TABLE 19-A

**PERCENT OF TOTAL HOME-PURCHASE LOANS THAT WENT TO BLACK AND
HISPANIC BORROWERS IN 12 BOSTON INNER-RING CITIES & TOWNS, 1996-1999**

INNER RING City/Town	Black HseHld %	Black Borrowers				Hisp HseHld %	Hispanic Borrowers				
		1996	1997	1998	1999		Total	1996	1997	1998	1999
Brookline	2.2%	1.0%	0.9%	0.7%	0.8%	0.8%	1.3%	1.0%	1.6%	0.5%	1.1%
Cambridge	10.9%	4.2%	4.0%	2.8%	2.8%	3.4%	1.4%	1.5%	1.6%	2.4%	1.7%
Chelsea	3.9%	5.7%	3.0%	4.7%	4.6%	4.5%	38.5%	26.0%	30.4%	37.8%	33.6%
Dedham	0.5%	0.9%	1.2%	1.7%	0.8%	1.1%	0.9%	1.7%	1.4%	2.7%	1.7%
Everett	3.0%	7.1%	10.5%	10.0%	9.1%	9.2%	7.8%	6.3%	8.0%	12.3%	9.1%
Milton	3.9%	12.5%	15.7%	6.4%	12.4%	11.6%	2.3%	1.0%	1.4%	1.7%	1.6%
Newton	1.6%	1.1%	0.7%	1.2%	1.0%	1.0%	1.5%	1.1%	0.7%	1.1%	1.1%
Quincy	1.0%	1.3%	1.0%	1.4%	1.1%	1.2%	1.8%	1.3%	1.2%	0.8%	1.2%
Revere	1.2%	1.3%	2.6%	2.5%	1.8%	2.0%	9.7%	6.8%	9.1%	12.0%	9.6%
Somerville	4.2%	6.5%	5.0%	3.7%	3.9%	4.6%	7.8%	7.3%	5.0%	5.8%	6.3%
Watertown	1.0%	1.7%	0.9%	0.5%	0.5%	0.9%	1.7%	2.1%	0.8%	1.9%	1.6%
Winthrop	0.6%	2.1%	0.5%	0.8%	2.2%	1.4%	1.0%	1.6%	0.4%	2.2%	1.3%
Inner-Ring Total	3.6%	3.2%	3.2%	2.6%	2.8%	3.2%	4.3%	3.2%	3.7%	5.0%	3.9%
For Comparison:											
City of Boston	20.6%	16.0%	14.0%	11.2%	11.3%	12.9%	8.1%	5.6%	5.9%	6.4%	6.2%
Outer-Ring Total	2.6%	4.9%	4.2%	3.9%	4.9%	4.5%	2.9%	2.6%	2.8%	3.4%	2.9%
Boston MSA Total	6.1%	3.9%	3.4%	3.0%	3.4%	3.4%	2.6%	2.1%	2.3%	2.9%	2.3%

TABLE 19-B

**PERCENT OF TOTAL HOME-PURCHASE LOANS THAT WENT TO BLACK AND
HISPANIC BORROWERS IN 15 BOSTON OUTER-RING CITIES & TOWNS, 1996-1999**

OUTER RING City/Town	Black HseHld %	Black Borrowers				Hisp HseHld %	Hispanic Borrowers				
		1996	1997	1998	1999		Total	1996	1997	1998	1999
Arlington	1.2%	1.2%	1.3%	1.1%	1.3%	1.2%	2.0%	0.8%	0.8%	1.1%	1.1%
Belmont	0.7%	3.0%	0.0%	0.3%	0.3%	0.9%	0.3%	1.6%	1.4%	0.9%	1.0%
Braintree	0.6%	0.9%	0.4%	0.2%	0.5%	0.5%	0.7%	0.7%	0.9%	0.2%	0.6%
Canton	1.2%	1.5%	2.0%	2.6%	1.3%	1.9%	0.9%	0.3%	0.5%	1.8%	0.9%
Lynn	5.9%	6.2%	7.0%	5.5%	7.8%	6.7%	10.4%	10.1%	10.7%	12.9%	11.2%
Malden	3.9%	10.6%	7.3%	9.0%	9.7%	9.2%	5.3%	4.2%	3.0%	5.3%	4.4%
Medford	3.4%	4.4%	3.5%	2.8%	5.6%	4.1%	1.8%	1.8%	2.7%	2.1%	2.1%
Needham	0.5%	0.3%	0.2%	0.4%	0.2%	0.3%	0.7%	0.7%	0.6%	0.5%	0.6%
Randolph	7.0%	31.3%	27.1%	25.4%	27.3%	27.7%	4.0%	3.5%	3.1%	4.7%	3.8%
Saugus	0.5%	0.0%	0.3%	0.0%	1.4%	0.4%	0.6%	0.6%	1.0%	0.9%	0.8%
Waltham	2.3%	3.2%	2.9%	2.6%	3.2%	3.0%	3.7%	2.5%	3.3%	2.4%	3.0%
Wellesley	1.0%	1.0%	0.7%	0.4%	0.7%	0.7%	0.0%	0.0%	0.4%	0.7%	0.3%
Weston	0.4%	0.0%	0.6%	0.0%	2.3%	0.6%	0.0%	0.0%	0.6%	0.0%	0.2%
Westwood	0.3%	1.3%	0.0%	0.4%	0.4%	0.5%	0.8%	0.4%	1.2%	0.4%	0.7%
Weymouth	1.0%	0.9%	0.9%	0.7%	0.4%	0.7%	0.5%	0.7%	0.7%	0.7%	0.6%
Outer-Ring Total	2.6%	4.9%	4.2%	3.9%	4.9%	4.4%	2.9%	2.6%	2.8%	3.4%	2.8%
For Comparison:											
City of Boston	20.6%	16.0%	14.0%	11.2%	10.0%	12.5%	7.0%	5.6%	5.9%	6.4%	6.2%
Inner-Ring Total	3.6%	3.2%	3.2%	2.6%	2.8%	2.9%	4.3%	3.2%	3.7%	5.0%	4.1%
Boston MSA Total	6.1%	3.9%	3.4%	3.0%	3.4%	3.4%	2.6%	2.1%	2.3%	2.9%	2.3%

