

# Changing Patterns XXV

*Mortgage Lending to*

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*Traditionally Underserved*

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*Borrowers & Neighborhoods*

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*in Boston, Greater Boston and*

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*Massachusetts, 2017*

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BY

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A REPORT PREPARED FOR

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MASSACHUSETTS COMMUNITY & BANKING COUNCIL

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## **ACKNOWLEDGEMENTS**

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## FOREWORD

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The Massachusetts Community & Banking Council (MCBC) is pleased to offer *Changing Patterns XXV*, its 25th report on mortgage lending patterns in the state of Massachusetts. The report includes data on mortgage lending trends in minority neighborhoods in Massachusetts in 2017 with comparisons to lending trends in majority white neighborhoods and with comparisons to local demographic characteristics. The primary goal of this report is to contribute to improved credit flows to homebuyers across Massachusetts, particularly in minority neighborhoods, by presenting a careful description of mortgage lending trends.

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

MCBC's Mortgage Lending Committee, which includes representatives from city and state programs, regulatory agencies, community and non-profit organizations and financial institutions, oversees the promotion of this report and works to identify other ways to leverage public and private resources to support mortgage lending and across the Commonwealth. The Committee regularly hosts speakers from a variety of city, state and community-based programs that assist first time homebuyers and promote affordable home ownership in low- and moderate-income areas.

This report and its supplementary tables, as well as earlier reports from the Mortgage Lending Committee, are available on MCBC's website at [www.mcabc.info](http://www.mcabc.info). Other MCBC reports are also available at this website, together with further information on MCBC's committees and programs.

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MCBC's 2018 Community Partners include ACCION, Citizens Housing and Planning Association, Community Teamwork, Inc., ESAC, the Fair Housing Center of Greater Boston, Financial Education Associates, Interise, the Massachusetts Affordable Housing Alliance, the Massachusetts Association of CDCs, the Massachusetts Association of Housing Cooperatives, the Massachusetts Housing Partnership, MassHousing, the Metropolitan Boston Housing Partnership, the Somerville Community Corporation, the South Eastern Economic Development (SEED) Corporation, and Wayfinders. Government Agency and Other Partners include City of Boston Department of Neighborhood Development, Consumer Credit Counseling Services, Don't Borrow Trouble (Freddie Mac), FDIC Money Smart Program, Federal Reserve Bank of Boston, Massachusetts Bankers Association, Massachusetts Credit Union League, Massachusetts Division of Banks, and the Massachusetts Mortgage Bankers Association.

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## EXECUTIVE SUMMARY

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This is the twenty-fifth in the annual series of *Changing Patterns* reports prepared for the Massachusetts Community & Banking Council (MCBC) by the present author. The report presents information on home-purchase mortgage lending in the city of Boston, in Greater Boston, in Massachusetts, in Boston neighborhoods, and in thirty-six large cities.

This “Executive Summary” highlights some of the report’s most interesting findings. A more inclusive summary is provided by the bold-faced portions of the bullet points in the body of the report, and by the charts and tables that are interspersed with the text. Readers interested in additional detail will want to investigate the tables that follow the body of the report.

Many of the report’s findings relate to FHA loans—loans made by private lenders that are insured by the Federal Housing Administration. Although FHA loans are somewhat more expensive for borrowers than conventional loans, they offer a reasonable option for those unable to obtain a conventional loan. The current high level of FHA loans, especially to traditionally underserved borrowers and neighborhoods, is not itself a problem, but is rather a symptom of—and a constructive response to—an underlying problem: the lack of availability of conventional loans to those borrowers and neighborhoods.

### **Level and Composition of Mortgage Lending**

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❖ FHA loans continued to account for historically high shares of total lending in 2017. In Greater Boston, FHA loans accounted for 9% of all home-purchase lending, down from 10% in 2016, and far below their peak share of 23% in 2009. In the City of Boston, the FHA share of all home-purchase loans was lower, at 6%, while statewide it was substantially higher, at 16%. The FHA loan shares remain far above those of 2004 through 2007, when FHA loans accounted for only one percent of home-purchase loans in Greater Boston. [Table 1 & Exhibit 1]

❖ For the state’s twenty-six Gateway Cities combined, 33% of home-purchase loans in 2017 were FHA loans, double the statewide FHA loan share of 16%. Among the state’s biggest cities, FHA loan shares were highest in Brockton (where they accounted for 56% of all loans), Lawrence (51%), Springfield (49%), New Bedford (48%), and Fall River (45%). [Table 2]

### **Borrower Race/Ethnicity and Income**

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❖ Black and Latino borrowers in Boston, Greater Boston, and statewide received shares of total non-FHA loans in 2017 that were far below their shares of total households. In Greater Boston, blacks made up 7.3% of households but received only 2.4% of non-FHA home-purchase loans, while Latinos, who made up 6.8% of households, received only 4.5% of non-FHA loans. In Boston, the black household share was 21.0% and the Latino household share was 13.7%, but the black and Latino shares of non-FHA loans were just 5.0% and 3.7%. [Table 4]

❖ Nevertheless, the black and Latino shares of total non-FHA loans have increased steadily over the past five years. In Greater Boston, the black share of total non-FHA loans increased from 1.8% in 2012 to 2.4% in 2017, while the Latino share increased from 2.6% to 4.5%. Blacks and Latinos experienced similar increases in their loan shares in the city of Boston and statewide. While the loan shares remain small, they have increased consistently since 2012. [Table 5]

❖ Black and Latino borrowers in Boston, in Greater Boston, and statewide were much more likely to receive FHA loans in 2017 than were their white or Asian counterparts. For home-purchase loans in Greater Boston, FHA loans accounted for 36% of loans to blacks and 37% of loans to Latinos, but only 7% of loans to whites. In the City of Boston, FHA loans accounted for 35% of loans to blacks, 27% of loans to Latinos, and 2% of loans to whites.

FHA loan shares were consistently much *lower* for Asian borrowers than for whites. [Table 4 & Exhibit 3]

- ❖ When borrowers in Boston, Greater Boston, and Massachusetts are grouped into five income categories, FHA shares of home-purchase loans in 2017 tend to decline steadily as the level of borrower income increases. In Greater Boston, FHA shares of home-purchase loans fell steadily from 16% for moderate-income borrowers to 1% for highest-income borrowers. [Table 8]
- ❖ The share of all home-purchase loans in Greater Boston that went to low- and moderate-income (LMI) borrowers rose slightly to 21% in 2017. After reaching a peak in 2009, the LMI shares of home-purchase loans fell sharply through 2014—from 36% to 18% in Boston, from 31% to 21% in Greater Boston, and from 37% to 30% statewide—but have been relatively stable in the last four years. [Table 10 & Exhibit 5]

### **Neighborhood and Municipalities**

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- ❖ For home-purchase loans in Greater Boston in 2017, the FHA loan share in predominantly minority tracts (those with at least 75% minority residents) was four times greater than the FHA loan share in predominantly white tracts (28% vs. 7%). The FHA share in low-income census tracts was six times greater than it was in upper-income tracts (23% vs. 3.8%). [Table 15]
- ❖ FHA lending varied dramatically among Boston's neighborhoods. The FHA share of home-purchase loans in 2017 ranged from 38% in Mattapan, 22% in Hyde Park, and 21% in Roxbury to 0.0% in nine neighborhoods. The five Boston neighborhoods with the highest percentages of minority residents—Mattapan, Roxbury, Dorchester, Hyde Park, and East Boston—had the five highest shares of FHA loans. [Table 17]
- ❖ Home-purchase lending to black and Latino borrowers varied dramatically among Boston's twenty major neighborhoods in 2017. Just four neighborhoods (Dorchester, Hyde Park, Mattapan, and Roxbury) accounted for 82% of all Boston loans to blacks, while in two neighborhoods (Allston and Seaport) blacks received no loans and in four neighborhoods there was just one loan to a black homebuyer. For Latinos, just three neighborhoods (Dorchester, Hyde Park, and East Boston) accounted for over half (54%) of all Boston loans in 2017, while in four other neighborhoods Latinos received either a single loan (Downtown and North End) or no loans (Back Bay and Beacon Hill). [Table 18 & Exhibit 6]
- ❖ Total home-purchase lending to blacks and Latinos in 2017 was highly concentrated in a small number of the state's cities and towns, and entirely absent in many others. Brockton alone accounted for 19% of all loans to blacks in Massachusetts, while accounting for only 1.7% of total loans in the state. Just five cities (adding Boston, Springfield, Worcester, and Randolph) accounted for almost one-half (46%) of all loans to blacks in Massachusetts. Eight cities (Springfield, Lawrence, Lynn, Worcester, Boston, Methuen, Brockton, and Revere) accounted for 42% of all loans to Latinos in the state. However, the concentration of lending to blacks has fallen in the last ten years, as Boston's share of all Massachusetts loans to blacks dropped from 27% to 11% while the combined loan share of the top five cities fell from 60% to 46%. [Tables 19A & 19B]
- ❖ Meanwhile, in 65 of the state's 351 cities and towns—the same number as in 2016—there was not a single home-purchase loan to either a black or Latino homebuyer. [Supp. Table 2]

## Denials of Mortgage Applications

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- ❖ In Boston, Greater Boston, and Massachusetts in 2017, the denial rates on non-FHA home-purchase loan applications by blacks and Latinos were much higher than the corresponding denial rates for whites. The black/white denial rate disparity ratio was 2.8 in Boston (12.7% vs. 4.5%), 2.8 in Greater Boston (12.9% vs. 4.6%), and 2.2 statewide (12.5% vs. 5.8%). Latino/white denial rate disparity ratios were 2.8 in Boston, and 1.9 in Greater Boston and statewide. [Table 20 & Exhibit 7]
- ❖ Even though black and Latino applicants had, on average, substantially lower incomes than their white counterparts, the higher denial rates experienced by blacks and Latinos cannot be explained by their lower incomes. When applicants in Boston, in Greater Boston, and statewide are grouped into income categories, the 2017 denial rates for blacks and for Latinos were generally well above the denial rates for white applicants in the same income category. For example, in Greater Boston the denial rates for applicants with incomes between \$101,000 and \$125,000 were 10.2% for blacks, 7.4% for Latinos, and 3.7% for whites. [Table 21 & Exhibit 8]
- ❖ While there have been ups and downs in the Asian/white, black/white, and Latino/white denial rate disparity ratios during the last fourteen years, there are no major changes in the basic patterns. Between 2004 and 2017, there has been no clear trend in the black/white ratio, a modest downward trend in the Latino/white ratio, and a clear upward trend in the Asian/white ratio. [Table 22 & Exhibit 9]

## Lenders

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- ❖ Licensed Mortgage Lenders (LMLs) in 2017 had the biggest loan shares in Greater Boston (45%) and statewide (48%) for the second consecutive year. Massachusetts banks and credit unions (CRA-covered lenders) were second with loan shares of 43% in Greater Boston and 38% statewide. Other Lenders were a distant third, with loan shares of 12% in Greater Boston and 13% statewide. LMLs accounted for a much larger share of FHA loans than of all loans, while the reverse was true for CRA-covered lenders; in Greater Boston, their FHA loan shares were 80% and 15%, respectively. [Table 23 & Exhibit 10]
- ❖ In the twenty-five-year history of the *Changing Patterns* series of reports, 2016 and 2017 are the only years in which Massachusetts banks and credit unions (CRA-covered lenders) did not clearly outperform the other types of lenders as measured by the percentage of their total loans that went to five categories of traditionally underserved borrowers and neighborhoods. [Table 26]
- ❖ Guaranteed Rate was the biggest lender in Boston, Greater Boston, and statewide in 2017. The next four biggest lenders in Greater Boston were Leader Bank, Fairway Independent Mortgage, Wells Fargo Bank, and loanDepot. These five lenders accounted for 26% of total home-purchase loans in Greater Boston. Of the top thirty lenders, fourteen were Massachusetts banks covered by the CRA, fourteen were Licensed Mortgage Lenders, and only two were out-of-state banks with no Massachusetts branches. [Table 27 & Exhibit 11]



## INTRODUCTION

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This report is the twenty-fifth in an annual series of studies that was initiated by *Changing Patterns: Mortgage Lending in Boston, 1990–1993*. The report focuses on lending in 2017 in Boston, Greater Boston, and Massachusetts. It also provides limited information on lending in Boston’s neighborhoods and in thirty-six of the state’s largest cities and towns and on lending trends over the 2004–2017 period. In addition, a separate set of supplemental tables provides selected data for every city and town in Massachusetts and for the state’s fourteen counties.

The principal goal of this report, like its predecessors, is to contribute to improving the performance of mortgage lenders in meeting the needs of traditionally underserved borrowers and neighborhoods by presenting a careful description of what has happened that all interested parties—community groups, consumer advocates, banks and other lenders, regulators, and policy-makers—can agree is fair and accurate. In this way, the *Changing Patterns* series of reports seeks to provide useful annual inputs into the complex, ongoing tasks of explanation and evaluation of the lending patterns observed.

### Changing Patterns...

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The series is aptly named: mortgage lending since 1990 has indeed been characterized by “changing patterns.” In the early 1990s, Massachusetts banks, responding to community and regulatory pressures to fulfill their obligations under the state and/or federal Community Reinvestment Act (CRA), greatly increased their lending to the lower-income and minority borrowers and neighborhoods that had previously been underserved. In the following years, however, these banks lost most of their market share to other lenders—independent mortgage companies and out-of-state banks—whose local lending was not covered by the CRA.

In the middle 1990s, subprime lending began its explosive growth, thereby bringing the proliferation

of higher-cost mortgage loans to the same borrowers and in the same neighborhoods that had traditionally been underserved. As a result, the problem of *redlining* became overshadowed by concern with *reverse redlining*. Predatory lenders pushed loans with egregiously high interest rates and fees, unconscionable features, and/or highly deceptive sales practices on minority borrowers and neighborhoods.

Subprime lending peaked in 2005 and 2006, and then began a precipitous drop that resulted in its almost complete disappearance by the onset of the financial crisis of 2008. Accordingly, concerns over fairness in mortgage lending have returned to problems of access to conventional mortgage loans by traditionally underserved borrowers and neighborhoods.

In the aftermath of the financial crisis, the reduced availability of conventional mortgage loans led to a dramatic increase in the market share of FHA loans (loans insured by the Federal Housing Administration). While FHA loans are generally made in a responsible way, the required insurance premiums make them more costly than conventional loans. The high level of FHA loans, especially to traditionally underserved borrowers and neighborhoods, is not itself a problem, but is rather a symptom of—and a constructive response to—an underlying problem: the lack of availability of conventional loans to those borrowers and neighborhoods.<sup>1</sup>

Most recently, 2016 and 2017 were the first years in the twenty-five-year history of the *Changing Patterns* series of reports that Massachusetts banks and credit unions (the only lenders covered by the federal and/or state Community Reinvestment Act) did not clearly outperform other types of lenders by making larger shares of their loans to traditionally underserved borrowers and neighborhoods.

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<sup>1</sup> The “Notes on FHA (and VA) Lending” at the end of this report provide considerable additional information on the nature of FHA-insured loans and the reasons for their high levels in recent years. Those “Notes” also explain that this report’s focus on FHA-insured loans rather than on all government-backed loans combined is primarily because VA loans (loans guaranteed by the U.S. Department of Veterans Affairs) are much more comparable to conventional loans than they are to FHA loans in terms of their cost, the borrowers and communities who receive them, their denial rates, and their rates of delinquency and foreclosure.



## ...But Persistent Disparities

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In spite of these significant changes in mortgage lending patterns over the past quarter-century, one central pattern has persisted: substantial racial and ethnic disparities. Blacks and Latinos have consistently received shares of total loans far below their population shares; the loans that they do obtain have been much more likely to be higher-cost loans (subprime loans in the mid-2000s, FHA loans more recently); and their applications for mortgage loans continue to be denied at much higher rates. These disparities have persisted both for black and Latino individuals and for geographical areas with high percentages of black and Latino residents. The persistence of these stark racial and ethnic disparities in mortgage lending patterns parallels the persistence of stark racial and ethnic disparities in all other areas of American economic and social life.

## Data Used and Loans Covered

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The main data source for this report is the Home Mortgage Disclosure Act (HMDA) data released annually by the federal government. HMDA data include information from almost all lenders who make substantial numbers of mortgage loans. For each loan application received, the data include the income, race, ethnicity, and sex of the applicant; the location of the property; whether the loan is for home purchase, refinance, or home improvement; whether or not the loan is an FHA-insured or other government-backed loan; whether the loan is secured by a first lien or a junior lien on the property; whether or not the loan is for an owner-occupied home; and the action taken on the application. The data also indicate whether or not the loan is a higher-cost loan as determined by its annual percentage rate, or APR.

In order to provide information on lending to different categories of borrowers and in different geographical areas, the report draws on two other major sources of data. First, estimates of the 2017 median family income (MFI) in each metropolitan area are used to place borrowers into income categories. Second, information from the U.S. Census Bureau is utilized so that analysis of lending patterns in terms of the income level and race/ethnicity of the *borrowers* who receive the loans can be supplemented by analysis of patterns in terms of the income level and percentage of minority households in the *geographic areas* where the loans were made. *Greater Boston* is defined for this report as consisting of the 101 cities and towns in the Metropolitan Area Planning Council (MAPC) region.<sup>2</sup> The “Notes on Data and Methods” at the end of the report provide details on the definitions and sources of the data used.

This report is focused on home-purchase loans and is further limited by including only first-lien loans for owner-occupied homes. That is, it excludes (1) second mortgages and other junior-lien loans and (2) loans for homes that borrowers will not be occupying as a principal residence. Appendix Tables 1 and 2 provide detailed data on the numbers and percentages of different types of home-purchase and refinance loans in Massachusetts. First-lien loans for owner-occupied homes accounted for 87.3% of all home-purchase loans in the state, first-lien loans for non-owner-occupied homes accounted for 12.1% of home-purchase loans, and junior-lien loans accounted for the remaining 0.7%.

## What’s in The Report

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For many readers, this report’s main contribution will consist of the wealth of information contained in its forty-one tables, including data about

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<sup>2</sup> More information on the MAPC region and on the MAPC itself—a regional planning agency established by the state in 1963—is available at [www.mapc.org](http://www.mapc.org). Another widely used definition of “Greater Boston” is the Boston Metropolitan Statistical Area (MSA), the Massachusetts portion of which is currently defined by the federal government to include the 147 communities in Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties. Brockton, Lowell, and Lawrence are the three biggest cities in the Boston MSA that are not included in the MAPC region. A map of the MAPC region and the Boston MSA precedes Table 1.

individual municipalities of particular interest.<sup>3</sup> No attempt is made to summarize all of this information in the pages that follow. However, the following pages of text, charts, and simple tables attempt to highlight some of the most significant findings that emerge from an analysis of the data for Boston, Greater Boston, Massachusetts. The report is organized as follows:

- ❖ Part I presents information on the overall level and composition of mortgage lending.
- ❖ Part II analyzes patterns of lending to borrowers grouped by race/ethnicity and by income level.
- ❖ Part III examines patterns of lending in neighborhoods and municipalities.
- ❖ Part IV summarizes data on denial rates, highlighting racial/ethnic disparities.
- ❖ Part V focuses on the relative importance and differential patterns of lending by three major types of mortgage lenders.
- ❖ Part VI presents information on the biggest mortgage lenders.
- ❖ Part VII notes significant recent changes in the laws and regulations that govern mortgage lending.
- ❖ Finally, a section of “Notes on FHA (and VA) Lending” provides background information on these categories of loans and a section of “Notes on Data and Methods” provides considerable detail on a number of technical matters.

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<sup>3</sup> Additional tables, available at [www.mcbc.info](http://www.mcbc.info), provide **information on mortgage lending in all of the cities and towns in Massachusetts** and in all fourteen of the state’s counties. It should be noted that these supplemental tables do not provide individual data for all 351 of the state’s cities and towns; this is because census tracts are the smallest geographic units for which HMDA data are reported, and 60 towns in Massachusetts are too small to have even one census tract of their own. In these cases, information is reported for the set of towns that share a single tract (for example, Florida and Savoy in Berkshire County).

## I. THE OVERALL LEVEL AND COMPOSITION OF MORTGAGE LENDING

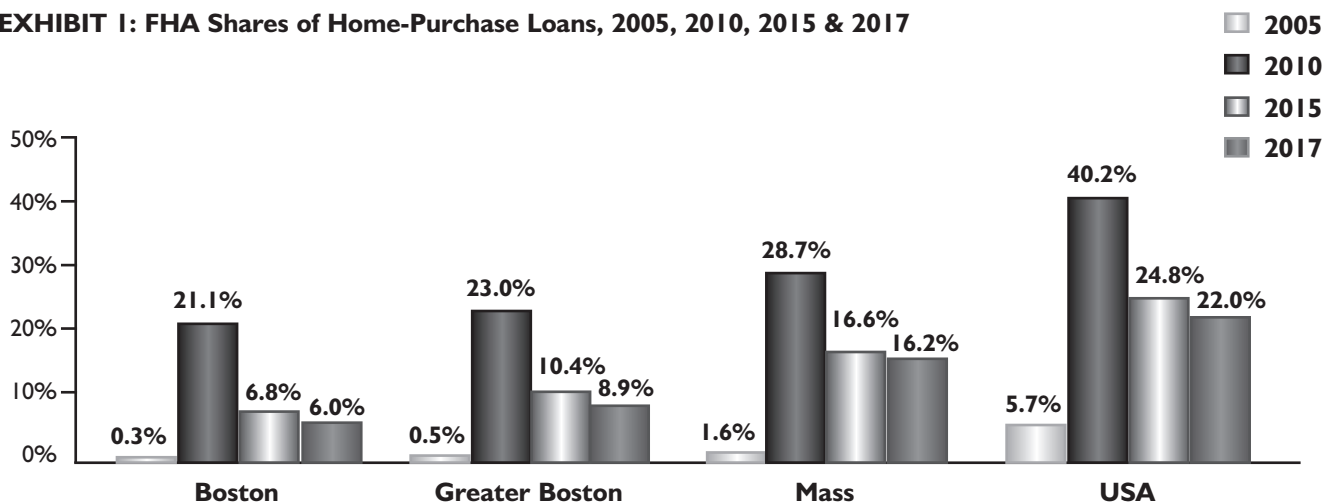
This brief section reports on the current levels of, and recent trends in, the overall volume of mortgage lending and the shares of total lending accounted for by FHA-insured loans (FHA loans) and high-APR loans (HALs). The findings presented in the bullet points and charts below are based on the detailed tables that follow the text. Tables 1 and 3 provide information on total loans, FHA loans, and HALs in the City of Boston, in the Greater Boston area, and in Massachusetts; data for total and FHA loans in the state's largest cities and towns are presented in Table 2. For each geographical area, the tables provide information on the number of total loans, the number of FHA loans (or HALs), and the percentage of all loans that are FHA loans (or HALs); this information is provided separately for home-purchase loans and refinance loans.

❖ **The overall level of home-purchase lending was essentially unchanged from 2016 to 2017.** The number of home-purchase loans increased 0.2% (from 4,738 to 4,749) in Boston, by 0.1% (from 34,135 to 34,183) in Greater Boston, and by 1.0% statewide (from 73,347 to 74,088). Compared to their low point in 2011, total home-purchase loans were up 36% in Boston, 49% in Greater Boston, and 68%

statewide. However, the level of refinance lending fell sharply between 2016 and 2017—by 46% in Boston, 50% in Greater Boston, and 43% statewide. (See Table 1.)

- ❖ **FHA loans continued to account for historically high shares of total lending in 2017. In Greater Boston, FHA loans accounted for 8.9% of all home-purchase lending, down from 9.7% in 2016, and well below their peak share of 23.4% in 2009.** In the City of Boston, the FHA share of all home-purchase loans was lower, at 6.0%, while statewide it was substantially higher, at 16.2%. The FHA loan shares remain far above those of 2004 through 2007, when FHA loans accounted for only one percent of home-purchase loans in Greater Boston. (Table 1 and Exhibit 1)
- ❖ **For the state's twenty-six Gateway Cities combined, 32.5% of home-purchase loans in 2017 were FHA loans, double the statewide FHA share of 16.2%. Among the state's biggest cities,<sup>4</sup> FHA loan shares for home-purchase lending in 2017 were highest in Brockton (where they accounted for 55.7% of all loans), Lawrence (51.2%), Springfield (48.7%), New Bedford (48.3%), and Fall River (45.1%). (Table 2)**

EXHIBIT 1: FHA Shares of Home-Purchase Loans, 2005, 2010, 2015 & 2017



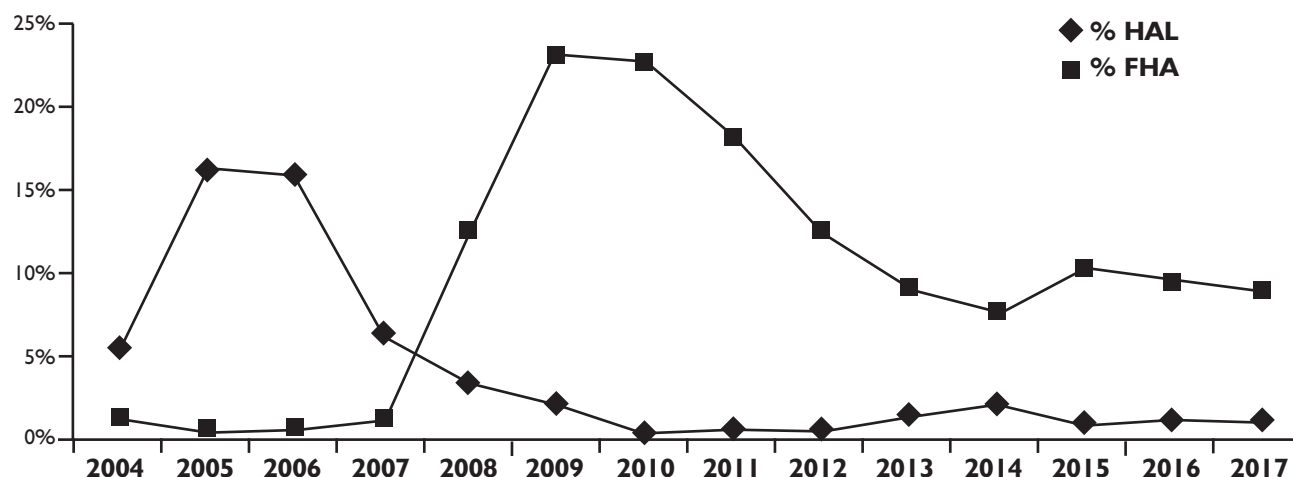
Source: Table 1 and see footnote 5

<sup>4</sup> Although two of the thirty-six municipalities listed in Table 3 (Brookline and Plymouth) are officially towns, these municipalities will be referred to collectively as "cities" throughout this report. In addition, Framingham was a town until January 1, 2018.

- ❖ **FHA loans accounted for a substantially smaller percentage of loans in Massachusetts than they did nationwide.** For home-purchase loans, the FHA loan shares were 16.2% in the state and 22.0% nationwide; for refinance loans, they were 8.2% in the state and 13.1% nationwide.<sup>5</sup> (Exhibit 1)
- ❖ **The level of high-APR loans (HALs) remained very low in 2017, accounting for just 1.1% of**

**all home-purchase loans in Greater Boston—far below their peak level of 16.2% in 2005.** Even these relatively small numbers of HALs were not predatory loans similar to those prevalent a decade ago—in fact, about two-thirds of all home-purchase HALs were FHA loans, whose APRs were raised modestly above the HAL threshold by the insurance premiums on FHA mortgages.<sup>6</sup> (Table 3 and Exhibit 2)

**EXHIBIT 2: High-APR and FHA-Insured Loans in Greater Boston, 2004–2017**  
First-Lien Home-Purchase Loans for Owner-Occupied Homes



Source: Tables 1 & 3

## II. LENDING BY BORROWER RACE/ETHNICITY AND INCOME

In all areas of Massachusetts, blacks and Latinos received shares of total non-FHA loans that were disproportionately small compared to their shares of total households. At the same time, black and Latino borrowers were much more likely than their

white counterparts to receive FHA-insured loans (FHA loans). The pattern with respect to FHA loans can be seen from two different perspectives. First, FHA loans made up much larger shares of all loans to black and Latino borrowers than they did of all

<sup>5</sup> Nationwide FHA loan shares in the text and in Exhibit 2 were calculated from data in Tables 1A and 1B of Jason Dietrich et al., *Data Point: 2017 Mortgage Market Activity and Trends*, Bureau of Consumer Financial Protection, May 2018. One factor contributing to the lower FHA loan share in Massachusetts is the availability of lower-cost low down-payment mortgages from the state's ONE Mortgage Program and from MassHousing.

<sup>6</sup> FHA loans accounted for 84% of 2017 home-purchase HALs in Boston, for 57% in Greater Boston, and for 68% statewide. See "Notes on FHA (and VA) Lending" for information on FHA mortgage insurance premiums, on how premium increases in 2013 pushed the APRs on many FHA loans above the HAL threshold, and on how a premium decrease at the beginning of 2015 is the probable cause of the increases in FHA loan shares between 2014 and 2015.

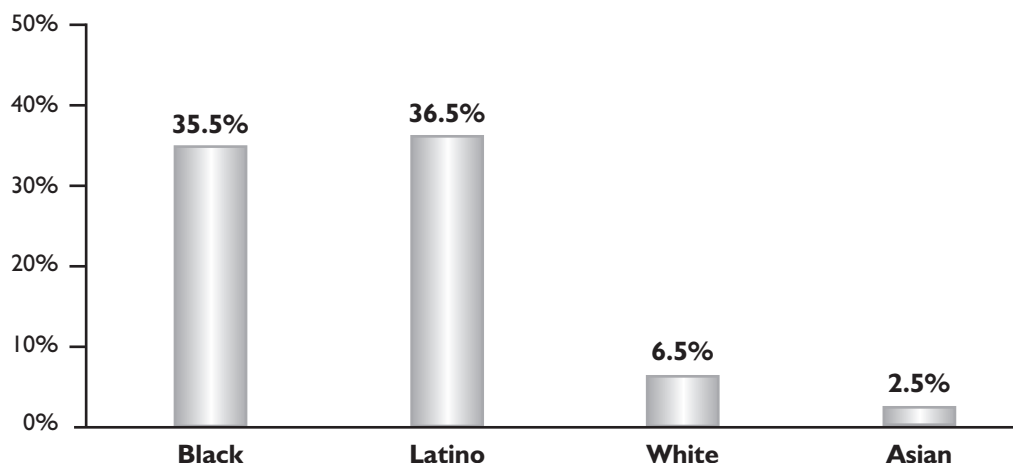
loans to white borrowers. Second, blacks and Latinos received much larger shares of total FHA loans than they received of total non-FHA loans. When borrowers are grouped by income level, FHA loan shares tend to decrease steadily as income increases. When borrowers are classified by both race and income, substantial black/white and Latino/white disparities exist at every income level.

- ❖ Black borrowers in Boston, Greater Boston, and statewide received shares of total non-FHA loans in 2017 that were far below their shares of total households. **In Boston, the black household share was 21.0%, but the black loan share was just 5.0%. In Greater Boston, blacks made up 7.3% of households but received only 2.4% of non-FHA home-purchase loans.** Statewide, the black household share was 5.7% and the black loan share was 2.7%.<sup>7</sup> (Panel B of Table 4)
- ❖ Latino borrowers in Boston, Greater Boston, and statewide also received shares of total non-FHA loans in 2017 that were well below their shares of total households. **In Boston, the**

**Latino household share was 13.7%, but the Latino loan share was just 3.7%. In Greater Boston, Latinos made up 6.8% of households but received only 4.5% of non-FHA home-purchase loans.** Statewide, the Latino household share was 7.2% and the Latino loan share was 5.2%. (Panel B of Table 4)

- ❖ **While the black and Latino shares of total non-FHA loans remain small, they have increased steadily over the past five years. In Greater Boston, the black share of total non-FHA loans increased from 1.8% in 2012 to 2.4% in 2017, while the Latino share increased from 2.6% to 4.5%. Blacks and Latinos experienced similar increases in their loan shares in the city of Boston and statewide.<sup>8</sup>** (Table 5 shows Asian, black, and Latino loan shares annually since 2004, when HMDA data first became available in their present form. The early years of this period were the peak years for predatory subprime lending and the data for these years are therefore not directly comparable to the data for later years.)

**EXHIBIT 3: FHA Loans as Share of All Loans, by Race/Ethnicity, Greater Boston, 2017**



Source: Table 4

<sup>7</sup> The black and Latino household shares in this paragraph and the next are calculated from 2010 Census data (see “Notes on Data and Methods” for details). In 2000, the black household shares were 21.3% in Boston and 4.7% statewide, while the Latino household shares were 10.6% in Boston and 5.0% statewide. Thanks to Jessie Partridge of MAPC for providing the 2010 household percentages for Greater Boston.

