

CHANGING PATTERNS 2017

Mortgage Lending to Traditionally Underserved Borrowers in Boston, Greater Boston and Massachusetts

LENDING BY INCOME LEVEL

Low-and moderate-income (LMI) borrower share of total loans

36.3%



18.3%



31.4%



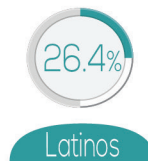
21.4%

Since reaching a peak in 2009, the LMI share of home-purchase loans has trended sharply downward.

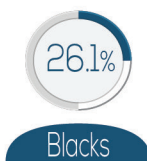
CITY OF BOSTON

GREATER BOSTON

Share of total loans that were FHA loans -high-income home-buyers in Greater Boston



Latinos



Blacks



Whites

High-income home-buyers were those with incomes from \$125K to \$206K.

WHAT IS AN FHA LOAN?

FHA Loans are loans insured by the Federal Housing Administration. While a reasonable option for those unable to obtain conventional loans, FHA loans are typically more costly and can indicate a lack of availability of conventional loans.

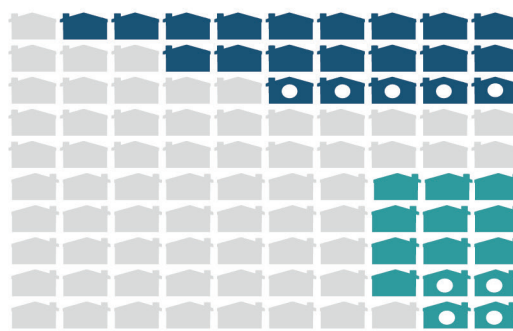
Black & Latino borrowers share of non-FHA loans well below household share.

BLACK HOUSEHOLDS IN BOSTON

21.0%

LATINO HOUSEHOLDS IN BOSTON

13.7%

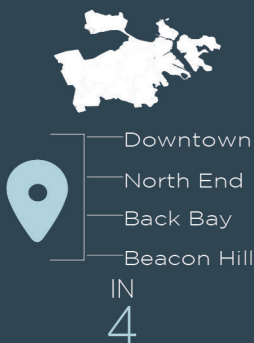


5.0%
NON
FHA
LOANS

3.7%
NON
FHA
LOANS

Black & 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.

Home-purchase lending to Black & Latino borrowers in Boston is highly concentrated in a few neighborhoods.