TABLE 20-A
BLACK HOME-PURCHASE LOAN APPLICATIONS AND DENIALS
IN 12 BOSTON INNER-RING CITIES & TOWNS, 1996-1999

INNER RING City/Town	Black Applications					Black Denial Rate					Black/White Denial Rate Ratio				
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	12	10	9	9	40	25.0%	10.0%	33.3%	0.0%	17.5%	4.11	2.21	8.29	0.00	3.50
Cambridge	52	55	38	44	189	21.2%	14.5%	10.5%	13.6%	15.3%	3.24	2.19	2.53	1.68	2.40
Chelsea	25	10	24	25	84	24.0%	10.0%	25.0%	16.0%	20.2%	1.66	0.78	3.04	1.28	1.71
Dedham	5	6	7	7	25	40.0%	16.7%	0.0%	14.3%	16.0%	7.52	2.16	0.00	2.16	2.35
Everett	33	39	51	63	186	21.2%	12.8%	5.9%	14.3%	12.9%	1.73	1.18	0.62	1.14	1.14
Milton	73	78	37	66	254	13.7%	9.0%	16.2%	16.6%	11.8%	2.91	1.32	3.07	2.22	2.19
Newton	15	11	16	15	57	13.3%	18.2%	6.3%	0.0%	8.8%	1.96	2.75	1.16	0.00	1.39
Quincy	19	21	23	18	81	21.1%	19.0%	4.3%	5.6%	12.3%	2.37	2.65	0.52	0.76	1.56
Revere	9	18	20	18	65	11.1%	33.3%	15.0%	22.2%	21.5%	0.72	2.67	1.61	1.52	1.65
Somerville	45	37	37	39	158	20.0%	16.2%	13.5%	10.3%	15.2%	1.88	1.63	1.50	1.17	1.60
Watertown	10	3	5	3	21	20.0%	0.0%	40.0%	0.0%	19.0%	3.49	0.00	8.31	0.00	3.01
Winthrop	5	2	4	7	18	0.0%	50.0%	0.0%	0.0%	5.6%	0.00	4.50	0.00	0.00	0.59
Inner-Ring Total	303	290	271	314	1,178	18.8%	14.5%	12.5%	11.5%	14.3%	2.32	1.89	1.91	1.36	1.86
For Comparison:															
City of Boston	1,287	1,287	1,183	1,481	5,238	18.3%	19.5%	15.2%	20.5%	18.5%	1.96	1.86	1.99	2.16	2.01
Outer-Ring Total	476	410	435	551	1,872	17.0%	13.9%	12.9%	14.7%	14.7%	2.37	1.95	2.21	1.78	2.07
Boston MSA Total	2,407	2,320	2,234	2,775	9,736	17.7%	17.8%	13.8%	17.7%	16.8%	2.30	2.35	2.15	1.95	2.28

TABLE 20-B

**BLACK HOME-PURCHASE LOAN APPLICATIONS AND DENIALS
IN 15 BOSTON OUTER-RING CITIES & TOWNS, 1996-1999**

OUTER RING City/Town	Black Applications				Black Denial Rate					Black/White Denial Rate Ratio					
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	11	9	7	12	39	0.0%	11.1%	0.0%	16.5%	7.7%	0.00	1.88	0.00	3.44	1.57
Belmont	10	1	1	1	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.00	0.00	0.00	0.00	0.00
Braintree	8	3	3	5	19	25.0%	33.3%	0.0%	10.0%	21.1%	4.79	4.82	0.00	2.91	3.18
Canton	5	7	13	7	32	0.0%	0.0%	0.0%	0.0%	0.0%	0.00	0.00	0.00	0.00	0.00
Lynn	91	91	80	131	393	27.5%	15.4%	13.8%	12.2%	16.8%	2.48	1.45	1.42	1.09	1.58
Malden	94	56	79	81	310	27.7%	14.3%	10.1%	17.3%	18.1%	3.13	1.52	1.72	1.23	1.87
Medford	29	29	31	58	147	0.0%	10.3%	22.6%	19.0%	14.3%	0.00	1.57	4.55	2.17	2.10
Needham	1	2	4	1	8	0.0%	0.0%	50.0%	0.0%	25.0%	0.00	0.00	15.50	0.00	5.03
Randolph	179	177	186	203	745	11.2%	14.7%	15.1%	13.8%	13.7%	1.23	2.20	1.65	1.92	1.70
Saugus	2	4	1	6	13	0.0%	25.0%	0.0%	0.0%	7.7%	0.00	3.72	0.00	0.00	0.98
Waltham	30	18	18	26	92	23.3%	11.1%	0.0%	15.4%	14.1%	2.53	1.22	0.00	1.95	1.73
Wellesley	4	4	2	7	17	0.0%	25.0%	0.0%	28.6%	17.6%	0.00	5.75	0.00	6.17	4.02
Weston	1	1	0	5	7	100.0%	0.0%	-	20.0	28.6%	22	0.00	-	2.18	4.71
Westwood	3	0	2	1	6	0.0%	-	0.0%	0.0%	0.0%	0.00	-	0.00	0.00	0.00
Weymouth	8	8	8	7	31	0.0%	0.0%	0.0%	28.6%	6.5%	0.00	0.00	0.00	3.43	0.87
Outer-Ring Total	476	410	435	551	1,872	17.0%	13.9%	12.9%	14.7%	14.7%	2.37	1.95	2.21	1.78	2.07
For Comparison:															
City of Boston	1,287	1,287	1,183	1,481	5,238	18.3%	19.5%	15.2%	20.5%	18.5%	1.96	1.82	1.99	2.16	2.00
Inner-Ring Total	303	290	271	314	1,178	18.8%	14.5%	12.5%	11.5%	14.3%	2.32	1.89	1.91	1.36	1.86
Boston MSA Total	2,407	2,320	2,234	2,775	9,736	17.7%	17.8%	13.8%	17.7%	16.8%	2.30	2.35	2.15	1.95	2.28