<sup>8</sup> Appendix Table 3 and the accompanying Chart A-3 update the table and chart from previous *Changing Patterns* reports that have tracked the number and percentage of all home-purchase loans that have gone to borrowers of different races/ethnicities in the City of Boston since 1990. Most notably, **blacks—who made up 21% of Boston’s households throughout the entire period—saw their share of Boston’s home-purchase loans increase from 16% in 1990 to 21% in 1993, then fall steadily to 10% in 2002, rebound to 17% by 2006, and then resume a steady decline to 6% in 2013 before rising in the last two years to 8.2% in 2017.**

- ❖ **Black and Latino borrowers in Boston, in Greater Boston, and statewide were much more likely to receive FHA loans in 2017 than were their white or Asian counterparts. For home-purchase loans in Greater Boston, FHA loans accounted for 35.5% of loans to blacks and 36.5% of loans to Latinos, but only 6.5% of loans to whites.** Accordingly, the black/white disparity ratio was 5.4 and the Latino/white disparity ratio was 5.6. In the City of Boston, the black/white disparity ratio was 16.8 (35.1% vs. 2.1%) and the Latino/white disparity ratio was 12.7 (26.5% vs. 2.1%). Statewide, the black/white ratio was 3.6 and the Latino/white ratio was 3.4. In Greater Boston and statewide, the FHA loan shares were much *lower* for Asian borrowers than for whites. (Table 4 and Exhibit 3)
- ❖ The dramatic racial/ethnic disparities in FHA-insured mortgage lending can be illuminated from a different perspective by noting that **while black homebuyers in Greater Boston received just 2.4% of all non-FHA loans in 2017, their share of all FHA loans was more than five**
- times greater—13.4%. Similarly, while Latino homebuyers received only 4.5% of all non-FHA loans in Greater Boston, their share of all FHA loans was 26.2%. (Table 4, Panel B)**
- ❖ Tables 6 and 7 provide information for lending in thirty-six cities, including the state's twenty-six Gateway Cities individually and as a group. **The general patterns of FHA loan shares being substantially higher for black and Latino borrowers than for their white counterparts, and of blacks and Latinos having substantially larger shares of FHA loans than of non-FHA loans, were present in almost all of the state's largest cities, and for the state's twenty-six Gateway Cities as a group.** (Tables 6 & 7 and Exhibit 4)<sup>9</sup>
- ❖ **When borrowers in Boston, Greater Boston, and Massachusetts are grouped into five income categories, FHA loan shares of home-purchase loans in 2017 tend to decline steadily as the level of borrower income increases.** In Greater Boston, FHA loan shares

**EXHIBIT 4: Black and Latino Shares of All Home-Purchase Loans, in Massachusetts Gateway Cities, Ten Biggest & Total, 2017**

City (ranked by pop.)	Black % of total loans		Latino % of total loans	
	non-FHA	FHA	non-FHA	FHA
<b>Worcester</b>	7.6%	19.3%	9.8%	33.0%
<b>Springfield</b>	11.0%	17.8%	27.9%	42.5%
<b>Lowell</b>	4.6%	11.9%	11.5%	24.2%
<b>New Bedford</b>	6.4%	13.4%	8.8%	21.8%
<b>Brockton</b>	38.7%	56.1%	17.1%	14.0%
<b>Quincy</b>	1.4%	5.1%	3.3%	10.2%
<b>Lynn</b>	5.9%	8.8%	30.7%	59.7%
<b>Fall River</b>	5.0%	8.9%	3.8%	10.7%
<b>Lawrence</b>	2.6%	2.4%	79.5%	85.0%
<b>Haverhill</b>	4.3%	6.2%	10.3%	33.9%
<b>All Gateway Cities</b>	6.1%	17.0%	13.5%	32.1%

Source: Table 7

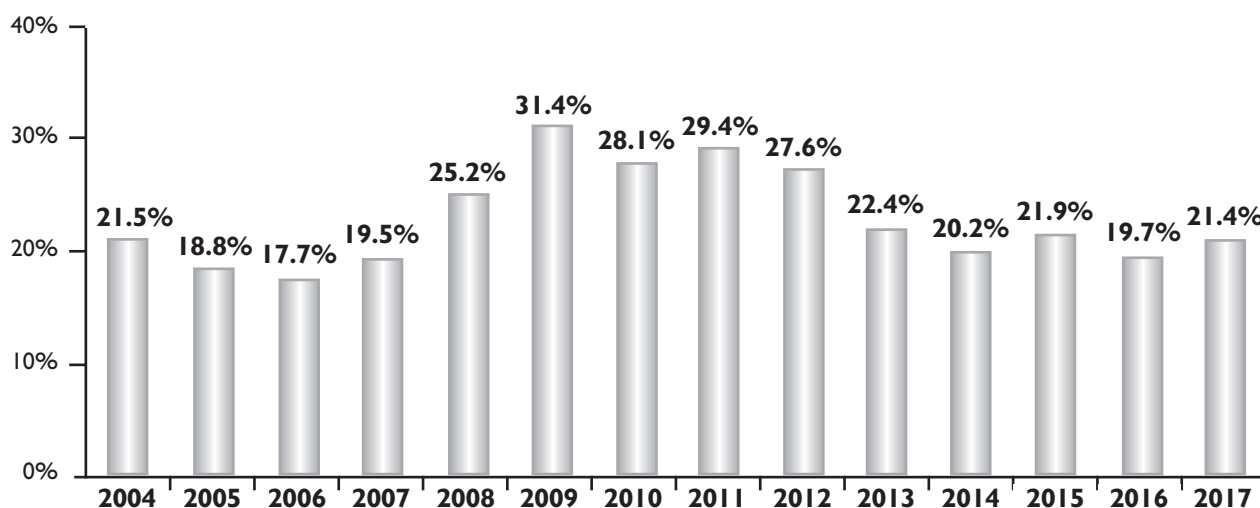
<sup>9</sup> Corresponding data for all of the state's cities and towns are presented in Supplemental Table 2.



were 16.3% for moderate-income borrowers, 14.3% for middle-income borrowers, 6.1% for high-income borrowers, and 1.0% for highest-income borrowers.<sup>10</sup> FHA loan shares for borrowers at different income levels in the thirty-six cities covered in this report tended to follow this same general pattern. Note: The median family income in the Boston MSA in 2017 was \$103,400, so low-income borrowers there were those with incomes up to \$51,000, moderate-income was from \$52,000 to \$82,000, middle-income was from \$83,000 to \$124,000, high-income was from \$125,000 to \$206,000, and highest-income borrowers were those with incomes of \$207,000 or more.<sup>11</sup> (Tables 8 & 9)

❖ **The share of all home-purchase loans in Greater Boston that went to low- and moderate-income (LMI) borrowers rose to 21.4% in 2017 from 19.7% in 2016. After being close to 30% between 2009 and 2011, the LMI share of home-purchase loans has fluctuated in a relatively narrow range (between 19.7% and 22.4%) during the last five years.** Loans to LMI borrowers have generally accounted for a much larger share of FHA loans than of total lending; in 2017, the LMI share of FHA loans in Greater Boston was 35.5%, up from 31.7% in 2016.<sup>12</sup> (Table 10 and Exhibit 5)

**EXHIBIT 5: Low and Moderate Income Borrower Loan Share  
Home-Purchase Loans, Greater Boston, 2004–2017**



Source: Table 10

<sup>10</sup> The loan shares for low-income borrowers, especially in Boston and Greater Boston, don't fit this pattern. These relatively small FHA loan shares may reflect the role that targeted affordable mortgage programs play for these households.

<sup>11</sup> Following standard practice in mortgage lending studies, these income categories are defined in relationship to the median family income (MFI) in the metropolitan area in which the home is located. Standard practice is to divide borrowers into four income categories: less than 50% of the MFI of the metro area is "low-income"; between 50% and 80% is "moderate-income"; between 80% and 120% is "middle-income"; and over 120% is "upper-income." **In this report, the standard "upper-income" category for borrowers is subdivided into "high-income" (between 120% and 200% of the MFI in the relevant metropolitan area) and "highest-income" (more than double the MFI in the metro area).** This report also differs from standard practice in using the MFI of the Boston MSA for all communities in that five-county region. The standard practice for analysis of HMDA data now is based on the division of the Boston MSA into two Metropolitan Divisions (MDs), each with its own MFI. This report deviates from the standard practice because it makes no sense to treat, for example, Cambridge and Boston as being in different metropolitan areas. Note: HMDA data report borrower income only to the nearest thousand dollars. See "Notes on Data and Methods" for more detailed information on metropolitan areas and MFIs.

<sup>12</sup> Appendix Table 4 and Chart A-4 provide data on the number and percentages of all loans that have gone to borrowers at different income levels in the City of Boston since 1990.



- ❖ **When borrowers are grouped by both race/ethnicity and income level, the FHA loan shares for blacks and Latinos in 2017 were usually substantially higher than the FHA shares for white borrowers in the same income category.** This general pattern holds in Boston (Table 11), in Greater Boston (Table 12), and statewide (Table 13). For brevity, only one specific example will be provided here. **In Greater Boston, 26.1% of high-income blacks and 26.4% of high-income Latinos received**

**their home-purchase loans in the form of FHA loans, while the FHA loan share was just 5.3% for high-income whites.** This means that among homebuyers with reported incomes between \$125,000 and \$206,000, blacks were 4.9 times more likely to receive an FHA loan than their white counterparts, and Latinos were 5.0 times more likely than whites to receive their mortgage in the form of an FHA loan. (Tables 11–13)

### III. LENDING BY NEIGHBORHOOD AND MUNICIPALITY

In this part of the report the focus is on the characteristics of the *geographical areas* where mortgage loans were made rather than on the characteristics of the *borrowers* who received the loans. Table 14 (Boston), Table 15 (Greater Boston), and Table 16 (Massachusetts) classify census tracts by both race/ethnicity and income level.<sup>13</sup> These tables provide clear evidence on the high correlation between the percentage of white residents in a census tract and the median income level in that census tract. They also show that FHA-insured loans are concentrated disproportionately in areas where the percentage of minority residents is high and in areas where income levels are low. The general patterns noted for Greater Boston in the following two bullets also hold in Boston and statewide. Tables 17–19 provide data showing that lending to blacks and Latinos is heavily concentrated in some neighborhoods and municipalities, while being very limited or entirely absent in many others.

- ❖ **In Greater Boston, most (40 of 61, or 65.6%) of the predominantly minority census tracts (those with more than 75% minority residents) are low-income and no predominantly minority tracts are upper-income. In contrast, only one of the 366 predominantly-white tracts (0.3%) is low-income, while more than half (52.7%) are upper-income.** (The remaining tracts fall into the moderate- or middle-income categories.<sup>14</sup>) The high correlation between the income levels and racial/ethnic composition of neighborhoods can also be seen **from another perspective: while minorities make up at least half of the population in seven-eighths of all low-income census tracts in Greater Boston (63 of 72, or 87.5%), none of the 239 upper-income tracts have a majority of minority residents.** (The shares of tracts with a majority of minority residents were 36.0% for moderate-income tracts and 7.5% for middle-income tracts.) (Table 15, Panel A)

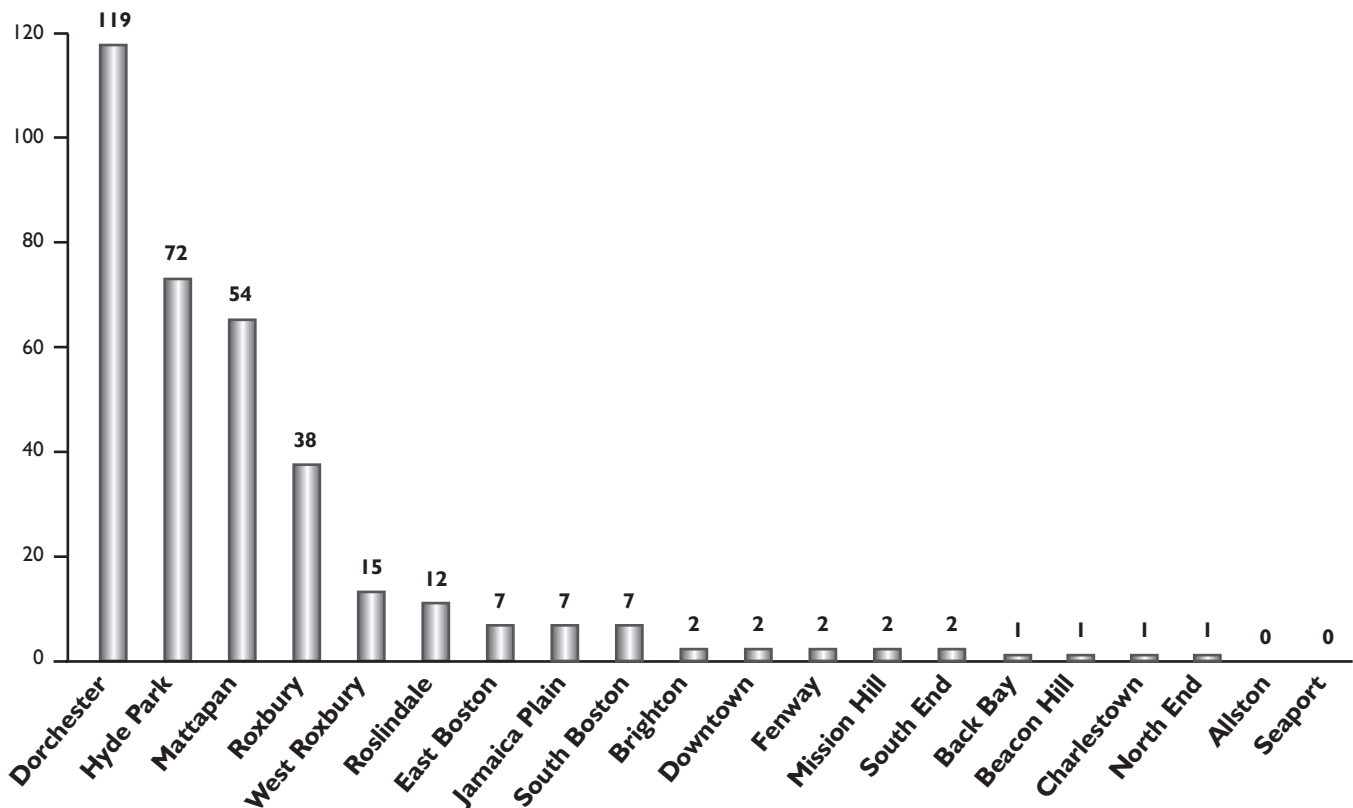
<sup>13</sup> Census tracts, redefined by the U.S. Census Bureau for each decennial census, are the smallest geographic area for which HMDA data are reported. Census tracts typically contain between 3,000 and 6,000 people and, in urban areas, cover an area several blocks square. Boston, with a population of 617,594 according to the 2010 census, has 180 census tracts. A census tract is placed in a racial/ethnic category on the basis of its percentage of minority population as reported in the 2017 HMDA data. A census tract is placed into an income category on the basis of its median family income (MFI) in relationship to the MFI in the metropolitan area within which the tract is located, as reported in the 2017 HMDA data. “Low-income” tracts are those with MFIs less than 50% of the MFI in the metro area; “moderate-income” tracts have MFIs from 50%–80% of the metro area MFI; “middle-income” tracts have MFIs from 80%–120% of the metro area MFI; and “upper-income” tracts are those with MFIs greater than 120% of the MFI in their metro area.

<sup>14</sup> Although the middle-income category includes census tracts with median family incomes (MFIs) up to 120% of the MFI in the metro area, both of the predominantly-minority middle-income tracts in Massachusetts actually have MFIs of barely over 80% of the metro area MFI. The MFIs in census tracts 1004.00 and 1404.00, located in Boston’s Dorchester and Hyde Park neighborhoods, are 80.3% and 80.7%, respectively, of the MFI in the Boston metro area.

- ❖ **For home-purchase loans in Greater Boston in 2017, the FHA loan share in the 61 predominantly minority tracts (those with at least 75% minority residents) was 4.1 times greater than the FHA loan share in the 366 predominantly white tracts (28.7% vs. 7.0%).** The FHA loan share in low-income census tracts was 6.1 times greater than it was in upper-income tracts (23.2% vs. 3.8%). (Table 15)
  - ❖ **FHA-insured lending varied dramatically among Boston’s neighborhoods. The FHA share of home-purchase loans in 2017 ranged from 38.3% in Mattapan, 21.8% in Hyde Park, and 20.5% in Roxbury, to 0.0% in nine neighborhoods: Allston, Back Bay, Beacon Hill, Downtown, Fenway, Mission Hill, North End, Seaport and South End.** The five Boston neighborhoods with the highest percentages of minority residents—Mattapan, Roxbury, Dorchester, Hyde Park, and East Boston—had the five highest shares of FHA loans. (Table 17)
  - ❖ The same pattern emerges at the level of entire communities. For 36 large cities in Massachusetts, Table 2 provides information on median family income and percentages of black and of Latino residents as well as on FHA lending. Examination of these data shows that FHA loan shares have a strong positive correlation with communities’ percentages of black and Latino residents and a strong negative correlation with communities’ median family incomes (MFIs). For example, among the 26 Gateway cities, **the three cities with the highest FHA shares for home-purchase loans in 2017 had an average of 63.1% black plus Latino residents and an average MFI of \$44,042 while the three cities with the lowest**
- FHA shares had an average of 17.8% black plus Latino residents and an average MFI of \$71,887.** (The high FHA loan-share cities—Brockton, Lawrence, and Springfield—had an average FHA loan share of 51.9%; the low FHA loan-share cities—Quincy, Malden, and Salem—had an average FHA loan share of 10.8%.) (Table 2)
  - ❖ **Home-purchase lending to black borrowers varied dramatically among Boston’s twenty major neighborhoods in 2017. Just four neighborhoods (Dorchester, Hyde Park, Mattapan, and Roxbury) accounted for 82.0% of all Boston loans to blacks, while in two neighborhoods (Allston and Seaport) blacks received no loans and in four other neighborhoods there was just one loan to a black homebuyer.<sup>15</sup>** (The four neighborhoods with the most loans to blacks accounted for 26.2% of total loans, while the six neighborhoods with one or no loans to blacks accounted for 14.9% of all loans in the city, but for only 1.2% of loans to blacks.) Black borrowers received 47.0% of total loans in Mattapan, and over 30% of total loans in Roxbury and Hyde Park, but received 1.4% or less of total loans in ten other neighborhoods. (Table 18 and Exhibit 6).
  - ❖ **Home-purchase loans to Latino borrowers also varied substantially among Boston neighborhoods. Just three neighborhoods (Dorchester, Hyde Park, and East Boston) accounted for over half (54.4%) of all Boston loans to Latinos in 2017, while in four other neighborhoods Latinos received either a single loan (Downtown and North End) or no loans (Back Bay and Beacon Hill).** Latino borrowers received 18.5% of total loans in Hyde

<sup>15</sup> Note that the small numbers of loans to blacks in many neighborhoods resulted from small numbers of applications, not from high denial rates. In fact, in the six neighborhoods with one or no loans to blacks in 2017, not a single mortgage application was denied. (See the third column of Table 18.) The data for 2017 show an improvement from the year before. In 2016, the top four neighborhoods accounted for 85.3% of total loans to blacks, and there were eleven neighborhoods with one or no loans to black home-buyers.

## EXHIBIT 6: Home-Purchase Loans to Black Borrowers, Boston Neighborhoods, 2017



Source: Table 18

Park, and 10.4% of total loans in Mattapan, while they received less than 2.0% of total loans in six other neighborhoods.<sup>16</sup> (Table 18).

- ❖ **Total home-purchase lending to blacks and Latinos is highly concentrated in a small number of the state's cities and towns. Brockton alone accounted for almost one-fifth (18.8%) of all loans to blacks in Massachusetts, while accounting for only 1.7% of total loans in the state and only 1.4% of the state's population.** Just five cities (adding Boston, Springfield, Worcester, and Randolph) accounted for 45.7% of all loans to

blacks in Massachusetts; these five communities accounted for only 12.6% of the state's total loans. Eight cities (Springfield, Lawrence, Lynn, Worcester, Boston, Methuen, Brockton, and Revere) accounted for 42.0% of all loans to Latinos in the state, while accounting for just 15.6% of the state's total loans. (Table 19A)

- ❖ **Over the last decade, however, home-purchase lending to blacks has become less concentrated in a few cities. Between 2008 and 2017, Boston's share of loans to black homebuyers fell from over one-quarter**

<sup>16</sup> Appendix Table 6 shows that patterns of lending to blacks and Latinos in Springfield, the state's third largest city, were very different from those in Boston. The black percentage of home-purchase loans did not vary dramatically among Springfield's seventeen neighborhoods, and the four neighborhoods that accounted for over two-thirds (68%) of loans to blacks accounted for roughly the same share of all loans (63%). Similarly, lending to Latinos was quite closely related to total lending in Springfield's neighborhoods, with the three neighborhoods with the most loans to Latinos accounting for 50% both of total loans to Latinos and of total loans to all borrowers. (I was unable to obtain a list of neighborhoods in Worcester that would have made possible a similar analysis for the state's second largest city.)

(26.5%) of the total to just 10.8%, while the combined share of the top five cities fell from 59.8% to 45.7%. Brockton surpassed Boston as the top city for loans to black homebuyers in 2014 and the gap between the two cities has increased each year since then. (Table 19B)

- ❖ **Home-purchase lending to blacks and Latinos was entirely absent in many municipalities. Blacks received no home-**

**purchase loans in 2017 in 129 of the state's 351 cities and towns, and only a single loan in 50 more, while there were 74 communities where Latinos received no loans and 45 more where they received just one. In 65 communities, the same number as in 2016, there was not a single home-purchase loan to either a black or a Latino homebuyer.**

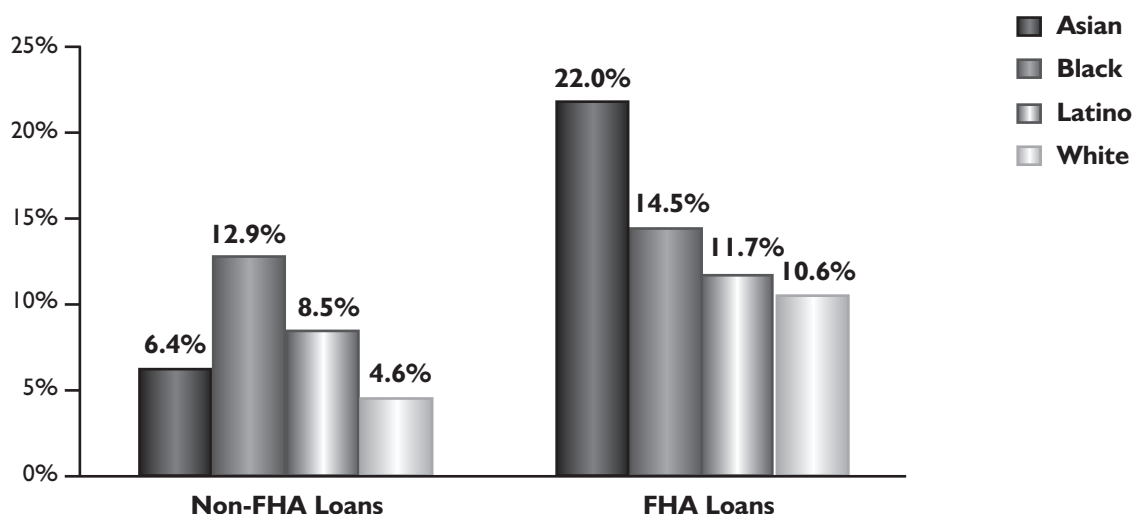
(Calculated from data in Supplemental Table 2)

#### IV. DENIALS OF MORTGAGE LOAN APPLICATIONS

HMDA data include information not just on mortgage loans made, but also on all applications for mortgage loans, thereby making it possible to examine patterns of loan denials. The findings presented in this section are based on information presented in Tables 20–22 for Boston, Greater Boston, and Massachusetts. Information on applications and denial rates for Asians, blacks, Latinos, and whites in every city and town in Massachusetts is presented in Supplemental Table 3.<sup>17, 18</sup>

- ❖ **In Boston, Greater Boston, and Massachusetts in 2017, the denial rates on non-FHA home-purchase loan applications by blacks were much higher than the corresponding denial rates for whites. The black/white denial rate disparity ratio was 2.8 in Boston (12.7% vs. 4.5%), 2.8 in Greater Boston (12.9% vs. 4.6%), and 2.2 statewide (12.5% vs. 5.8%). The Latino/white denial rate disparity ratios were 2.8 in Boston, and**

**EXHIBIT 7: Denial Rates, by Race/Ethnicity, Home-Purchase Loan Applications, Greater Boston, 2017**



Source: Table 20

<sup>17</sup> In addition, Appendix Table 5 and its accompanying chart present annual information on overall denial rates and on denial rate disparity ratios in Boston, Massachusetts, and the U.S. from 1990 through 2017. Among the trends indicated in this table are that denial rates have trended downward over time, that denial rate disparity ratios have trended upward, and that denial rates in Boston and in Massachusetts have generally been substantially lower than their nationwide counterparts.

<sup>18</sup> Not all loan applications result in either loans or denials; approximately 15% of applications have other outcomes. Appendix Table 7 provides information on the percentage distribution of loan applications among the five possible results of a mortgage application that are reported in HMDA data (loan originated, loan approved by lender but declined by applicant, application denied, application withdrawn, and file closed for incompleteness). Data are provided for Boston, Greater Boston, and Massachusetts.

### 1.9 in Greater Boston and statewide.

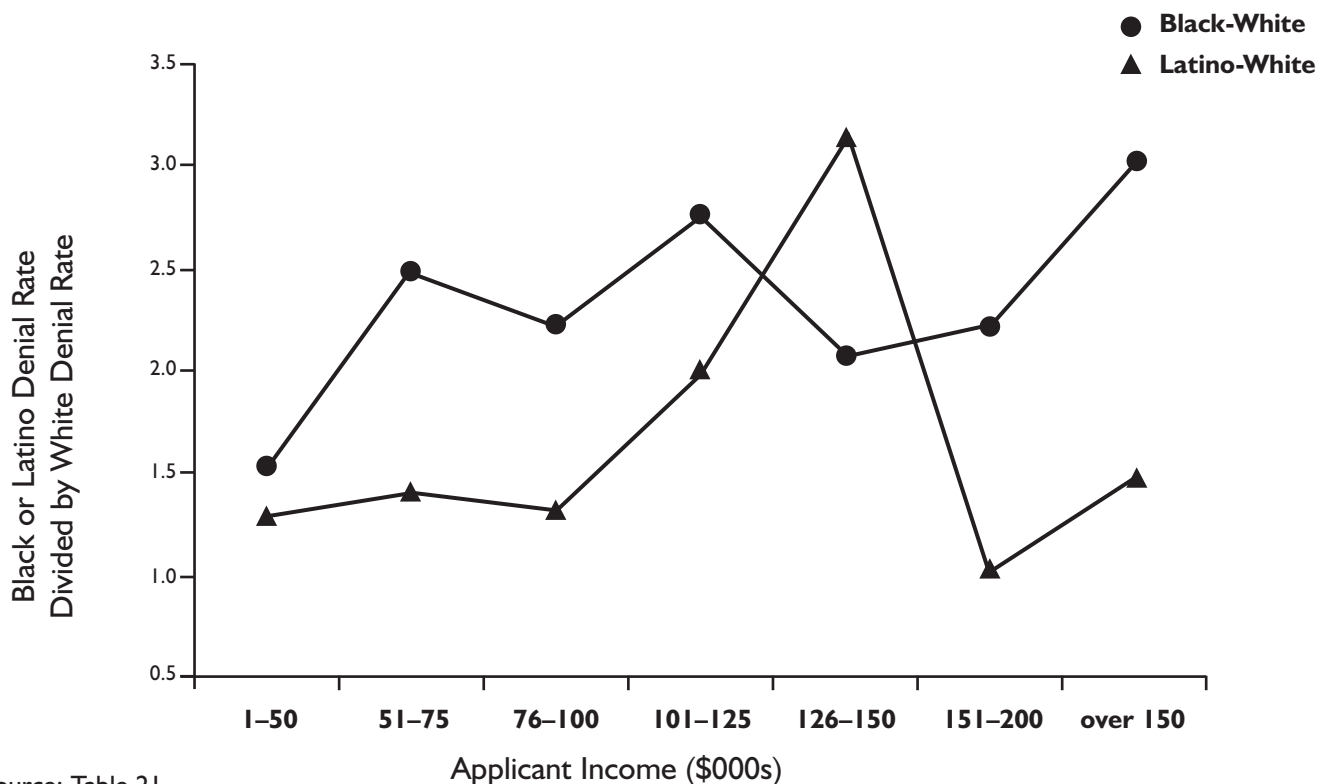
Asian/white denial rate disparity ratios were 1.5 in Boston, 1.4 in Greater Boston, and 1.2 statewide. (Table 20 and Exhibit 7)

- ❖ While blacks and Latinos faced modestly higher denial rates for FHA loans than for non-FHA loans, whites experienced *much* higher denial rates for FHA loans than for non-FHA loans. As a result, **denial rate disparity ratios were considerably lower for FHA loans than for non-FHA loans.** In Greater Boston in 2017, the FHA black/white denial rate disparity ratio was 1.4 (14.5% vs. 10.6%) and the Latino/white disparity ratio was 1.1. (11.7% vs. 10.6%). (Table 20 and Exhibit 7; the very high Asian denial rate for FHA loans shown in the chart is an anomaly; it is based on a very small number of applicants.)
- ❖ Even though black and Latino applicants had, on average, substantially lower incomes than

their white counterparts,<sup>19</sup> **the higher denial rates experienced by blacks and Latinos cannot be explained by their lower incomes. When applicants in Boston, in Greater Boston, and statewide are grouped into income categories, the 2017 denial rates for blacks and for Latinos were generally well above the denial rates for white applicants in the same income category.** For example, in Greater Boston, the denial rates for borrowers with incomes between \$101,000 and \$125,000 were 10.2% for blacks, 7.4% for Latinos, and 3.7% for whites. (Table 21 and Exhibit 8)

- ❖ Table 22 presents denial rates and denial rate disparity ratios for 2004 through 2017 for Boston, Greater Boston, and Massachusetts. **While there have been ups and downs in the three denial rate disparity ratios (Asian/white, black/white, and Latino/white) during the fourteen-year period, there are no major changes in the basic**

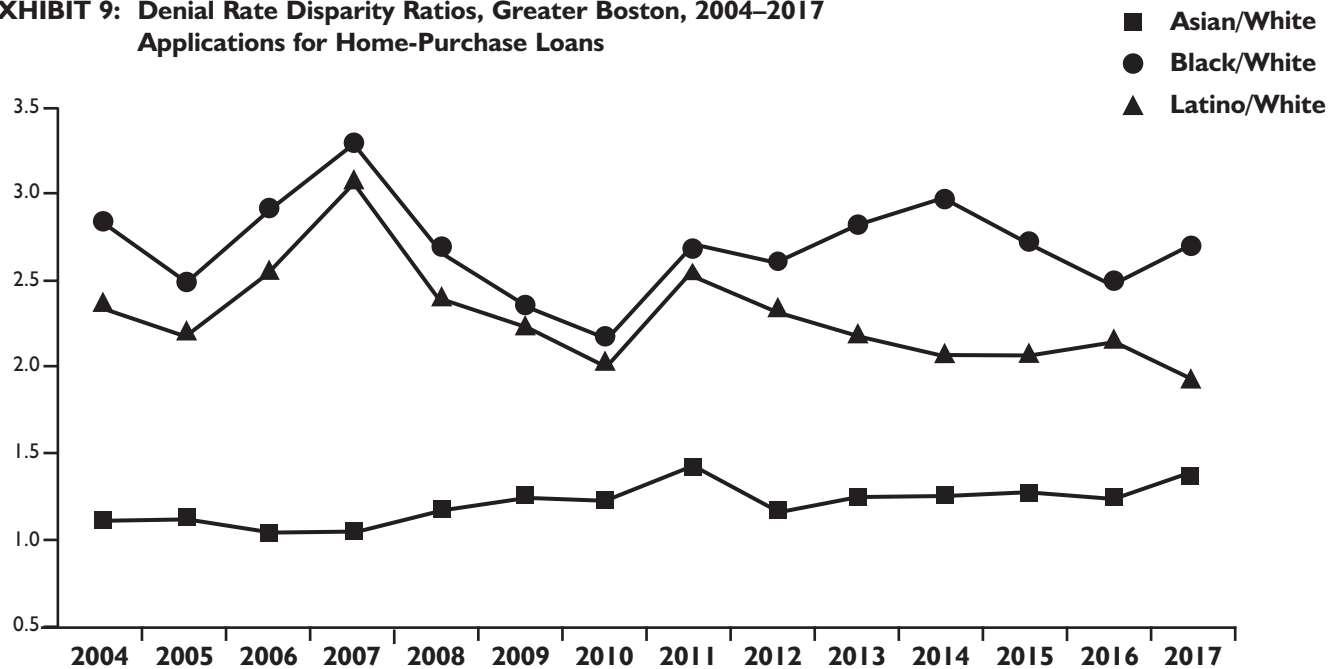
**EXHIBIT 8: Black-White & Latino-White Denial Rate Disparity Ratios, Non-FHA Home-Purchase Loans, Greater Boston, 2017**



Source: Table 21

<sup>19</sup> For example, it can be calculated from the data in Table 21 that 70% of white applicants in Greater Boston in 2017 had reported incomes of \$101,000 or greater, compared to only 43% of black applicants and 42% of Latino applicants.

**EXHIBIT 9: Denial Rate Disparity Ratios, Greater Boston, 2004–2017**  
Applications for Home-Purchase Loans



Source: Table 22

**patterns.** Over all fourteen years in all three areas, the Asian/white denial rate disparity ratio has ranged between 1.02 and 1.71, the black/white ratio between 1.95 and 3.60, and the Latino/white ratio between 1.82 and 3.06. Exhibit 9 shows that in Greater Boston there has been no clear trend in the black/white ratio, a modest downward trend in the Latino/white ratio, and a clear upward trend in the Asian/white ratio.

- ❖ Appendix Table 8 provides summary information on the stated reasons for home-purchase loan denials to black, Latino, and

white applicants in Greater Boston, both overall and for two broad income groupings. The most frequently stated reason for denial was “Debt-to-Income Ratio,” with “Collateral” and “Credit History” being the second and third most frequently stated reasons. “Debt-to-Income Ratio” was considerably more likely to be a stated reason for denials to low- and moderate-income applicants than it was for denials to middle- and upper-income applicants. The stated reasons for loan denials are generally quite similar for black, Latino, and white applicants.



