

# Changing Patterns XIX

*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, 2011*

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DECEMBER 2012

A REPORT PREPARED FOR

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MASSACHUSETTS COMMUNITY & BANKING COUNCIL

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## **ACKNOWLEDGEMENTS**

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Preparation of this report was overseen by an advisory committee consisting of five members of the Mortgage Lending Committee of the Massachusetts Community & Banking Council (MCBC)—Tom Callahan of the Massachusetts Affordable Housing Alliance, Bonnie Huedorfer, Bill Mullin of NE Moves Mortgage, Mayte Rivera of the Massachusetts Division of Banks, and Esther Schlorholtz of Boston Private Bank & Trust Company—plus Kathleen Tullberg, MCBC’s manager. Rolf Goetze of the Boston Redevelopment Authority and Roy Williams of the Massachusetts State Data Center provided assistance with 2000 Census data. Stuart Ryan of Bank Maps LLC produced the map. Eileen Callahan of Eileen Callahan Design designed the report and prepared the PDF file. In spite of helpful comments and suggestions received, the ideas and conclusions in this report are the responsibility of the author, and should not be attributed to officers or board members of the MCBC.

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## FOREWORD

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

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

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

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

MCBC depends on the financial support of its members to produce reports like *Changing Patterns*. MCBC thanks the following financial institutions for their 2012 membership:

Abington Bank	Everett Co-operative Bank
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Boston Private Bank & Trust Company	North Cambridge Co-operative Bank
Braintree Cooperative Bank	People's United Bank
Cambridge Savings Bank	RBS Citizens
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MCBC's 2011 Community Partners include Chelsea Neighborhood Developers, Community Teamwork, Inc., DotWell, Dudley Square Main Streets, ESAC, the Fair Housing Center of Greater Boston, Interise, the Massachusetts Affordable Housing Alliance, the Massachusetts Association of CDCs, the Metropolitan Boston Housing Partnership and the Somerville Community Corporation.

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## EXECUTIVE SUMMARY

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

This year’s report, which offers information on patterns of mortgage lending during 2011, shows the continuation of another major shift in lending patterns. In the wake of the implosion of the subprime mortgage industry, high-cost subprime lending has almost disappeared, while government-backed lending (mostly consisting of loans insured by the Federal Housing Administration [FHA]) has grown dramatically. This government-backed lending has gone disproportionately to the same traditionally-underserved borrowers and neighborhoods that were targeted by predatory subprime lenders, but it represents a very different phenomenon.<sup>i</sup>

Government-backed loans (GBLs), while somewhat more expensive than conventional prime loans, are generally responsible and sustainable. They are not a problem in themselves, but are a symptom of—and a constructive response to—a deeper problem: the limited availability of conventional prime loans to lower-income and minority borrowers and neighborhoods. With the fading of predatory subprime lending, the on-going housing market weakness, and the persistence of the foreclosure epidemic, the original problem that led to the inception of this series of reports in the mid-1990s has again assumed center stage: the problem of fair

access to prime loans for traditionally underserved borrowers and neighborhoods.

The report presents information on mortgage lending in the City of Boston, in Greater Boston, in Massachusetts, and in each of the state’s thirty-three largest cities and towns. The primary data source is federal Home Mortgage Disclosure Act (HMDA) data for 2011, supplemented by data on population and income from the U.S. Census Bureau and annual data on metropolitan area income levels. The report is restricted to first-lien loans for owner-occupied homes.

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

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

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- ❖ The overall level of lending was substantially lower in 2011 than during the year before. Home-purchase loans fell 8% statewide, continuing a multi-year downward trend, while refinance loans were down 20% from 2010, but still far above the low point reached in 2008.
- ❖ Government-backed loans (GBLs) continued to account for historically high shares of total lending in 2011. Statewide, GBLs accounted for 29% of all home-purchase loans and for 6% of the much larger number of refinance loans. These GBL loans shares are slightly lower than in 2010, but still far above those in 2005, when GBLs accounted for just 2% of home-purchase loans and 0.6% of refinance loans statewide.
- ❖ The level of high-APR loans (HALs) remained very low in 2011, accounting for just 0.7% of all loans (home-purchase and refinance combined)

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<sup>i</sup> Section I provides background information on the nature of government-backed lending, the reasons for its dramatic recent increase, and its somewhat checkered history.