TABLE 21-A
HISPANIC HOME-PURCHASE LOAN APPLICATIONS AND DENIALS
IN 12 BOSTON INNER-RING CITIES & TOWNS, 1996-1999

INNER RING City/Town	Hispanic Applications					Hispanic Denial Rate					Hispanic/White Denial Rate Ratio				
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	13	11	17	6	47	15.4%	9.1%	11.8%	0.0%	10.6%	2.53	2.00	2.93	0.00	2.13
Cambridge	16	24	19	45	104	18.8%	16.7%	10.5%	13.3%	14.4%	2.87	2.51	2.53	1.64	2.26
Chelsea	137	94	127	192	550	21.9%	17.0%	13.4%	13.0%	16.0%	1.51	1.32	1.63	1.04	1.35
Dedham	4	6	8	10	28	0.0%	0.0%	0.0%	0.0%	0.0%	0.00	0.00	0.00	0.00	0.00
Everett	30	24	47	82	183	13.3%	12.5%	12.8%	18.3%	15.3%	1.09	1.16	1.35	1.46	1.35
Milton	12	5	6	8	31	25.0%	0.0%	0.0%	12.5%	12.9%	5.31	0.00	0.00	2.62	2.39
Newton	16	13	9	16	54	0.0%	7.7%	0.0%	6.3%	3.7%	0.00	1.16	0.00	0.96	0.59
Quincy	19	20	18	20	77	5.3%	10.0%	22.2%	30.0%	16.9%	0.59	1.39	2.66	4.08	2.13
Revere	61	41	60	113	275	9.8%	22.0%	5.0%	15.0%	12.7%	0.64	1.76	0.54	1.03	0.98
Somerville	53	54	37	58	202	20.8%	16.7%	2.7%	15.5%	14.9%	1.95	1.67	0.30	1.76	1.57
Watertown	8	10	3	8	29	12.5%	20.0%	0.0%	0.0%	10.3%	2.18	3.21	0.00	0.00	1.63
Winthrop	5	3	1	7	16	20.0%	0.0%	0.0%	0.0%	6.3%	3.09	0.00	0.00	0.00	0.66
Inner-Ring Total	374	305	352	565	1,596	16.6%	15.4%	9.9%	14.2%	14.0%	2.04	2.01	1.52	1.68	1.82
For Comparison:															
City of Boston	547	485	571	728	2,331	15.2%	16.1%	12.1%	15.7%	14.8%	1.63	1.53	1.58	1.65	1.60
Outer-Ring Total	265	254	296	412	1,227	12.5%	12.6%	10.5%	0.17718	13.8%	1.73	1.76	1.80	2.15	1.94
Boston MSA Total	1,516	1,362	1,638	2,216	6,732	14.7%	14.1%	11.7%	14.6%	13.8%	1.92	1.86	1.82	1.61	1.87

TABLE 21-B
HISPANIC HOME-PURCHASE LOAN APPLICATIONS AND DENIALS
IN 15 BOSTON OUTER-RING CITIES & TOWNS, 1996-1999

OUTER RING City/Town	Hispanic Applications				Hispanic Denial Rate					Hispanic/White Denial Rate Ratio					
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	13	9	6	12	40	7.7%	11.1%	0.0%	0.0%	5.0%	1.61	1.88	0.00	0.00	1.02
Belmont	1	5	6	4	16	0.0%	20.0%	16.7%	0.0%	12.5%	0.00	6.33	2.85	0.00	2.32
Braintree	3	3	8	3	17	0.0%	0.0%	25.0%	0.0%	11.8%	0.00	0.00	3.39	0.00	1.77
Canton	4	3	3	7	17	0.0%	0.0%	33.3%	0.0%	5.9%	0.00	0.00	14.75	0.00	1.05
Lynn	132	134	153	239	658	15.9%	14.9%	12.4%	18.4%	15.8%	1.44	1.41	1.28	1.65	1.48
Malden	37	33	30	45	145	10.8%	21.2%	13.3%	17.8%	15.9%	1.22	2.26	2.26	1.27	1.64
Medford	13	17	23	27	80	23.1%	0.0%	0.0%	29.6%	13.8%	3.34	0.00	0.00	3.39	2.02
Needham	2	3	3	2	10	0.0%	0.0%	0.0%	0.0%	0.0%	0.00	0.00	0.00	0.00	0.00
Randolph	22	18	17	32	89	9.1%	0.0%	0.0%	12.5%	6.7%	1.00	0.00	0.00	1.74	0.84
Saugus	2	4	5	7	18	0.0%	50.0%	20.0%	42.9%	33.3%	0.00	7.45	3.71	4.03	4.24
Waltham	30	17	26	17	90	6.7%	5.9%	7.7%	11.8%	7.8%	0.72	0.64	1.21	1.49	0.95
Wellesley	0	0	4	4	8	-	-	25.0%	0.0%	12.5%	-	-	8.34	0.00	2.85
Weston	0	0	1	0	1	-	-	0.0%	-	0.0%	-	-	0.00	-	0.00
Westwood	2	3	3	1	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.00	0.00	0.00	0.00	0.00
Weymouth	4	5	8	12	29	0.0%	0.0%	0.0%	33.3%	13.8%	0.00	0.00	0.00	4.00	1.86
Outer-Ring Total	265	254	296	412	1,227	12.5%	12.6%	10.5%	17.7%	13.8%	1.73	1.76	1.80	3.05	1.94
For Comparison:															
City of Boston	547	485	571	728	2,331	15.2%	16.1%	12.1%	15.7%	14.8%	1.63	1.50	1.58	2.05	1.60
Inner-Ring Total	374	305	352	565	1,596	16.6%	15.4%	9.9%	14.2%	14.0%	2.04	2.01	1.52	2.16	1.82
Boston MSA Total	1,516	1,362	1,638	2,216	6,732	14.7%	14.1%	11.7%	14.6%	13.8%	1.92	1.86	1.82	2.28	1.87

TABLE 22-A
NUMBER OF HOME-PURCHASE LOANS TO LOW- AND MODERATE-INCOME BORROWERS*
IN 12 BOSTON INNER-RING CITIES & TOWNS, 1996-1999