## V. LENDING BY MAJOR TYPE OF LENDER

The analysis in this section is based on classifying each mortgage lender into one of three major categories. *Massachusetts Banks and Credit Unions* are banks headquartered in Massachusetts or with branches in the state, plus Massachusetts-chartered credit unions. *Licensed Mortgage Lenders* are independent mortgage companies that made at least fifty mortgage loans in Massachusetts. *Other Lenders* are out-of-state banks and credit unions, plus federally-chartered Massachusetts credit unions.<sup>20</sup>

This three-way classification was originally adopted for the *Changing Patterns* series of reports to emphasize one crucial factor—whether a lender’s Massachusetts mortgage lending (1) was covered by the state and/or federal Community Reinvestment Act (CRA); (2) was potentially subject to coverage by CRA-like regulation by the state; or (3) was exempt from such oversight from any regulator.

This classification proved useful in identifying dramatically different patterns of mortgage lending by lenders subject to evaluation under the CRA and by those not subject to such evaluation.

Recognition of these different lending patterns was an important factor in the inclusion of CRA-type obligations and evaluations for licensed mortgage lenders (LMLs) in the state’s 2007 *Act Protecting and Preserving Homeownership*; these were implemented in the Division of Bank’s CRA for Mortgage Lenders (officially: Mortgage Lender Community Investment or MLCI) regulation that became effective in September 2008. The regulation applies to licensed mortgage lenders that have made at least fifty mortgage loans in the state during the preceding year.

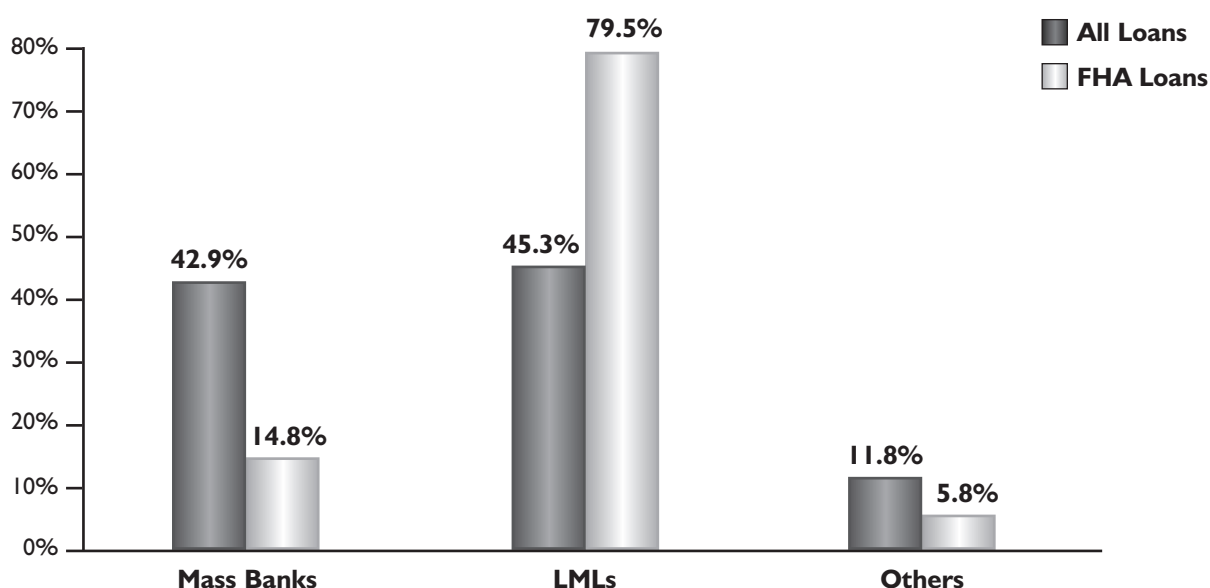
- ❖ Table 23 shows the home-purchase loan market shares of each of the three major types of lenders—for Boston, Greater Boston, and Massachusetts—for each of the past fourteen years. Massachusetts banks and credit unions (CRA-covered lenders) continued to have the largest loan share in Boston. However, **Licensed Mortgage Lenders (LMLs) in 2017 had the biggest loan shares in Greater Boston (45.3%) and statewide (48.2%) for the second consecutive year. Massachusetts banks and credit unions were second both in Greater Boston, with a loan share of 42.9%, and statewide, with a loan share of 38.4%. Other Lenders were a distant third, with loan shares ranging from 11.4% in Boston to 13.3% statewide.** (Table 23)<sup>21</sup>
- ❖ **Licensed Mortgage Lenders accounted for a much larger share of FHA loans than of all loans in 2017, while the reverse was true for Massachusetts banks and credit unions.** In Greater Boston, LMLs accounted for 80% of FHA loans, far above their 45% of all loans, while Massachusetts banks and credit unions accounted just 15% of FHA loans, far below their 43% overall loan share. Other Lenders accounted for 12% of all loans and 6% of FHA loans. **Accordingly, FHA loans made up a much larger share of total loans by LMLs than of total loans by Massachusetts banks and credit unions or by Other Lenders.** In Greater Boston, FHA loans accounted for 16% of all loans by LMLs, but for only 3% of all loans by Massachusetts banks and credit unions and for only 4% of all loans by Other Lenders. The same general patterns were true in the City of Boston and statewide. (Tables 24 & 25 and Exhibit 10)

<sup>20</sup> These descriptions of the types of lenders in each category are somewhat oversimplified; there are other types of lenders that make very small percentages of the loans in each category. Appendix Table 9 identifies all the types of lenders within each category and provides information on how many lenders of each type there were in 2017 and on the number of loans made by each type of lender. This table shows that Other Lenders accounted for much larger shares to all lenders than of all loans; for example, they accounted for 48% of all lenders statewide, but for only 13% of loans. Federal credit unions based in Massachusetts are included in the “Other Lenders” category because they are not subject to either the federal or state CRA.

<sup>21</sup> Appendix Table 10 shows how the shares of major categories of mortgage lenders in Boston have changed since 1990; statewide data in this table begin in 2003. This table follows the same format—and the same lender categories—as the corresponding table in previous reports in this series. For this table, Licensed Mortgage Lenders and Other Lenders are combined into “Mortgage Companies and Out-of-State Banks.” For Boston only, the “Big Boston Banks” are separated out from other Massachusetts banks and credit unions to document how the formerly dominant market share of this group has diminished.



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**EXHIBIT 10: Market Shares of Major Lender Types, Greater Boston, 2017**

Source: Table 24

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- ❖ Table 26 presents information (for Boston, Greater Boston, and Massachusetts) on the shares of the total 2017 home-purchase loans of each of the three major types of lenders that consisted of non-FHA loans, and of all loans, to five categories of traditionally underserved borrowers and neighborhoods. **This year and last are the only times in the twenty-five year history of the *Changing Patterns* series of reports that Massachusetts banks and credit unions (CRA-covered lenders) did not clearly outperform the other types of lenders by making larger shares of their loans to these categories of traditionally underserved borrowers and neighborhoods.**<sup>22</sup> (Table 26)
- ❖ **In Greater Boston in 2017, as in 2016, Licensed Mortgage Lenders (LMLs) had the highest percentage of non-FHA loans in four of the five categories of traditionally underserved borrowers and neighborhoods, and the highest percentage of all loans in all five categories. LMLs also had the best performance for both types of loans in Boston and for all loans statewide.** These are the first two years that LML lenders have outperformed CRA-covered lenders.<sup>23</sup> (Table 26)

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<sup>22</sup> Making generalizations about relative performance is complicated because Table 26 shows five categories of traditionally underserved borrowers and neighborhoods, two measures of loans, and three geographical areas. The interested reader should examine the table in detail rather than rely entirely on the generalizations in the text. CRA-covered lenders performed best only in the case of non-FHA loans statewide.

<sup>23</sup> Previous *Changing Patterns* reports stated that the improved relative performance by LMLs in recent years may have reflected the impact of the state's CRA for Mortgage Lenders regulation—which mandates performance evaluations and public ratings of individual LMLs. However, additional analysis (beyond the scope of the present report, but available from the author upon request) suggests that other, unknown causes may be responsible for this improved relative performance. One finding is that the relative performance of Other Lenders (not subject to any CRA-type regulation) has also improved dramatically over the same period. Another finding is that when the relative performance of the three types of lenders is examined in Massachusetts outside of Greater Boston, LMLs performed by far the worst in non-FHA lending in recent years. (The part of Massachusetts outside of Greater Boston accounted for over half (54%) of the state's loans in 2017, and includes the cities of Worcester, Springfield, New Bedford, Fall River, Lowell, and Lawrence.)

## VI. THE BIGGEST LENDERS

Who were 2017's biggest lenders? Tables 27 and 28 present information on the thirty biggest lenders in Greater Boston.<sup>24</sup> Table 27 shows, for each of these lenders, its total loans and rank in Boston and Massachusetts as well as in Greater Boston. Table 29 shows, for each of these same lenders, the number and percent of its total home-purchase loans in Greater Boston that were made up of (1) loans to black and Latino borrowers, (2) loans to low- and moderate-income (LMI) borrowers, and (3) FHA loans, as well as its overall rank in terms of the number of its loans in each of these three categories.

- ❖ **Guaranteed Rate was the biggest lender in Greater Boston in 2017 with 3,021 home-purchase loans; it also ranked first in Boston and statewide. Leader Bank ranked second in**

**Greater Boston with 2,103 loans, Fairway Independent Mortgage ranked third with 1,268 loans, Wells Fargo Bank ranked fourth with 1,184 loans, and loanDepot ranked fifth with 1,138 loans.**<sup>25</sup> These are the same top five lenders as in 2016, although the rankings of the last three are different. Together, the top five lenders accounted for one-quarter (25.5%) of total home-purchase loans in Greater Boston. (Table 27 and Exhibit 11)

- ❖ **Of the thirty biggest lenders in Greater Boston in 2017, fourteen were banks whose Massachusetts lending was covered by the CRA, fourteen were Licensed Mortgage Lenders (LMLs) whose Massachusetts lending was covered by the state's CRA for Mortgage**

**EXHIBIT 11: The 10 Biggest Lenders in Greater Boston Home-Purchase Loans, 2017**

Rank	Lender	Lender Type	Loans	Mkt Share	Blk + Lat Rank	LMI Rank	FHA Rank
1	Guaranteed Rate	LML	3,021	8.8%	1	1	1
2	Leader Bank	CRA	2,103	6.2%	8	2	17
3	Fairway Independent Mort	LML	1,268	3.7%	2	3	2
4	Wells Fargo Bank	OTH	1,184	3.5%	20	26	67
5	loanDepot	LML	1,138	3.3%	10	7	4
6	Mortgage Network	LML	1,025	3.0%	16	6	8
7	Santander Bank	CRA	932	2.7%	5	5	31
8	Residential Mortgage	LML	804	2.4%	7	8	3
9	Bank of America	CRA	784	2.3%	34	20	32
10	Citizens Bank	CRA	765	2.2%	24	13	36
	<b>Sub-Total, Top 5 Lenders</b>		8,714	25.5%			
	<b>Sub-Total, Top 10 Lenders</b>		13,024	38.1%			
	<b>Total, All Lenders</b>		34,183	100.0%			

Source: Tables 27 & 28

<sup>24</sup> A few years ago it was common for companies in the mortgage business to operate through two or more separate lenders. Accordingly, until three years ago the *Changing Patterns* series ranked top lenders according to "lender families" of affiliated lenders. However, almost all companies in the mortgage business now operate through a single lender and so Table 27 in this report is based on individual HMDA-reporting lenders. I am aware of only one case where using "lender families" this year would have resulted in a change of ranking in Table 27 for Greater Boston lending. If the 126 Greater Boston loans of First Choice Loan Services were added to those of Berkshire Bank, the new total of 479 loans would have raised Berkshire's ranking from 25th to 17th.

<sup>25</sup> Guaranteed Rate is a privately-held mortgage company based in Chicago; according to its website, it has fourteen Massachusetts branches among its 150 offices in all fifty states.

**Lenders regulation, and only two were Other Lenders, whose Massachusetts lending was subject to neither of these regulations.** Of the six lenders that made more than one thousand loans in Greater Boston, four (Guaranteed Rate, Fairway Independent, loanDepot, and Mortgage Network) were LMLs, one (Leader) was a Massachusetts bank, and one (Wells Fargo) was an Other Lender. (Table 27)

- ❖ Guaranteed Rate ranked first in loans to blacks and Latinos as well as in total loans, but **the black and Latino loan rankings for some lenders differed substantially from their overall rankings because the black plus Latino loan percentages for these lenders were far from the overall black plus Latino loan share of 9.8%.** United Shore ranked third for black plus Latino loans, although only 12th overall; MSA Mortgage ranked fourth for black plus Latino loans, although only 26th overall, and Rockland Trust ranked sixth in black plus Latino loans, although only 27th overall. On the other hand, Leader Bank ranked second overall, but only eighth for black plus Latino loans; Wells Fargo ranked fourth overall but only 20th for black plus Latino loans; Mortgage Network ranked sixth overall, but only 16th for black plus Latino loans; and Bank of America ranked ninth overall but only 34th for black plus Latino loans. (Table 28)
- ❖ Guaranteed Rate ranked first in loans to low- and moderate-income borrowers (LMI loans) as well

as in total loans, but **the LMI rankings for some lenders differed substantially from their overall rankings because the LMI loan percentages for these lenders were far from the overall LMI loan share of 21.4%.** United Shore ranked fourth for LMIs, although they ranked only twelfth overall. On the other hand, Wells Fargo ranked fourth overall, but only 26th for LMIs; Bank of America ranked ninth overall, but only 20th for LMIs; First Republic Bank ranked fourteenth overall, but only 67th for LMIs, and Belmont Savings Bank ranked 20th overall, but only 77th for loans to LMI borrowers. (Table 28)

- ❖ Guaranteed Rate ranked first in FHA loans as well as in total loans, but **the FHA rankings for some lenders differed substantially from their overall rankings because the FHA loan percentages for these lenders were far from the overall FHA loan share of 8.9%.** Residential Mortgage ranked third for FHAs, although only eighth overall; HomeBridge Financial ranked fifth for FHAs, although fifteenth overall; and CrossCountry Mortgage ranked sixth for FHAs, although only 16th overall. On the other hand, Leader Bank ranked second overall, but only 17th for FHAs; Wells Fargo ranked fourth overall, but only 67th for FHAs, and Mortgage Network ranked sixth overall, but only 31st for FHAs. Two of the top twenty lenders, First Republic (#14) and Belmont Savings Bank (#20) made no FHA loans. (Table 28)

## VII. RECENT LEGISLATIVE AND REGULATORY DEVELOPMENTS

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Seven years ago, the concluding section of *Changing Patterns XVIII* summarized a broad range of legislative and regulatory measures, designed to prevent mortgage lending abuses, that were adopted in the aftermath of the implosion of the subprime mortgage industry and the ensuing financial crisis. These measures dealt with registration and licensing of companies and individuals, compensation of loan originators, appraisal practices, disclosures to loan applicants, underwriting standards to ensure that borrowers have the ability to repay loans, and prohibition of certain loan features. Three years later, *Changing Patterns XXI* provided a summary of the implementation of these measures.<sup>26</sup>

In addition, the Dodd-Frank Act of 2010 established the Consumer Financial Protection Bureau (CFPB), the first federal financial regulator whose primary mission was protecting consumers. The CFPB was given responsibility for writing the rules and regulations that implement the laws governing mortgage lending and for overseeing all types of mortgage lenders (including independent mortgage companies, which previously had no effective oversight).

The Dodd-Frank Act also mandated a major expansion of the data to be collected under the Home Mortgage Disclosure Act (HMDA). Under a final rule issued by the CFPB in October 2015, lenders were required to begin collecting this

expanded data on January 1, 2018. The expanded data on 2018 lending are scheduled to become available in the spring of 2019, and the CFPB indicated in September 2017 that it planned to make public the great majority of the new data collected, withholding only a limited amount of the data to protect the privacy of applicants/borrowers.<sup>27, 28</sup>

The future of all these changes, consisting of legislation enacted by a Democratic Congress and President and of regulatory actions under a Democratic administration, was called into question by the Republican victories in the November 2016 elections.

Since that election, there have so far been relatively few changes to the new laws and regulations governing mortgage lending. However, as the new administration has consolidated its control of the financial regulatory agencies, the period ahead is likely to see a continuing stream of measures to weaken or repeal many of the changes noted above. In addition, and perhaps more significantly, there has already been a substantial relaxation in enforcement of existing laws and regulations.

With respect to HMDA data, one major change has already taken place, and another can be expected in the coming months. The Economic Growth, Regulatory Relief, and Consumer Protection Act, signed into law on May 24, exempts an estimated three-quarters of banks and credit unions from

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<sup>26</sup> Both reports are available at [www.mcabc.info](http://www.mcabc.info) and both provide links to more detailed information. Excellent recent summaries of these mortgage related regulations and of how they have worked in practice were produced by a coalition of consumer organizations responding to the Consumer Financial Protection Bureau's March 2018 "Request for Information" on how well the regulations are working and on whether and how they should be changed. A brief two-page summary is included in a letter available at: <https://www.nclc.org/images/pdf/rulemaking/comments-adopted-regulations-coalition-rfi-cfpb.pdf> and a 42-page "Comment" that provides a much more detailed description and discussion is available at: [https://www.nclc.org/images/pdf/regulatory\\_reform/comments-cfpb-rfi-housing-rulemaking.pdf](https://www.nclc.org/images/pdf/regulatory_reform/comments-cfpb-rfi-housing-rulemaking.pdf).

<sup>27</sup> The new HMDA data include substantially more information about each loan or application, including: age and credit score of applicants/borrowers; four subcategories for Hispanic ethnicity and seven subcategories for Asian race; property value, debt-to-income ratio, and combined loan-to-value ratio; rate spread, interest rate, total points and fees, and total origination costs; whether the loan is adjustable rate, is a reverse mortgage, or has specific features that were common in last decade's predatory loans, and unique identifiers for the loan, the loan officer, and the property. An informative five-page summary of the final rule by the law firm Buckley-Sandler can be found by a Google search for its title: "Special Alert: CFPB Adopts Significant Expansion of HMDA Reporting Requirements." Detailed information about the new HMDA reporting requirements is available at <http://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/hmda-implementation>.

<sup>28</sup> The September 2017 "proposed policy guidance" is available here: [http://files.consumerfinance.gov/f/documents/201709\\_cfpb\\_hmda-disclosure-policy-guidance.pdf](http://files.consumerfinance.gov/f/documents/201709_cfpb_hmda-disclosure-policy-guidance.pdf).

reporting the new data elements required by the CFPB's October 2015 final rule. (This seems less significant when it is noted that these lenders account for only about five percent of total loans.)<sup>29</sup> Looking ahead, it seems certain that the current leadership of the CFPB will substantially revise the Bureau's above-mentioned September 2017 "proposed policy guidance" in order to reduce the amount of the new information reported by lenders that will become publically available.

In addition, the federal government's approach to implementation of the Community Reinvestment Act (CRA) will almost certainly experience one

more of the reversals that have followed every change in the party occupying the White House since the CRA was enacted in 1977.<sup>30</sup> On August 28, the Office of the Comptroller of the Currency (OCC) took the first formal step in the lengthy process of revising the regulations governing implementation of the CRA by issuing an Advanced Notice of Proposed Rulemaking. This ANPR solicits comments on a number of relevant issues. After the comment period closes on November 18, the OCC is expected to release a Proposed Rule; this will require another months-long round of public comment, which the agency must then consider before issuing any Final Rule.<sup>31</sup>

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<sup>29</sup> Banks and credit unions who made fewer than 500 closed-end mortgage loans in each of the last two years or who made fewer than 500 open-end loans (e.g., home-equity lines of credit) in each of the last two years would be exempt from reporting the new data fields for that category of loans. There is no reduction in reporting requirements for independent mortgage companies. For more information, see Laurie Goodman, Ellen Seidman, and Bhargavi Ganesh, "The Impact of Proposed Changes to HMDA," Urban Institute, April 2018. [https://www.urban.org/sites/default/files/publication/98316/the\\_impact\\_of\\_proposed\\_changes\\_to\\_hmda\\_0.pdf](https://www.urban.org/sites/default/files/publication/98316/the_impact_of_proposed_changes_to_hmda_0.pdf)

<sup>30</sup> The only exception to this very clear pattern was in the late 1980s. During the first Bush administration, a surge of community activism combined with actions by the Democratic Congress to give the CRA considerable impact after eight years of neglect during the Reagan administration.

<sup>31</sup> The OCC's ANPR is available at: <https://www.gpo.gov/fdsys/pkg/FR-2018-09-05/pdf/2018-19169.pdf>. The CRA regulations have not been significantly changed since 1995. There is broad agreement that they need to be revised and updated, but much disagreement on how this should be done. An excellent survey and exploration of the issues involved is provided in *Revising the CRA: Perspectives on the Future of the Community Reinvestment Act*, published jointly by the Federal Reserve Banks of Boston and San Francisco in 2009 ([https://www.frbbsf.org/community-development/files/revisiting\\_cra.pdf](https://www.frbbsf.org/community-development/files/revisiting_cra.pdf)). A June 2018 letter signed by 487 community consumer, civil rights, and fair lending organizations that identifies a set of principles that they believe should govern reform of the CRA is available at: <https://ncrc.org/sign-on-letter-regarding-cra-regulatory-reform/>.

Note that the OCC is one of three federal bank regulators that have CRA regulations for the banks that they oversee (the other two are the Federal Reserve and the FDIC). Traditionally, but not always, the three regulators work together and adopt essentially identical sets of CRA regulations. Although the OCC acted alone in issuing its ANPR, it remains possible that the two other regulators will join with the OCC in issuing Proposed and Final Rules.

Boston Metropolitan Area Planning  
Council (MAPC) Region And



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

**TABLE I**  
**Total and FHA-Insured Loans, 2004–2017**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA
<b>A. HOME-PURCHASE LOANS</b>									
2004	8,658	51	0.6%	46,819	468	1.0%	98,297	3,058	3.1%
2005	8,330	28	0.3%	44,583	201	0.5%	94,286	1,485	1.6%
2006	7,052	32	0.5%	36,538	230	0.6%	76,984	1,156	1.5%
2007	5,718	60	1.0%	30,982	386	1.2%	62,973	1,514	2.4%
2008	4,472	435	9.7%	25,928	3,323	12.8%	51,279	9,149	17.8%
2009	4,160	761	18.3%	26,263	6,141	23.4%	51,901	15,214	29.3%
2010	3,958	836	21.1%	24,602	5,670	23.0%	47,699	13,697	28.7%
2011	3,493	549	15.7%	22,983	4,204	18.3%	44,032	10,649	24.2%
2012	4,369	445	10.2%	27,673	3,490	12.6%	52,280	9,520	18.2%
2013	4,821	300	6.2%	31,727	2,879	9.1%	60,129	8,267	13.7%
2014	4,447	254	5.7%	30,396	2,304	7.6%	59,960	7,583	12.6%
2015	4,649	314	6.8%	32,220	3,343	10.4%	65,569	10,884	16.6%
2016	4,738	309	6.5%	34,135	3,317	9.7%	73,347	12,680	17.3%
2017	4,749	285	6.0%	34,183	3,054	8.9%	74,088	12,039	16.2%
<b>B. REFINANCE LOANS</b>									
2004	10,996	68	0.6%	79,579	368	0.5%	177,135	1,691	1.0%
2005	9,157	28	0.3%	62,947	170	0.3%	146,120	803	0.5%
2006	6,635	35	0.5%	43,625	204	0.5%	103,877	958	0.9%
2007	4,882	85	1.7%	34,185	497	1.5%	78,322	1,999	2.6%
2008	4,443	272	6.1%	34,763	2,002	5.8%	70,957	7,027	9.9%
2009	9,489	722	7.6%	91,362	5,988	6.6%	171,161	15,522	9.1%
2010	8,615	570	6.6%	89,394	4,991	5.6%	158,689	11,596	7.3%
2011	7,507	329	4.4%	71,620	2,471	3.5%	126,596	5,677	4.5%
2012	11,115	385	3.5%	108,182	3,790	3.5%	191,666	9,322	4.9%
2013	7,546	230	3.0%	63,391	2,064	3.3%	118,908	5,835	4.9%
2014	2,926	83	2.8%	22,108	646	2.9%	43,055	1,933	4.5%
2015	4,980	237	4.8%	38,756	2,351	6.1%	71,564	6,551	9.2%
2016	5,911	193	3.3%	47,674	1,964	4.1%	86,630	5,789	6.7%
2017	3,213	156	4.9%	23,940	1,410	5.9%	49,223	4,021	8.2%
<b>C. TOTAL: HOME-PURCHASE PLUS REFINANCE LOANS</b>									
2004	19,654	119	0.6%	126,398	836	0.7%	275,432	4,749	1.7%
2005	17,487	56	0.3%	107,530	371	0.3%	240,406	2,288	1.0%
2006	13,687	67	0.5%	80,163	434	0.5%	180,861	2,114	1.2%
2007	10,600	145	1.4%	65,167	883	1.4%	141,295	3,513	2.5%
2008	8,915	707	7.9%	60,691	5,325	8.8%	122,236	16,176	13.2%
2009	13,649	798	5.8%	117,625	12,129	10.3%	223,062	30,736	13.8%
2010	12,573	1,406	11.2%	113,996	10,661	9.4%	206,388	25,293	12.3%
2011	11,000	878	8.0%	94,603	6,675	7.1%	170,628	16,326	9.6%
2012	15,484	830	5.4%	135,855	7,280	5.4%	243,946	18,842	7.7%
2013	12,367	530	4.3%	95,118	4,943	5.2%	179,037	14,102	7.9%
2014	7,373	337	4.6%	52,504	2,950	5.6%	103,015	9,516	9.2%
2015	9,629	551	5.7%	70,976	5,694	8.0%	137,133	17,435	12.7%
2016	10,649	502	4.7%	81,809	5,281	6.5%	159,977	18,469	11.5%
2017	7,962	441	5.5%	58,123	4,464	7.7%	123,311	16,060	13.0%

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



**TABLE 2**  
**Total and Government-Backed Loans in 36 Massachusetts Cities and Towns:**  
**The 26 Gateway Cities and the 10 Others with Over 50,000 Residents**  
**First-Lien Home-Purchase and Refinance Loans for Owner-Occupied Homes, 2017**

	Home-Purchase Loans			Refinance Loans			% Black Pop'n	% Latino Pop'n	Median Family Income
	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA			
Attleboro	582	155	26.6%	395	58	14.7%	3.4%	6.1%	\$81,250
Barnstable	586	146	24.9%	468	41	8.8%	3.9%	4.2%	\$77,979
Brockton#	1,245	694	55.7%	783	172	22.0%	38.6%	10.3%	\$56,679
Chelsea*	224	41	18.3%	128	15	11.7%	5.3%	64.2%	\$50,655
Chicopee	560	176	31.4%	264	32	12.1%	3.1%	17.6%	\$59,218
Everett*	267	73	27.3%	227	19	8.4%	17.7%	21.5%	\$54,238
Fall River	621	280	45.1%	300	45	15.0%	3.6%	9.0%	\$44,023
Fitchburg	477	192	40.3%	192	29	15.1%	3.7%	23.9%	\$56,792
Haverhill#	912	242	26.5%	596	73	12.2%	1.8%	18.6%	\$73,343
Holyoke	250	80	32.0%	130	21	16.2%	3.8%	49.5%	\$41,194
Lawrence#	559	286	51.2%	305	74	24.3%	2.9%	76.4%	\$36,600
Leominster	583	131	22.5%	277	33	11.9%	4.3%	15.3%	\$74,560
Lowell#	889	236	26.5%	578	74	12.8%	6.8%	18.1%	\$57,695
Lynn*	970	377	38.9%	624	100	16.0%	11.6%	35.5%	\$58,415
Malden*	434	49	11.3%	336	22	6.5%	14.0%	10.3%	\$64,684
Methuen#	672	191	28.4%	480	52	10.8%	1.6%	23.3%	\$85,015
New Bedford	817	395	48.3%	441	77	17.5%	6.8%	18.3%	\$46,114
Peabody*	594	114	19.2%	502	55	11.0%	2.0%	8.6%	\$82,298
Pittsfield	463	86	18.6%	159	16	10.1%	5.4%	5.4%	\$58,551
Quincy*	946	59	6.2%	566	35	6.2%	4.8%	3.3%	\$79,585
Revere*	462	155	33.5%	354	27	7.6%	4.3%	26.4%	\$58,515
Salem*	577	86	14.9%	328	18	5.5%	4.5%	16.5%	\$71,393
Springfield	1,328	647	48.7%	503	103	20.5%	18.8%	42.2%	\$38,847
Taunton	741	274	37.0%	397	56	14.1%	5.5%	6.7%	\$69,318
Westfield	395	85	21.5%	233	20	8.6%	2.0%	8.0%	\$77,163
Worcester	1,605	518	32.3%	784	121	15.4%	11.4%	20.8%	\$56,221
<b>Total, Gateway Cities</b>	<b>17,759</b>	<b>5,768</b>	<b>32.5%</b>	<b>10,350</b>	<b>1,388</b>	<b>13.4%</b>			
Boston*	4,749	285	6.0%	3,213	156	4.9%	22.7%	18.8%	\$62,775
Brookline*	428	0	0.0%	304	0	0.0%	2.8%	6.0%	\$137,120
Cambridge*	530	2	0.4%	368	1	0.3%	10.0%	8.0%	\$104,454
Framingham*	772	122	15.8%	487	39	8.0%	5.9%	15.5%	\$87,075
Medford*	502	10	2.0%	447	26	5.8%	8.9%	5.9%	\$91,532
Newton*	832	2	0.2%	633	4	0.6%	3.6%	5.4%	\$161,101
Plymouth#	970	185	19.1%	650	86	13.2%	2.2%	0.4%	\$65,938
Somerville*	532	2	0.4%	297	4	1.3%	6.8%	9.8%	\$79,263
Waltham*	507	14	2.8%	364	14	3.8%	5.9%	13.3%	\$91,329
Weymouth*	818	95	11.6%	572	46	8.0%	3.7%	2.8%	\$92,221

Note: Population and income data from U.S. Census Bureau's 2011-2015 American Community Survey.

\* These 17 cities are in Greater Boston as defined by the Metropolitan Area Planning Council (MAPC) Region and also in the Boston MSA.

# These 6 cities are within the Boston Metropolitan Statistical Area (MSA) but not within Greater Boston.

**TABLE 3**  
**Total and High-APR Loans (HALs), 2004–2017**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR	All Loans	High- APR Loans	% High- APR
<b>A. HOME-PURCHASE LOANS</b>									
2004	8,658	573	6.6%	46,819	2,463	5.3%	98,297	6,887	7.0%
2005	8,330	1,596	19.2%	44,583	7,202	16.2%	94,286	18,249	19.4%
2006	7,052	1,522	21.6%	36,538	5,788	15.8%	76,984	14,639	19.0%
2007	5,718	545	9.5%	30,982	1,977	6.4%	62,973	5,085	8.1%
2008	4,472	198	4.4%	25,928	920	3.5%	51,279	2,361	4.6%
2009*	4,160	92	2.2%	26,263	564	2.1%	51,901	1,433	2.8%
2010	3,958	12	0.3%	24,602	99	0.4%	47,699	383	0.8%
2011	3,493	9	0.3%	22,983	119	0.5%	44,032	464	1.1%
2012	4,369	9	0.2%	27,673	144	0.5%	52,280	539	1.0%
2013	4,821	48	1.0%	31,727	447	1.4%	60,129	1,589	2.6%
2014	4,447	80	1.8%	30,396	667	2.2%	59,960	2,650	4.4%
2015	4,649	57	1.2%	32,220	328	1.0%	65,569	1,408	2.1%
2016	4,738	42	0.9%	34,135	444	1.3%	73,347	1,868	2.5%
2017	4,749	38	0.8%	34,183	381	1.1%	74,088	2,010	2.7%
<b>B. REFINANCE LOANS</b>									
2004	10,996	983	8.9%	79,579	4,719	5.9%	177,135	14,553	8.2%
2005	9,157	1,754	19.2%	62,947	8,215	13.1%	146,120	24,155	16.5%
2006	6,635	1,839	27.7%	43,625	9,061	20.8%	103,877	25,534	24.6%
2007	4,882	735	15.1%	34,185	3,885	11.4%	78,322	11,205	14.3%
2008	4,443	141	3.2%	34,763	902	2.6%	70,957	2,777	3.9%
2009*	9,489	121	1.3%	91,362	955	1.0%	171,161	2,406	1.4%
2010	8,615	30	0.3%	89,394	233	0.3%	158,689	683	0.4%
2011	7,507	25	0.3%	71,620	232	0.3%	126,596	667	0.5%
2012	11,115	24	0.2%	108,182	258	0.2%	191,666	812	0.4%
2013	7,546	27	0.4%	63,391	196	0.3%	118,908	656	0.6%
2014	2,926	18	0.6%	22,108	134	0.6%	43,055	425	1.0%
2015	4,980	20	0.4%	38,756	125	0.3%	71,564	482	0.7%
2016	5,911	8	0.1%	47,674	129	0.3%	86,630	492	0.6%
2017	3,213	19	0.6%	23,794	146	0.6%	49,223	467	0.9%
<b>C. TOTAL: HOME-PURCHASE PLUS REFINANCE LOANS</b>									
2004	19,654	1,556	7.9%	126,398	7,182	5.7%	275,432	21,440	7.8%
2005	17,487	3,350	19.2%	107,530	15,417	14.3%	240,406	42,404	17.6%
2006	13,687	3,361	24.6%	80,163	14,849	18.5%	180,861	40,173	22.2%
2007	10,600	1,280	12.1%	65,167	5,862	9.0%	141,295	16,290	11.5%
2008	8,915	339	3.8%	60,691	1,822	3.0%	122,236	5,138	4.2%
2009*	13,649	213	1.6%	117,625	1,519	1.3%	223,062	3,839	1.7%
2010	12,573	42	0.3%	113,996	332	0.3%	206,388	1,066	0.5%
2011	11,000	34	0.3%	94,603	351	0.4%	170,628	1,131	0.7%
2012	15,484	33	0.2%	135,855	402	0.3%	243,946	1,351	0.6%
2013	12,367	75	0.6%	95,118	643	0.7%	179,037	2,245	1.3%
2014	7,373	98	1.3%	52,504	801	1.5%	103,015	3,075	3.0%
2015	9,629	77	0.8%	70,976	453	0.6%	137,133	1,890	1.4%
2016	10,649	50	0.5%	81,809	573	0.7%	159,977	2,360	1.5%
2017	7,962	57	0.7%	57,977	527	0.9%	123,311	2,477	2.0%

*Note:* The great majority of higher-cost loans in 2013-2016 were FHA loans - e.g., if FHA loans were excluded from HALs, the HAL loan share for home-purchase loans in Greater Boston would have been 0.3% in 2013, 0.4% in 2014, 0.3% in 2015, 0.5% in 2016, and 0.5% in 2017. See text for discussion.