NEIGHBORHOODS LATINOS RECEIVED EITHER 1 LOAN OR 0 LOANS

Dorchester
Hyde Park
Mattapan
Roxbury

4
NEIGHBORHOODS
ACCOUNTED FOR...
82.0%
OF ALL BOSTON
LOANS TO
BLACKS.

Dorchester
Hyde Park
East Boston

3
NEIGHBORHOODS
ACCOUNTED FOR...
54.4%
OF ALL BOSTON
LOANS TO
LATINOS.

Allston
Seaport
Back Bay
Beacon Hill
Charlestown
North End

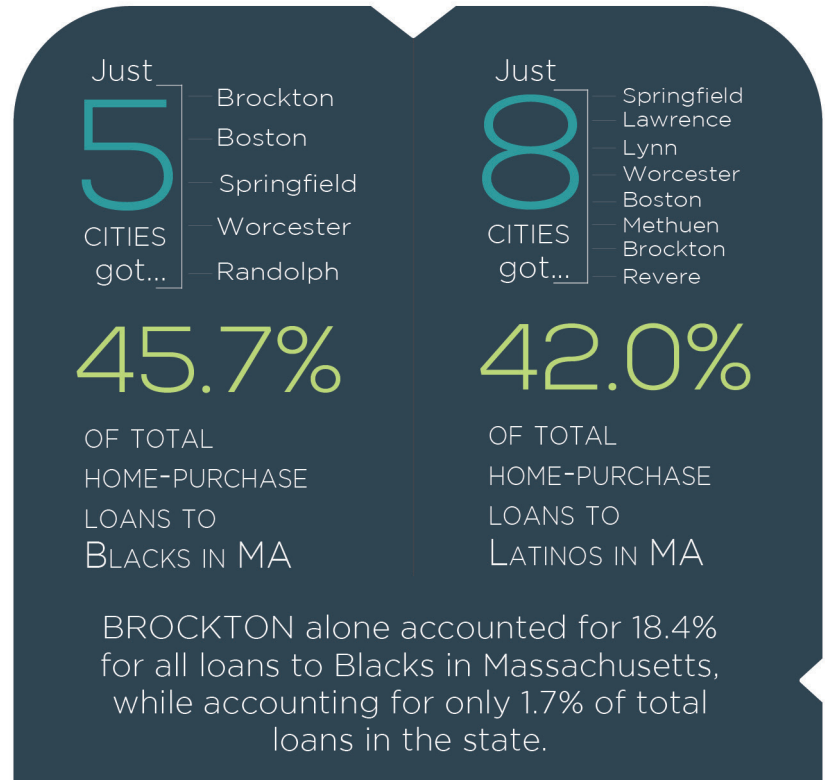
IN
2
NEIGHBORHOODS
THERE WERE 0 LOANS
TO BLACKS
AND IN
4
NEIGHBORHOODS
THERE WAS ONLY
1 LOAN

ABOUT M C B C

The Massachusetts Community & Banking Council (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.

To view the full report go to:
<http://mcbc.info/publications/changing-patterns-xxv/>

BLACK & LATINO LENDING STATEWIDE

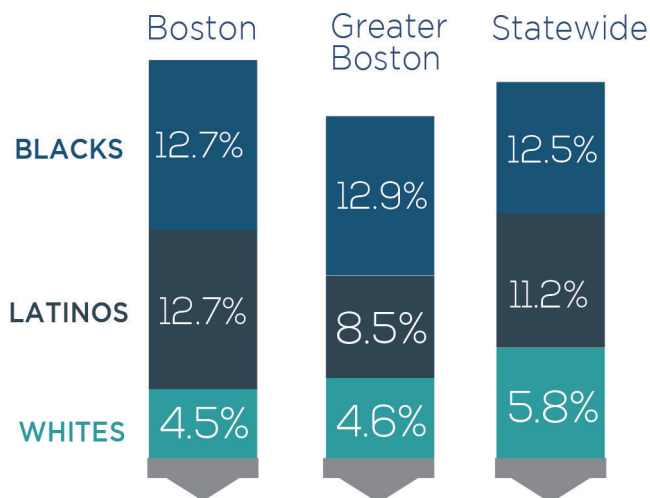


DENIAL RATES

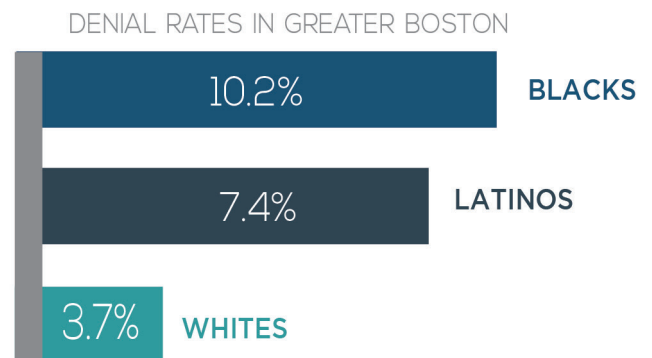
Blacks & Latinos are much more likely to be denied a non-FHA loan than Whites.



Blacks & Latinos experience higher denial rates that cannot be explained by their income level.



INCOME
 \$101,000-
 125,000



When applicants in Boston, in Greater Boston, and Statewide are grouped into income categories, the denial rates for Blacks and for Latinos were generally well above the denial rates for White applicants in the same income category.