<sup>ii</sup> A set of supplemental tables, available at [www.mcabc.info/reports/mortgage](http://www.mcabc.info/reports/mortgage), provides information on lending in all of the state’s 351 cities and towns and in each of its fourteen counties.

statewide—far below their peak level of 22.2% in 2006. Between 2006 and 2011, the number of HALs made in Boston fell from 3,361 to 34, while the number statewide fell from 40,143 to 1,131.

- ❖ Government-backed loans accounted for a substantially smaller percentage of loans in Massachusetts than they did nationwide. In Massachusetts, the GBL loan shares in 2011 were 29% for home-purchase loans, 6% for refinance loans, and 12% overall. Nationwide, GBL loans shares were 50% for home-purchase loans, 13% for refinance loans, and 26% overall.
- ❖ Among the state's thirty-three biggest cities, GBL loan shares were highest in Lawrence (where they accounted for 64% of all home-purchase loans and 25% of all refinance loans), Brockton (71% and 17%) and Springfield (60% and 20%). GBLs also made up more than half of all home-purchase loans in five other cities (Everett, New Bedford, Lynn, Fall River, and Worcester).

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

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- ❖ Black borrowers in Boston, Greater Boston, and statewide received shares of total conventional (i.e., not government-backed) loans in 2011 that were far below their shares of total households. Statewide, for example, blacks made up 6% of households but received only 2% of conventional home-purchase loans and just 1% of conventional refinance loans. In Boston, Latinos made up 14% of households but received only 4% of conventional home-purchase loans and just 3% of conventional refinance loans.
- ❖ Black and Latino borrowers in Boston, in Greater Boston, and statewide were much more likely to receive GBLs than were their white or Asian counterparts. For home-purchase loans in Greater Boston, for example, the GBL loan shares in 2011 were 52% for blacks and 51% for Latinos, but only 19% for whites. For refinance loans, the GBL loan shares were 15% for blacks, 11% for Latinos, and 4% for whites. GBL loan shares were consistently much *lower* for Asian borrowers than for whites.
- ❖ When borrowers in Boston, Greater Boston, and Massachusetts are grouped into five income

categories, GBL shares of both home-purchase and refinance loans in 2011 tended to decline steadily as the level of borrower income increased. For home-purchase lending statewide, for example, GBL loan shares fell steadily from 42% for moderate-income borrowers to just 6% for the highest-income borrowers. (However, GBL loan shares for low-income borrowers tended to be lower than those for the next two income categories.)

- ❖ When borrowers are grouped by both race/ethnicity and income level, the GBL loan shares for blacks and Latinos are usually substantially higher than the GBL shares for white borrowers in the same income category. For example, in Greater Boston, the GBL loan shares for high-income homebuyers were 38% for blacks, 29% for Latinos, and 17% for whites.

#### **Neighborhood Race/Ethnicity and Income**

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- ❖ For home-purchase loans in the City of Boston in 2011, the government-backed loan (GBL) share in low-income census tracts was five times greater than that in upper-income tracts (20% vs. 4%) and the GBL loan share in predominantly minority census tracts was more than three times greater than that in predominantly white tracts (44% vs. 13%). The pattern for refinance loans was very similar.
- ❖ Government-backed lending varied dramatically among Boston's major neighborhoods. For home-purchase loans, GBL shares ranged from 61% in Mattapan to just 1% in Back Bay/Beacon Hill. For refinance loans, GBLs accounted for 21% of the total loans in Mattapan but for only 0.4% of all loans in Back Bay/Beacon Hill.
- ❖ Total home-purchase lending to blacks and Latinos was highly concentrated in a small number of the state's cities and towns, and entirely absent in many others. Just five cities (Boston, Brockton, Randolph, Springfield, and Worcester) accounted for over one-half of total home-purchase loans to blacks in Massachusetts in 2011, but for only 10% of the state's total loans to whites. Eight communities (Lawrence, Boston, Springfield, Lynn, Worcester, Revere, Methuen, and Everett) accounted for one-half of all home-purchase lending to Latinos in the state, but for just 11% of

total lending to whites. Meanwhile, in 102 of the state's 351 cities and towns there was not a single loan to either a black or a Latino homebuyer.