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

\* New and better rules for reporting higher-cost loans took effect on Oct. 1, 2009. Thus higher-cost loan percentages for 2010 and later years are not strictly comparable to those for 2009 and earlier.

**TABLE 4**  
**Total and FHA-Insured Loans, By Race/Ethnicity of Borrower**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. FHA LOANS AS PERCENTAGE OF ALL HOME-PURCHASE LOANS</b>												
<b>Borrower Race/ Ethnicity</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to White %</b>
<b>Asian</b>	497	12	2.4%	1.16	4,370	110	2.5%	0.39	6,217	331	5.3%	0.41
<b>Black</b>	345	121	35.1%	16.82	1,151	409	35.5%	5.44	3,199	1,497	46.8%	3.60
<b>Latino</b>	226	60	26.5%	12.73	2,194	800	36.5%	5.58	5,754	2,519	43.8%	3.36
<b>White</b>	3,117	65	2.1%	1.00	22,636	1,479	6.5%	1.00	51,469	6,698	13.0%	1.00
<b>Other*</b>	17		0.0%		99	10	10.1%		277	66	23.8%	
<b>No Info ^</b>	547	27	4.9%		3,733	246	6.6%		7,172	928	12.9%	
<b>Total</b>	4,749	285	6.0%		34,183	3,054	8.9%		74,088	12,039	16.2%	
<b>B. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL HOME-PURCHASE LOANS</b>												
<b>Borrower Race/ Ethnicity</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-FHA Loans</b>	<b>% of FHA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-FHA Loans</b>	<b>% of FHA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-FHA Loans</b>	<b>% of FHA Loans</b>
<b>Asian</b>	497	10.5%	10.9%	4.2%	4,370	12.8%	13.7%	3.6%	6,217	8.4%	9.5%	2.7%
<b>Black</b>	345	7.3%	5.0%	42.5%	1,151	3.4%	2.4%	13.4%	3,199	4.3%	2.7%	12.4%
<b>Latino</b>	226	4.8%	3.7%	21.1%	2,194	6.4%	4.5%	26.2%	5,754	7.8%	5.2%	20.9%
<b>White</b>	3,117	65.6%	68.4%	22.8%	22,636	66.2%	68.0%	48.4%	51,469	69.5%	72.2%	55.6%
<b>Other*</b>	17	0.4%	0.4%	0.0%	99	0.3%	0.3%	0.3%	277	0.4%	0.3%	0.5%
<b>No Info ^</b>	547	11.5%	11.6%	9.5%	3,733	10.9%	11.2%	8.1%	7,172	9.7%	10.1%	7.7%
<b>Total</b>	4,749	100.0%	100.0%	100.0%	34,183	100.0%	100.0%	100.0%	74,088	100.0%	100.0%	100.0%

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

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

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

**TABLE 5**  
**Loan Shares of Asian, Black, and Latino Borrowers, 2004–2017**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	Asians	Blacks	Latinos	Asians	Blacks	Latinos	Asians	Blacks	Latinos
<b>A. SHARE OF ALL PRIME* LOANS (2004-2008) OR OF ALL NON-FHA LOANS (SINCE 2009)</b>									
<b>2004</b>	7.2%	9.5%	7.3%	8.0%	3.9%	5.7%	5.9%	3.8%	5.9%
<b>2005</b>	6.9%	8.5%	6.4%	7.9%	3.4%	5.0%	5.9%	3.2%	4.9%
<b>2006</b>	6.1%	8.7%	5.9%	7.0%	3.5%	4.4%	5.1%	3.3%	4.6%
<b>2007</b>	5.6%	9.5%	5.6%	7.7%	3.7%	4.1%	5.5%	3.4%	4.6%
<b>2008</b>	7.3%	9.5%	5.3%	8.9%	3.4%	4.1%	6.4%	3.1%	4.7%
<b>2009</b>	8.9%	6.2%	4.2%	11.2%	2.2%	2.9%	8.2%	2.0%	3.0%
<b>2010</b>	9.0%	5.6%	3.6%	11.1%	2.1%	2.5%	8.3%	1.9%	2.7%
<b>2011</b>	8.1%	4.6%	3.6%	10.4%	1.9%	2.5%	7.7%	1.7%	2.8%
<b>2012</b>	6.9%	3.6%	3.5%	10.2%	1.8%	2.6%	7.7%	1.7%	2.9%
<b>2013</b>	8.1%	3.8%	3.1%	11.7%	1.8%	2.7%	8.6%	1.8%	3.0%
<b>2014</b>	8.0%	3.7%	4.0%	11.2%	2.0%	3.2%	8.2%	2.1%	3.6%
<b>2015</b>	9.4%	3.6%	3.8%	11.8%	2.1%	3.6%	8.6%	2.3%	3.9%
<b>2016</b>	9.4%	4.5%	3.8%	12.6%	2.4%	4.2%	8.9%	2.6%	4.6%
<b>2017</b>	10.9%	5.0%	3.7%	13.7%	2.4%	4.5%	9.5%	2.7%	5.2%
<b>B. SHARE OF ALL LOANS</b>									
<b>2004</b>	7.0%	11.4%	8.2%	7.8%	4.5%	6.7%	5.7%	4.5%	6.9%
<b>2005</b>	6.1%	14.3%	9.7%	7.1%	5.8%	8.5%	5.3%	5.6%	8.2%
<b>2006</b>	5.3%	14.6%	8.4%	6.4%	5.8%	7.1%	4.6%	5.5%	7.4%
<b>2007</b>	5.3%	11.8%	6.7%	7.4%	4.5%	4.8%	5.3%	4.0%	5.3%
<b>2008</b>	7.2%	10.2%	5.7%	8.8%	3.6%	4.3%	6.2%	3.3%	5.0%
<b>2009</b>	8.0%	8.9%	5.6%	9.6%	3.2%	4.3%	6.8%	3.1%	4.9%
<b>2010</b>	8.0%	8.4%	5.4%	9.6%	3.3%	4.1%	6.9%	3.2%	4.9%
<b>2011</b>	7.3%	7.2%	5.0%	9.2%	3.0%	3.9%	6.6%	3.0%	4.6%
<b>2012</b>	6.5%	5.6%	4.6%	9.5%	2.7%	3.7%	6.8%	2.6%	4.4%
<b>2013</b>	7.9%	5.2%	3.9%	11.1%	2.5%	3.6%	7.9%	2.7%	4.6%
<b>2014</b>	7.7%	5.6%	4.8%	10.6%	2.8%	4.5%	7.6%	3.1%	5.4%
<b>2015</b>	9.2%	5.9%	4.8%	11.0%	3.0%	5.4%	7.6%	3.6%	6.3%
<b>2016</b>	9.0%	6.5%	5.1%	11.7%	3.4%	6.1%	7.8%	4.0%	7.3%
<b>2017</b>	10.5%	7.3%	4.8%	12.8%	3.4%	6.4%	8.4%	4.3%	7.8%

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

\* "Prime" loans are all loans other than those identified in *Changing Patterns XII-XVI* as "High-APR Loans."

"Non-FHA" loans include conventional loans plus loans guaranteed by the VA or the USDA.

**TABLE 6**  
**Total and FHA-Insured Loans to Black, Latino, & White Borrowers**  
**In the 26 Gateway Cities and the 10 Others with Over 50,000 Residents**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	Black Borrowers			Latino Borrowers			White Borrowers			FHA Share Disparity Ratios	
	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA	Black/White	Latino/White
Attleboro	40	21	52.5%	26	17	65.4%	436	96	22.0%	2.38	2.97
Barnstable	27	13	48.1%	60	25	41.7%	396	85	21.5%	2.24	1.94
Brockton	602	389	64.6%	191	97	50.8%	307	140	45.6%	1.42	1.11
Chelsea	11	2	18.2%	66	31	47.0%	99	5	5.1%	3.60	9.30
Chicopee	20	5	25.0%	98	48	49.0%	375	98	26.1%	0.96	1.87
Everett	20	8	40.0%	73	38	52.1%	95	14	14.7%	2.71	3.53
Fall River	42	25	59.5%	43	30	69.8%	447	183	40.9%	1.45	1.70
Fitchburg	22	15	68.2%	116	77	66.4%	279	84	30.1%	2.26	2.20
Haverhill	44	15	34.1%	151	82	54.3%	626	128	20.4%	1.67	2.66
Holyoke	8	4	50.0%	47	21	44.7%	159	40	25.2%	1.99	1.78
Lawrence	14	7	50.0%	460	243	52.8%	54	22	40.7%	1.23	1.30
Leominster	41	18	43.9%	96	44	45.8%	360	57	15.8%	2.77	2.89
Lowell	58	28	48.3%	132	57	43.2%	400	68	17.0%	2.84	2.54
Lynn	68	33	48.5%	407	225	55.3%	364	81	22.3%	2.18	2.48
Malden	18	7	38.9%	31	7	22.6%	193	23	11.9%	3.26	1.89
Methuen	38	22	57.9%	201	90	44.8%	346	61	17.6%	3.28	2.54
New Bedford	80	53	66.3%	123	86	69.9%	557	234	42.0%	1.58	1.66
Peabody	16	8	50.0%	63	28	44.4%	454	69	15.2%	3.29	2.92
Pittsfield	20	7	35.0%	23	8	34.8%	396	68	17.2%	2.04	2.03
Quincy	15	3	20.0%	35	6	17.1%	453	39	8.6%	2.32	1.99
Revere	16	7	43.8%	187	100	53.5%	164	33	20.1%	2.17	2.66
Salem	17	11	64.7%	46	20	43.5%	448	53	11.8%	5.47	3.68
Springfield	190	115	60.5%	465	275	59.1%	508	183	36.0%	1.68	1.64
Taunton	95	62	65.3%	38	17	44.7%	538	173	32.2%	2.03	1.39
Westfield	4	2	50.0%	22	11	50.0%	325	63	19.4%	2.58	2.58
Worcester	183	100	54.6%	278	171	61.5%	888	188	21.2%	2.58	2.91
Gateway Cities	1,709	980	57.3%	3,478	1,854	53.3%	9,667	2,288	23.7%	2.42	2.25
Boston	345	121	35.1%	226	60	26.5%	3,117	65	2.1%	16.82	12.73
Brookline	2	0	0.0%	8	0	0.0%	243	0	0.0%	NA	NA
Cambridge	6	0	0.0%	16	0	0.0%	297	2	0.7%	0.00	0.00
Framingham	17	5	29.4%	111	48	43.2%	482	57	11.8%	2.49	3.66
Medford	4	0	0.0%	16	0	0.0%	329	8	2.4%	0.00	0.00
Newton	5	0	0.0%	26	0	0.0%	471	2	0.4%	0.00	0.00
Plymouth	5	1	20.0%	18	2	11.1%	878	170	19.4%	1.03	0.57
Somerville	3	0	0.0%	12	0	0.0%	350	2	0.6%	0.00	0.00
Waltham	12	2	16.7%	16	1	6.3%	323	7	2.2%	7.69	2.88
Weymouth	29	14	48.3%	33	7	21.2%	557	59	10.6%	4.56	2.00

**TABLE 7**  
**Black, Latino, & White Borrowers' Loan Shares**  
**Shares of All Loans, FHA-Insured Loans, and Non-FHA Loans**  
**In the 26 Gateway Cities and the 10 Others with Over 50,000 Residents**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non- FHA Loans	FHA Loans	% of All Loans	% of All Non-FHA	% of All FHA	% of All Loans	% of All Non-FHA	% of All FHA	% of All Loans	% of All Non-FHA	% of All FHA
Attleboro	582	427	155	6.9%	4.4%	13.5%	4.5%	2.1%	11.0%	74.9%	79.6%	61.9%
Barnstable	586	440	146	4.6%	3.2%	8.9%	10.2%	8.0%	17.1%	67.6%	70.7%	58.2%
Brockton	1,245	551	694	48.4%	38.7%	56.1%	15.3%	17.1%	14.0%	24.7%	30.3%	20.2%
Chelsea	224	183	41	4.9%	4.9%	4.9%	29.5%	19.1%	75.6%	44.2%	51.4%	12.2%
Chicopee	560	384	176	3.6%	3.9%	2.8%	17.5%	13.0%	27.3%	67.0%	72.1%	55.7%
Everett	267	194	73	7.5%	6.2%	11.0%	27.3%	18.0%	52.1%	35.6%	41.8%	19.2%
Fall River	621	341	280	6.8%	5.0%	8.9%	6.9%	3.8%	10.7%	72.0%	77.4%	65.4%
Fitchburg	477	285	192	4.6%	2.5%	7.8%	24.3%	13.7%	40.1%	58.5%	68.4%	43.8%
Haverhill	912	670	242	4.8%	4.3%	6.2%	16.6%	10.3%	33.9%	68.6%	74.3%	52.9%
Holyoke	250	170	80	3.2%	2.4%	5.0%	18.8%	15.3%	26.3%	63.6%	70.0%	50.0%
Lawrence	559	273	286	2.5%	2.6%	2.4%	82.3%	79.5%	85.0%	9.7%	11.7%	7.7%
Leominster	583	452	131	7.0%	5.1%	13.7%	16.5%	11.5%	33.6%	61.7%	67.0%	43.5%
Lowell	889	653	236	6.5%	4.6%	11.9%	14.8%	11.5%	24.2%	45.0%	50.8%	28.8%
Lynn	970	593	377	7.0%	5.9%	8.8%	42.0%	30.7%	59.7%	37.5%	47.7%	21.5%
Malden	434	385	49	4.1%	2.9%	14.3%	7.1%	6.2%	14.3%	44.5%	44.2%	46.9%
Methuen	672	481	191	5.7%	3.3%	11.5%	29.9%	23.1%	47.1%	51.5%	59.3%	31.9%
New Bedford	817	422	395	9.8%	6.4%	13.4%	15.1%	8.8%	21.8%	68.2%	76.5%	59.2%
Peabody	594	480	114	2.7%	1.7%	7.0%	10.6%	7.3%	24.6%	76.4%	80.2%	60.5%
Pittsfield	463	377	86	4.3%	3.4%	8.1%	5.0%	4.0%	9.3%	85.5%	87.0%	79.1%
Quincy	946	887	59	1.6%	1.4%	5.1%	3.7%	3.3%	10.2%	47.9%	46.7%	66.1%
Revere	462	307	155	3.5%	2.9%	4.5%	40.5%	28.3%	64.5%	35.5%	42.7%	21.3%
Salem	577	491	86	2.9%	1.2%	12.8%	8.0%	5.3%	23.3%	77.6%	80.4%	61.6%
Springfield	1,328	681	647	14.3%	11.0%	17.8%	35.0%	27.9%	42.5%	38.3%	47.7%	28.3%
Taunton	741	467	274	12.8%	7.1%	22.6%	5.1%	4.5%	6.2%	72.6%	78.2%	63.1%
Westfield	395	310	85	1.0%	0.6%	2.4%	5.6%	3.5%	12.9%	82.3%	84.5%	74.1%
Worcester	1,605	1,087	518	11.4%	7.6%	19.3%	17.3%	9.8%	33.0%	55.3%	64.4%	36.3%
Gateway Cities	17,759	11,991	5,768	9.6%	6.1%	17.0%	19.6%	13.5%	32.1%	54.4%	61.5%	39.7%
Boston	4,749	4,464	285	7.3%	5.0%	42.5%	4.8%	3.7%	21.1%	65.6%	68.4%	22.8%
Brookline	428	428	0	0.5%	0.5%	NA	1.9%	1.9%	NA	56.8%	56.8%	NA
Cambridge	530	528	2	1.1%	1.1%	0.0%	3.0%	3.0%	0.0%	56.0%	55.9%	100.0%
Framingham	772	650	122	2.2%	1.8%	4.1%	14.4%	9.7%	39.3%	62.4%	65.4%	46.7%
Medford	502	492	10	0.8%	0.8%	0.0%	3.2%	3.3%	0.0%	65.5%	65.2%	80.0%
Newton	832	830	2	0.6%	0.6%	0.0%	3.1%	3.1%	0.0%	56.6%	56.5%	100.0%
Plymouth	970	785	185	0.5%	0.5%	0.5%	1.9%	2.0%	1.1%	90.5%	90.2%	91.9%
Somerville	532	530	2	0.6%	0.6%	0.0%	2.3%	2.3%	0.0%	65.8%	65.7%	100.0%
Waltham	507	493	14	2.4%	2.0%	14.3%	3.2%	3.0%	7.1%	63.7%	64.1%	50.0%
Weymouth	818	723	95	3.5%	2.1%	14.7%	4.0%	3.6%	7.4%	68.1%	68.9%	62.1%

Note: See Table 6 for the numbers of loans to black, Latino, & white borrowers that were used to calculate this table's percentages.

**TABLE 8**  
**Total and FHA-Insured Loans, By Income of Borrower**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>I. FHA LOANS AS PERCENTAGE OF ALL LOANS, BY INCOME OF BORROWER</b>												
<b>Borrower* Income</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to Highest%</b>	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to Highest%</b>	<b>All Loans</b>	<b>FHA Loans</b>	<b>% FHA</b>	<b>Ratio to Highest%</b>
<b>Low</b>	157	2	1.3%	2.64	1,328	106	8.0%	7.76	4,519	1,047	23.2%	11.99
<b>Moderate</b>	710	50	7.0%	14.59	5,993	977	16.3%	15.86	17,318	4,710	27.2%	14.08
<b>Middle</b>	1,171	154	13.2%	27.24	8,862	1,265	14.3%	13.89	20,540	4,149	20.2%	10.46
<b>High</b>	1,433	72	5.0%	10.41	10,305	624	6.1%	5.89	19,813	1,885	9.5%	4.93
<b>Highest</b>	1,243	6	0.5%	1.00	7,490	77	1.0%	1.00	11,493	222	1.9%	1.00
<b>No Info</b>	35	1	2.9%		205	5	2.4%		405	26	6.4%	
<b>Total</b>	4,749	285	6.0%		34,183	3,054	8.9%		74,088	12,039	16.2%	
<b>II. SHARES OF ALL LOANS, NON-FHA LOANS, AND FHA LOANS, BY INCOME OF BORROWER</b>												
<b>Borrower* Income</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of non-FHA Loans</b>	<b>% of FHA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of non-FHA Loans</b>	<b>% of FHA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of non-FHA Loans</b>	<b>% of FHA Loans</b>
<b>Low</b>	157	3.3%	3.5%	0.7%	1,328	3.9%	3.9%	3.5%	4,519	6.1%	5.6%	8.7%
<b>Moderate</b>	710	15.0%	14.8%	17.5%	5,993	17.5%	16.1%	32.0%	17,318	23.4%	20.3%	39.1%
<b>Middle</b>	1,171	24.7%	22.8%	54.0%	8,862	25.9%	24.4%	41.4%	20,540	27.7%	26.4%	34.5%
<b>High</b>	1,433	30.2%	30.5%	25.3%	10,305	30.1%	31.1%	20.4%	19,813	26.7%	28.9%	15.7%
<b>Highest</b>	1,243	26.2%	27.7%	2.1%	7,490	21.9%	23.8%	2.5%	11,493	15.5%	18.2%	1.8%
<b>No Info</b>	35	0.7%	0.8%	0.4%	205	0.6%	0.6%	0.2%	405	0.5%	0.6%	0.2%
<b>Total</b>	4,749	100.0%	100.0%	100.0%	34,183	100.0%	100.0%	100.0%	74,088	100.0%	100.0%	100.0%

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

\* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. For the Boston Metropolitan Statistical Area (MSA), which includes all (except 3 small towns) of Greater Boston, the MFI in 2017 was \$103,400. The MFIs in the five other MSAs in the state, ranged from \$66,600 to \$90,200 in 2017. For the non-metro part of the state (Dukes, Nantucket, and Franklin counties), the 2017 MFI was \$80,000.

"Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%-80% of this amount; "Middle" is 80%-120% of this amount; "High" is 120%-200% of this amount; and "Highest" is over 200% of the MFI in the relevant metro area.



**TABLE 9**  
**Total and FHA-Insured Loans To Borrowers at Different Income Levels**  
**In the 26 Gateway Cities and the 10 Others with Over 50,000 Residents**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	Any Income Total Loans	Low Income		Moderate Income		Middle Income		High Income		Highest Income	
		Total Loans	FHA as % of Total	Total Loans	FHA as % of Total	Total Loans	FHA as % of Total	Total Loans	FHA as % of Total	Total Loans	FHA as % of Total
<b>Attleboro</b>	<b>582</b>	<b>13</b>	7.7%	94	34.0%	210	29.5%	194	27.3%	69	10.1%
<b>Barnstable</b>	<b>586</b>	<b>57</b>	19.3%	192	38.5%	170	27.1%	106	13.2%	59	0.0%
<b>Brockton</b>	<b>1,245</b>	<b>233</b>	48.9%	643	58.6%	306	56.9%	55	45.5%	6	50.0%
<b>Chelsea</b>	<b>224</b>	<b>12</b>	8.3%	71	16.9%	82	18.3%	48	25.0%	10	10.0%
<b>Chicopee</b>	<b>560</b>	<b>38</b>	42.1%	240	32.5%	177	30.5%	88	28.4%	13	15.4%
<b>Everett</b>	<b>267</b>	<b>17</b>	11.8%	98	24.5%	99	38.4%	45	15.6%	7	28.6%
<b>Fall River</b>	<b>621</b>	<b>45</b>	28.9%	219	50.7%	245	52.2%	95	27.4%	14	7.1%
<b>Fitchburg</b>	<b>477</b>	<b>81</b>	54.3%	203	43.8%	130	34.6%	55	23.6%	7	14.3%
<b>Haverhill</b>	<b>912</b>	<b>151</b>	25.8%	379	32.2%	264	24.6%	98	15.3%	17	5.9%
<b>Holyoke</b>	<b>250</b>	<b>13</b>	53.8%	85	37.6%	80	35.0%	59	18.6%	13	15.4%
<b>Lawrence</b>	<b>559</b>	<b>160</b>	28.8%	297	60.3%	83	65.1%	14	28.6%	0	NA
<b>Leominster</b>	<b>583</b>	<b>40</b>	35.0%	220	30.0%	171	22.2%	122	9.0%	28	7.1%
<b>Lowell</b>	<b>889</b>	<b>181</b>	23.8%	390	33.6%	221	23.5%	82	11.0%	8	12.5%
<b>Lynn</b>	<b>970</b>	<b>112</b>	25.9%	428	39.0%	332	46.1%	92	28.3%	5	20.0%
<b>Malden</b>	<b>434</b>	<b>31</b>	0.0%	105	8.6%	178	15.2%	99	13.1%	18	0.0%
<b>Methuen</b>	<b>672</b>	<b>73</b>	19.2%	276	36.2%	193	30.6%	98	17.3%	26	0.0%
<b>New Bedford</b>	<b>817</b>	<b>56</b>	48.2%	328	54.6%	295	48.1%	122	36.1%	13	23.1%
<b>Peabody</b>	<b>594</b>	<b>57</b>	7.0%	184	23.4%	225	23.1%	114	13.2%	13	0.0%
<b>Pittsfield</b>	<b>463</b>	<b>47</b>	29.8%	134	27.6%	154	16.9%	79	7.6%	44	6.8%
<b>Quincy</b>	<b>946</b>	<b>60</b>	0.0%	296	4.4%	311	7.4%	201	9.0%	69	7.2%
<b>Revere</b>	<b>462</b>	<b>29</b>	17.2%	168	23.8%	190	45.8%	66	33.3%	5	0.0%
<b>Salem</b>	<b>577</b>	<b>37</b>	13.5%	159	13.8%	218	18.3%	133	12.8%	29	6.9%
<b>Springfield</b>	<b>1,328</b>	<b>195</b>	52.8%	595	53.8%	365	47.4%	149	32.9%	22	4.5%
<b>Taunton</b>	<b>741</b>	<b>21</b>	9.5%	189	42.9%	280	40.0%	214	34.6%	33	12.1%
<b>Westfield</b>	<b>395</b>	<b>9</b>	11.1%	96	28.1%	119	27.7%	114	17.5%	52	7.7%
<b>Worcester</b>	<b>1,605</b>	<b>189</b>	38.6%	683	38.4%	445	31.9%	222	17.6%	56	1.8%
<b>Gateway Cities</b>	<b>17,759</b>	<b>1,957</b>	32.1%	6,772	38.8%	5,543	33.7%	2,764	21.2%	636	7.4%
<b>Boston</b>	<b>4,749</b>	<b>157</b>	1.3%	710	7.0%	1,171	13.2%	1,433	5.0%	1,243	0.5%
<b>Brookline</b>	<b>428</b>	<b>0</b>	NA	18	0.0%	53	3.8%	110	0.0%	246	0.0%
<b>Cambridge</b>	<b>530</b>	<b>9</b>	44.4%	48	104.2%	83	49.4%	177	13.6%	208	1.4%
<b>Framingham</b>	<b>772</b>	<b>32</b>	0.0%	187	0.5%	236	1.3%	235	2.6%	78	0.0%
<b>Medford</b>	<b>502</b>	<b>10</b>	0.0%	66	0.0%	138	0.7%	204	0.5%	82	0.0%
<b>Newton</b>	<b>832</b>	<b>16</b>	118.8%	36	202.8%	85	69.4%	224	14.3%	463	0.4%
<b>Plymouth</b>	<b>970</b>	<b>80</b>	0.0%	271	0.0%	293	0.7%	240	0.0%	83	0.0%
<b>Somerville</b>	<b>532</b>	<b>5</b>	0.0%	40	7.5%	121	5.8%	213	1.4%	152	0.7%
<b>Waltham</b>	<b>507</b>	<b>9</b>	33.3%	96	37.5%	161	22.4%	171	9.9%	69	4.3%
<b>Weymouth</b>	<b>818</b>	<b>80</b>	0.0%	251	0.0%	245	0.0%	193	0.0%	45	0.0%

\* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. For the Boston Metropolitan Statistical Area (MSA), which includes 23 of these 36 cities, the MFI in 2017 was \$103,400. The MFIs in the five other MSAs in the state ranged from \$66,600 to \$90,200 in 2017. "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%-80% of this amount; "Middle" is 80%-120% of this amount; "High" is 120%-200% of this amount; and "Highest" is over 200% of the MFI in the relevant metro area.

**TABLE 10**  
**Total and FHA-Insured Loans to Low- and Moderate-Income (LMI) Borrowers\*, 2004–2017**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	All Loans	LMI* Loans	% LMI	All Loans	LMI* Loans	% LMI	All Loans	LMI* Loans	% LMI
<b>A. FHA-INSURED LOANS</b>									
2004	51	10	19.6%	468	161	34.4%	3,058	1,146	37.5%
2005	28	1	3.6%	201	57	28.4%	1,485	562	37.8%
2006	32	0	0.0%	230	21	9.1%	1,156	248	21.5%
2007	60	4	6.7%	386	48	12.4%	1,514	313	20.7%
2008	435	107	24.6%	3,323	862	25.9%	9,149	3,092	33.8%
2009	761	293	38.5%	6,141	2,350	38.3%	15,214	6,896	45.3%
2010	836	344	41.1%	5,670	2,220	39.2%	13,697	6,527	47.7%
2011	549	246	44.8%	4,204	1,855	44.1%	10,649	5,467	51.3%
2012	445	188	42.2%	3,490	1,522	43.6%	9,520	5,013	52.7%
2013	300	90	30.0%	2,879	1,079	37.5%	8,267	3,991	48.3%
2014	254	57	22.4%	2,304	822	35.7%	7,583	3,641	48.0%
2015	314	82	26.1%	3,343	1,241	37.1%	10,884	5,427	49.9%
2016	309	45	14.6%	3,317	1,051	31.7%	12,680	5,742	45.3%
2017	285	52	18.2%	3,054	1,083	35.5%	12,039	5,757	47.8%
<b>B. NON-FHA LOANS</b>									
2004	8,607	1,783	20.7%	46,351	9,885	21.3%	95,239	23,656	24.8%
2005	8,302	1,529	18.4%	44,382	8,331	18.8%	92,801	20,986	22.6%
2006	7,020	1,414	20.1%	36,308	6,457	17.8%	75,828	16,339	21.5%
2007	5,658	1,273	22.5%	30,596	6,008	19.6%	61,459	15,263	24.8%
2008	4,037	1,173	29.1%	22,605	5,661	25.0%	42,130	12,570	29.8%
2009	3,399	1,216	35.8%	20,122	5,903	29.3%	36,687	12,535	34.2%
2010	3,122	940	30.1%	18,932	4,704	24.8%	34,002	10,256	30.2%
2011	2,944	908	30.8%	18,779	4,913	26.2%	33,383	10,521	31.5%
2012	3,924	1,104	28.1%	24,183	6,104	25.2%	42,760	13,281	31.1%
2013	4,521	967	21.4%	28,848	6,036	20.9%	51,862	13,526	26.1%
2014	4,193	761	18.1%	28,092	5,330	19.0%	52,377	12,756	24.4%
2015	4,335	833	19.2%	28,877	5,802	20.1%	54,685	14,052	25.7%
2016	4,429	722	16.3%	30,818	5,683	18.4%	60,667	14,303	23.6%
2017	4,464	815	18.3%	31,129	6,238	20.0%	62,049	16,080	25.9%
<b>C. TOTAL LOANS</b>									
2004	8,658	1,793	20.7%	46,819	10,046	21.5%	98,297	24,802	25.2%
2005	8,330	1,530	18.4%	44,583	8,388	18.8%	94,286	21,548	22.9%
2006	7,052	1,414	20.1%	36,538	6,478	17.7%	76,984	16,587	21.5%
2007	5,718	1,277	22.3%	30,982	6,056	19.5%	62,973	15,576	24.7%
2008	4,472	1,280	28.6%	25,928	6,523	25.2%	51,279	15,662	30.5%
2009	4,160	1,509	36.3%	26,263	8,253	31.4%	51,901	19,431	37.4%
2010	3,958	1,284	32.4%	24,602	6,924	28.1%	47,699	16,783	35.2%
2011	3,493	1,154	33.0%	22,983	6,768	29.4%	44,032	15,988	36.3%
2012	4,369	1,292	29.6%	27,673	7,626	27.6%	52,280	18,294	35.0%
2013	4,821	1,057	21.9%	31,727	7,115	22.4%	60,129	17,517	29.1%
2014	4,447	818	18.4%	30,396	6,152	20.2%	59,960	16,397	27.3%
2015	4,649	915	19.7%	32,220	7,043	21.9%	65,569	19,479	29.7%
2016	4,738	767	16.2%	34,135	6,734	19.7%	73,347	20,045	27.3%
2017	4,749	867	18.3%	34,183	7,321	21.4%	74,088	21,837	29.5%

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

\* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. "Low-income" is less than 50% of the MFI in the relevant MSA; "Moderate-income" is 50%–80% of this amount. See notes to Table 8 for actual income levels in 2017.

**TABLE 11**  
**Total & FHA-Insured Loans by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, City of Boston, 2017**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF LOANS</b>					
Asian	44	105	117	127	99
Black	19	88	145	77	15
Latino	14	41	76	62	32
White	69	398	687	999	947
<b>B. FHA LOANS AS PERCENT OF TOTAL</b>					
Asian	2.3%	2.9%	2.6%	3.1%	1.0%
Black	0.0%	23.9%	53.1%	28.6%	6.7%
Latino	7.1%	19.5%	42.1%	25.8%	9.4%
White	0.0%	3.5%	3.9%	2.3%	0.1%
<b>C. FHA LOAN SHARE DISPARITY RATIOS</b> (Ratio to White FHA percentage for same income category)					
Asian	NA	0.81	0.65	1.37	9.57
Black	NA	6.78	13.51	12.41	63.13
Latino	NA	5.55	10.71	11.21	88.78
White	NA	1.00	1.00	1.00	1.00

\* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$103,400 in 2017).

“Low” is less than 50% of this amount (\$1K-\$51K in 2017); “Moderate” is 50%-80% of this amount (\$52K-\$82K);

“Middle” is 80%-120% of this amount (\$83K-\$124K); “High” is 120%-200% of this amount (\$125K-\$206); and

“Highest” is over 200% of this amount (\$207K or more). HMDA data report income to the nearest thousand dollars.