INNER RING City/Town	Low-Income Borrowers*					Low PLUS Mod Income Borrowers*					All Borrowers				
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	16	20	30	17	83	119	122	126	111	478	771	862	873	904	3,410
Cambridge	54	63	53	33	203	216	245	183	161	805	881	998	1,002	1,073	3,954
Chelsea	80	44	64	83	271	155	127	169	229	680	247	235	319	363	1,164
Dedham	17	11	13	10	51	75	75	63	88	301	347	345	357	350	1,399
Everett	32	22	45	49	148	142	134	197	211	684	296	287	401	479	1,463
Milton	6	6	13	10	35	51	42	42	36	171	384	394	436	401	1,615
Newton	19	15	12	29	75	76	69	67	107	319	961	1,017	1,108	1,123	4,209
Quincy	84	74	107	102	367	399	374	438	434	1,645	1,027	1,056	1,211	1,275	4,569
Revere	61	38	62	64	225	235	217	253	287	992	463	459	559	635	2,116
Somerville	37	28	50	38	153	186	158	190	170	704	474	518	642	663	2,297
Watertown	18	15	12	16	61	80	67	62	76	285	354	340	375	352	1,421
Winthrop	15	15	20	18	68	63	52	78	82	275	191	183	254	269	897
Inner-Ring Total	439	351	481	469	1,740	1,797	1,682	1,868	1,992	7,339	6,396	6,694	7,537	7,887	28,514
For Comparison:															
City of Boston	589	587	597	578	2,351	2,062	2,021	2,167	2,321	8,571	5,623	5,970	7,070	7,766	26,429
Outer-Ring Total	414	415	509	533	1,871	1,996	2,096	2,161	2,291	8,544	6,877	7,202	8,024	7,968	30,071
Boston MSA Total	2,353	2,247	3,012	2,971	10,583	10,863	11,110	12,405	12,997	47,375	43,641	45,854	52,009	52,671	194,175

* Low-income and moderate-income are defined in relationship to the median family income (MFI) in the Boston Metropolitan Statistical Area (MSA), which was \$36,500 in 1996, \$39,600 in 1997, \$60,000 in 1998, and \$62,700 in 1999. Low-income is less than 50%, and moderate income is between 50% and 80%, of the MFI in the MSA. In this study, reported incomes below \$10K are regarded as errors rather than low-income. HMDA data round income to the nearest thousand dollars. Thus, in 1996, low-income was \$28K or less and mod-income was \$29K-\$45K; in 1997, low-income was \$29K or less and mod-income was \$30-\$47K; in 1998, low-income was \$30K or less and mod-income was \$31K-\$48K; and in 1999, low-income was \$31K or less and mod-income was \$32K-\$50K.

TABLE 22-B
NUMBER OF HOME-PURCHASE LOANS TO LOW- AND MODERATE-INCOME BORROWERS*
IN 15 BOSTON OUTER-RING CITIES & TOWNS, 1996-1999

OUTER RING City/Town	Low-Income Borrowers*					Low PLUS Mod Income Borrowers*					All Borrowers				
	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	14	18	23	16	71	86	115	80	101	382	563	633	665	604	2,465
Belmont	3	3	4	4	14	21	14	13	25	73	300	247	296	315	1,158
Braintree	18	15	28	22	83	116	130	115	146	507	456	460	466	588	1,970
Canton	14	8	11	13	46	51	54	67	70	242	326	295	379	377	1,377
Lynn	162	154	159	207	682	547	536	577	666	2,326	932	927	1,057	1,185	4,101
Malden	44	35	69	49	197	249	244	276	232	1,001	528	548	644	602	2,322
Medford	20	27	33	30	110	177	214	189	171	751	568	649	743	688	2,648
Needham	2	3	3	8	16	20	22	25	26	93	398	438	483	437	1,756
Randolph	41	40	46	51	178	191	202	210	214	817	453	484	519	538	1,994
Saugus	16	25	18	18	77	96	100	109	93	398	314	358	384	342	1,398
Waltham	26	27	32	26	111	149	130	132	139	550	600	556	614	579	2,349
Wellesley	5	0	5	2	12	14	10	11	11	46	381	423	456	420	1,680
Weston	1	1	1	0	3	1	6	2	1	10	181	173	164	126	644
Westwood	2	2	1	3	8	24	25	15	15	79	238	246	253	228	965
Weymouth	46	57	76	84	263	254	294	340	381	1,269	639	765	901	939	3,244
Outer-Ring Total	414	415	509	533	1,871	1,996	2,096	2,161	2,291	8,544	6,877	7,202	8,024	7,968	30,071
For Comparison:															
City of Boston	589	587	597	578	2,351	2,062	2,021	2,167	2,321	8,571	5,623	5,970	7,070	7,766	26,429
Inner-Ring Total	439	351	481	469	1,740	1,797	1,682	1,868	1,992	7,339	6,396	6,694	7,537	7,887	28,514
Boston MSA Total	2,353	2,247	3,012	2,971	10,583	10,863	11,110	12,405	12,997	47,375	43,641	45,854	52,009	52,671	194,175

* Low-income and moderate-income are defined in relationship to the median family income (MFI) in the Boston Metropolitan Statistical Area (MSA), which was \$56,500 in 1996, \$59,600 in 1997, \$60,000 in 1998, and \$62,700 in 1999. Low-income is less than 50%, and moderate income is between 50% and 80% of the MFI in the MSA. In this study, reported incomes below \$10K are regarded as errors rather than low-income. HMDA data round income to the nearest thousand dollars. Thus, in 1996, low-income was \$28K or less and mod-income was \$29K-\$45K; in 1997, low-income was \$29K or less and mod-income was \$30-\$47K; in 1998, low-income was \$30K or less and mod-income was \$31K-\$48K; and in 1999, low-income was \$31K or less and mod-income was \$32K-\$50K.

TABLE 23-A

**PERCENT OF TOTAL HOME-PURCHASE LOANS THAT WENT TO LOW- AND
MODERATE-INCOME BORROWERS IN 12 BOSTON INNER-RING CITIES AND TOWNS, 1996-1999**