### **Denials of Mortgage Applications**

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- ❖ In Boston, Greater Boston, and Massachusetts in 2011, the denial rates on conventional (i.e., non-government-backed) mortgage loan applications by blacks—both for home-purchase loans and for refinance loans—were in every case more than twice as high as the corresponding denial rates for whites. The denial rates for Latinos were always at least 1.7 times as high as the white denial rates. Black/white and Latino/white denial rate disparity ratios were significantly lower for applications for government-backed loans.
- ❖ 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 2011 denial rates for blacks and for Latinos were in almost every case well above the denial rates for white applicants in the same income category, and there is no tendency for the denial rate disparity ratio to fall as income rises. For example, for applicants with incomes between \$90,000 and \$120,000, the black denial rate was 1.8 times greater than the white denial rate in Boston, 2.0 times greater in Greater Boston, and 1.7 times greater statewide.

### **Lenders**

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- ❖ Whether one looks at home-purchase or refinance lending—in Boston, Greater Boston, or statewide—Massachusetts banks and credit unions made about 40% of all loans in 2011, Licensed Mortgage Lenders (mainly independent mortgage companies) made about one-third, and Other Lenders (mainly out-of-state banks) made about one-quarter of the total. These loan shares are little changed from the preceding year, but dramatically changed from 2005 and 2006, when Licensed Mortgage Lenders accounted for approximately half of all loans and Massachusetts

banks and credit unions accounted for less than one-quarter of the total.

- ❖ Massachusetts banks and credit unions (“CRA-covered lenders”) directed a substantially greater share of their 2011 total home-purchase loans as conventional loans—and a substantially smaller share of their total home-purchase loans as GBLs—to every one of the categories of traditionally underserved borrowers and neighborhoods examined in this report than did Licensed Mortgage Lenders and Other Lenders.
- ❖ In the case of refinance loans in 2011, CRA-covered lenders and Other Lenders performed about equally well statewide in terms of the shares of their total loans that went as conventional loans to the five categories of traditionally underserved borrowers and neighborhoods, while Other Lenders actually outperformed CRA-covered lenders in four of the five loan categories in Boston. This is the first time in the history of the *Changing Patterns* series of reports that CRA-covered lenders have failed to outperform every other type of lender.
- ❖ Bank of America was the biggest lender statewide and ranked second in Boston in 2011. Mortgage Master was the biggest lender in Boston and ranked third statewide. Wells Fargo ranked third in Boston and second statewide. The next four places both in Boston and statewide were taken by JPMorgan Chase, Sovereign, RBS Citizens and Leader Bank/Mortgage (listed by their statewide ranking).

### **Legislative and Regulatory Developments**

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- ❖ Although no major federal regulatory changes affecting mortgage lending were finalized during the past year, many important rule-making efforts are currently in process. Among the significant regulations that could be finalized in the next twelve months are those concerning: compensation of loan originators; disclosures to mortgage applicants; standards for ensuring that borrowers have the ability to repay their loans; classification of mortgage loans for purposes of bank capital requirements; revised and expanded reporting under the Home Mortgage Disclosure Act (HMDA); and, possibly, revisions to the Community Reinvestment Act (CRA).

## INTRODUCTION

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This report is the nineteenth in an annual series of studies that was initiated by *Changing Patterns: Mortgage Lending in Boston, 1990-1993*. The report includes detailed information on 2011 lending in Boston, Greater Boston, and Massachusetts, as well as in the state's thirty-three largest cities and towns. 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.<sup>1</sup>

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

Subprime lending peaked in 2005 and 2006, and then began a precipitous drop that has resulted in its almost complete disappearance. Most recently, government-backed lending has captured an unprecedentedly large share of the overall market, particularly of home-purchase lending. Against this backdrop of dramatic changes, however, lending patterns in 2011 were very similar to those in the previous year.