**TABLE 12**  
**Total & FHA-Insured Loans by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Greater Boston, 2017**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF LOANS</b>					
Asian	248	755	1,178	1,227	910
Black	77	342	428	238	62
Latino	149	768	779	348	145
White	738	3,562	5,586	7,305	5,337
<b>B. FHA LOANS AS PERCENT OF TOTAL</b>					
Asian	2.4%	4.4%	3.8%	1.9%	0.3%
Black	18.2%	36.8%	47.7%	26.1%	4.8%
Latino	23.5%	41.1%	44.8%	26.4%	4.8%
White	6.5%	11.9%	10.1%	5.3%	1.0%
<b>C. FHA LOAN SHARE DISPARITY RATIOS</b> (Ratio to White FHA percentage for same income category)					
Asian	0.37	0.37	0.38	0.35	0.34
Black	2.80	3.10	4.72	4.89	4.97
Latino	3.61	3.46	4.44	4.96	4.95
White	1.00	1.00	1.00	1.00	1.00

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

\* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area in which the home is located. All but 3 of the 101 communities in the MAPC Region are in the Boston MSA where the MFI in 2017 was \$103,400 (three small communities were in the Worcester MSA, where the MFI in 2017 was \$85,700). "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%-80% of this amount; "Middle" is 80%-120% of this amount; "High" is 120%-200% of this amount, and "Highest" is over 200% of the MFI in the relevant MSA.

**TABLE 13**  
**Total & FHA-Insured Loans by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Massachusetts, 2017**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF LOANS</b>					
Asian	430	1,206	1,652	1,720	1,149
Black	297	1,177	1,086	504	129
Latino	705	2,405	1,694	703	230
White	2,702	11,042	14,202	14,774	8,495
<b>B. FHA LOANS AS PERCENT OF TOTAL</b>					
Asian	8.8%	11.5%	6.5%	2.4%	0.4%
Black	48.1%	54.0%	50.3%	31.5%	10.9%
Latino	39.9%	50.7%	47.9%	26.3%	6.5%
White	19.4%	21.4%	16.4%	8.9%	1.9%
<b>C. FHA LOAN SHARE DISPARITY RATIOS</b> (Ratio to White FHA percentage for same income category)					
Asian	0.45	0.54	0.40	0.28	0.23
Black	2.48	2.52	3.07	3.56	5.69
Latino	2.05	2.37	2.93	2.97	3.42
White	1.00	1.00	1.00	1.00	1.00

\* Income categories are defined in relationship to the Median Family Income (MFI) of the metropolitan area (MSA) in which the home is located. Communities in Massachusetts are located in six different MSAs, with MFIs in 2017 ranging from \$66,600 to \$103,400. "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%–80% of this amount; "Middle" is 80%–120% of this amount; "High" is 120%–200% of this amount; and "Highest" is over 200% of the MFI in the relevant MSA. The minimum income needed to qualify for the "Highest" income category ranged from \$134K in the Springfield MSA to \$207K in the Boston MSA. See "Notes on Data & Methods."

**TABLE 14**  
**Total & FHA Loans by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Boston, 2017**

	Low Income	Moderate Income	Middle Income ^	Upper Income	Total
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	30	16	2	0	48
50%-75% Minority	11	13	10	0	34
25%-50% Minority	3	15	17	9	44
> 75% White	0	4	10	26	40
<b>Total</b>	<b>44</b>	<b>48</b>	<b>39</b>	<b>35</b>	<b>166</b>
<b>B. NUMBER OF LOANS</b>					
> 75% Minority	358	388	81	0	827
50%-75% Minority	196	491	350	0	1,037
25%-50% Minority	7	180	458	341	986
> 75% White	0	161	580	1,065	1,806
<b>Total</b>	<b>561</b>	<b>1,220</b>	<b>1,469</b>	<b>1,406</b>	<b>4,656</b>
<b>C. LOANS AS PERCENT OF TOTAL LOANS IN BOSTON</b>					
> 75% Minority	7.7%	8.3%	1.7%	na	17.8%
50%-75% Minority	4.2%	10.5%	7.5%	na	22.3%
25%-50% Minority	0.2%	3.9%	9.8%	7.3%	21.2%
> 75% White	na	3.5%	12.5%	22.9%	38.8%
<b>Total</b>	<b>12.0%</b>	<b>26.2%</b>	<b>31.6%</b>	<b>30.2%</b>	<b>100.0%</b>
<b>D. FHA LOANS AS PERCENT OF ALL LOANS IN CENSUS-TRACT CATEGORY</b>					
> 75% Minority	27.1%	22.2%	24.7%	na	24.5%
50%-75% Minority	0.0%	4.9%	10.0%	na	5.7%
25%-50% Minority	0.0%	0.0%	1.5%	0.0%	0.7%
> 75% White	na	1.9%	1.4%	0.5%	0.9%
<b>Total</b>	<b>17.3%</b>	<b>9.3%</b>	<b>4.8%</b>	<b>0.4%</b>	<b>6.1%</b>
<b>E. FHA SHARE DISPARITY RATIOS (Ratio to FHA % in Upper-Income Tracts &gt; 75% White)</b>					
> 75% Minority	57.71	47.21	52.59	na	52.28
50%-75% Minority	0.00	10.41	21.30	na	12.12
25%-50% Minority	0.00	0.00	3.26	0.00	1.51
> 75% White	na	3.97	2.94	1.00	1.89
<b>Total</b>	<b>36.83</b>	<b>19.73</b>	<b>10.15</b>	<b>0.76</b>	<b>13.04</b>

\* A census tract is placed into an income category based on the relationship, as reported in 2017 HMDA data, between its Median Family Income (MFI) and the MFI of the metropolitan area within which it is located. For 2017 data, the MFI data are from the 2011–2016 American Community Survey (ACS) five-year estimates. “Low” is less than 50% of the MFI of the metro area; “Moderate” is between 50% and 80%; “Middle” is between 80% and 120%; and “Upper” is greater than 120% of the MFI of the metro area.

A census tract is placed into a racial/ethnic category based on its minority population percentage as reported in 2017 HMDA data. See “Notes on Data and Methods” for more information.

^ Both of the middle-income census tracts with >75% minority residents are barely above the upper boundary for moderate-income tracts. The MFIs in census tracts 1004.00 and 1404.00, located in Boston’s Dorchester and Hyde Park neighborhoods, are just 80.3% and 80.7%, respectively, of the MFI in the Boston metro area.

**TABLE 15**  
**Total & FHA Loans by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Greater Boston, 2017**

	Low Income	Moderate Income	Middle Income ^	Upper Income	Total
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	40	19	2	0	61
50%-75% Minority	23	31	16	0	70
25%-50% Minority	8	69	69	46	192
> 75% White	1	20	152	193	366
<b>Total</b>	<b>72</b>	<b>139</b>	<b>239</b>	<b>239</b>	<b>689</b>
<b>B. NUMBER OF LOANS</b>					
> 75% Minority	534	462	81	0	1,077
50%-75% Minority	535	1,264	653	0	2,452
25%-50% Minority	199	2,581	2,671	2,127	7,578
> 75% White	21	869	9,327	12,766	22,983
<b>Total</b>	<b>1,289</b>	<b>5,176</b>	<b>12,732</b>	<b>14,893</b>	<b>34,090</b>
<b>C. LOANS AS PERCENT OF TOTAL LOANS IN GREATER BOSTON</b>					
> 75% Minority	1.6%	1.4%	0.2%	0.0%	3.2%
50%-75% Minority	1.6%	3.7%	1.9%	0.0%	7.2%
25%-50% Minority	0.6%	7.6%	7.8%	6.2%	22.2%
> 75% White	0.1%	2.5%	27.4%	37.4%	67.4%
<b>Total</b>	<b>3.8%</b>	<b>15.2%</b>	<b>37.3%</b>	<b>43.7%</b>	<b>100.0%</b>
<b>D. FHA LOANS AS PERCENT OF ALL LOANS IN CENSUS-TRACT CATEGORY</b>					
> 75% Minority	34.6%	22.5%	24.7%	na	28.7%
50%-75% Minority	11.6%	17.4%	14.5%	na	15.4%
25%-50% Minority	24.1%	18.3%	8.0%	1.3%	10.1%
> 75% White	19.0%	12.4%	10.2%	4.2%	7.0%
<b>Total</b>	<b>23.2%</b>	<b>17.5%</b>	<b>10.1%</b>	<b>3.8%</b>	<b>9.0%</b>
<b>E. FHA SHARE DISPARITY RATIOS (Ratio to FHA % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	8.18	5.31	5.83	na	6.77
50%-75% Minority	2.73	4.11	3.43	na	3.63
25%-50% Minority	5.69	4.32	1.90	0.31	2.38
> 75% White	4.49	2.93	2.41	1.00	1.65
<b>Total</b>	<b>5.47</b>	<b>4.13</b>	<b>2.37</b>	<b>0.90</b>	<b>2.11</b>

\* A census tract is placed into an income category based on the relationship, as reported in 2017 HMDA data, between its Median Family Income (MFI) and the MFI of the metropolitan area within which it is located. For 2017 data, the MFI data are from the 2011-2016 American Community Survey (ACS) five-year estimates. "Low" is less than 50% of the MFI of the metro area; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the metro area.

A census tract is placed into a racial/ethnic category based on its minority population percentage as reported in 2017 HMDA data. See "Notes on Data and Methods" for more information.

^ Both of the middle-income census tracts with >75% minority residents are barely above the upper boundary for moderate-income tracts. The MFIs in census tracts 1004.00 and 1404.00, located in Boston's Dorchester and Hyde Park neighborhoods, are just 80.3% and 80.7%, respectively, of the MFI in the Boston metro area.

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



**TABLE 16**  
**Total & FHA Loans by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Massachusetts, 2017**

	Low Income	Moderate Income	Middle Income ^	Upper Income	Total
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	82	22	2	0	106
50%-75% Minority	58	55	19	1	133
25%-50% Minority	35	118	102	56	311
> 75% White	5	85	431	383	904
<b>Total</b>	<b>180</b>	<b>280</b>	<b>554</b>	<b>440</b>	<b>1,454</b>
<b>B. NUMBER OF LOANS</b>					
> 75% Minority	1,259	605	81	0	1,945
50%-75% Minority	1,263	2,542	749	73	4,627
25%-50% Minority	786	4,604	4,622	2,678	12,690
> 75% White	62	3,758	26,173	24,718	54,711
<b>Total</b>	<b>3,370</b>	<b>11,509</b>	<b>31,625</b>	<b>27,469</b>	<b>73,973</b>
<b>C. LOANS IN AS PERCENT OF TOTAL LOANS IN MASSACHUSETTS</b>					
> 75% Minority	1.7%	0.8%	0.1%	0.0%	2.6%
50%-75% Minority	1.7%	3.4%	1.0%	0.1%	6.3%
25%-50% Minority	1.1%	6.2%	6.2%	3.6%	17.2%
> 75% White	0.1%	5.1%	35.4%	33.4%	74.0%
<b>Total</b>	<b>4.6%</b>	<b>15.6%</b>	<b>42.8%</b>	<b>37.1%</b>	<b>100.0%</b>
<b>D. FHA LOANS AS PERCENT OF ALL LOANS IN CENSUS-TRACT CATEGORY</b>					
> 75% Minority	49.3%	31.1%	24.7%	na	42.6%
50%-75% Minority	31.8%	34.5%	19.4%	0.0%	30.8%
25%-50% Minority	42.5%	26.9%	19.2%	1.7%	19.7%
> 75% White	37.1%	26.4%	16.1%	8.3%	13.3%
<b>Total</b>	<b>40.9%</b>	<b>28.6%</b>	<b>16.7%</b>	<b>7.6%</b>	<b>16.3%</b>
<b>E. FHA SHARE DISPARITY RATIOS (Ratio to FHA % in HIGH-Income Tracts &gt;75% White)</b>					
> 75% Minority	5.96	3.75	2.98	na	5.15
50%-75% Minority	3.85	4.17	2.34	0.00	3.72
25%-50% Minority	5.13	3.25	2.32	0.20	2.38
> 75% White	4.48	3.19	1.95	1.00	1.61
<b>Total</b>	<b>4.95</b>	<b>3.46</b>	<b>2.01</b>	<b>0.92</b>	<b>1.97</b>

\* A census tract is placed into an income category based on the relationship, as reported in 2017 HMDA data, between its Median Family Income (MFI) and the MFI of the metropolitan area within which it is located. For 2017 data, the MFI data are from the 2011-2016 American Community Survey (ACS) five-year estimates. "Low" is less than 50% of the MFI of the metro area; "Moderate" is between 50% and 80%; "Middle" is between 80% and 120%; and "Upper" is greater than 120% of the MFI of the metro area.

A census tract is placed into a racial/ethnic category based on its minority population percentage as reported in 2017 HMDA data. See "Notes on Data and Methods" for more information.

^ Both of the middle-income census tracts with >75% minority residents are barely above the upper boundary for moderate-income tracts. The MFIs in census tracts 1004.00 and 1404.00, located in Boston's Dorchester and Hyde Park neighborhoods, are just 80.3% and 80.7%, respectively, of the MFI in the Boston metro area.

**TABLE 17**  
**Total & FHA-Insured Loans, By Neighborhood\***  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, Boston, 2017**

Neighborhood	All Loans	FHA Loans	Percent FHA	Percent Minority*	Median Fam Inc.*	Population*
Mattapan	115	44	38.3%	93.9%	\$46,890	24,268
Hyde Park	238	52	21.8%	74.1%	\$74,269	35,585
Roxbury	117	24	20.5%	89.1%	\$31,831	51,252
Dorchester	774	116	15.0%	77.9%	\$50,003	124,489
East Boston	310	17	5.5%	68.0%	\$53,115	44,989
Roslindale	260	12	4.6%	49.0%	\$79,277	28,644
West Roxbury	346	10	2.9%	26.6%	\$100,256	32,795
Jamaica Plain	394	4	1.0%	45.7%	\$89,894	39,240
Brighton	160	1	0.6%	33.1%	\$61,588	47,768
Charlestown	331	2	0.6%	30.4%	\$115,200	18,058
South Boston	635	3	0.5%	22.3%	\$69,281	35,660
Allston	25	0	0.0%	42.7%	\$58,827	19,761
Back Bay	122	0	0.0%	23.6%	\$148,556	17,577
Beacon Hill	100	0	0.0%	12.8%	\$137,825	9,305
Downtown	179	0	0.0%	43.8%	\$92,302	16,903
Fenway	63	0	0.0%	38.6%	\$72,175	32,210
Mission Hill	61	0	0.0%	53.4%	\$32,320	16,700
North End	70	0	0.0%	9.2%	\$109,091	9,107
Seaport	58	0	0.0%	15.8%	\$148,646	2,862
South End	385	0	0.0%	44.9%	\$99,601	31,601
<b>City of Boston</b>	<b>4,749</b>	<b>285</b>	<b>6.0%</b>	<b>54.5%</b>	<b>\$64,191</b>	<b>650,281</b>

\* This report uses the "Neighborhoods" defined by the Boston Planning & Development Agency (BPDA). Three of the BPDA's 23 neighborhoods are omitted because of their small population and few loans: Harbor Islands (0 loans, pop. 329), Longwood Medical Area (1 loan, pop. 5,233); and West End (5 loans, pop. 5,945). *Percent minority* is 100% minus the percentage of the population that is non-Latino white-only. Population and income data are from the BPDA's *Boston in Context: Neighborhoods: 2011-2015 American Community Survey*, January 2017. This table uses the more common name "Seaport" for what the BRA calls "South Boston Waterfront."

Lending data are available only on a census tract basis and many tracts are divided among two or more neighborhoods; this report uses a list of 2010 census tracts produced by the BRA that assigns each tract to the neighborhood with the largest share of the tract's population.

**TABLE 18**  
**Loans to and Applications from Black and Latino Borrowers, by Boston Neighborhood**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. LOANS TO BLACK BORROWERS</b>										
Neighborhood	Loans to Blacks	Applics from Blacks	Total Loans	Black % of All Loans	Percentage of Boston Totals					
					Loans to Blacks	Cumulative % of Black Loans	Total Loans	Cumulative % of Total Loans	Black Pop'n	Total Pop'n
Dorchester	119	179	774	15.4%	34.5%	34.5%	16.3%	16.3%	37.2%	19.1%
Hyde Park	72	109	238	30.3%	20.9%	55.4%	5.0%	21.3%	10.9%	5.5%
Mattapan	54	76	115	47.0%	15.7%	71.0%	2.4%	23.7%	12.1%	3.7%
Roxbury	38	54	117	32.5%	11.0%	82.0%	2.5%	26.2%	18.4%	7.9%
West Roxbury	15	21	346	4.3%	4.3%	86.4%	7.3%	33.5%	2.0%	5.0%
Roslindale	12	22	260	4.6%	3.5%	89.9%	5.5%	39.0%	4.1%	4.4%
East Boston	7	9	310	2.3%	2.0%	91.9%	6.5%	45.5%	0.7%	6.9%
Jamaica Plain	7	12	394	1.8%	2.0%	93.9%	8.3%	53.8%	3.1%	6.0%
South Boston	7	8	635	1.1%	2.0%	95.9%	13.4%	67.2%	1.6%	5.5%
Brighton	2	2	160	1.3%	0.6%	96.5%	3.4%	70.5%	1.3%	7.3%
Downtown	2	4	179	1.1%	0.6%	97.1%	3.8%	74.3%	0.4%	2.6%
Fenway	2	2	63	3.2%	0.6%	97.7%	1.3%	75.6%	1.1%	5.0%
Mission Hill	2	4	61	3.3%	0.6%	98.3%	1.3%	76.9%	1.9%	2.6%
South End	2	3	385	0.5%	0.6%	98.8%	8.1%	85.0%	2.5%	4.9%
Back Bay	1	1	122	0.8%	0.3%	99.1%	2.6%	87.6%	0.5%	2.7%
Beacon Hill	1	1	100	1.0%	0.3%	99.4%	2.1%	89.7%	0.1%	1.4%
Charlestown	1	1	331	0.3%	0.3%	99.7%	7.0%	96.7%	1.1%	2.8%
North End	1	1	70	1.4%	0.3%	100.0%	1.5%	98.1%	0.0%	1.4%
Allston	0	0	25	0.0%	0.0%	100.0%	0.5%	98.7%	0.8%	3.0%
Seaport	0	0	58	0.0%	0.0%	100.0%	1.2%	99.9%	0.0%	0.4%
<b>Boston Total</b>	<b>345</b>	<b>509</b>	<b>4,749</b>	<b>7.3%</b>	<b>100.0%</b>		<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>
<b>B. LOANS TO LATINO BORROWERS</b>										
Neighborhood	Loans to Latinos	Applics from Latinos	Total Loans	Latino % of All Loans	Percentage of Boston Totals					
					Loans to Latinos	Cumulative % of Latino Loans	Total Loans	Cumulative % of Total Loans	Latino Pop'n	Total Pop'n
Dorchester	51	73	774	6.6%	22.6%	22.6%	16.3%	16.3%	16.6%	19.1%
Hyde Park	44	66	238	18.5%	19.5%	42.0%	5.0%	21.3%	6.8%	5.5%
East Boston	28	40	310	9.0%	12.4%	54.4%	6.5%	27.8%	21.3%	6.9%
West Roxbury	16	21	346	4.6%	7.1%	61.5%	7.3%	35.1%	2.4%	5.0%
South Boston	14	16	635	2.2%	6.2%	67.7%	13.4%	48.5%	3.1%	5.5%
Mattapan	12	21	115	10.4%	5.3%	73.0%	2.4%	50.9%	3.2%	3.7%
Jamaica Plain	10	14	394	2.5%	4.4%	77.4%	8.3%	59.2%	8.2%	6.0%
Roslindale	10	11	260	3.8%	4.4%	81.9%	5.5%	64.7%	5.3%	4.4%
South End	10	11	385	2.6%	4.4%	86.3%	8.1%	72.8%	3.6%	4.9%
Roxbury	8	15	117	6.8%	3.5%	89.8%	2.5%	75.3%	12.1%	7.9%
Seaport	5	6	58	8.6%	2.2%	92.0%	1.2%	76.5%	0.0%	0.4%
Charlestown	4	4	331	1.2%	1.8%	93.8%	7.0%	83.4%	1.6%	2.8%
Mission Hill	4	5	61	6.6%	1.8%	95.6%	1.3%	84.7%	2.5%	2.6%
Brighton	3	4	160	1.9%	1.3%	96.9%	3.4%	88.1%	4.1%	7.3%
Fenway	3	4	63	4.8%	1.3%	98.2%	1.3%	89.4%	3.0%	5.0%
Allston	2	3	25	8.0%	0.9%	99.1%	0.5%	90.0%	2.6%	3.0%
Downtown	1	5	179	0.6%	0.4%	99.6%	3.8%	93.7%	0.9%	2.6%
North End	1	1	70	1.4%	0.4%	100.0%	1.5%	95.2%	0.3%	1.4%
Back Bay	0	0	122	0.0%	0.0%	100.0%	2.6%	97.8%	1.2%	2.7%
Beacon Hill	0	2	100	0.0%	0.0%	100.0%	2.1%	99.9%	0.3%	1.4%
<b>Boston Total</b>	<b>226</b>	<b>322</b>	<b>4,749</b>	<b>4.8%</b>	<b>100.0%</b>		<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

\* This report uses "Neighborhoods" defined by the Boston Planning & Development Agency (BPDA). Three of the BPDA's 23 neighborhoods are omitted because of their small population and few loans: Harbor Islands (0 loans, pop. 329), Longwood Medical Area (1 loan, pop. 5,233) and West End (5 loans, all to whites; pop. 5,945). This table uses the more common name "Seaport" for what the BRA calls "South Boston Waterfront." Population data are from the BPDA's *Boston in Context: Neighborhoods: 2011-2015 American Community Survey* January 2017.

Lending data are available only on a census tract basis and many tracts are divided among two or more neighborhoods; this reports uses a list of 2010 census tracts provided by the BRA that assigns each tract to the neighborhood with the largest share of the tract's population.

**TABLE 19A**  
**The Ten Massachusetts Cities with the Most Loans to Black & Latino Borrowers**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. LOANS TO BLACK BORROWERS</b>										
City or Town	Rank	Number of Loans			Percentage of Massachusetts Totals					
		To Black Borrowers	To All Borrowers	Black % of All Loans	Loans to Blacks	Cumulative % of Loans to Blacks	Total Loans	Cumulative % of Total Loans	Black Pop'n	Total Pop'n
Brockton	1	602	1,245	48.4%	18.8%	18.8%	1.7%	1.7%	8.4%	1.4%
Boston	2	345	4,749	7.3%	10.8%	29.6%	6.4%	8.1%	34.0%	9.7%
Springfield	3	190	1,328	14.3%	5.9%	35.5%	1.8%	9.9%	6.7%	2.3%
Worcester	4	183	1,605	11.4%	5.7%	41.3%	2.2%	12.0%	4.8%	2.7%
Randolph	5	142	407	34.9%	4.4%	45.7%	0.5%	12.6%	3.2%	0.5%
Taunton	6	95	741	12.8%	3.0%	48.7%	1.0%	13.6%	0.7%	0.8%
New Bedford	7	80	817	9.8%	2.5%	51.2%	1.1%	14.7%	1.5%	1.4%
Stoughton	8	73	360	20.3%	2.3%	53.5%	0.5%	15.2%	0.7%	0.4%
Lynn	9	68	970	7.0%	2.1%	55.6%	1.3%	16.5%	2.5%	1.4%
Lowell	10	58	889	6.5%	1.8%	57.4%	1.2%	17.7%	1.7%	1.6%
341 Others		1,363	60,977	2.2%	42.6%	100.0%	82.3%	100.0%	35.9%	77.7%
Massachusetts		3,199	74,088	4.3%	100.0%		100.0%		100.0%	100.0%
<b>B. LOANS TO LATINO BORROWERS</b>										
City or Town	Rank	Number of Loans			Percentage of Massachusetts Totals					
		To Latino Borrowers	To All Borrowers	Latino % of All Loans	Loans to Latinos	Cumulative % of Loans to Latinos	Total Loans	Cumulative % of Total Loans	Latino Pop'n	Total Pop'n
Springfield	1	465	1,328	35.0%	8.1%	8.1%	1.8%	1.8%	9.2%	2.3%
Lawrence	2	460	559	82.3%	8.0%	16.1%	0.8%	2.5%	8.5%	1.2%
Lynn	3	407	970	42.0%	7.1%	23.1%	1.3%	3.9%	4.6%	1.4%
Worcester	4	278	1,605	17.3%	4.8%	28.0%	2.2%	6.0%	5.4%	2.7%
Boston	5	226	4,749	4.8%	3.9%	31.9%	6.4%	12.4%	17.3%	9.7%
Methuen	6	201	672	29.9%	3.5%	35.4%	0.9%	13.3%	1.6%	0.7%
Brockton	7	191	1,245	15.3%	3.3%	38.7%	1.7%	15.0%	1.4%	1.4%
Revere	8	187	462	40.5%	3.2%	42.0%	0.6%	15.6%	2.0%	0.8%
Haverhill	9	151	912	16.6%	2.6%	44.6%	1.2%	16.9%	1.6%	0.9%
Lowell	10	132	889	14.8%	2.3%	46.9%	1.2%	18.1%	2.8%	1.6%
341 Others		3,056	60,697	5.0%	53.1%	100.0%	81.9%	100.0%	45.7%	77.2%
Massachusetts		5,754	74,088	7.8%	100.0%	100.0%	100.0%	200.0%	100.0%	100.0%

Population data are from the U.S. Census Bureau's 2011–2015 American Community Survey data.

Note: Related information about all but two of cities in this table—black and Latino shares of total population—is presented in Table 2.

The two exceptions are Randolph, where the black population share was 41.2% , and Stoughton, where the black population share was 10.7%.

**TABLE 19B**  
**Loans to Black Borrowers in 10 Massachusetts Cities, 2008-2017**  
**(These Are the Cities with the Most Loans to Blacks in 2017\*)**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**

<b>A. NUMBER OF LOANS TO BLACK BORROWERS</b>										
<b>City</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Brockton</b>	247	224	226	192	175	229	318	405	537	602
<b>Boston</b>	454	369	332	251	245	253	248	272	307	345
<b>Springfield</b>	122	122	124	92	68	74	104	128	150	190
<b>Worcester</b>	94	98	89	78	75	86	94	143	171	183
<b>Randolph</b>	106	86	78	94	91	97	126	139	137	142
<b>Taunton</b>	7	19	17	10	22	32	35	51	79	95
<b>New Bedford</b>	33	30	26	19	21	19	31	38	63	80
<b>Stoughton</b>	24	22	23	18	33	43	50	46	78	73
<b>Lynn</b>	22	40	40	33	33	35	45	70	82	68
<b>Lowell</b>	9	26	14	16	21	29	39	43	58	58
<b>Five-City Subtotal</b>	1,023	899	849	707	654	739	890	1,087	1,302	1,462
<b>Ten-City Subtotal</b>	1,118	1,036	969	803	784	897	1,090	1,335	1,662	1,836
<b>Massachusetts</b>	1,710	1,612	1,532	1,315	1,385	1,595	1,877	2,348	2,963	3,199
<b>B. CITY'S SHARE OF TOTAL LOANS TO BLACKS IN MASSACHUSETTS</b>										
<b>City</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Brockton</b>	14.4%	13.9%	14.8%	14.6%	12.6%	14.4%	16.9%	17.2%	18.1%	18.8%
<b>Boston</b>	26.5%	22.9%	21.7%	19.1%	17.7%	15.9%	13.2%	11.6%	10.4%	10.8%
<b>Springfield</b>	7.1%	7.6%	8.1%	7.0%	4.9%	4.6%	5.5%	5.5%	5.1%	5.9%
<b>Worcester</b>	5.5%	6.1%	5.8%	5.9%	5.4%	5.4%	5.0%	6.1%	5.8%	5.7%
<b>Randolph</b>	6.2%	5.3%	5.1%	7.1%	6.6%	6.1%	6.7%	5.9%	4.6%	4.4%
<b>Taunton</b>	0.4%	1.2%	1.1%	0.8%	1.6%	2.0%	1.9%	2.2%	2.7%	3.0%
<b>New Bedford</b>	1.9%	1.9%	1.7%	1.4%	1.5%	1.2%	1.7%	1.6%	2.1%	2.5%
<b>Stoughton</b>	1.4%	1.4%	1.5%	1.4%	2.4%	2.7%	2.7%	2.0%	2.6%	2.3%
<b>Lynn</b>	1.3%	2.5%	2.6%	2.5%	2.4%	2.2%	2.4%	3.0%	2.8%	2.1%
<b>Lowell</b>	0.5%	1.6%	0.9%	1.2%	1.5%	1.8%	2.1%	1.8%	2.0%	1.8%
<b>Five-City Subtotal</b>	59.8%	55.8%	55.4%	53.8%	47.2%	46.3%	47.4%	46.3%	43.9%	45.7%
<b>Ten-City Subtotal</b>	65.4%	64.3%	63.3%	61.1%	56.6%	56.2%	58.1%	56.9%	56.1%	57.4%
<b>Massachusetts</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

\* Although these are not necessarily the top ten cities in each of the preceding nine years, an examination of the data for 2008 and 2013 indicates that the lists of top ten cities for loans to black borrowers have changed very little. In 2008, Everett ranked 6th and Malden ranked 10th, while Lowell and Taunton were not among the top ten. In 2012, Everett ranked 8th, while all ten of the cities listed here remained in the top ten, as New Bedford and Lowell tied for 10th. The top five cities are the same in all ten years, although rankings within the top five vary.

**TABLE 20**  
**Denial Rates and Ratios, By Race/Ethnicity and Type of Loan**  
**City of Boston, Greater Boston#, and Statewide**  
**Applications for First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	Applications				Denial Rate				Denial Rate Ratio		
	Asians	Blacks	Latinos	Whites	Asians	Blacks	Latinos	Whites	Asian/ White	Black/ White	Latino/ White
<b>A. ALL NON-FHA LOANS</b>											
<b>Boston</b>	681	323	236	3,780	6.9%	12.7%	12.7%	4.5%	1.53	2.82	2.83
<b>Greater Boston</b>	5,540	1,045	1,832	26,180	6.4%	12.9%	8.5%	4.6%	1.39	2.82	1.86
<b>Massachusetts</b>	7,738	2,458	4,383	56,397	6.7%	12.5%	11.2%	5.8%	1.15	2.17	1.94
<b>B. FHA LOANS</b>											
<b>Boston</b>	22	186	86	105	31.8%	16.1%	17.4%	14.3%	2.23	1.13	1.22
<b>Greater Boston</b>	186	606	1,063	1,968	22.0%	14.5%	11.7%	10.6%	2.08	1.37	1.10
<b>Massachusetts</b>	493	2,163	3,405	8,852	18.1%	15.8%	13.1%	11.1%	1.63	1.42	1.18
<b>C. ALL LOANS</b>											
<b>Boston</b>	703	509	322	3,885	7.7%	13.9%	14.0%	4.8%	1.61	2.93	2.93
<b>Greater Boston</b>	5,726	1,651	2,895	28,148	6.9%	13.5%	9.7%	5.0%	1.38	2.70	1.93
<b>Massachusetts</b>	8,231	4,621	7,788	65,249	7.3%	14.0%	12.0%	6.5%	1.13	2.16	1.85

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

**TABLE 21**  
**Applications And Denial Rates By Race & Income Of Applicant**  
**Non-FHA ^ First-Lien Home-Purchase Loans For Owner-Occupied Homes, 2017**

Income (\$000)	Black		Latino		White		D-Rate Ratio	
	Applics	D-Rate	Applics	D-Rate	Applics	D-Rate	Blk/White	Lat/White
<b>A. BOSTON</b>								
<b>1-50</b>	29	17.2%	17	17.6%	81	11.1%	1.55	1.59
<b>51-75</b>	77	20.8%	39	15.4%	372	7.5%	2.76	2.04
<b>76-100</b>	76	9.2%	42	14.3%	504	7.5%	1.22	1.89
<b>101-125</b>	55	14.5%	35	14.3%	476	3.2%	4.62	4.53
<b>126-150</b>	32	3.1%	34	20.6%	412	2.7%	1.17	7.71
<b>151-200</b>	30	3.3%	29	6.9%	692	3.6%	0.92	1.91
<b>over 200</b>	21	4.8%	39	2.6%	1,219	3.4%	1.42	0.76
<b>Total*</b>	323	12.7%	236	12.7%	3,780	4.5%	2.82	2.83
<b>B. GREATER BOSTON</b>								
<b>1-50</b>	80	22.5%	153	19.0%	824	14.7%	1.53	1.29
<b>51-75</b>	245	17.1%	452	9.7%	3,033	6.9%	2.48	1.41
<b>76-100</b>	255	11.8%	441	7.0%	3,844	5.3%	2.22	1.32
<b>101-125</b>	157	10.2%	270	7.4%	3,565	3.7%	2.75	2.00
<b>126-150</b>	102	6.9%	144	10.4%	3,224	3.3%	2.07	3.14
<b>151-200</b>	103	7.8%	162	3.7%	4,594	3.5%	2.20	1.05
<b>over 200</b>	85	10.6%	192	5.2%	6,866	3.5%	3.03	1.49
<b>Total*</b>	1,045	12.9%	1,832	8.5%	26,180	4.6%	2.82	1.86
<b>C. MASSACHUSETTS</b>								
<b>1-50</b>	336	18.2%	913	19.2%	5,296	14.6%	1.24	1.31
<b>51-75</b>	739	13.9%	1,340	11.6%	10,504	7.3%	1.91	1.59
<b>76-100</b>	570	11.2%	859	9.2%	9,725	5.4%	2.07	1.70
<b>101-125</b>	325	12.3%	491	7.3%	7,759	4.0%	3.10	1.85
<b>126-150</b>	174	8.0%	246	8.1%	5,979	3.8%	2.14	2.16
<b>151-200</b>	168	6.5%	251	3.2%	7,632	3.4%	1.90	0.92
<b>over 200</b>	134	8.2%	258	5.0%	9,191	3.8%	2.16	1.33
<b>Total*</b>	2,458	12.5%	4,383	11.2%	56,397	5.8%	2.17	1.94

^ Non-FHA loans consist of conventional (non-government-backed) loans, plus loans guaranteed by the VA or the USDA.