INNER RING City/Town	Median Family Income	Low-Income Borrowers*					Low PLUS Mod Income Borrowers*				
		1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	\$61,799	2.1%	2.3%	3.4%	1.9%	2.4%	15.4%	14.2%	14.4%	12.3%	14.0%
Cambridge	\$39,990	6.1%	6.3%	5.3%	3.1%	5.1%	24.5%	24.5%	18.3%	15.0%	20.4%
Chelsea	\$29,039	32.4%	18.7%	20.1%	22.9%	23.3%	62.8%	54.0%	53.0%	63.1%	58.4%
Dedham	\$52,554	4.9%	3.2%	3.6%	2.9%	3.6%	21.6%	21.7%	17.6%	25.1%	21.5%
Everett	\$37,397	10.8%	7.7%	11.2%	10.2%	10.1%	48.0%	46.7%	49.1%	44.1%	46.8%
Milton	\$61,964	1.6%	1.5%	3.0%	2.5%	2.2%	13.3%	10.7%	9.6%	9.0%	10.6%
Newton	\$70,071	2.0%	1.5%	1.1%	2.6%	1.8%	7.9%	6.8%	6.0%	9.5%	7.6%
Quincy	\$44,184	8.2%	7.0%	8.8%	8.0%	8.0%	38.9%	35.4%	36.2%	34.0%	36.0%
Revere	\$37,213	13.2%	8.3%	11.1%	10.1%	10.6%	50.8%	47.3%	45.3%	45.2%	46.9%
Somerville	\$38,532	7.8%	5.4%	7.8%	5.7%	6.7%	39.2%	30.5%	29.6%	25.6%	30.6%
Watertown	\$49,467	5.1%	4.4%	3.2%	4.5%	4.3%	22.6%	19.7%	16.5%	21.6%	20.1%
Winthrop	\$45,677	7.9%	8.2%	7.9%	6.7%	7.6%	33.0%	28.4%	30.7%	30.5%	30.7%
Inner-Ring Total	\$47,758	6.9%	5.2%	6.4%	5.9%	6.1%	28.1%	25.1%	24.8%	25.3%	25.7%
For Comparison:											
City of Boston	\$34,377	10.5%	9.8%	8.4%	7.4%	8.9%	36.7%	33.9%	30.7%	29.9%	32.4%
Outer-Ring Total	\$51,662	6.0%	5.8%	6.3%	6.7%	6.2%	29.0%	29.1%	26.9%	28.8%	28.4%
Boston MSA Total	\$48,686	5.4%	4.9%	5.8%	5.6%	5.5%	24.9%	24.2%	23.9%	24.7%	24.4%

* Low-income and moderate-income are defined in relationship to the median family income (MFI) in the Boston Metropolitan Statistical Area (MSA), which was \$56,500 in 1996, \$59,600 in 1997, \$60,000 in 1998, and \$62,700 in 1999. Low-income is less than 50%, and moderate income is between 50% and 80% of the MFI in the MSA. In this study, reported incomes below \$10K are regarded as errors rather than low-income. HMDA data round income to the nearest thousand dollars. Thus, in 1996, low-income was \$28K or less and mod-income was \$29K-\$45K; in 1997, low-income was \$29K or less and mod-income was \$30-\$47K; in 1998, low-income was \$30K or less and mod-income was \$31K-\$48K; and in 1999, low-income was \$31K or less and mod-income was \$32K-\$50K.

TABLE 23-B

**PERCENT OF TOTAL HOME-PURCHASE LOANS THAT WENT TO LOW- AND MODERATE-
INCOME BORROWERS IN 15 BOSTON OUTER-RING CITIES AND TOWNS, 1996-1999**

OUTER RING City/Town	Median Family Income	Low-Income Borrowers*					Low PLUS Mod Income Borrowers*				
		1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	\$52,749	2.5%	2.8%	3.5%	2.6%	2.9%	15.3%	18.2%	12.0%	16.7%	15.5%
Belmont	\$61,046	1.0%	1.2%	1.4%	1.3%	1.2%	7.0%	5.7%	4.4%	7.9%	6.3%
Braintree	\$51,920	3.9%	3.3%	6.0%	3.7%	4.2%	25.4%	28.3%	24.7%	24.8%	25.7%
Canton	\$62,471	4.3%	2.7%	2.9%	3.4%	3.3%	15.6%	18.3%	17.7%	18.6%	17.6%
Lynn	\$35,830	17.4%	16.6%	15.0%	17.5%	16.6%	58.7%	57.8%	54.6%	56.2%	56.7%
Malden	\$42,099	8.3%	6.4%	10.7%	8.1%	8.5%	47.2%	44.5%	42.9%	38.5%	43.1%
Medford	\$45,532	3.5%	4.2%	4.4%	4.4%	4.2%	31.2%	33.0%	25.4%	24.9%	28.4%
Needham	\$69,515	0.5%	0.7%	0.6%	1.8%	0.9%	5.0%	5.0%	5.2%	5.9%	5.3%
Randolph	\$50,718	9.1%	8.3%	8.9%	9.5%	8.9%	42.2%	41.7%	40.5%	39.8%	41.0%
Saugus	\$48,669	5.1%	7.0%	4.7%	5.3%	5.5%	30.6%	27.9%	28.4%	27.2%	28.5%
Waltham	\$45,730	4.3%	4.9%	5.2%	4.5%	4.7%	24.8%	23.4%	21.5%	24.0%	23.4%
Wellesley	\$90,030	1.3%	0.0%	1.1%	0.5%	0.7%	3.7%	2.4%	2.4%	2.6%	2.7%
Weston	\$108,751	0.6%	0.6%	0.6%	0.0%	0.5%	0.6%	3.5%	1.2%	0.8%	1.6%
Westwood	\$67,317	0.8%	0.8%	0.4%	1.3%	0.8%	10.1%	10.2%	5.9%	6.6%	8.2%
Weymouth	\$48,331	7.2%	7.5%	8.4%	8.9%	8.1%	39.7%	38.4%	37.7%	40.6%	39.1%
Outer-Ring Total	\$51,662	6.0%	5.8%	6.3%	6.7%	6.2%	29.0%	29.1%	26.9%	28.8%	28.4%
For Comparison:											
City of Boston	\$34,377	10.5%	9.8%	8.4%	7.4%	8.9%	36.7%	33.9%	30.7%	29.9%	32.4%
Outer-Ring Total	\$47,758	6.9%	5.2%	6.4%	5.9%	6.1%	28.1%	25.1%	24.8%	25.3%	25.7%
Boston MSA Total	\$48,686	5.4%	4.9%	5.8%	5.6%	5.5%	24.9%	24.2%	23.9%	24.7%	24.4%

* Low-income and moderate-income are defined in relationship to the median family income (MFI) in the Boston Metropolitan Statistical Area (MSA), which was \$56,500 in 1996, \$59,600 in 1997, \$60,000 in 1998, and \$62,700 in 1999. Low-income is less than 50%, and moderate income is between 50% and 80% of the MFI in the MSA. In this study, reported incomes below \$10K are regarded as errors rather than low-income. HMDA data round income to the nearest thousand dollars. Thus, in 1996, low-income was \$28K or less and mod-income was \$29K-\$45K; in 1997, low-income was \$29K or less and mod-income was \$30-\$47K; in 1998, low-income was \$30K or less and mod-income was \$31K-\$48K; and in 1999, low-income was \$31K or less and mod-income was \$32K-\$50K.