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

Expressed differently, the problem of *redlining* became overshadowed by concern with *reverse redlining*, whereby areas that previously had difficulty getting any mortgage loans at all became specifically targeted for higher-cost mortgage loans. Predatory lenders pushed loans characterized by egregiously high interest rates and fees, unconscionable features, and/or highly deceptive sales practices on minority borrowers and neighborhoods. As a result, these same borrowers and neighborhoods have been disproportionately impacted by the current tidal wave of foreclosures.<sup>3</sup>

Following the meltdown of the subprime mortgage lending industry, concerns over fairness in mortgage lending have returned to problems of access to prime mortgage loans by traditionally underserved borrowers and neighborhoods. The dramatic increase in the market share of *government-backed loans (GBLs)*—that is, loans insured by the Federal

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<sup>1</sup> These supplemental tables are available at: [www.mcabc.info/reports/mortgage](http://www.mcabc.info/reports/mortgage).

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

<sup>3</sup> For a comprehensive study quantifying the ways that “foreclosure patterns are strongly linked with patterns of risky lending,” see Debbie Bocian *et. al.*, *Lost Ground, 2011: Disparities in Mortgage Lending and Foreclosures* (Center for Responsible Lending, November 2011, available at: [www.responsiblelending.org](http://www.responsiblelending.org)). In Boston, the five neighborhoods (out of the fifteen major neighborhoods into which the city is divided) with the highest numbers of foreclosures in 2011 were the same five neighborhoods that had the highest percentages of high-cost loans during 2006, the peak year of subprime lending. (See the City's *Foreclosure Trends 2011*, Tables 1 & 3 ([www.cityofboston.gov/Images/Documents/Foreclosure\\_Trends\\_2011\\_tcm3-31663.pdf](http://www.cityofboston.gov/Images/Documents/Foreclosure_Trends_2011_tcm3-31663.pdf)) and *Changing Patterns XVI*, Table 17 (available at: [www.mcabc.info/reports/mortgage](http://www.mcabc.info/reports/mortgage)).

Housing Administration (FHA) or guaranteed by the Veterans Administration (VA) or the Department of Agriculture (USDA)—is an indication of reduced availability of prime mortgage loans. While government-backed lending is generally done in a responsible way, GBLs are typically more costly than prime loans and represent a second-best option that borrowers turn to when they cannot obtain prime mortgage loans.

The main data source for this report is the Home Mortgage Disclosure Act (HMDA) data released annually by the Federal Financial Institutions Examination Council (FFIEC). 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 a government-backed loan; whether the loan is secured by a first lien or a junior lien on the property; and whether or not the loan is for an owner-occupied home. The data also indicate whether or not the loan is a higher-cost loan as determined by its annual percentage rate, or APR.

A major focus of many of this report's tables and charts is to provide information on lending to different categories of borrowers and in different geographical areas. To this end, the report draws on two major sources of data in addition to HMDA data. First, the estimates of the 2011 median family income (MFI) in each metropolitan area produced by the FFIEC are used to place borrowers into income categories. Second, information from the 2000 and 2010 U.S. Censuses is utilized so that analysis of lending patterns in terms of the income level and race of the *borrowers* who receive the loans can be supplemented by analysis of patterns in terms of the income level and percentage of minority households in the *geographic areas* where the loans were made. The "Notes on Data and Methods" at the end of the report provide details on the definitions and sources of the data used.