\* Total includes applicants without reported income.



**TABLE 22**  
**Denial Rates and Denial Rate Disparity Ratios**  
**For Asian, Black, Latino, and White Applicants for**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**  
**Boston, Greater Boston, and Massachusetts, 2004-2017**

	Denial Rate				Denial Rate Disparity Ratio		
	Asian	Black	Latino	White	Asian/White	Black/White	Latino/White
<b>A. BOSTON</b>							
2004	12.2%	22.7%	19.2%	8.8%	1.39	2.58	2.19
2005	14.6%	23.6%	20.9%	10.1%	1.45	2.34	2.07
2006 ^	8.9%	21.1%	21.4%	8.3%	1.07	2.54	2.58
2007 ^	11.4%	26.9%	25.8%	8.6%	1.34	3.14	3.01
2008	14.8%	30.8%	28.7%	12.0%	1.24	2.57	2.39
2009	17.1%	24.7%	22.2%	11.2%	1.53	2.21	1.98
2010	14.1%	23.3%	21.7%	12.0%	1.18	1.95	1.82
2011	14.4%	26.9%	22.7%	9.3%	1.54	2.88	2.43
2012	10.3%	24.5%	21.1%	8.6%	1.19	2.85	2.45
2013	11.5%	25.3%	13.9%	7.1%	1.62	3.57	1.95
2014	7.3%	22.7%	15.8%	6.3%	1.15	3.60	2.50
2015	7.2%	17.8%	11.2%	6.1%	1.18	2.93	1.86
2016	8.1%	16.8%	13.0%	4.7%	1.71	3.55	2.75
2017	7.7%	13.9%	14.0%	4.8%	1.61	2.93	2.93
<b>B. GREATER BOSTON</b>							
2004	8.5%	21.4%	17.6%	7.6%	1.12	2.84	2.33
2005	9.8%	22.3%	19.5%	8.9%	1.11	2.50	2.18
2006 ^	6.9%	19.2%	16.7%	6.6%	1.04	2.92	2.54
2007 ^	7.6%	23.8%	22.2%	7.3%	1.04	3.28	3.06
2008	12.0%	27.8%	25.1%	10.3%	1.16	2.69	2.43
2009	12.0%	22.8%	21.7%	9.6%	1.25	2.37	2.25
2010	12.0%	21.3%	19.7%	9.8%	1.22	2.16	2.01
2011	11.4%	21.6%	20.4%	8.0%	1.43	2.70	2.55
2012	9.4%	20.8%	18.6%	8.0%	1.17	2.61	2.33
2013	8.9%	20.6%	15.9%	7.3%	1.23	2.84	2.18
2014	8.1%	19.4%	13.5%	6.5%	1.25	2.98	2.08
2015	7.2%	15.6%	11.7%	5.7%	1.27	2.73	2.06
2016	6.8%	13.7%	11.8%	5.5%	1.24	2.49	2.15
2017	6.9%	13.5%	9.7%	5.0%	1.38	2.70	1.93
<b>C. MASSACHUSETTS</b>							
2004	9.0%	20.2%	18.0%	8.8%	1.02	2.30	2.04
2005	10.1%	21.3%	19.1%	9.7%	1.04	2.20	1.97
2006 ^	7.6%	19.6%	17.4%	7.4%	1.03	2.63	2.34
2007 ^	9.1%	23.8%	20.8%	8.4%	1.08	2.84	2.48
2008	13.3%	26.6%	25.0%	11.2%	1.19	2.37	2.23
2009	13.0%	21.9%	21.5%	10.7%	1.21	2.05	2.01
2010	13.3%	22.2%	21.4%	11.1%	1.20	2.00	1.92
2011	12.9%	22.0%	20.8%	10.1%	1.28	2.19	2.07
2012	10.9%	21.4%	19.8%	9.8%	1.11	2.19	2.03
2013	9.6%	20.9%	17.0%	9.1%	1.06	2.30	1.88
2014	9.3%	19.2%	16.3%	8.1%	1.15	2.37	2.01
2015	8.2%	16.0%	13.5%	7.2%	1.14	2.21	1.86
2016	7.6%	15.0%	13.2%	7.2%	1.05	2.07	1.83
2017	7.3%	14.0%	12.0%	6.5%	1.13	2.16	1.85

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

^ 2006 and 2007 denial rates are for prime lenders only; they exclude applications to lenders that specialized in high-cost subprime loans.

**TABLE 23**  
**Shares of Total Loans by Major Types of Lenders, 2004–2017**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	% Mass Banks & Cus*	% Lic. Mort Lenders*	% Other Lenders*	% Mass Banks & Cus*	% Lic. Mort Lenders*	% Other Lenders*	% Mass Banks & Cus*	% Lic. Mort Lenders*	% Other Lenders*
2004	22.2%	42.5%	35.2%	23.2%	41.8%	34.9%	26.5%	39.1%	34.4%
2005	19.7%	49.8%	30.5%	19.8%	49.3%	30.9%	23.6%	46.8%	29.6%
2006	22.2%	49.4%	28.3%	22.1%	49.3%	28.5%	25.6%	46.3%	28.1%
2007	35.8%	29.8%	34.5%	33.6%	33.4%	33.1%	37.7%	30.5%	31.8%
2008	39.0%	26.0%	35.0%	37.1%	29.9%	33.0%	41.2%	27.0%	31.8%
2009	47.5%	32.3%	20.2%	42.6%	36.4%	21.0%	45.1%	33.3%	21.6%
2010	45.3%	33.7%	21.0%	41.8%	37.0%	21.2%	43.7%	34.4%	21.9%
2011	43.3%	34.9%	21.9%	40.5%	37.8%	21.7%	42.6%	34.9%	22.6%
2012	42.8%	42.2%	15.0%	43.1%	41.0%	15.9%	44.4%	39.3%	16.4%
2013	42.8%	44.4%	12.8%	43.9%	42.8%	13.3%	44.6%	41.0%	14.4%
2014	45.4%	42.0%	12.6%	43.7%	42.6%	13.6%	43.1%	42.8%	14.2%
2015	45.4%	41.7%	13.0%	45.0%	42.1%	12.9%	43.5%	43.2%	13.2%
2016	45.5%	40.8%	13.6%	42.7%	43.5%	13.8%	40.3%	45.5%	14.1%
2017	47.0%	41.6%	11.4%	42.9%	45.3%	11.8%	38.4%	48.2%	13.3%

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

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

“Licensed Mortgage Lenders”: lenders requiring a state license to make mortgage loans in Mass. (mostly independent mortgage companies) (Starting in 2010, this includes only lenders with at least 50 mortgage loans in the state; other LMLs are included with “Other Lenders.”)

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

For Mass. banks & credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders with 50 or more Mass. loans became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are essentially, exempt from such oversight and evaluation.

**TABLE 24**  
**Shares of Total Loans and FHA-Insured Loans by Major Types of Lenders\***  
**In the City of Boston, Greater Boston, and Statewide**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	All Home-Purchase Loans				FHA-Insured Home-Purchase Loans			
	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*
<b>Boston</b>	4,749	47.0%	41.6%	11.4%	285	11.6%	80.7%	7.7%
<b>Greater Boston</b>	34,183	42.9%	45.3%	11.8%	3,054	14.8%	79.5%	5.8%
<b>Massachusetts</b>	74,088	38.4%	48.2%	13.3%	12,039	12.3%	79.2%	8.5%

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

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

"Licensed Mortgage Lenders": lenders requiring a state license to make mortgage loans in Mass. (mostly independent mortgage companies) who made 50 or more mortgage loans in the state. Licensed lenders with fewer than 50 loans are classified as "Other Lenders."

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

For Mass. banks & credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders with 50 or more Mass. loans became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and evaluation.

**TABLE 25**  
**FHA-Insured Loans and Loan Percentages by Major Lender Type**  
**In the City of Boston, Greater Boston, and Statewide**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	Mass. Banks & CUs*			Licensed Mort Lenders*			Other Lenders*		
	Total Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA	All Loans	FHA Loans	% FHA
<b>Boston</b>	2,234	33	1.5%	1,975	230	11.6%	540	22	4.1%
<b>Greater Boston</b>	14,675	451	3.1%	15,470	2,427	15.7%	4,038	176	4.4%
<b>Massachusetts</b>	28,486	1,480	5.2%	35,726	9,535	26.7%	9,876	1,024	10.4%

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

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

"Licensed Mortgage Lenders": lenders requiring a state license to make mortgage loans in Mass. (mostly independent mortgage companies) who made 50 or more mortgage loans in the state. Licensed lenders with fewer than 50 loans are classified as "Other Lenders."

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

For Mass. banks & credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders with 50 or more Mass. loans became subject to similar state evaluation under a state law enacted in 2007, with the first evaluations taking place in 2009. Other lenders are, essentially, exempt from such oversight and evaluation.

**TABLE 26**  
**Shares of Non-FHA Loans & of All Loans by Each Major Type of Lender\***  
**That Went to Traditionally Underserved Borrowers and Neighborhoods**  
**Boston, Greater Boston, and Massachusetts, 2017**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes Only**

	Total Loans	Black Borrowers		Latino Borrowers		LMI Borrowers		LMI Census Tracts		LMI Census Tracts >75% Minority	
		Non- FHA Loans	All Loans	Non- FHA Loans	All Loans	Non- FHA Loans	All Loans	Non- FHA Loans	All Loans	Non-FHA Loans	All Loans
I. CITY OF BOSTON											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS*											
Number of Loans	2,234	121	135	70	77	397	406	755	777	264	284
% of Loans	100%	5.4%	6.0%	3.1%	3.4%	17.8%	18.2%	33.8%	34.8%	11.8%	12.7%
B. LICENSED MORTGAGE LENDERS*											
Number of Loans	1,975	86	185	72	120	368	409	682	853	249	396
% of Loans	100%	4.4%	9.4%	3.6%	6.1%	18.6%	20.7%	34.5%	43.2%	12.6%	20.1%
C. OTHER LENDERS*											
Number of Loans	540	17	25	24	29	50	54	134	151	50	66
% of Loans	100%	3.1%	4.6%	4.4%	5.4%	9.3%	10.0%	24.8%	28.0%	9.3%	12.2%
D. TOTAL											
Number of Loans	4,749	224	345	166	226	815	867	1,571	1,781	563	746
% of Loans	100%	4.7%	7.3%	3.5%	4.8%	17.2%	18.3%	33.1%	37.5%	11.9%	15.7%
II. GREATER BOSTON											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS*											
Number of Loans	14,675	317	369	488	605	2,568	2,717	2,274	2,470	315	350
% of Loans	100%	2.2%	2.5%	3.3%	4.1%	17.5%	18.5%	15.5%	16.8%	2.1%	2.4%
B. LICENSED MORTGAGE LENDERS*											
Number of Loans	15,470	340	674	724	1,364	3,147	4,021	2,554	3,499	329	562
% of Loans	100%	2.2%	4.4%	4.7%	8.8%	20.3%	26.0%	16.5%	22.6%	2.1%	3.6%
C. OTHER LENDERS*											
Number of Loans	4,038	85	108	182	225	523	583	433	496	63	84
% of Loans	100%	2.1%	2.7%	4.5%	5.6%	13.0%	14.4%	10.7%	12.3%	1.6%	2.1%
D. TOTAL											
Number of Loans	34,183	742	1,151	1,394	2,194	6,238	7,321	5,261	6,465	707	996
% of Loans	100%	2.2%	3.4%	4.1%	6.4%	18.2%	21.4%	15.4%	18.9%	2.1%	2.9%
III. MASSACHUSETTS											
A. MASSACHUSETTS BANKS AND CREDIT UNIONS*											
Number of Loans	28,486	622	813	1,176	1,481	6,386	7,018	4,307	4,946	466	576
% of Loans	100%	2.2%	2.9%	4.1%	5.2%	22.4%	24.6%	15.1%	17.4%	1.6%	2.0%
B. LICENSED MORTGAGE LENDERS*											
Number of Loans	35,726	819	2,009	1,554	3,485	7,743	12,339	4,724	8,366	461	1,075
% of Loans	100%	2.3%	5.6%	4.3%	9.8%	21.7%	34.5%	13.2%	23.4%	1.3%	3.0%
C. OTHER LENDERS*											
Number of Loans	9,876	261	377	505	788	1,951	2,480	1,172	1,567	128	213
% of Loans	100%	2.6%	3.8%	5.1%	8.0%	19.8%	25.1%	11.9%	15.9%	1.3%	2.2%
D. TOTAL											
Number of Loans	74,088	1,702	3,199	3,235	5,754	16,080	21,837	10,203	14,879	1,055	1,864
% of Loans	100%	2.3%	4.3%	4.4%	7.8%	21.7%	29.5%	13.8%	20.1%	1.4%	2.5%

\* For definitions and explanations of Lender Types see footnote to Table 24 or 25.

For definitions of LMI [Low- or moderate-income] borrowers and census tracts, see footnotes to Tables 14 and 17.

**TABLE 27**  
**The Biggest Lenders in Boston, Greater Boston, and Massachusetts\***  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

Lender	Lender Type#	Rank			Loans		
		Boston	Greater Bos	Mass	Boston	Greater Bos	Mass
Guaranteed Rate	LML	1	1	1	600	3,021	4,172
Leader Bank	CRA	2	2	3	336	2,103	2,728
Fairway Independent Mort	LML	4	3	4	214	1,268	2,688
Wells Fargo Bank	OTH	5	4	7	187	1,184	1,685
loanDepot	LML	6	5	5	180	1,138	2,299
Mortgage Network	LML	8	6	6	130	1,025	2,128
Santander Bank	CRA	7	7	8	146	932	1,654
Residential Mortgage	LML	9	8	2	119	804	3,281
Bank of America	CRA	11	9	13	106	784	1,184
Citizens Bank	CRA	12	10	10	101	765	1,407
Salem Five Mortgage	CRA	22	11	11	50	760	1,380
United Shore Financial	LML	25	12	9	46	628	1,448
Blue Hills Bank	CRA	10	13	20	110	627	757
First Republic Bank	CRA	3	14	27	248	584	607
HomeBridge Financial	LML	26	15	14	41	517	1,048
Crosscountry Mortgage	LML	38	16	16	26	512	945
Quicken Loans	LML	29	17	12	35	475	1,311
Caliber Home Loans	LML	20	18	26	53	420	623
Webster Bank	CRA	14	19	28	79	381	599
Belmont Savings Bank	CRA	27	20	40	39	377	418
People's United Bank	CRA	13	21	32	97	376	512
Eastern Bank	CRA	19	22	30	58	374	534
JPMorgan Chase	OTH	16	23	36	65	366	476
Radius Financial Group	LML	49	24	15	20	361	959
Berkshire Bank	CRA	18	25	22	59	353	668
MSA Mortgage	LML	28	26	46	35	318	366
Rockland Trust	CRA	34	27	24	30	317	633
PHH Home Loans	LML	31	28	25	32	314	629
Harvard U Employees CU	CRA	17	29	54	62	282	325
Washington Trust Mort Co	LML	23	30	42	50	272	398
<b>Total, 30 Biggest Lenders</b>					<b>3,452</b>	<b>21,638</b>	<b>39,817</b>
<b>Number of Lenders</b>					<b>250</b>	<b>427</b>	<b>528</b>
<b>Total, All Lenders</b>					<b>4,749</b>	<b>34,183</b>	<b>74,088</b>

\* This table includes the top 30 lenders in Greater Boston, listed in order of their rank in Greater Boston.

Four other lenders were in the top 30 in Boston: Boston Private Bank (76 loans, 15th), Needham Bank (51 loans, 21st), GMH Mortgage Services (47 loans, 24th), and East Boston Savings Bank (32 loans, 30th). GMH is an LML; the other three are CRA lenders.

Six other lenders were in the top 30 statewide: Merrimack Mortgage (881 loans, 17th), Randolph Savings Bank (844 loans, 18th), Cape Cod Five (760 loans, 19th), Academy Mortgage (753 loans, 21st), Stearns Lending (649 loans, 23rd) and Digital Fed CU (563 loans, 29th). Randolph SB and Cape Cod Five are CRA Lenders, Academy and Stearns are LMLs, and Merrimack and Digital are OTH lenders.

Total loans for 30 biggest lenders for Boston and Mass are calculated for top 30 lenders in those areas, and so differ from totals for the 30 lenders in this table.

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

**TABLE 28**  
**Lending by 30 Biggest Lenders in Greater Boston\*, 2017**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**

Lender	Total		Black & Latino Borrowers			Low + Mod-Inc Borrowers			FHA Loans		
	Loans	Rank	Number	Percent	Rank	Number	Percent	Rank	Number	Percent	Rank
Guaranteed Rate	3,021	1	241	8.0%	1	569	18.8%	1	260	8.6%	1
Leader Bank	2,103	2	87	4.1%	8	346	16.5%	2	57	2.7%	17
Fairway Independent Mort	1,268	3	160	12.6%	2	286	22.6%	3	143	11.3%	2
Wells Fargo Bank	1,184	4	55	4.6%	20	69	5.8%	26	8	0.7%	67
loanDepot	1,138	5	82	7.2%	10	215	18.9%	7	109	9.6%	4
Mortgage Network	1,025	6	65	6.3%	16	226	22.0%	6	99	9.7%	8
Santander Bank	932	7	112	12.0%	5	240	25.8%	5	30	3.2%	31
Residential Mortgage	804	8	106	13.2%	7	201	25.0%	8	115	14.3%	3
Bank of America	784	9	25	3.2%	34	85	10.8%	20	26	3.3%	32
Citizens Bank	765	10	45	5.9%	24	142	18.6%	13	23	3.0%	36
Salem Five Mortgage	760	11	55	7.2%	20	198	26.1%	9	77	10.1%	12
United Shore Financial	628	12	158	25.2%	3	243	38.7%	4	57	9.1%	17
Blue Hills Bank	627	13	49	7.8%	22	106	16.9%	18	15	2.4%	42
First Republic Bank	584	14	21	3.6%	38	21	3.6%	67	0	0.0%	145
HomeBridge Financial	517	15	66	12.8%	15	150	29.0%	12	105	20.3%	5
Crosscountry Mortgage	512	16	64	12.5%	17	162	31.6%	11	101	19.7%	6
Quicken Loans	475	17	28	5.9%	32	119	25.1%	15	54	11.4%	19
Caliber Home Loans	420	18	78	18.6%	11	194	46.2%	10	93	22.1%	9
Webster Bank	381	19	13	3.4%	48	22	5.8%	64	2	0.5%	101
Belmont Savings Bank	377	20	7	1.9%	72	18	4.8%	77	0	0.0%	145
People's United Bank	376	21	18	4.8%	44	23	6.1%	58	2	0.5%	101
Eastern Bank	374	22	47	12.6%	23	106	28.3%	18	24	6.4%	35
JPMorgan Chase	366	23	11	3.0%	54	19	5.2%	72	0	0.0%	145
Radius Financial Group	361	24	64	17.7%	17	130	36.0%	14	86	23.8%	11
Berkshire Bank	353	25	16	4.5%	46	35	9.9%	46	3	0.8%	95
MSA Mortgage	318	26	116	36.5%	4	114	35.8%	16	77	24.2%	12
Rockland Trust	317	27	109	34.4%	6	111	35.0%	17	67	21.1%	14
PHH Home Loans	314	28	14	4.5%	47	48	15.3%	35	15	4.8%	42
Harvard U Employees CU	282	29	26	9.2%	33	45	16.0%	39	0	0.0%	145
Washington Trust Mort Co	272	30	9	3.3%	57	61	22.4%	30	0	0.0%	145
<b>Total: All 427 Lenders</b>	<b>34,183</b>		<b>3,345</b>	<b>9.8%</b>		<b>7,321</b>	<b>21.4%</b>		<b>3,054</b>	<b>8.9%</b>	

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

Other Notes:

This table includes the top 30 lenders in Greater Boston; rankings are among all of the 427 lenders with at least one loan in Greater Boston.

See Table 27 for data on the total loans and rankings of these 30 lenders in Boston and in Massachusetts.

If lenders have the same number of loans in a category, they share a rank. For example, Salem Five & PHH Mortgage each made 77 FHA loans, so they are both ranked 12th in that category and no lender received the rank of 13th.

One lender was among the top 10 in loans to black and Latino borrowers, but not among the top 30 overall lenders; Prime Lending ranked 9th in this category with 86 loans to blacks and Latinos.

Two lenders were among the top 10 in FHA loans but not among the top 30 overall lenders; Stearns Lending ranked 7th with 100 FHA loans and Home Point Financial ranked 10th with 91 FHA loans.

# APPENDIX TABLE I

All Home-Purchase and Refinance Loans in Massachusetts, 2017, Classified by Five Characteristics:  
(1) Home-purchase or Refinance; (2) Conventional, FHA, or Other Gov-Backed; (3) First-Lien or Subordinate-Lien;  
(4) Owner-Occupied or Not Owner-Occupied; and (5) Site-Built or Manufactured Housing

A. NUMBER OF LOANS												
	Home Purchase Loans				Refinance Loans				Total Loans			
	Convent	FHA	Other GBL	Total	Convent	FHA	Other GBL	Total	Convent	FHA	Other GBL	Total
First Lien	68,440	12,041	3,849	84,330	48,029	4,064	2,665	54,758	116,469	16,105	6,514	139,088
Owner-Occupied	58,200	12,039	3,849	74,088	42,550	4,021	2,652	49,223	100,750	16,060	6,501	123,311
Site-built	58,010	12,039	3,848	73,897	42,514	4,021	2,652	49,187	100,524	16,060	6,500	123,084
Mfg housing	190	0	1	191	36	0	0	36	226	0	1	227
Not Owner-Occ	10,240	2	0	10,242	5,479	43	13	5,535	15,719	45	13	15,777
Site-built	10,236	2	0	10,238	5,479	43	13	5,535	15,715	45	13	15,773
Mfg housing	4	0	0	4	0	0	0	0	4	0	0	4
Sub Lien	570	0	0	570	1,585	0	1	1,586	2,155	0	1	2,156
Owner-Occupied	542	0	0	542	1,552	0	1	1,553	2,094	0	1	2,095
Site-built	542	0	0	542	1,552	0	1	1,553	2,094	0	1	2,095
Mfg housing	0	0	0	0	0	0	0	0	0	0	0	0
Not Owner-Occ	28	0	0	28	33	0	0	33	61	0	0	61
Site-built	28	0	0	28	33	0	0	33	61	0	0	61
Mfg housing	0	0	0	0	0	0	0	0	0	0	0	0
Any Lien	69,010	12,041	3,849	84,900	49,614	4,064	2,666	56,344	118,624	16,105	6,515	141,244
Owner-Occupied	58,742	12,039	3,849	74,630	44,102	4,021	2,653	50,776	102,844	16,060	6,502	125,406
Site-built	58,552	12,039	3,848	74,439	44,066	4,021	2,653	50,740	102,618	16,060	6,501	125,179
Mfg housing	190	0	1	191	36	0	0	36	226	0	1	227
Not Owner-Occ	10,268	2	0	10,270	5,512	43	13	5,568	15,780	45	13	15,838
Site-built	10,264	2	0	10,266	5,512	43	13	5,568	15,776	45	13	15,834
Mfg housing	4	0	0	4	0	0	0	0	4	0	0	4
memo:												
total site-built	68,816	12,041	3,848	84,705	49,578	4,064	2,666	56,308	118,394	16,105	6,514	141,013
total mfg hsing	194	0	1	195	36	0	0	36	230	0	1	231
B. PERCENTAGE OF TOTAL LOANS												
	Home Purchase Loans				Refinance Loans				Total Loans			
	Convent	FHA	Other GBL	Total	Convent	FHA	Other GBL	Total	Convent	FHA	Other GBL	Total
First Lien	48.5%	8.5%	2.7%	59.7%	34.0%	2.9%	1.9%	38.8%	82.5%	11.4%	4.6%	98.5%
Owner-Occupied	41.2%	8.5%	2.7%	52.5%	30.1%	2.8%	1.9%	34.8%	71.3%	11.4%	4.6%	87.3%
Site-built	41.1%	8.5%	2.7%	52.3%	30.1%	2.8%	1.9%	34.8%	71.2%	11.4%	4.6%	87.1%
Mfg housing	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%
Not Owner-Occ	7.2%	0.0%	0.0%	7.3%	3.9%	0.0%	0.0%	3.9%	11.1%	0.0%	0.0%	11.2%
Site-built	7.2%	0.0%	0.0%	7.2%	3.9%	0.0%	0.0%	3.9%	11.1%	0.0%	0.0%	11.2%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub Lien	0.4%	0.0%	0.0%	0.4%	1.1%	0.0%	0.0%	1.1%	1.5%	0.0%	0.0%	1.5%
Owner-Occupied	0.4%	0.0%	0.0%	0.4%	1.1%	0.0%	0.0%	1.1%	1.5%	0.0%	0.0%	1.5%
Site-built	0.4%	0.0%	0.0%	0.4%	1.1%	0.0%	0.0%	1.1%	1.5%	0.0%	0.0%	1.5%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Not Owner-Occ	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Site-built	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Any Lien	48.9%	8.5%	2.7%	60.1%	35.1%	2.9%	1.9%	39.9%	84.0%	11.4%	4.6%	100.0%
Owner-Occupied	41.6%	8.5%	2.7%	52.8%	31.2%	2.8%	1.9%	35.9%	72.8%	11.4%	4.6%	88.8%
Site-built	41.5%	8.5%	2.7%	52.7%	31.2%	2.8%	1.9%	35.9%	72.7%	11.4%	4.6%	88.6%
Mfg housing	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%
Not Owner-Occ	7.3%	0.0%	0.0%	7.3%	3.9%	0.0%	0.0%	3.9%	11.2%	0.0%	0.0%	11.2%
Site-built	7.3%	0.0%	0.0%	7.3%	3.9%	0.0%	0.0%	3.9%	11.2%	0.0%	0.0%	11.2%
Mfg housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
memo:												
total site-built	48.7%	8.5%	2.7%	60.0%	35.1%	2.9%	1.9%	39.9%	83.8%	11.4%	4.6%	99.8%
total mfg hsing	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%

## Notes:

This five-way classification results in a total of 48 categories. The number of loans in each of these categories was obtained from the 2017 HMDA data. All other numbers in this table are calculated from these 48 basic numbers (in 2017, 28 of these numbers were "0").

The text of this report, and most other tables, include only first-lien loans for owner-occupied homes, which are shown here to constitute 87.3% of total loans. The loans excluded by this criterion consisted of first-lien loans for non-owner occupied homes (11.2% of the total) and subordinate-lien loans (1.5%).

Of the "Other Gov-backed" loans, 5,744 (88.2%) were VA, and 771 (11.8%) were USDA. Of 5 total HEOPA loans, 2 were home-purchase and 3 were re-fi.

This table ignores the state's 19,978 home-improvement loans, of which 7,003 were first-lien loans on owner-occupied homes.

This table also ignores the 113 home-purchase and 86 refi loans for which owner-occupancy status was reported as "NA."



**APPENDIX TABLE 2**  
**Total, Conventional, and FHA Loans, by Race/Ethnicity of Borrower**  
**By Loan Purpose and Lien Type**  
**Loans for Owner-Occupied Homes, Massachusetts, 2017**

Borrower Race/Ethnicity	All Loans	Conventional Loans	FHA Loans	Percent FHA	Ratio to White %
<b>A-1. HOME-PURCHASE LOANS — ANY LIEN</b>					
Asian	6,271	5,876	331	5.3%	0.41
Black	3,220	1,547	1,497	46.5%	3.60
Latino	5,781	3,024	2,519	43.6%	3.37
White	51,828	42,145	6,698	12.9%	1.00
No Info*	7,250	5,971	928	12.8%	
<b>Total*</b>	<b>74,630</b>	<b>58,742</b>	<b>12,039</b>	<b>16.1%</b>	
<b>A-2. HOME-PURCHASE LOANS — FIRST LIEN (99.3% of all Home Purchase Loans)</b>					
Asian	6,217	5,822	331	5.3%	0.41
Black	3,199	1,526	1,497	46.8%	3.60
Latino	5,754	2,997	2,519	43.8%	3.36
White	51,469	41,786	6,698	13.0%	1.00
No Info*	7,172	5,893	928	12.9%	
<b>Total*</b>	<b>74,088</b>	<b>58,200</b>	<b>12,039</b>	<b>16.2%</b>	
<b>A-3. HOME-PURCHASE LOANS — JUNIOR LIEN (0.7% of all Home Purchase Loans)</b>					
Asian	54	54	0	0.0%	NA
Black	21	21	0	0.0%	NA
Latino	27	27	0	0.0%	NA
White	359	359	0	0.0%	NA
No Info*	78	78	0	0.0%	
<b>Total*</b>	<b>542</b>	<b>542</b>	<b>0</b>	<b>0.0%</b>	
<b>B-1. REFINANCE LOANS — ANY LIEN</b>					
Asian	1,914	1,836	64	3.3%	0.47
Black	1,814	1,409	295	16.3%	2.30
Latino	2,169	1,716	346	16.0%	2.25
White	37,758	33,102	2,672	7.1%	1.00
No Info*	6,933	5,910	618	8.9%	
<b>Total*</b>	<b>50,776</b>	<b>44,102</b>	<b>4,021</b>	<b>7.9%</b>	
<b>B-2. REFINANCE LOANS — FIRST LIEN (96.9% of all Refinance Loans)</b>					
Asian	1,875	1,797	64	3.4%	0.47
Black	1,797	1,392	295	16.4%	2.25
Latino	2,115	1,662	346	16.4%	2.24
White	36,582	31,927	2,672	7.3%	1.00
No Info*	6,669	5,646	618	9.3%	
<b>Total*</b>	<b>49,223</b>	<b>42,550</b>	<b>4,021</b>	<b>8.2%</b>	
<b>B-3. REFINANCE LOANS — JUNIOR LIEN (3.1% of all Refinance Loans)</b>					
Asian	39	39	0	0.0%	NA
Black	17	17	0	0.0%	NA
Latino	54	54	0	0.0%	NA
White	1,176	1,175	0	0.0%	NA
No Info*	264	264	0	0.0%	
<b>Total*</b>	<b>1,553</b>	<b>1,552</b>	<b>0</b>	<b>0.0%</b>	
<b>C-1. ALL HOME-PURCHASE AND REFINANCE LOANS — ANY LIEN</b>					
Asian	8,185	7,712	395	4.8%	0.46
Black	5,034	2,956	1,792	35.6%	3.40
Latino	7,950	4,740	2,865	36.0%	3.45
White	89,586	75,247	9,370	10.5%	1.00
No Info*	14,183	11,881	1,546	10.9%	
<b>Total*</b>	<b>125,406</b>	<b>102,844</b>	<b>16,060</b>	<b>12.8%</b>	

\* "No Info" is "Information not provided...in mail, internet, or telephone application" plus "Not applicable."

"Total" includes "Other" as well as the categories shown; "other" is less than 0.7% in every category of loans.

**APPENDIX TABLE 3**  
**Boston Home-Purchase Loans by Race/Ethnicity, 1990–2017\***

Race/ Ethnicity	Number of Loans								Percent of All Loans#							
	1990	1995	2000	2005	2010	2015	2016	2017	1990	1995	2000	2005	2010	2015	2016	2017
Asian	100	269	381	453	317	426	428	497	5.7%	6.0%	5.8%	6.1%	9.3%	10.4%	10.3%	11.8%
Black	287	880	710	1,065	332	272	307	345	16.4%	19.8%	10.9%	14.3%	9.7%	6.6%	7.4%	8.2%
Latino	91	303	463	719	212	222	241	226	5.2%	6.8%	7.1%	9.7%	6.2%	5.4%	5.8%	5.4%
White	1,266	2,866	4,831	5,175	2,548	3,163	3,159	3,117	72.5%	64.4%	74.0%	69.5%	74.5%	77.3%	76.2%	74.2%
Other	3	132	147	34	13	11	10	17	0.2%	3.0%	2.3%	0.5%	0.4%	0.3%	0.2%	0.4%
SubTotal#	1,747	4,450	6,532	7,446	3,422	4,094	4,145	4,202	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
No Info+	23	187	935	884	536	555	593	547								
Total	1,770	4,637	7,467	8,330	3,958	4,649	4,738	4,749								

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

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

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

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

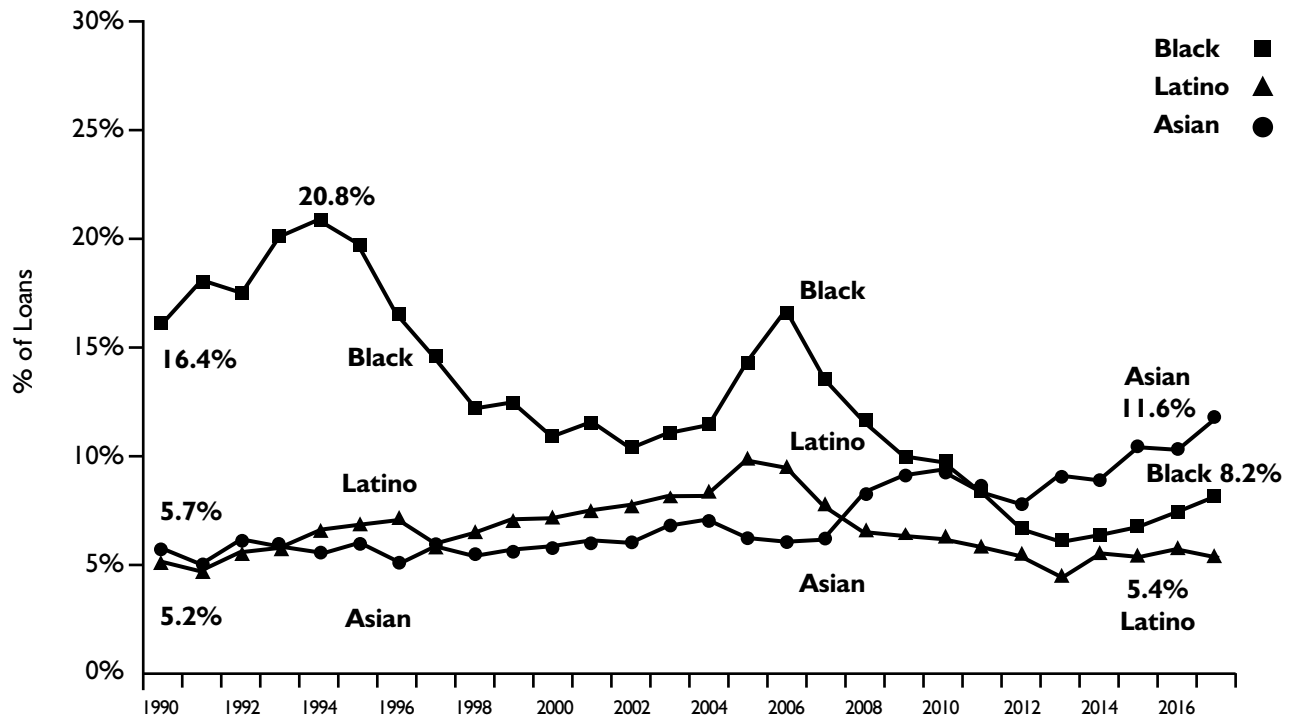
**Chart A-3: Shares of Home-Purchase Loans & Households  
by Race/Ethnicity, Boston, 1990–2017\***

The black share of Boston households was 20.6% in 1990, 21.3% in 2000, & 21.0% in 2010.