TABLE 24-A

**HOME-PURCHASE LOANS IN LOW- AND MODERATE-INCOME CENSUS TRACTS
IN 12 BOSTON INNER-RING CITIES & TOWNS: NUMBER AND PERCENT, 1996-1999**

INNER RING City/Town	Census Tracts			Loans in LMI Tracts					Loans in LMI Tracts as % of All Loans				
	LMI	Total	%LMI	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Brookline	0	12	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Cambridge	13	30	43.3%	231	270	293	365	1,159	26.2%	27.1%	29.2%	33.3%	29.1%
Chelsea	5	7	71.4%	205	190	266	331	992	83.0%	80.9%	83.4%	88.7%	84.5%
Dedham	0	5	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Everett	5	7	71.4%	221	207	299	368	1,095	74.7%	72.1%	74.6%	74.3%	74.0%
Milton	0	4	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Newton	0	18	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Quincy	3	16	18.8%	155	186	223	235	799	15.1%	17.6%	18.4%	17.8%	17.3%
Revere	6	8	75.0%	302	298	392	464	1,456	65.2%	64.9%	70.1%	69.7%	67.8%
Somerville	8	15	53.3%	279	276	367	397	1,319	58.9%	53.3%	57.2%	57.5%	56.7%
Watertown	0	5	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Winthrop	0	5	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Inner-Ring Total	40	132	30.3%	1,393	1,427	1,840	2,160	6,820	21.8%	21.3%	24.4%	26.5%	23.7%
For Comparison:													
City of Boston	115	168	68.5%	2,679	2,975	3,560	4,241	13,455	47.6%	49.8%	50.4%	53.0%	50.5%
Outer-Ring Total	23	117	19.7%	733	717	810	968	3,228	10.7%	10.0%	10.1%	11.8%	10.7%
Boston MSA Total	228	762	29.9%	6,415	6,826	8,496	9,620	31,357	14.7%	14.9%	16.3%	17.8%	16.0%

* Low-income and moderate-income census tracts are those whose median family income (MFI) in the 1990 Census was no greater than \$38,949, which was 80% of the MFI of \$48,868 in the Boston Metropolitan Statistical Area (MSA). Census tracts were identified for this study on the basis of income information included with 1999 HMDA data.

TABLE 24-B

**HOME-PURCHASE LOANS IN LOW- AND MODERATE-INCOME CENSUS TRACTS
IN 15 BOSTON OUTER-RING CITIES & TOWNS: NUMBER AND PERCENT, 1996-1999**

OUTER RING City/Town	Census Tracts		Loans in LMI Tracts					Loans in LMI Tracts as % of All Loans					
	LMI	Total	%LMI	1996	1997	1998	1999	Total	1996	1997	1998	1999	Total
Arlington	1	7	14.3%	52	57	61	65	235	9.2%	9.0%	9.2%	10.6%	9.5%
Belmont	0	8	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Braintree	0	8	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Canton	0	4	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Lynn	16	22	72.7%	533	540	576	734	2,383	57.2%	58.3%	54.5%	59.8%	57.5%
Malden	1	9	11.1%	16	18	25	21	80	3.0%	3.3%	3.9%	3.4%	3.4%
Medford	1	11	9.1%	42	43	59	53	197	7.4%	6.6%	7.9%	7.4%	7.4%
Needham	0	5	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Randolph	0	4	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Saugus	0	6	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Waltham	4	13	30.8%	90	59	89	95	333	15.0%	10.6%	14.5%	16.0%	14.1%
Wellesley	0	5	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Weston	0	2	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Westwood	0	3	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Weymouth	0	10	0.0%	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
Outer-Ring Total	23	117	19.7%	733	717	810	968	3,228	10.7%	10.0%	10.1%	11.8%	14.6%
For Comparison:													
City of Boston	115	168	68.5%	2,679	2,975	3,560	4,241	13,455	47.6%	49.8%	50.4%	53.0%	50.5%
Inner-Ring Total	40	132	30.3%	1,393	1,427	1,840	2,160	6,820	21.8%	21.3%	24.4%	26.5%	23.7%
Boston MSA Total	228	762	29.9%	6,415	6,826	8,496	9,620	31,357	14.7%	14.9%	16.3%	17.8%	16.0%

* Low-income and moderate-income census tracts are those whose median family income (MFI) in the 1990 Census was no greater than \$38,949, which was 80% of the MFI of \$48,868 in the Boston Metropolitan Statistical Area (MSA). Census tracts were identified for this study on the basis of income information included with 1999 HMDA data.

TABLE 25

**HOME-PURCHASE LOANS TO TRADITIONALLY UNDERSERVED BORROWERS AND NEIGHBORHOODS
IN THE BOSTON AREA, BY FOUR MAJOR TYPES OF LENDERS: 1999**

	Total Loans		Loans to Black Borrowers		Loans to Hispanic Borrowers		Loans to Low-Income Borrowers		Loans to Low PLUS Mod Income Borrowers		Loans in Low PLUS Mod Income Tracts	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
A. Inner-Ring												
Big Four Boston Banks	709	8.7%	59	26.0%	180	44.2%	113	24.0%	358	18.0%	345	16.0%
All Mass. Other Banks and CUs	2,230	27.4%	54	23.8%	73	17.9%	112	23.8%	526	26.4%	554	25.6%
Prime Mortgage Companies	4,989	61.3%	105	46.3%	139	34.2%	231	49.0%	1,040	52.2%	1,166	54.0%
Subprime Mortgage Companies	209	2.6%	9	4.0%	15	3.7%	15	3.2%	68	3.4%	95	4.4%
Inner-Ring Total	8,137	100.0%	227	100.0%	407	100.0%	471	100.0%	1,992	100.0%	2,160	100.0%
B. Outer-Ring												
Big Four Boston Banks	624	7.6%	101	25.2%	76	27.1%	93	17.4%	285	12.4%	145	15.0%
All Mass. Other Banks and CUs	2,439	29.8%	83	20.7%	39	13.9%	120	22.5%	606	26.5%	198	20.5%
Prime Mortgage Companies	4,856	59.3%	187	46.6%	141	50.4%	282	52.9%	1,290	56.3%	551	56.9%
Subprime Mortgage Companies	271	3.3%	30	7.5%	24	8.6%	38	7.1%	110	4.8%	74	7.6%
Outer-Ring Total	8,190	100.0%	401	100.0%	280	100.0%	533	100.0%	2,291	100.0%	968	100.0%
C. City of Boston												
Big Four Boston Banks	1,383	17.3%	415	46.0%	255	50.0%	228	39.4%	756	32.6%	910	21.5%
All Mass. Other Banks and CUs	1,660	20.7%	110	12.2%	58	11.4%	107	18.5%	402	17.3%	794	18.7%
Prime Mortgage Companies	4,692	58.6%	315	34.9%	175	34.3%	226	39.1%	1,073	46.2%	2,340	55.2%
Subprime Mortgage Companies	267	3.3%	62	6.9%	22	4.3%	17	2.9%	90	3.9%	197	4.6%
City of Boston Total	8,002	100.0%	902	100.0%	510	100.0%	578	100.0%	2,321	100.0%	4,241	100.0%
D. Boston MSA												
Big Four Boston Banks	3,870	7.2%	597	32.7%	545	34.6%	504	17.0%	1,696	13.0%	1,520	15.8%
All Mass. Other Banks and CUs	16,528	30.6%	298	16.3%	287	18.2%	870	29.3%	3,932	30.3%	2,310	24.0%
Prime Mortgage Companies	32,088	59.3%	797	43.7%	661	41.9%	1,462	49.2%	6,842	52.6%	5,328	55.4%
Subprime Mortgage Companies	1,593	2.9%	131	7.2%	84	5.3%	135	4.5%	527	4.1%	462	4.8%
Boston MSA Total	54,079	100.0%	1,823	100.0%	1,577	100.0%	2,971	100.0%	12,997	100.0%	9,620	100.0%