The analysis in this report is limited to first-lien home-purchase and refinance loans for owner-occupied homes. That is, it excludes (1) second mortgages and other junior-lien loans, (2) loans for homes that borrowers will not be occupying as a principal residence, and (3) home-improvement loans. Appendix Table 1 provides detailed data on the numbers and percentages of different types of loans in Massachusetts. It shows that first-lien loans for owner-occupied homes accounted for 89.4% of all loans in the state, that first-lien loans for non-owner-occupied homes accounted for 9.1% of the total, and that junior-lien loans accounted for the remaining 1.5% (the corresponding percentages in 2009 were 91.1%, 7.3%, and 1.6%, respectively.) Appendix Table 2 provides information on all loans and GBLs, broken down by purpose (home-purchase and refinance), by type of lien, and by borrower race/ethnicity.

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

For many readers, this report's main contribution will consist of the wealth of information contained in its thirty-seven pages of tables, especially data about individual municipalities of particular interest.<sup>4</sup> No attempt is made to summarize all of this information in the pages that follow.

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<sup>4</sup> Additional tables, available at [www.mcbc.info/reports/mortgage](http://www.mcbc.info/reports/mortgage), 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 68 towns in Massachusetts are too small to have even one census tract of their own. In these cases, information is reported for the set of towns that share a single tract (for example, Truro and Wellfleet in Barnstable County).

For those seeking an overview, however, the following pages of text, charts, and simple tables attempt to highlight some of the most significant findings that emerge from an analysis of the data for Boston, Greater Boston, Massachusetts, and the state's 33 biggest cities. (In this report, *Greater Boston* is defined as consisting of the 101 cities and towns in the Metropolitan Area Planning Council [MAPC] region.<sup>5</sup>) The remaining sections of the report are organized as follows:

- ❖ Part I provides background information on government-backed lending.
- ❖ Part II presents information on the overall level and composition of mortgage lending.
- ❖ Part III analyzes patterns of lending to borrowers grouped by race/ethnicity and by income level.
- ❖ Part IV examines patterns of lending in neighborhoods. The analysis looks at census tracts grouped by income level and by percentage of minority households, as well as at Boston's major neighborhoods.
- ❖ Part V summarizes data on denial rates, highlighting racial/ethnic disparities.
- ❖ Part VI focuses on the relative importance and differential patterns of lending by three major types of mortgage lenders.
- ❖ Part VII presents information on the biggest lenders—both overall and for government-backed loans—both in Boston and statewide.
- ❖ Part VIII notes the past year's lack of significant changes in the laws and regulations that govern mortgage lending and identifies the major outstanding issues.
- ❖ Finally, a section of "Notes on Data and Methods" provides considerable detail on a number of technical matters.

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<sup>5</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. A map of the MAPC region and the Boston MSA precedes Table 1.

## I. UNDERSTANDING GOVERNMENT-BACKED LENDING

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This report presents a great deal of information on the increased volume of government-backed lending and on the disproportionate shares of this lending that went to traditionally underserved borrowers and neighborhoods. To be able to assess the significance and implications of this development, it is necessary to understand the nature of government-backed mortgage lending and the context within which it has increased so dramatically.

### Overview

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Government-backed loans (GBLs) are very different from subprime loans. 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>6</sup>

In contrast, GBLs are somewhat less profitable for lenders, and more expensive for borrowers, than prime conventional loans, but they offer a reasonable option for both parties when borrowers are unable to obtain a prime loan. Their recent growth, 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. Although GBLs require smaller down payments and allow lower credit scores than prime loans, their delinquency rates are only moderately higher than those of prime loans. As of September 30, 2012, 4.1% of outstanding GBLs in Massachusetts were 90 or more days delinquent (compared to 2.6% for prime loans), and 3.1% were in foreclosure (compared to 1.9% for prime loans).<sup>7</sup>

### The Nature of Government-Backed Lending

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Three different agencies of the federal government back home mortgage loans issued by private lenders. The Department of Housing and Urban Development's Federal Housing Administration (FHA) insures mortgages, while the Veterans Administration (VA) and the Department of Agriculture (USDA) guarantee them.<sup>8</sup> The FHA accounts for the great majority of GBLs (although their share of all Massachusetts GBLs has fallen from over 90% in 2008 through 2010 to 81.6% in 2011), with the VA accounting for most of the rest of the statewide total (the VA share rose from 8.1% in 2010 to 14.8% in 2011). Although there are differences among the three programs, the following descriptions will focus on FHA lending only.<sup>9</sup>