The Asian share of Boston households was 4.1% in 1990, 6.8% in 2000, & 8.5% in 2010.

The Latino share of Boston households was 8.1% in 1990, 10.6% in 2000, & 13.7% in 2010.

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



**APPENDIX TABLE 4**  
**Boston Home-Purchase Loans by Income Level**  
**1990–2017\***

Income Level ^	Number of Loans								As Percent of All Loans							
	1990	1995	2000	2005	2010	2015	2016	2017	1990	1995	2000	2005	2010	2015	2016	2017
<b>Low#</b>	51	530	369	216	217	109	118	157	2.8%	11.6%	5.1%	2.7%	5.5%	2.6%	2.5%	3.3%
<b>Moderate</b>	352	1,233	1,321	1,314	1,067	707	649	710	19.6%	27.0%	18.4%	16.4%	27.1%	16.8%	13.8%	15.1%
<b>Middle</b>	527	1,261	1,815	2,281	1,036	969	1,129	1,171	29.3%	27.6%	25.2%	28.5%	26.4%	23.0%	24.0%	24.8%
<b>High</b>	513	889	2,095	2,715	920	1,242	1,389	1,433	28.5%	19.4%	29.1%	33.9%	23.4%	29.5%	29.5%	30.4%
<b>Highest</b>	355	659	1,589	1,474	691	1,182	1,419	1,243	19.7%	14.4%	22.1%	18.4%	17.6%	28.1%	30.2%	26.4%
<b>Hi+Hi'est</b>	868	1,548	3,684	4,189	1,611	2,424	2,808	2,676	48.3%	33.9%	51.2%	52.4%	41.0%	57.6%	59.7%	56.8%
<b>Total#</b>	1,798	4,572	7,189	8,000	3,931	4,209	4,704	4,714	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Important Note: The metropolitan area used to determine income categories for Boston borrowers changed in 2004, so data for 2004 and later are not directly comparable to those for earlier years. Also, beginning in 2004, loans other than first-lien loans for owner-occupied loans are excluded; previously, only junior-lien loans under the SoftSecond Program were excluded.

\* Columns for many years are omitted from this table because of insufficient space, but all years are shown in Chart A-4.

# "Total" excludes borrowers without income data (35 in 2017); before 2004, Low & Total also excluded those with incomes of \$10K or less.

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

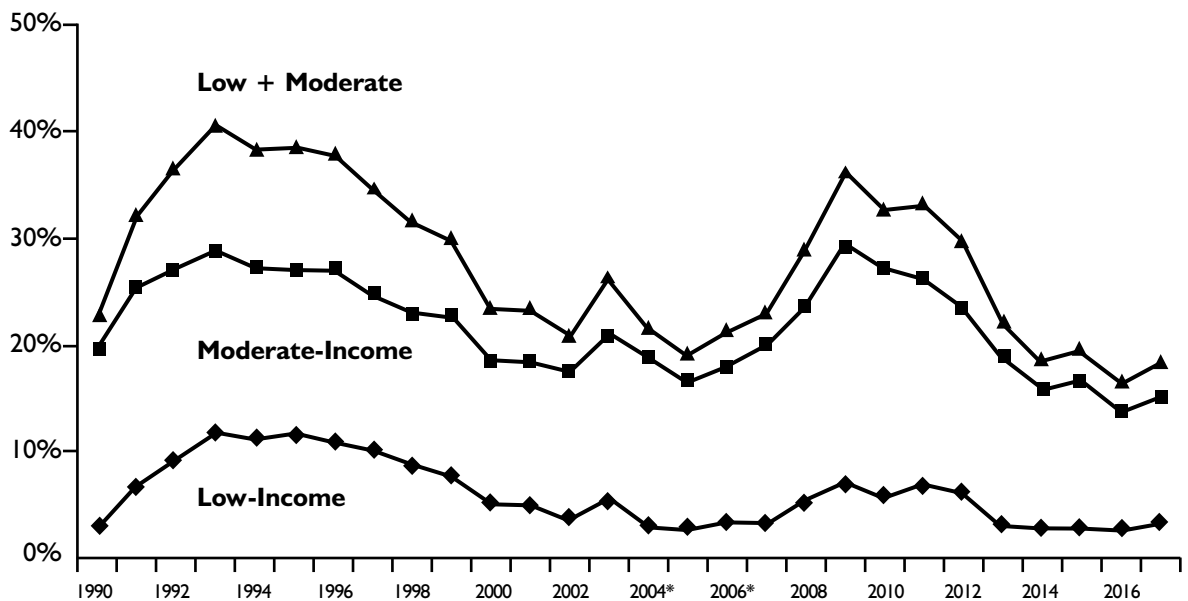
Low: <50% Moderate: 50%–80% Middle: 80%–120% High: 120%–200% Highest: >200%

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

1990: \$46,300; 1991: \$50,200; 1992: \$51,100; 1993: \$51,200; 1994: \$51,300; 1995: \$53,100; 1996: \$56,500; 1997: \$59,600  
1998: \$60,000; 1999: \$62,700; 2000: \$65,500; 2001: \$70,000; 2002: \$74,200; 2003: \$80,800; 2004: \$75,300; 2005: \$76,400  
2006: \$82,000; 2007: \$80,500; 2008: \$84,300; 2009: \$88,100; 2010: \$89,500; 2011: \$93,700; 2012: \$94,900; 2013: \$91,200  
2014: \$90,500; 2015: \$95,500; 2016: \$94,000; 2017: \$103,400

**Chart A-4: Loans to Low- and Moderate-Income Borrowers**  
**as % of All Boston Home-Purchase Loans, 1990–2017\***

\* Percents for 2004 and later are not directly comparable to those for earlier years.



**APPENDIX TABLE 5**  
**Conventional ^ Home-Purchase Loan Denial Rates by Race**  
**Boston, Massachusetts, and United States — 1990–2017\***

	Denial Rate								Ratio to White Denial Rate							
	1990	1995	2000	2005	2010	2015	2016	2017	1990	1995	2000	2005	2010	2015	2016	2017
<b>A. BOSTON</b>																
Asian	14.5%	8.2%	12.7%	14.6%	12.3%	6.4%	7.7%	6.9%	0.89	1.12	1.37	1.45	1.13	1.16	1.63	1.57
Black	32.7%	15.8%	24.5%	23.6%	21.9%	17.4%	16.5%	13.0%	2.00	2.16	2.63	2.34	2.01	3.15	3.51	2.95
Latino	25.3%	18.6%	18.9%	20.9%	22.2%	8.4%	9.5%	12.7%	1.55	2.55	2.03	2.07	2.04	1.52	2.02	2.89
White	16.4%	7.3%	9.3%	10.1%	10.9%	5.5%	4.7%	4.4%	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>B. MASSACHUSETTS</b>																
Asian		7.3%	9.1%	10.1%	12.4%	7.3%	7.1%	6.5%	0.99	1.08		1.04	1.24	1.18	1.14	1.16
Black		16.3%	20.7%	21.3%	22.3%	14.1%	13.8%	12.6%	2.23	2.46		2.20	2.23	2.26	2.20	2.25
Latino		13.1%	17.2%	19.1%	22.1%	12.9%	11.8%	11.1%	1.79	2.05		1.97	2.21	2.07	1.88	1.98
White		7.3%	8.4%	9.7%	10.0%	6.2%	6.3%	5.6%	1.00	1.00		1.00	1.00	1.00	1.00	1.00
<b>C. UNITED STATES ^</b>																
Asian	12.9%	12.5%	12.4%	15.8%	14.4%	11.9%	10.9%	10.1%	0.90	0.61	0.56	1.28	1.17	1.31	1.30	1.28
Black	33.9%	40.5%	44.6%	27.5%	30.9%	23.3%	22.0%	19.3%	2.35	1.97	2.00	2.24	2.51	2.56	2.62	2.44
Latino	21.4%	29.5%	31.4%	21.3%	22.9%	17.2%	15.4%	13.5%	1.49	1.43	1.41	1.73	1.86	1.89	1.83	1.71
White	14.4%	20.6%	22.3%	12.3%	12.3%	9.1%	8.4%	7.9%	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

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

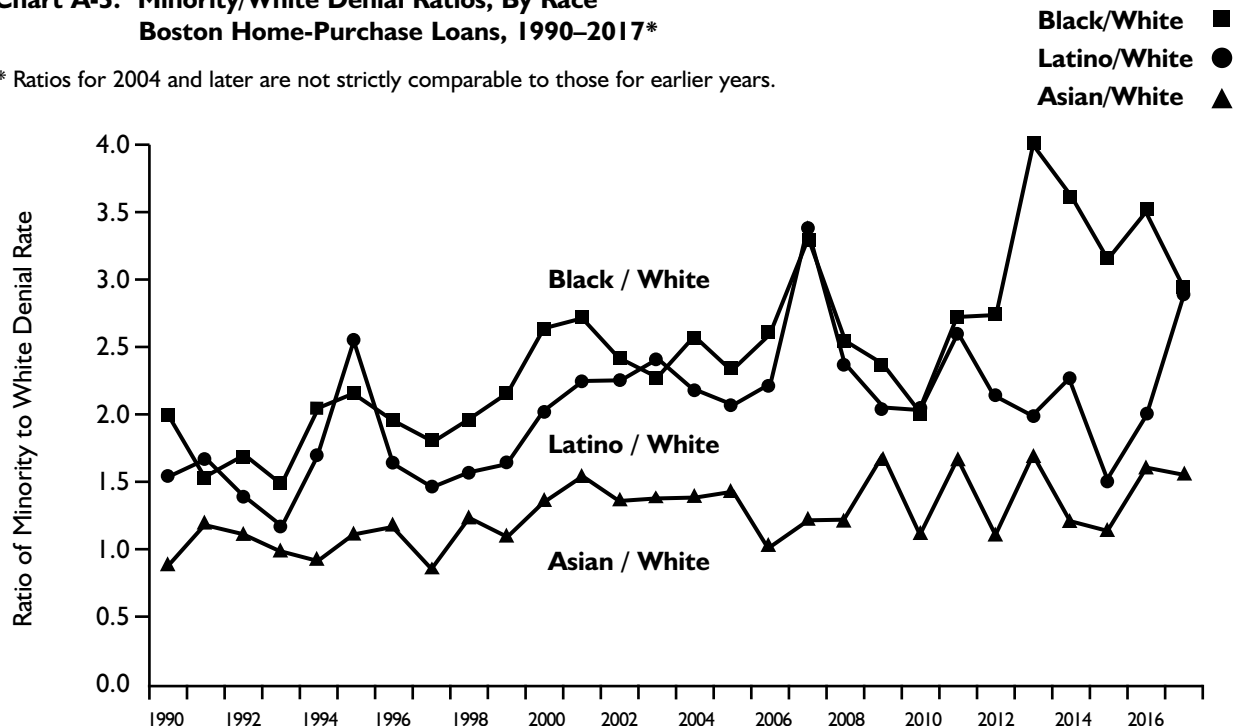
\* Columns for many years are omitted from this table because of insufficient space, but denial rate ratios for all years are shown in Chart A-5.

^ Conventional loans are all loans except government-backed loans; that is, all loans except FHA, VA, and USDA.

U.S. denial rates are for conventional loans only; in Boston and MA denial rates through 2008 are for all loans (these are very close to those for conventional loans only). Beginning with 2009, Boston and MA denial rates are also for conventional loans only.  
 U.S. denial rates through 2016 from Federal Reserve Bulletin and FFIEC annual press releases, various dates; 2017 from Jason Dietrich et al., *Data Point: 2017 Mortgage Market Activity and Trends*, BCFP, May 2018.

**Chart A-5: Minority/White Denial Ratios, By Race**  
**Boston Home-Purchase Loans, 1990–2017\***

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



**APPENDIX TABLE 6**  
**Loans to Black and Latino Borrowers, by SPRINGFIELD Neighborhood**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. LOANS TO BLACK BORROWERS</b>									
Neighborhood	Loans to Blacks	Total Loans	Black % of All Loans	Percentage of Springfield Totals					
				Loans to Blacks	Cumulative % of Black Loans	Total Loans	Cumulative % of Total Loans	Black Pop'n	Total Pop'n
East Forest Park	36	239	15.1%	18.9%	18.9%	18.0%	18.0%	0.9%	2.6%
Forest Park	34	185	18.4%	17.9%	36.8%	13.9%	31.9%	2.8%	2.6%
Pine Point	30	112	26.8%	15.8%	52.6%	8.4%	40.4%	3.2%	6.7%
Sixteen Acres	30	301	10.0%	15.8%	68.4%	22.7%	63.0%	5.7%	2.6%
Liberty Heights	16	172	9.3%	8.4%	76.8%	13.0%	76.0%	13.8%	16.4%
Indian Orchard	13	73	17.8%	6.8%	83.7%	5.5%	81.5%	4.4%	5.3%
East Springfield	7	86	8.1%	3.7%	87.4%	6.5%	88.0%	2.8%	5.0%
Bay	6	18	33.3%	3.2%	90.5%	1.4%	89.3%	3.5%	3.9%
Boston Road	4	43	9.3%	2.1%	92.6%	3.2%	92.5%	6.9%	12.2%
McKnight	4	23	17.4%	2.1%	94.7%	1.7%	94.3%	5.7%	2.8%
Six Corners	4	24	16.7%	2.1%	96.8%	1.8%	96.1%	6.7%	3.0%
Old Hill	3	17	17.6%	1.6%	98.4%	1.3%	97.4%	11.6%	7.0%
Upper Hill	3	14	21.4%	1.6%	100.0%	1.1%	98.4%	0.9%	3.1%
Brightwood	0	12	0.0%	0.0%	100.0%	0.9%	99.3%	5.4%	4.9%
Memorial Square	0	4	0.0%	0.0%	100.0%	0.3%	99.6%	13.0%	14.9%
Metro Center	0	4	0.0%	0.0%	100.0%	0.3%	99.9%	1.2%	1.9%
South End	0	1	0.0%	0.0%	100.0%	0.1%	100.0%	11.4%	5.0%
Springfield Total	190	1,328	14.3%	100.0%		100.0%		100.0%	100.0%
<b>B. LOANS TO LATINO BORROWERS</b>									
Neighborhood	Loans to Latinos	Total Loans	Latino % of All Loans	Percentage of Springfield Totals					
				Loans to Latinos	Cumulative % of Latino Loans	Total Loans	Cumulative % of Total Loans	Latino Pop'n	Total Pop'n
Liberty Heights	91	172	52.9%	19.6%	19.6%	13.0%	13.0%	16.9%	2.6%
Sixteen Acres	87	301	28.9%	18.7%	38.3%	22.7%	35.6%	6.0%	2.6%
Forest Park	56	185	30.3%	12.0%	50.3%	13.9%	49.5%	15.9%	2.6%
Pine Point	48	112	42.9%	10.3%	60.6%	8.4%	58.0%	5.9%	16.4%
East Forest Park	47	239	19.7%	10.1%	70.8%	18.0%	76.0%	4.5%	6.7%
East Springfield	39	86	45.3%	8.4%	79.1%	6.5%	82.5%	1.9%	5.0%
Indian Orchard	22	73	30.1%	4.7%	83.9%	5.5%	88.0%	4.8%	5.3%
Six Corners	13	24	54.2%	2.8%	86.7%	1.8%	89.8%	2.9%	4.9%
Boston Road	12	43	27.9%	2.6%	89.2%	3.2%	93.0%	2.2%	12.2%
Brightwood	11	12	91.7%	2.4%	91.6%	0.9%	93.9%	3.0%	3.9%
Bay	10	18	55.6%	2.2%	93.8%	1.4%	59.6%	5.9%	3.1%
McKnight	9	23	39.1%	1.9%	95.7%	1.7%	97.0%	3.4%	2.8%
Old Hill	9	17	52.9%	1.9%	97.6%	1.3%	98.3%	3.1%	7.0%
Upper Hill	7	14	50.0%	1.5%	99.1%	1.1%	99.3%	7.6%	3.0%
Memorial Square	3	4	75.0%	0.6%	99.8%	0.3%	99.6%	6.8%	14.9%
South End	1	1	100.0%	0.2%	100.0%	0.1%	99.7%	3.4%	1.9%
Metro Center	0	4	0.0%	0.0%	100.0%	0.3%	100.0%	5.7%	5.0%
Springfield Total	465	1,328	35.0%	100.0%		100.0%		100.0%	100.0%

\* In Springfield, neighborhood boundaries correspond closely, but not exactly, to census tract boundaries. HMDA data are available for census tracts, so the numbers in this table offer only an approximation for loans and population in the actual neighborhoods. For this table, I have followed pages 7-8 of "Data Analysis by Neighborhood for the City of Springfield, MA," a September 2014 report by the Pioneer Valley Planning Commission, which includes an excellent map.

Population data from 2010 census. "Black" is short for "non-Hispanic black," and equals black alone + black and any other one race.

**APPENDIX TABLE 7**  
**Results of Applications, by Race/Ethnicity of Applicant ^**  
**Applications for First-Lien Home-Purchase Loans for Owner-Occupied Homes**  
**Number and As Percent of Total, 2017**

	Number of Applications						Percent of Total				
	Appli- cations	Loan Made	Approved/ No Loan	Denied	With- drawn	File In- complete	Loan Made	Approved/ No Loan	Denied	With- drawn	File In- complete
<b>A. BOSTON</b>											
Asian	703	497	15	54	112	25	70.7%	2.1%	7.7%	15.9%	3.6%
Black	509	345	14	71	60	19	67.8%	2.8%	13.9%	11.8%	3.7%
Latino	322	226	5	45	40	6	70.2%	1.6%	14.0%	12.4%	1.9%
White	3,885	3,117	63	185	441	79	80.2%	1.6%	4.8%	11.4%	2.0%
<b>Total*</b>	6,220	4,749	114	418	771	168	76.4%	1.8%	6.7%	12.4%	2.7%
<b>B. GREATER BOSTON+</b>											
Asian	5,726	4,370	127	394	689	146	76.3%	2.2%	6.9%	12.0%	2.5%
Black	1,651	1,151	31	223	199	47	69.7%	1.9%	13.5%	12.1%	2.8%
Latino	2,895	2,194	52	280	295	74	75.8%	1.8%	9.7%	10.2%	2.6%
White	28,148	22,636	458	1,408	3,036	610	80.4%	1.6%	5.0%	10.8%	2.2%
<b>Total*</b>	43,651	34,183	779	2,675	4,910	1,104	78.3%	1.8%	6.1%	11.2%	2.5%
<b>C. MASSACHUSETTS</b>											
Asian	8,231	6,217	183	604	991	223	75.5%	2.2%	7.3%	12.0%	2.7%
Black	4,621	3,199	95	649	521	110	69.2%	2.1%	14.0%	11.3%	2.4%
Latino	7,788	5,754	151	936	739	169	73.9%	1.9%	12.0%	9.5%	2.2%
White	65,249	51,469	1,125	4,233	6,884	1,407	78.9%	1.7%	6.5%	10.6%	2.2%
<b>Total*</b>	96,367	74,088	1,760	7,358	10,551	2,322	76.9%	1.8%	7.6%	10.9%	2.4%

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

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

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

Note: Denial rates here differ from those in Appendix Table 6 because that table included only conventional ones.

**APPENDIX TABLE 8**  
**Reasons Given For Denials Of Mortgage Loan Applications**  
**From Black, Latino, And White Applicants In Greater Boston\***  
**First-Lien, Owner-Occupied HOME-PURCHASE Loans Only, 2017**

<b>A: NUMBER OF DENIALS FOR WHICH THIS WAS THE FIRST OR SECOND REASON REPORTED IN HMDA DATA</b>									
Reason	Black			Latino			White		
	Low- & Mod-Income	Mid- & Upper-Income	Any Income	Low- & Mod-Income	Mid- & Upper-Income	Any Income	Low- & Mod-Income	Mid- & Upper-Income	Any Income
Debt-to-Income Ratio	33	22	55	41	26	67	131	147	278
Employment History	1	1	2	7	1	8	24	24	48
Credit History	16	11	27	10	13	23	65	95	160
Collateral	10	18	28	24	21	45	56	150	206
Insufficient Cash	8	11	19	7	7	14	18	58	76
Unverifiable Information	2	4	6	5	10	15	14	44	58
Credit Application Incomplete	3	7	10	1	8	9	19	118	137
Mortgage Insurance Denied	3	0	3	0	0	0	0	1	1
Other	10	17	27	9	15	24	37	61	98
<b>Total Denials ^</b>	<b>108</b>	<b>112</b>	<b>220</b>	<b>141</b>	<b>146</b>	<b>287</b>	<b>494</b>	<b>898</b>	<b>1,392</b>
<b>Number with Reason Reported</b>	<b>65</b>	<b>73</b>	<b>138</b>	<b>85</b>	<b>78</b>	<b>163</b>	<b>296</b>	<b>596</b>	<b>892</b>
<b>Number with No Reason Reported</b>	<b>43</b>	<b>39</b>	<b>82</b>	<b>56</b>	<b>68</b>	<b>124</b>	<b>198</b>	<b>302</b>	<b>500</b>
<b>Percent with No Reason Reported</b>	<b>39.8%</b>	<b>34.8%</b>	<b>37.3%</b>	<b>39.7%</b>	<b>46.6%</b>	<b>43.2%</b>	<b>40.1%</b>	<b>33.6%</b>	<b>35.9%</b>

<b>B: NUMBER OF DENIALS WITH THIS REASON AS PERCENT OF TOTAL DENIALS FOR WHICH ANY REASON WAS REPORTED</b>									
Reason	Black			Latino			White		
	Low- & Mod-Income	Mid- & Upper-Income	Any Income	Low- & Mod-Income	Mid- & Upper-Income	Any Income	Low- & Mod-Income	Mid- & Upper-Income	Any Income
Debt-to-Income Ratio	51%	30%	40%	48%	33%	41%	44%	25%	31%
Employment History	2%	1%	1%	8%	1%	5%	8%	4%	5%
Credit History	25%	15%	20%	12%	17%	14%	22%	16%	18%
Collateral	15%	25%	20%	28%	27%	28%	19%	25%	23%
Insufficient Cash	12%	15%	14%	8%	9%	9%	6%	10%	9%
Unverifiable Information	3%	5%	4%	6%	13%	9%	5%	7%	7%
Credit Application Incomplete	5%	10%	7%	1%	10%	6%	6%	20%	15%
Mortgage Insurance Denied	5%	0%	2%	0%	0%	0%	0%	0%	0%
Other	15%	23%	20%	11%	19%	15%	13%	10%	11%

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

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

Lenders reported a third reason for only 2.8% of denials in Greater Boston in 2017; to greatly simplify calculations, this table includes only first and second reasons. HMDA reporting instructions specify which of the approximately twenty reasons for denial listed in the model form for adverse action contained in the appendix to Regulation B (Equal Credit Opportunity) correspond to each of the reasons for denial that are available in HMDA data:

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

Employment history: temporary or irregular employment; length of employment

Credit history: insufficient number of credit references provided; unacceptable type of credit references provided; no credit file; limited credit experience; poor credit performance with us; delinquent past or present credit obligations with others; garnishment, attachment, foreclosure, repossession, collection action, or judgment; bankruptcy

Collateral: value or type of collateral not sufficient

Insufficient cash: [for downpayment or closing costs]

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

Credit application incomplete: credit application incomplete

Mortgage insurance denied: [none listed]

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

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

^ Total denials here are slightly lower than in Appendix Table 6 because applicant income was not reported for a small number of applicants.



**APPENDIX TABLE 9**  
**Lenders by Major Type and Sub-Type**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. NUMBER OF LENDERS AND LOANS</b>						
Lender Type	City of Boston		Greater Boston		Massachusetts	
	Lenders	Loans	Lenders	Loans	Lenders	Loans
Mass-based Bank	68	1,178	103	8,722	119	17,457
Other Bank with MA branches	11	800	14	4,043	17	6,683
MA-chartered CU	15	181	28	949	39	2,612
Subsidiary of MA-based Bank	4	75	4	961	4	1,734
<b>Subtotal, CRA Lenders</b>	<b>98</b>	<b>2,234</b>	<b>149</b>	<b>14,675</b>	<b>179</b>	<b>28,486</b>
Ind Mort Co >49 Loans	69	1,902	87	14,987	88	34,862
Affiliate of non-MA Bank >49	5	73	6	483	6	864
<b>Subtotal, LML Lenders</b>	<b>74</b>	<b>1,975</b>	<b>93</b>	<b>15,470</b>	<b>94</b>	<b>35,726</b>
Non-MA Bank, no MA branches	54	488	94	3,250	120	6,784
Fed-chartered MA CU	6	20	17	396	25	1,964
Non-MA CU	8	17	34	207	50	650
Ind Mort Co <50 Loans	8	12	36	168	56	437
Affiliate of non-MA Bank <50	2	3	4	17	4	41
<b>Subtotal, Other Lenders</b>	<b>78</b>	<b>540</b>	<b>185</b>	<b>4,038</b>	<b>255</b>	<b>9,876</b>
<b>Total, All Lenders</b>	<b>250</b>	<b>4,749</b>	<b>427</b>	<b>34,183</b>	<b>528</b>	<b>74,088</b>
<b>B. SHARES OF TOTAL LENDERS AND LOANS</b>						
Lender Type	City of Boston		Greater Boston		Massachusetts	
	Lenders	Loans	Lenders	Loans	Lenders	Loans
Mass-based Bank	27.2%	24.8%	24.1%	25.5%	22.5%	23.6%
Other Bank with MA branches	4.4%	16.8%	3.3%	11.8%	3.2%	9.0%
MA-chartered CU	6.0%	3.8%	6.6%	2.8%	7.4%	3.5%
Subsidiary of MA-based Bank	1.6%	1.6%	0.9%	2.8%	0.8%	2.3%
<b>Subtotal, CRA Lenders</b>	<b>39.2%</b>	<b>47.0%</b>	<b>34.9%</b>	<b>42.9%</b>	<b>33.9%</b>	<b>38.4%</b>
Ind Mort Co >49 Loans	27.6%	40.1%	20.4%	43.8%	16.7%	47.1%
Affiliate of non-MA Bank >49	2.0%	1.5%	1.4%	1.4%	1.1%	1.2%
<b>Subtotal, LML Lenders</b>	<b>29.6%</b>	<b>41.6%</b>	<b>21.8%</b>	<b>45.3%</b>	<b>17.8%</b>	<b>48.2%</b>
Non-MA Bank, no MA branches	21.6%	10.3%	22.0%	9.5%	22.7%	9.2%
Fed-chartered MA CU	2.4%	0.4%	4.0%	1.2%	4.7%	2.7%
Non-MA CU	3.2%	0.4%	8.0%	0.6%	9.5%	0.9%
Ind Mort Co <50 Loans	3.2%	0.3%	8.4%	0.5%	10.6%	0.6%
Affiliate of non-MA Bank <50	0.8%	0.1%	0.9%	0.0%	0.8%	0.1%
<b>Subtotal, Other Lenders</b>	<b>31.2%</b>	<b>11.4%</b>	<b>43.3%</b>	<b>11.8%</b>	<b>48.3%</b>	<b>13.3%</b>
<b>Total, All Lenders</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Note: In this report, "Greater Boston" consists of the 101 cities and towns in the MAPC region.

Note also: Data in this table are for first-lien home-purchase loans for owner-occupied homes. Statewide, a total of 692 lenders reported at least one application in 2017 HMDA data for a home located in Massachusetts (any purpose, any lien, owner-occupied or not). Of the 164 additional lenders not included in this table, 9 were CRA lenders, 1 was an LML, and 154 were Other Lenders.

**APPENDIX TABLE 10**  
**Home-Purchase Loans by Major Types of Lenders, Boston & Massachusetts, 1990–2017 <sup>^</sup>**  
**(For 2004 to present, includes Only First-Lien Loans for Owner-Occupied Homes\*)**

	1990	1995	2000	2005	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>I. BOSTON</b>													
<b>A. BIG BOSTON BANKS</b>													
Number of Loans	541	2,020	876	695	937	780	519	402	372	357	305	350	353
% of All Loans	28.9%	43.6%	11.7%	8.3%	22.5%	19.7%	14.9%	9.2%	7.7%	8.0%	6.6%	7.4%	7.4%
<b>B. OTHER MASSACHUSETTS BANKS AND CREDIT UNIONS</b>													
Number of Loans	919	869	1,367	946	1,039	1,012	992	1,468	1,690	1,662	1,804	1,808	1,881
% of All Loans	49.1%	18.7%	18.3%	11.4%	25.0%	25.6%	28.4%	33.6%	35.1%	37.4%	38.8%	38.2%	39.6%
<b>C. MORTGAGE COMPANIES &amp; OUT-OF-STATE BANKS (excluding subprime lenders 2000–2009)</b>													
Number of Loans	410	1,748	4,736	5,196	2,182	2,166	1,982	2,499	2,759	2,428	2,540	2,580	2,515
% of All Loans	21.9%	37.7%	63.4%	62.4%	52.5%	54.7%	56.7%	57.2%	57.2%	54.6%	54.6%	54.5%	53.0%
<b>D. SUBPRIME LENDERS (2000–2009) #</b>													
Number of Loans			488	1,493	2								
% of All Loans			6.5%	17.9%	0.0%								
<b>E. TOTAL</b>													
Number of Loans	1,870	4,637	7,467	8,330	4,160	3,958	3,493	4,369	4,821	4,447	4,649	4,738	4,749
% of All Loans	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>II. MASSACHUSETTS</b>													
<b>A + B. MASSACHUSETTS BANKS AND CREDIT UNIONS</b>													
Number of Loans			22,238	23,408	20,857	18,738	23,190	26,795	25,827	28,536	29,578	28,486	
% of All Loans			23.6%	45.1%	43.7%	42.6%	44.4%	44.6%	43.1%	43.5%	40.3%	38.4%	
<b>C. MORTGAGE COMPANIES &amp; OUT-OF-STATE BANKS (excluding subprime lenders, 2002–2009)</b>													
Number of Loans			53,719	28,422	26,842	25,294	29,090	33,334	34,133	37,033	43,769	45,602	
% of All Loans			57.0%	54.8%	56.3%	57.4%	55.6%	55.4%	56.9%	56.5%	59.7%	61.6%	
<b>D. SUBPRIME LENDERS (2002–2009) #</b>													
Number of Loans			18,329	71									
% of All Loans			19.4%	0.1%									
<b>E. TOTAL</b>													
Number of Loans			94,286	51,901	47,699	44,032	52,280	60,129	59,960	65,569	73,347	74,088	
% of All Loans			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

<sup>^</sup> For reasons of space, the columns for many years are omitted from this table.

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

# Subprime lenders for 1998–2003 are from HUD’s annual lists of subprime lenders. Subprime lenders for 2004, 2005, and 2006–2009 are those mortgage companies and out-of-state banks for whom high-APR loans constituted more than 15.0%, 33.3%, 40.0% and 40.0% (respectively) of their total Massachusetts loans. Lenders were also classified as subprime for 2007 if they were classified as subprime in 2006 and had more than 25% HALs in 2007.

“Big Boston Banks”: Bank of America, (RBS) Citizens, and Sovereign/Santander in 2004–2017. BankBoston, Bank of New England, BayBanks, Boston Five, Boston Safe Deposit, Fleet and Shawmut were included during the years they existed. Mortgage companies affiliated with these banks are included, except that in 2008 and 2009 Countrywide was not considered part of Bank of America for this purpose. If Eastern Bank and TD Bank had been included as “Big Boston Banks” in 2016, they would have added 68 loans to the group’s total.