Big Four Boston Banks are BankBoston, Fleet, Boston Safe Deposit, and Citizens -- including all of their bank and mortgage company affiliates.

All Other Mass. Banks and CUs are all other Massachusetts banks and credit unions -- including their mortgage company affiliates.

"Prime Mortgage Companies" are all lenders not affiliated with Massachusetts banks or credit unions, including: out-of-state banks, mortgage companies, and other lenders -- except for those lenders included in the following category ("Subprime Mortgage Companies").

"Subprime Mortgage Companies" are those identified as such on a list prepared by the U.S. Department of Housing and Urban Development.

Low-Income Borrowers are those with HMDA reported incomes of between \$11K and \$32K; Moderate-Income Borrowers are those with HMDA reported incomes between \$33K and \$50K. The cut-off points were set at 50% and 80% of \$62,700, which was the Median Family Income (MFI) of the Boston MSA in 1999.

Low- and Moderate-Income Census Tracts are those whose Median Family Income in the 1990 Census was less than 80% of the MFI of the Boston MSA.

NOTES ON DATA AND METHODS

General Notes

Data on loans, applications, and denials were calculated from Home Mortgage Disclosure Act (HMDA) data, as collected, processed, and released each year by the Federal Financial Institutions Examination Council. Among the HMDA data provided for each loan application are: the identity of the lending institution; the census tract in which the property is located; the race 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 for a one-to-four family building; or any loan for a building with five or more dwelling units); the amount of the loan or request; and the disposition of the application (loan originated, approved but not accepted by applicant, denied, application withdrawn, or file closed for incompleteness). The raw HMDA data were pruned to create a database consisting only of records of applications for home-purchase loans for properties located in the Massachusetts portion of the Boston Metropolitan Statistical Area (MSA). (Although a small portion of the Boston MSA extends into southern New Hampshire, the Massachusetts portion of the MSA accounted for 99.7% of the MSA's total applications in 1997.)

Adjustment for the double-counting of Soft Second Program loans in Boston: Because the Soft Second Program (SSP) results in the creation of two mortgages for each home purchased – a first mortgage and a ("soft") second mortgage – SSP applications and loans are sometimes double-counted in HMDA data. I therefore attempted to locate all pairs of SSP records (by matching year, lender, action, census tract, and applicant characteristics) in my database and delete the record in each pair that had the smaller loan amount. This resulted in the removal of a total of 1,595 records from the database (1,240 records for second mortgage loans and 355 records for SSP applications that did not result in loans; 172 of these records, including 137 loans, were from 1999; 201 records [152 loans] from 1998; 219 records [156 loans] from 1997; 310 records [229 loans] from 1996; 273 records [225 loans] from 1995; 268 records [215 loans] from 1994; and 152 records [126 loans] from earlier years). Because SSP loans are targeted to minority and low/mod income borrowers, failing to remove their double-counting would overstate lending to these borrowers. There was no adjustment for the double-counting of SSP loans outside of the City of Boston.

Income categories for applicants/borrowers are defined in relationship to the median family income of the Boston Metropolitan Statistical Area (MSA) as reported annually by the U.S. Department of Housing and Urban Development: \$46,300 in 1990, \$50,200 in 1991, \$51,100 in 1992, \$51,200 in 1993, \$51,300 in 1994, \$53,100 in 1995, \$56,500 in 1996, \$59,600 in 1997, \$60,000 in 1998, and \$62,700 in 1999. Income categories are defined as follows -- low: below 50% of the MSA median; moderate: between 50% and 80% of the MSA median; middle: between 80% and 120% of the MSA median; high: between 120% and 200% of the MSA median; and highest: over 200% of the MSA median. Using these definitions, specific income ranges were calculated for each category for each year. Applicants/borrowers were assigned to income categories on the basis of their income as reported (to the nearest \$1000) in the HMDA data.

Racial/Ethnic categories are those used in HMDA data. "Asian," is short for "Asian or Pacific Islander, Non-Hispanic"; "Black" is short for "Black, Non-Hispanic"; and "White" is short for "White, Non-Hispanic."

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. For example, of the 11,081 Boston home-purchase loan applications in 1999, 72.2% resulted in loans being originated and 12.4% were denied; in addition, 5.8% of all applications were approved by the bank but not accepted by the applicant; 8.4% were withdrawn by the applicant, and 1.2% resulted in files being closed because of incompleteness of the application.

Notes Specifically Related to Boston (Tables 2-10)

Denial rates for the U.S. reported in Table 4 (but not those for Boston or for Massachusetts) are for conventional home-purchase loans only. Nationwide, 16.4% of all 1999 home-purchase applications were for government-backed loans (i.e., VA or FHA loans), and the black, Hispanic, and white denial rates for government-backed loans were only about one-quarter as great as for conventional loans [Federal Reserve Bulletin, 9/2000, pp. A65 & A66]. In Boston, by contrast, only 6.6% of applications in 1999 were for government-backed loans (almost unchanged from 6.5% in 1998; down from 9.3% in 1997, 9.5% in 1996, and 7.8% in 1995; but higher than the 5.5% in 1994 and 1.6% in 1990); the denial rates for conventional loans in Boston were 10.5% for Asians, 20.8% for blacks, 14.2% for Hispanics, and 9.2% for whites – very close to the denial rates for all Boston applicants reported in Table 4.