FHA loans are made by private lenders who have been certified by the agency and whose performance is subject to FHA review. The lender sets the price and terms of the loan, and decides whether or not to approve the applications that it receives. Insurance for the loans is provided by a self-supporting Mutual Mortgage Insurance Fund, financed by premiums paid

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<sup>6</sup> These loan status statistics are from a very useful website previously maintained by the Federal Reserve Bank of New York (<http://data.newyorkfed.org/creditconditions>) that seems to have been abandoned sometime within the last year. The data cited in the text were "current" when the website was accessed in late November 2011.

<sup>7</sup> These percentages are calculated from data in the Mortgage Bankers Association's *National Delinquency Survey Q3 2012* (information at [www.mortgagebankers.org/nds](http://www.mortgagebankers.org/nds)).

<sup>8</sup> This report follows 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). Nor does it include lending guaranteed by Fannie Mae and Freddie Mac; these two "government-sponsored enterprises" were private corporations between 1970 and 2008, when they failed and were placed into federal government conservatorships.

<sup>9</sup> Among the most important differences are that VA and USDA require no monthly insurance premium (they require an upfront guarantee fee instead) and they require no down payment. VA loans are available only to veterans of the military services, while USDA loans are available only in rural areas (broadly defined) and only to borrowers who are income-qualified.

by FHA borrowers; there is both an initial upfront premium and an annual premium that is allocated to the borrowers' monthly payments. Borrowers must be owner-occupants and must make a down payment of at least 3.5% of the value of the property, although the down payment need not come from their own funds. 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. During almost all of 2011 and 2012, the maximum for a single-unit property in the Greater Boston area was \$523,750. (The lowest maximum in the state was \$271,050 in Berkshire County; the highest was \$729,750 on Martha's Vineyard and Nantucket.)<sup>10</sup>

Beginning in 2010, in response to loan losses that were depleting the reserves in its insurance fund, the FHA has tightened its minimum lending standards, increased annual insurance premiums on new loans, and increased scrutiny of lender performance.<sup>11</sup> During 2011, the one-time upfront insurance premium was 1% of the loan amount and the annual insurance premium was 1.10% for loan-to-value ratios (LTVs) of 95% or less (that is, for down payment of 5% or more), and 1.15% for LTVs greater than 95%. The minimum down payment of 3.5% applies only for borrowers with credit scores of at least 580; borrowers with credit scores between 500 and 579 must make a down payment of at least 10%; and loans to borrowers with credit scores below 500 are not eligible for FHA insurance. Most lenders require higher credit scores than the minimums established by the FHA; the average credit score on loans originated in 2011 was 701, up from 634 in 2007.<sup>12</sup>

## **Reasons for the Surge in Government-Backed Lending**

In the 1990s government-backed lending primarily served borrowers who were unable to obtain prime conventional loans, but could meet the looser underwriting standards and/or lower down payment requirements of government-backed loans. The FHA/VA share of the nationwide mortgage market was fairly constant between 1990 and 2000, at about 12%, but was considerably lower in Greater Boston and other areas where relatively high home prices resulted in most loan amounts exceeding the FHA maximum. Data in previous *Changing Patterns* reports indicate that GBLs accounted for an average of 7.1% of applications for home-purchase loans in Boston between 1993 and 2000 (the actual shares ranged from 5.5% to 9.5%). The GBL market share plunged with the growth of subprime lenders, who offered potential GBL borrowers loan products that required less documentation and paperwork, allowed higher loan amounts, required no down payments or mortgage insurance, and promised relatively low initial monthly payments. Nationwide, the FHA/VA share of the mortgage market steadily declined from 11.0% in 2000 to a low of 2.7% in 2006.<sup>13</sup>

The surge of GBLs beginning in 2008 resulted from at least three developments: the void created by the collapse of the subprime lenders who had taken away much of the traditional GBL market; very large increases in the maximum loan amounts allowed for FHA loans; and, most importantly, a dramatic decrease in the availability of conventional mortgage loans for all but those with high credit scores and the ability to make significant down payments. Portfolio lending and the secondary market for private securitization almost completely disappeared,

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<sup>10</sup> For a six-week period in late 2011, loan limits were somewhat lower in many high-cost counties.