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

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

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

**APPENDIX TABLE I I**  
**Total and VA-Guaranteed Loans, By Race/Ethnicity of Borrower**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

<b>A. GBLs AS PERCENTAGE OF ALL HOME-PURCHASE LOANS</b>												
<b>Borrower Race/ Ethnicity</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>VA Loans</b>	<b>% VA</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>VA Loans</b>	<b>% VA</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>VA Loans</b>	<b>% VA</b>	<b>Ratio to White %</b>
Asian	497	3	0.6%	0.37	4,370	21	0.5%	0.19	6,217	57	0.9%	0.20
Black	345	7	2.0%	1.24	1,151	33	2.9%	1.13	3,199	163	5.1%	1.12
Latino	226	5	2.2%	1.35	2,194	52	2.4%	0.94	5,754	202	3.5%	0.77
White	3,117	51	1.6%	1.00	22,636	572	2.5%	1.00	51,469	2,348	4.6%	1.00
Other*	17	0	0.0%		99	11	11.1%		277	33	11.9%	
No Info ^	547	12	2.2%		3,733	79	2.1%		7,172	307	4.3%	
<b>Total</b>	<b>4,749</b>	<b>78</b>	<b>1.6%</b>		<b>34,183</b>	<b>768</b>	<b>2.2%</b>		<b>74,088</b>	<b>3,110</b>	<b>4.2%</b>	
<b>B. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL HOME-PURCHASE LOANS</b>												
<b>Borrower Race/ Ethnicity</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>			
	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-VA Loans</b>	<b>% of VA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-VA Loans</b>	<b>% of VA Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-VA Loans</b>	<b>% of VA Loans</b>
Asian	497	10.5%	10.6%	3.8%	4,370	12.8%	13.0%	2.7%	6,217	8.4%	8.7%	1.8%
Black	345	7.3%	7.2%	9.0%	1,151	3.4%	3.3%	4.3%	3,199	4.3%	4.3%	5.2%
Latino	226	4.8%	4.7%	6.4%	2,194	6.4%	6.4%	6.8%	5,754	7.8%	7.8%	6.5%
White	3,117	65.6%	65.6%	65.4%	22,636	66.2%	66.0%	74.5%	51,469	69.5%	69.2%	75.5%
Other*	17	0.4%	0.4%	0.0%	99	0.3%	0.3%	1.4%	277	0.4%	0.3%	1.1%
No Info ^	547	11.5%	11.5%	15.4%	3,733	10.9%	10.9%	10.3%	7,172	9.7%	9.7%	9.9%
<b>Total</b>	<b>4,749</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>34,183</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>74,088</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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

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

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

**APPENDIX TABLE 12**

**Total Loans, FHA Loans, and VA Loans in 36 Massachusetts Cities and Towns:  
The 26 Gateway Cities and the 10 Others with Over 50,000 Residents  
First-Lien Home-Purchase Loans for Owner-Occupied Homes, 2017**

	Home-Purchase Loans					% Black Pop'n	% Latino Pop'n	Median Family Income
	All Loans	FHA Loans	VA Loans	% FHA	% VA			
<b>Attleboro</b>	582	155	37	26.6%	6.4%	3.4%	6.1%	\$81,250
<b>Barnstable</b>	586	146	22	24.9%	3.8%	3.9%	4.2%	\$77,979
<b>Brockton#</b>	1,245	694	69	55.7%	5.5%	38.6%	10.3%	\$56,679
<b>Chelsea*</b>	224	41	6	18.3%	2.7%	5.3%	64.2%	\$50,655
<b>Chicopee</b>	560	176	56	31.4%	10.0%	3.1%	17.6%	\$59,218
<b>Everett*</b>	267	73	3	27.3%	1.1%	17.7%	21.5%	\$54,238
<b>Fall River</b>	621	280	42	45.1%	6.8%	3.6%	9.0%	\$44,023
<b>Fitchburg</b>	477	192	26	40.3%	5.5%	3.7%	23.9%	\$56,792
<b>Haverhill#</b>	912	242	51	26.5%	5.6%	1.8%	18.6%	\$73,343
<b>Holyoke</b>	250	80	11	32.0%	4.4%	3.8%	49.5%	\$41,194
<b>Lawrence#</b>	559	286	11	51.2%	2.0%	2.9%	76.4%	\$36,600
<b>Leominster</b>	583	131	45	22.5%	7.7%	4.3%	15.3%	\$74,560
<b>Lowell#</b>	889	236	33	26.5%	3.7%	6.8%	18.1%	\$57,695
<b>Lynn*</b>	970	377	32	38.9%	3.3%	11.6%	35.5%	\$58,415
<b>Malden*</b>	434	49	12	11.3%	2.8%	14.0%	10.3%	\$64,684
<b>Methuen#</b>	672	191	30	28.4%	4.5%	1.6%	23.3%	\$85,015
<b>New Bedford</b>	817	395	49	48.3%	6.0%	6.8%	18.3%	\$46,114
<b>Peabody*</b>	594	114	18	19.2%	3.0%	2.0%	8.6%	\$82,298
<b>Pittsfield</b>	463	86	25	18.6%	5.4%	5.4%	5.4%	\$58,551
<b>Quincy*</b>	946	59	21	6.2%	2.2%	4.8%	3.3%	\$79,585
<b>Revere*</b>	462	155	5	33.5%	1.1%	4.3%	26.4%	\$58,515
<b>Salem*</b>	577	86	16	14.9%	2.8%	4.5%	16.5%	\$71,393
<b>Springfield</b>	1,328	647	83	48.7%	6.3%	18.8%	42.2%	\$38,847
<b>Taunton</b>	741	274	49	37.0%	6.6%	5.5%	6.7%	\$69,318
<b>Westfield</b>	395	85	45	21.5%	11.4%	2.0%	8.0%	\$77,163
<b>Worcester</b>	1,605	518	79	32.3%	4.9%	11.4%	20.8%	\$56,221
<b>Total, Gateway Cities</b>	<b>17,759</b>	<b>5,768</b>	<b>876</b>	<b>32.5%</b>	<b>4.9%</b>			
<b>Boston*</b>	4,749	285	78	6.0%	1.6%	22.7%	18.8%	\$62,775
<b>Brookline*</b>	428	0	0	0.0%	0.0%	2.8%	6.0%	\$137,120
<b>Cambridge*</b>	530	2	1	0.4%	0.2%	10.0%	8.0%	\$104,454
<b>Framingham*</b>	772	122	16	15.8%	2.1%	5.9%	15.5%	\$87,075
<b>Medford*</b>	502	10	9	2.0%	1.8%	8.9%	5.9%	\$91,532
<b>Newton*</b>	832	2	2	0.2%	0.2%	3.6%	5.4%	\$161,101
<b>Plymouth#</b>	970	185	70	19.1%	7.2%	2.2%	0.4%	\$65,938
<b>Somerville*</b>	532	2	1	0.4%	0.2%	6.8%	9.8%	\$79,263
<b>Waltham*</b>	507	14	6	2.8%	1.2%	5.9%	13.3%	\$91,329
<b>Weymouth*</b>	818	95	27	11.6%	3.3%	3.7%	2.8%	\$92,221

Note: Population and income data from U.S. Census Bureau's 2011-2015 American Community Survey.

\* These 17 cities are in Greater Boston as defined by the Metropolitan Area Planning Council (MAPC) Region and also in the Boston MSA.

# These 6 cities are within the Boston Metropolitan Statistical Area (MSA) but not within Greater Boston.

## NOTES ON FHA (AND VA) LENDING

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### Introduction

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This report presents a great deal of information on the elevated level of FHA loans and on the disproportionate shares of this lending that have gone to traditionally underserved borrowers and neighborhoods.<sup>1</sup> To be able to assess the significance and implications of this information, it is necessary to understand the nature of FHA lending and the context within which it increased so dramatically.

FHA loans are very different from the subprime loans of the preceding decade. Subprime lenders had a financial incentive to steer borrowers into subprime loans, because these loans generally resulted in substantially higher fees than did prime loans. Subprime loans were marketed aggressively and deceptively to make them appear much less expensive than they actually were, with lenders particularly targeting black and Latino borrowers and neighborhoods. From the borrower's point of view, many (if not most) of those who received subprime loans would have been better off receiving no loan at all. An extraordinarily high proportion of subprime loans resulted in delinquencies and foreclosures; as of November 2010, for example, only 45.2% of outstanding subprime loans in Massachusetts were current in their payments, 23.9% were 90 or more days delinquent, and 13.4% were in the process of foreclosure.<sup>2</sup>

In contrast, while FHA loans are somewhat more expensive for borrowers than prime conventional loans, they do not include predatory features and they offer a reasonable option for those who are unable to obtain a prime loan. **The high level of FHA lending in recent years, especially to traditionally underserved borrowers and neighborhoods, is not itself a problem, but is rather a symptom of—and a constructive response to—an underlying problem: the lack of availability of prime conventional loans to those borrowers and neighborhoods.**

### The Nature of FHA Lending

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FHA loans are made by private lenders who have been certified by the Department of Housing and Urban Development's Federal Housing Administration (FHA) and whose performance is subject to its review. The lender sets the price and terms of the loan, and decides whether or not to approve the applications that it receives. Borrowers must be owner-occupants and must make a down payment of at least 3.5% of the value of the property; the low down payment requirement is the primary attraction of FHA loans and almost all borrowers take advantage of it.<sup>3</sup> Loan amounts must be below a maximum that depends on the level of housing prices in the county within which the property is located and whether the property has one, two, three, or four units.

FHA loans are more expensive than conventional loans because of required insurance premiums that go into the FHA's Mutual Mortgage Insurance Fund (MMIF). Borrowers must pay both an upfront premium (1.75%) that is due at the time of the loan and an annual premium (0.85% since late January 2015) that is allocated to the borrowers' monthly payments. Substantial changes in the annual premium—which result in substantial changes in monthly mortgage payments—have contributed significantly to the recent annual changes in the FHA share of total lending shown in Table 1. Between October 2010 and April 2013, the annual premium increased in four steps from its long-standing level of 0.55% to a high of 1.35%. In January 2015, the annual premium was reduced to 0.85%; it has not changed again since then.<sup>4</sup>

Another consequence of the April 2013 increase of the annual insurance premium to 1.35%, together with a simultaneous change that required this premium to be paid for the life of the loan rather than end when the loan-to-value ratio fell below 78%, was that the Annual Percentage Rates (APRs) of many FHA loans slightly exceeded the threshold defining “higher-priced” or

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<sup>1</sup> The exclusive focus on FHA loans began with *Changing Patterns XXIII*. It is a change from the focus on all government-backed loans (GBLs) in previous reports. The final section of these “Notes” discusses the reasons for this change.

<sup>2</sup> These loan status statistics were obtained from a website maintained by the Federal Reserve Bank of New York that no longer provides data on subprime loans.

<sup>3</sup> The average loan-to-value ratio for FHA home-purchase loans has been between 95.6% and 96.5% every year since 2001 (HUD, *Annual Report to Congress Regarding the Financial Status of the FHA Mutual Mortgage Insurance Fund, Fiscal Year 2017*, pp. 23 & 83).

<sup>4</sup> The insurance premiums were raised to replenish the funds in the FHA's MMIF following its massive losses in the aftermath of last decade's financial crisis. For a quantitative analysis of the impact of the changes in insurance premiums on the FHA share of home-purchase loans, see Neil Bhutta and Daniel Ringo, “Changing FHA Mortgage Insurance Premiums and the Effects on Lending,” *FEDS Notes*, September 29, 2016 (<http://dx.doi.org/10.17016/2380-7172.1843>). For a helpful table showing the history of changes in both the upfront and annual mortgage insurance premiums since 2001, see the Urban Institute's *Housing Finance at a Glance: A Monthly Chartbook* (available at: [www.urban.org](http://www.urban.org)). In the October 2018 edition, this information is on page 33.

high-APR loans (HALs)—because this threshold is only 1.50% above the prevailing prime mortgage APR as reported by Freddie Mac. Nationwide, during the eight months of 2013 following the premium increase, about 40% of all FHA home-purchase loans were HALs, up from just 5% in the year's first four months. HALs made up 44% of all FHA loans in 2014, 22% of all FHA loans in 2015, 21% of all FHA loans in 2016, and 25% of all FHA loans in 2017 (compared to 1% of VA and USDA loans in each year).<sup>5</sup> In Massachusetts in 2017, 11.3% of FHA home-purchase loans (1,363 of 12,039 loans) were HALs (up from 9.6% in 2016, but far below the 29% in 2014) and these FHA loans accounted for 67.8% of all home-purchase HALs in the state.

With the disappearance of subprime mortgage lenders and retrenchment by conventional lenders, FHA lending played a huge role in the late 2000s in supporting the overall housing and mortgage markets. FHA loans accounted for more than 40% of all home-purchase loans nationwide in 2009 and 2010.<sup>6</sup> Many of the loans made during the early part of this chaotic period became delinquent, resulting in massive losses to the Mutual Mortgage Insurance Fund that led to increased insurance premiums described above.

The overall delinquency and foreclosure rates on FHA loans are much higher than those for conventional loans (for example, as of March 31, 2018, 8.4% of outstanding FHA loans in Massachusetts were delinquent, compared to 3.4% for conventional loans, and 1.9% were in foreclosure, compared to 1.4% for conventional loans).<sup>7</sup> However, these higher percentages largely reflect the

poor performance of FHA loans made from 2007 through early 2009. The performance of FHA loans made since mid-2009 has been dramatically better.<sup>8</sup>

## Past Problems with FHA Lending

FHA lending has a checkered history that has brought it much well-deserved criticism over the years. From its inception in the 1930s until the mid-1960s, the FHA explicitly embraced both redlining and discrimination against black and other minority borrowers. FHA lenders subsequently pioneered reverse redlining and championed block-busting practices that devastated many inner-city neighborhoods; the B-BURG program that transformed Mattapan in the late 1960s is a local example of the damage wrought by FHA lending. In fact, it was outrage at the destructive impacts of FHA lending that was responsible for much of the organizing and advocacy that resulted in enactment of the Home Mortgage Disclosure Act in 1975 and the Community Reinvestment Act in 1977.<sup>9</sup>

Furthermore, during the three decades beginning in 1980, there were a number of episodes where unscrupulous lenders were able to take advantage of weak FHA oversight of its lending programs to produce large volumes of inappropriate loans that were highly profitable to them and their associates but injurious to borrowers, communities, and the FHA insurance fund. The most recent episode came in the immediate aftermath of the subprime lending meltdown when many predatory lenders simply moved over and continued plying their trade as FHA lenders.<sup>10</sup>

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5 Neil Bhutta and Daniel Ringo, "Residential Mortgage Lending From 2004 to 2015: Evidence from the Home Mortgage Disclosure Act Data," *Federal Reserve Bulletin*, Nov. 2016, (p. 16 and Table 8), and Neil Bhutta, Steven Laufer, and Daniel Ringo, "Residential Mortgage Lending in 2016: Evidence from the Home Mortgage Disclosure Act Data," *Federal Reserve Bulletin*, Nov. 2017, p. 20 and Table 8; and Jason Dietrich et al., *Data Point: 2017 Mortgage Market Activity and Trends*, Bureau of Consumer Financial Protection, May 2018, p. 50 and Table 8B.

6 Calculated from data in Table 1 of article by Bhutta and Ringo cited in preceding footnote.

7 Mortgage Bankers Association, *National Delinquency Survey Q1 2018* (subscription required).

8 For information on FHA loan performance, see HUD, *Annual Report to Congress Regarding the Financial Status of the FHA Mutual Mortgage Insurance Fund, Fiscal Year 2017*, pp. 31–35.

9 For good introductions to these periods in the FHA's history see Richard Rothstein, *The Color of Law: A Forgotten History of How Our Government Segregated America*, Norton, 2017, Chaps. 4 & 6; Kenneth T. Jackson, *Crabgrass Frontier: The Suburbanization of the United States*, Oxford University Press, 1985, pp. 203–218; Gregory D. Squires, ed., *From Redlining to Reinvestment: Community Responses to Urban Disinvestment*, Temple University Press, 1992, pp. 3–7 and 231–234; Beryl Satter, *Family Properties: Race, Real Estate, and the Exploitation of Black Urban America*, Henry Holt, 2009, pp. 338–345; and Calvin Bradford and Anne B. Shlay, "Assuming a Can Opener: Economic Theory's Failure to Explain Discrimination in FHA Lending Markets," *Cityscape*, Vol. 2, Num. 1, pp. 77–87 ([www.huduser.org/Periodicals/CITYSCPE/VOL2NUM1/bradford.pdf](http://www.huduser.org/Periodicals/CITYSCPE/VOL2NUM1/bradford.pdf)). For an account of the B-BURG experience, see Hillel Levine and Lawrence Harmon, *The Death of an American Jewish Community: A Tragedy of Good Intentions*, Free Press, 1992. (Following the assassination of Martin Luther King Jr. in 1968, the Boston Banks Urban Renewal Group [B-BURG] launched a well-meaning but deeply misguided program that promoted FHA loans to black borrowers, but only within specified, predominantly Jewish neighborhoods in Dorchester, Roxbury and, especially, Mattapan; the results were catastrophic both for the existing residents who were forced out, for the newcomers who received unaffordable loans on overpriced houses, and for the neighborhoods themselves.)

10 See *Business Week's* cover story of November 19, 2008, by Chad Terhune and Robert Berner, "FHA-Backed Loans: The New Subprime"; available at: <https://www.bloomberg.com/news/articles/2008-11-18/fha-backed-loans-the-new-subprime>.

## FHA Loans vs. VA Loans

The FHA is one of three federal government agencies that back home mortgage loans issued by private lenders. The FHA insures mortgage loans, while the Department of Veterans Affairs (VA) and the Department of Agriculture (USDA) guarantee them. *Changing Patterns XXII* and earlier reports presented data and analysis based on the total of these three types of loans, referred to collectively as Government-Backed Loans (GBLs).<sup>11</sup>

The change to an exclusive focus on FHA loans beginning with *Changing Patterns XXIII* was adopted for two basic reasons. First, restricting the data and analysis to FHA loans is simpler, clearer, and more accurate. Because FHA loans make up the great majority of GBLs (between 2004 and 2015, an average of 86.4% of the GBLs in Greater Boston were FHA loans), and because FHA loans are better known and better understood than the other types of GBLs, there was a natural and perhaps inevitable tendency to interpret the data and findings on GBLs as if they consisted entirely of FHA loans. Either the discussion became quite complicated or it was, strictly speaking, incorrect. When the data and discussion are focused exclusively on FHA loans, this ambiguity and imprecision are eliminated.

The second major reason for shifting to an exclusive focus on FHA loans is that VA loans are in fact very different from FHA loans. If they weren't, the first reason would lose most of its force. (The discussion here is limited to VA loans because USDA loans are available only in rural areas and therefore almost nonexistent in Greater Boston and in other Gateway Cities.<sup>12</sup>)

Whereas FHA loans are a second-best alternative to conventional loans because of the greater monthly payments that result from the FHA insurance premiums, VA loans are generally as attractive as prime conventional loans. The cost of the VA's upfront fee (usually 2.15 percent of the loan amount) is approximately offset by the fact that their interest rate is typically one-half percentage point lower than that for conventional loans. In addition, down payments are not

required on VA loans. The number of VA loans is relatively small primarily because they are only available to veterans or active-duty members of the armed forces (who make up less than six percent of the Massachusetts population).<sup>13</sup>

Furthermore, VA loans are much more comparable to conventional loans than they are to FHA loans in terms of the borrowers and communities who receive them, their denial rates, and their performance. For example:

- VA loans made up approximately the same percentage of total loans to blacks and Latinos as they did to whites. In Greater Boston in 2017, for example, VA loans made up 2.9% of all loans to blacks, 2.4% of all loans to Latinos, and 2.5% of all loans to whites. Each of these three groups had shares of total VA loans that were close to their shares of total loans. For FHA loans, the pattern was dramatically different. (Compare Tables 6 & 7 with Appendix Table 11.)
- Among the 26 Gateway Cities, the three cities where VA loans made up the largest percentages of total loans in 2017 (Westfield, Chicopee, and Leominster) had a much lower average percentage of black plus Latino residents than the three cities where VA loans made up the smallest percentages of total loans (Revere, Everett, and Lawrence)—16.8% vs. 49.7%. The average median family income in the three cities with the highest VA loan shares was much higher than it was in the three cities with the lowest VA loan shares (\$70,314 vs. \$49,784). For FHA loans, the pattern was quite different. (Compare Table 4 with Appendix Table 12.)
- Delinquency and foreclosure rates for VA loans are much closer to those for prime loans than to those for FHA loans. As of March 31, 2018, the total delinquency rates for Massachusetts were 3.4% for conventional loans, 3.5% for VA loans, and 8.4% for FHA loans. The shares of loans in foreclosure were 1.4% for conventional loans; 0.9% for VA loans, and 1.9% for FHA loans.<sup>14</sup>

<sup>11</sup> These reports followed the common practice of using the term “government-backed lending” to include only the lending backed by these three federal agencies. The term does not include lending backed by state housing finance agencies (such as MassHousing or the Massachusetts Housing Partnership). Nor does it include lending guaranteed by Fannie Mae and Freddie Mac; these two “government-sponsored enterprises” were private corporations until 2008, when they failed and were placed into federal government conservatorships.

<sup>12</sup> In 2017, USDA loans accounted for *none* of the home-purchase loans in Boston, just 8 of the 17,759 loans in the 26 Gateway Cities (all in Taunton), and only 23 of the 34,183 loans in Greater Boston. Statewide, they accounted for 739 of 74,088 home-purchase loans—1.0% of total loans and 4.7% of GBLs. USDA loans are available only to income-qualified borrowers in rural areas (broadly defined).

<sup>13</sup> The VA National Center for Veterans Analysis and Statistics reports that as of September 2015 there were 368,000 veterans in Massachusetts ([http://www.va.gov/vetdata/docs/SpecialReports/State\\_Summaries\\_Massachusetts.pdf](http://www.va.gov/vetdata/docs/SpecialReports/State_Summaries_Massachusetts.pdf)).

<sup>14</sup> Mortgage Bankers Association, *National Delinquency Survey Q1 2018* (subscription required).



## NOTES ON DATA AND METHODS

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### Introduction

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This report is based primarily on data from two major sources: the Federal Financial Institutions Examination Council (FFIEC) for Home Mortgage Disclosure Act (HMDA) data and for annual data on income levels for metropolitan areas and the U.S. Census Bureau for data on population and income levels of geographic areas. Beginning in 2018, HMDA data are also available from the Bureau of Consumer Financial Protection (BCFP). The information in these “Notes” is intended to supplement the information provided in the notes to the individual tables, and not all of that information is repeated here.

### Home Mortgage Disclosure Act (HMDA) Data

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**HMDA Loan Application Register (LAR) data** are the main source of data on loans, lenders, and borrowers for this report. These data are collected, processed, and released each year by the FFIEC, and can be downloaded for free from the websites of the FFIEC ([www.ffiec.gov/hmda](http://www.ffiec.gov/hmda)) or the BCFP ([www.consumerfinance.gov](http://www.consumerfinance.gov)). Among the information that HMDA data provide for each loan are: the identity of the lending institution; the census tract, county, and metropolitan area in which the property is located; the race, ethnicity, and sex of the applicant (and co-applicant, if any); the income of the applicant(s); the purpose of the loan (home-purchase, refinancing of existing mortgage, or home improvement); the type of the loan (conventional, FHA-insured, VA-guaranteed or USDA-guaranteed); the amount of the loan; the lien status of the loan (first lien or junior lien); whether the home will be owner-occupied; pricing information for loans with annual percentage rates above threshold levels (see below), and whether the loan is secured by a manufactured home. Some of these types of information have been included in HMDA data only since 2004.

**High-APR loans (HALs)** were identified for the first time in 2004 HMDA data. For applications received before October 1, 2009, and acted on by December 31 of that year, lenders were required to compare the annual percentage rate (APR) on each loan made to the current interest rate on U.S. Treasury securities of the same maturity. If the difference (“spread”) between a first-lien loan’s APR and the interest rate on Treasury securities was three percentage points or more, then the spread for that loan had to be reported, to two decimal points, in HMDA LAR data. Beginning with applications received on October 1, 2009, each loan’s APR is compared to the Average Prime Offer Rate estimated each week by the FFIEC for mortgage loans of the same maturity (if fixed-rate) or same number of years until first interest-rate

reset (if adjustable rate); for first-lien loans, high-APR loans are those with rate spreads of one and one-half percentage points or more. The current criteria are far superior to the old because the comparison is directly to the rate on comparable prime mortgages. In this series of reports, loans for which the spreads are reported are referred to as “high-APR loans” or “HALs.”

**The tables in this report provide information on first-lien loans for owner-occupied homes; the primary emphasis is on home-purchase loans**, although Tables 1, 2, and 3 and Appendix Tables 1 and 2 include data on refinance loans as well. This involves ignoring a great deal of data in order to avoid a proliferation of tables that would result in information overload. In fact, information in the HMDA LAR data makes it possible to present results for 108 categories of loans on the basis of the following five distinctions: FHA-insured vs. other government-backed vs. conventional loans; 1–4 family site-built homes vs. manufactured homes vs. multi-family properties; owner-occupied vs. non-owner-occupied homes; home-purchase vs. refinance vs. home improvement loans; and first-lien vs. junior-lien loans.

To achieve simplicity and to focus on the loans of greatest interest, I have taken three measures. First, I ignored the distinction between site-built and manufactured homes (in 2017, loans for manufactured homes accounted for only 191 of the state’s 74,088 first-lien loans for owner-occupied homes). Second, I ignored all junior-lien loans, all loans for multi-family properties, all home improvement loans, and all loans for non-owner-occupied homes. Third, I included data only for total loans, FHA loans, and non-FHA loans; non-FHA loans include both conventional loans and loans guaranteed by the VA or the USDA. Appendix Tables 1 and 2 provide data that allow the interested reader to find the number and percentage of total loans in the categories that are ignored. Also, the preceding “Notes on FHA (and VA) Lending” provides information about the number and distribution of VA- and USDA-guaranteed loans.

**The decision to include only first-lien loans in all of the tables in the body of this report** has had less impact in recent years than in 2008 and earlier. In 2017, for example, junior-lien loans made up just 0.7% of all home-purchase loans for owner-occupied homes. Junior-lien home-purchase loans (sometimes referred to as ‘piggyback loans’) were very common a few years ago; they accounted for more than one-quarter of all home-purchase loans in Massachusetts in 2006 and 2007. These loans provided a way of avoiding the cost of private mortgage insurance, which is generally required for



conventional loans when the loan amount is greater than 80% of the value of the home being purchased. Restricting the analysis to first-lien loans avoids double-counting home buyers who obtain piggy-back second mortgages. Appendix Table 2 provides information on the breakdown of home-purchase and refinance lending between first-lien and junior-lien loans.

**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. Appendix Table 7 provides data on how the actions taken on mortgage loan applications were distributed among the five possible outcomes.

### Classifying Applicants/Borrowers by Income and Race/Ethnicity

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

**Metropolitan areas used in defining income categories for borrowers:** Beginning in 2004, HMDA data used the revised metropolitan areas defined by U.S. Office of Management and Budget (OMB) in June 2003. The Boston MSA consists of Essex, Middlesex, Suffolk, Norfolk, and Plymouth counties. (Actually, this is just the Massachusetts portion of the Boston-Cambridge-Quincy MA-NH MSA; only data for the Massachusetts portion of the MSA are analyzed in this series of reports). However, like ten other large MSAs in the U.S., the Boston MSA is divided into Metropolitan Divisions (MDs). For HMDA data through 2013, the Boston MSA consisted of three MDs: the Essex Country MD; the Cambridge-Newton-Framingham MD (Middlesex County); and the Boston-Quincy MD (Suffolk, Norfolk, and Plymouth Counties). Beginning with 2014 HMDA data, Essex County was included in the Cambridge-Newton-Framingham MD.

Although the standard practice—by bank regulators and others—in analyzing HMDA data is to use the MFI of MDs in classifying borrowers and census tracts into income categories, **this report uses the MFI of the Boston MSA to classify borrowers in the Boston MSA into income categories.** This practice, first used in *Changing Patterns XIV*, was adopted because there is little or no economic, political, or social logic to a system which places Cambridge and Boston into separate Metropolitan areas. The estimate for the MFI of the Boston MSA is provided by HUD; estimates for the MFIs of the other areas listed below are from the FFIEC.

### Median family incomes (MFI) of Massachusetts metropolitan areas in 2017 were:

Barnstable MSA (Barnstable County) .....	\$90,200
Boston MSA (Essex/Middlesex/Norfolk/Plymouth/Suffolk Counties) ..	\$103,400
Boston-Quincy MD (Norfolk/Plymouth/Suffolk Counties) .....	\$94,300
Cambridge-Newton-Framingham MD (Middlesex/Essex Counties) .....	\$104,800
Pittsfield MSA (Berkshire County) .....	\$67,200
Providence-Fall River-New Bedford MSA (Bristol County) .....	\$72,100
Springfield MSA (Hampden/Hampshire Counties) .....	\$66,600
Worcester MSA (Worcester County) .....	\$85,700
Non-Metro part of Massachusetts (Dukes/Franklin/Nantucket Counties) .....	\$80,000

**Racial/ethnic categories:** Beginning with 2004, HMDA data classify each applicant and co-applicant by both ethnicity (Latino or Not Latino) and race (the possible races are: American Indian or Alaska Native, Asian, Black, Native Hawaiian or Other Pacific Islander, and White) and each person can choose as many races as he or she wishes (up to all five). This report uses this information to place each borrower into one of six categories: “Asian” is shorthand for non-Latino Asian; “black” is shorthand for non-Latino black; “Latino” includes all applicants with Latino ethnicity; “white” is shorthand for non-Latino white; “other” is shorthand for non-Latino American Indian, Alaska Native, Native Hawaiian, or Other Pacific Islander; and “no information” includes borrowers with no information on race and either no information or Not Latino for ethnicity.

Other analysts, including the Federal Reserve researchers who wrote an annual analysis of HMDA data for the *Federal Reserve Bulletin*, have grouped black Latinos with other blacks rather than with other Latinos. Which of these two ways of classifying black Latinos is adopted makes relatively little difference because the number of such borrowers is relatively small. Of all 74,088 first-lien home-purchase loans for owner-occupied homes in Massachusetts in 2017, a total of 3,5139 are identified in the HMDA data as going to black borrowers and a total of 5,754 are identified as going to Latinos; only 314 are identified as going to borrowers who were both black and Latino. Classifying these 314 borrowers as black rather than as Latino would have increased the black borrower share of total loans from 4.3% to 4.7% and reduced the Latino borrower share of total loans from 7.8% to 7.3%.

This report classifies borrowers on the basis of the ethnicity and first race of the applicant—that is, information about second or additional races of the applicant is ignored, as is all information about co-applicants. This provides considerable simplification to the analysis with very small impact: For example, of all first-lien home-purchase loans for owner-occupied homes in Massachusetts in 2017 with information on the race of the borrower, only 0.6% of borrowers specified more than one race and only 2.1% of borrowers had co-borrowers of a different race; only 1.6% of borrowers had co-borrowers with different ethnicity.

## Data on Geographical Areas

**Population and income categories for census tracts** (used in Tables 14–16 and 26) were assigned on the basis of information included in the 2017 HMDA LAR data. In particular, the HMDA LAR data include, for each record, (1) the percentage of minority residents in the census tract where the home is located and (2) the median family income (MFI) in that census tract as a percentage of the MFI in its metropolitan area. For 2012 to 2016 HMDA data, the FFIEC used the 2006–2010 five-year estimates from American Community Survey data; for 2017 to 2021 HMDA data, 2011–2015 five-year ACS estimates are being used. For more information on this, see the FFIEC’s Press Release of October 19, 2011 entitled, “FFIEC Announces the Use of American Community Survey Data In Its Census Data Files.”

**Population and income data for larger geographical areas** (municipalities and Boston & Springfield neighborhoods) are from either the 2010 Census or from

five-year American Community Survey data, obtained using the “American FactFinder” feature on the website of the U.S. Census Bureau ([www.census.gov](http://www.census.gov)). Details are provided in the notes to individual tables. The household shares in Chart A-3 and in the first two bullets of Section II were calculated from data in Tables H7 and H9 of the 2010 Census and Table HO 09 and HO 10 of the 2000 Census, with the number of black households calculated as the average of those who reported their race as black alone and the number who reported their race as black together with any other race or races.

## Lenders

**Major types of lenders.** Each lender that reported HMDA LAR data for homes located in Massachusetts has been classified as belonging to one of three major categories of lenders. This was done primarily on the basis of the “Agency” and “OLC” fields included in HMDA data, but also draws on selected other sources. The categories used and the rationale for using these categories are described in the introductory text of Section V and in the notes to Tables 23–27.

**Big Boston Banks,** a lender category now used only in Appendix Table 10, was used as a separate category of lenders in the initial reports in the *Changing Patterns* series because their collective market share in the City of Boston approached 40%.

**Subprime lenders,** another lender category now used only in Appendix Table 10, was an important category of lenders in earlier reports in the *Changing Patterns* series through 2009. From 1998 through 2003, subprime lenders were identified on the basis of annual lists published by the U.S. Department of Housing and Urban Development [HUD]. Between 2004 and 2009, subprime lenders were identified for this series of reports on the basis of the share of their total Massachusetts loans that were HALs.

**Lenders** in HMDA data are not necessarily the same as the lenders who close the loans or those who interact directly with borrowers. In many cases, local banks dealing with borrowers are, in effect, acting as agents or brokers for out-of-state banks. HMDA regulations specify that a loan is reported only by the lender that makes the “credit decision.” For details on this matter see the Fed’s “Official Staff Commentary” on Section 203.1 of its Regulation C (available in the 2013 edition of *A Guide to HMDA Reporting: Getting It Right!*, Appendix D, pages D1–D2 [[www.ffiec.gov/hmda/pdf/2013guide.pdf](http://www.ffiec.gov/hmda/pdf/2013guide.pdf)]).