Analysis of mortgage lending by neighborhood in Table 6 is based on 1980 census tracts, which were the basis for HMDA reporting through 1991. Four 1980 census tracts (0004.00, 0005.00, 0008.00, and 0104.00) were subdivided into pairs of 1990 census tracts (for example, 0004.01 and 0004.02). Applications and loans in each pair of newly subdivided tracts for 1992 and subsequent years were combined and attributed to their "parent" 1980 census tract. Racial composition and median family incomes for each "parent" census tract for 1990 were calculated from the census data for its two "offspring" census tracts. The census did not report income data for tract 1501.00 (Harbor Islands). Low- and moderate-income census tracts are those with 1989 median family incomes, as reported by the 1990 U.S. census, of 80% or less of the 1990 median family income of the Boston MSA as reported by HUD. To take into account the fact that the numbers and types of housing units may differ among census tracts, lending rates for different sets of census tracts are compared estimates of the number of mortgageable housing units in the same sets of tracts that were calculated from Boston Redevelopment Authority data on Boston residential housing units in 1990.

Minor differences in totals and percentages reported in different tables result from incomplete data. For example, Tables 7-10 report a total of 8,002 loans for 1999, whereas total 1999 loans in Table 2 include only the 7,248 loans for which data on the race of the applicant was reported, and total 1999 loans in Table 3 include only the 7,766 loans for which applicant income of over \$10,000 was reported.

Lender names reported in Table 8 in many cases represent sets of affiliated lenders that are treated separately in HMDA data. For example, through 1998, the loans attributed to "Fleet" were reported in HMDA data under the names and ID numbers of eleven different subsidiaries of Fleet Financial Group.

Major Types of Lenders: The category of "Biggest Boston Banks" consists of BankBoston, BayBanks (through 1996), Boston Safe Deposit (including its parent Mellon beginning in 1994), Citizens, Fleet, and Shawmut (through 1996) – plus all of their lending affiliates. The category of "All Other Massachusetts Banks and Credit Unions" includes the mortgage company affiliates of these lenders; in 1999, 101 lenders in this category made loans in Boston. These included 95 Massachusetts banks and 20 Massachusetts credit unions (who made a total of 68 loans, less than 1% of all loans in the city). The category of "Mortgage Companies" includes all lenders not included in either of the first two categories. In 1999, 141 lenders in this category made loans in Boston; on the basis of their names, these can be grouped as 79 mortgage companies, 60 out-of-state banks, and 2 out-of-state credit unions. The category of "Subprime Mortgage Companies" is a subset of the "Mortgage Companies" category; it consists of Massachusetts lenders included in the annual lists of subprime lenders produced by the U.S. Department of Housing and Urban Development (HUD). For an explanation of the methods and criteria used in compiling these lists, and to obtain copies of the lists themselves, see the HUD website at: www.huduser.org/datasets/manu.html. In 1999, 34 subprime lenders made loans in Boston; none of these were affiliated with Massachusetts banks or credit unions.

Notes Specifically Related to Targeted Mortgage Program Lending in Boston (Tables 11-17)

Information on the key features of the targeted mortgage programs, as summarized in Table 11, is based on interviews with numerous representatives of the banks, community groups, and other organizations involved in the loan programs – as well as written documentation, when available.

Information on the number, date, borrower characteristics, and location of loans made under the targeted mortgage programs was obtained from a number of sources, whose databases include different variables, classified in different ways. Data on Soft Second Program (SSP) loans in Boston were furnished by Bret Riley (through 1996) and by Heather Hennessey (1997-99) of the Massachusetts Housing Partnership Fund, which maintains a database on SSP loans statewide. Data on Massachusetts Housing Finance Agency (MHFA) loans were furnished by Fatima Ali-Salaam (through 1996) and by Virginia Healy (1997-99). Data on Neighborhood Assistance Corporation of America (NACA, formerly called the Union Neighborhood Assistance Corporation [UNAC]) loans for 1995 were provided by Brian Mellor of NACA; for other years, Bruce Marks of UNAC declined to provide information. It was necessary to obtain information about NACA loans (for years other than 1995) and for all ACORN loans from the individual participating banks. This information was provided by Bonnie Huedorfer and Cheryl Roberts at BankBoston; Margaret Harrison and Trish Signet at the Boston Company; Julie Connelly and Cheryl Perino at Citizens; John Marston, Joan Quinn, Marcia Ramos, and Debbie Annunziata at Fleet; and Kathy Tullberg at Shawmut. I have used my best judgment in reconciling inconsistencies in the data obtained.

Information on race/ethnicity of borrowers, as shown in Tables 13-17, is often reported for the collective category of "minority" borrowers. This is because the database for the Soft Second Program (SSP) for years before 1996 records only minority or non-minority status of borrowers and because the MHFA, although its database does include information on the race/ethnicity of minority borrowers, declined to allow that information to be used in this report (citing its lack of verification). Also, because of very limited race information in the Massachusetts Housing Partnership database for 1996 and 1997, the data on the specific race/ethnicity of SSP borrowers that are presented in Table 14 for those two years were obtained primarily from two other sources: HMDA data in my personal database (see second note, above) and information provided directly by two individual banks at my request.

Information on geographical location of loans, as shown in Tables 13-17, are reported in terms of ZIP Code Areas (ZCAs) because this is how the data are maintained in most of the databases from which the data for this report are drawn. It is impossible to provide comparative information on loans by the biggest Boston banks and by all lenders, because HMDA data report location by census tract and many census tracts are divided between two (or more) ZCAs. The "Nine-ZIP-Code Target Area" cited in Table 13 consists of all nine of the Boston ZCAs with over 25% black and Hispanic residents; they are the same nine ZCAs that comprised the "CIC area" identified at the beginning of the decade by the Community Investment Coalition – a consortium of six community-based organizations formed in early 1989 that played a leading role in that year's Boston's community reinvestment struggles. Tables 14-17 also present information on the number of loans in a more narrowly defined area consisting of the five Boston ZCAs with more than 50% black and Hispanic residents.