<sup>11</sup> Although FHA insurance compensates lenders for loan losses, the lenders still have incentives to avoid making loans that will not be repaid: they incur costs during the period of delinquency, they incur the risk that they will have to buy back loans that go bad, and they face the possibility of sanctions from the FHA, including the loss of eligibility to offer FHA loans. The head of the FHA told Congress in the fall of 2010 that during the previous year the FHA had withdrawn approval from more than 1,500 lenders, and suspended others (testimony of David H. Stevens to the House Financial Services Committee, September 22, 2010, pp. 1 and 5; available at: <http://financialservices.house.gov>).

<sup>12</sup> HUD's *Annual Report to Congress Regarding the Financial Status of the FHA Mutual Mortgage Insurance Fund* is an excellent source of information on how the FHA lending program works and on recent changes to the program. The reports for Fiscal Years 2010, 2011, and 2012 are all available at: [www.hud.gov](http://www.hud.gov). During the first three quarters of 2010, the upfront insurance premium was 1.75% and the annual premiums were 0.50% or 0.55%; beginning in April 2012, the upfront premium returned to 1.75% and the annual premiums became 1.20% or 1.25%. The annual insurance premium increases borrowers' monthly mortgage payments by approximately as much as would increasing the mortgage's interest rate by the same number of percentage points; this accounts for almost all of the extra cost of FHA loans compared to prime conventional loans.

<sup>13</sup> Nationwide FHA/VA shares were calculated from annual data in *The 2010 Mortgage Market Statistical Annual, Volume 1*, Inside Mortgage Finance, p. 4 (not available online).

limiting conventional lending almost entirely to loans that could be sold to Fannie Mae or Freddie Mac. Stricter underwriting criteria required by Fannie and Freddie, together with the greatly increased cost and decreased availability of the private mortgage insurance that Fannie and Freddie require for loans with down payments of less than 20%, made conventional loans unobtainable for many borrowers, and more expensive than government-backed lending for many others.<sup>14</sup>

### **Past Problems**

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Although the nature of current FHA lending merits the positive assessment offered here, the program 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 red-lining 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>15</sup>

In the last three decades, there have been 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 (and the final months of the administration of George W. Bush) when many predatory lenders simply moved over and continued plying their trade as FHA lenders.<sup>16</sup>

## **II. THE OVERALL LEVEL AND COMPOSITION OF MORTGAGE LENDING**

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This brief section reports on the current levels of, and recent trends in, the overall volume of mortgage lending and in the shares of total lending accounted for by government-backed loans (GBLs) and high-APR loans (HALs). The findings presented in the bullet points and charts below are based on detailed tables that follow the text. Tables 1 and 2 provide information on total loans, GBLs, and HALs in the City of Boston, in the Greater Boston area, and in

Massachusetts; data for total loans and GBLs in the state's thirty-three largest cities and towns are presented in Table 3. For each geographical area, the tables provide information on the number of mortgage loans, the number of GBLs (or HALs), and the percentage of all loans that are GBLs (or HALs); this information is provided separately for home-purchase loans and refinance loans.

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<sup>14</sup> Researchers at the Federal Reserve have provided a fairly detailed account of these developments and their impact on GBL lending. They show that during the last half of 2009, for borrowers with FICO scores below 700, FHA and VA loans accounted for almost all loans with loan-to-value ratios (LTVs) greater than 80%; for borrowers with FICO scores above 700, FHA and VA loans accounted for about 40% of loans with LTVs between 80% and 90%, for about 80% of loans with LTVs between 90% and 95%, and for about 95% of loans with LTVs above 95%. Robert Avery, *et al.*, "The 2009 HMDA Data: The Mortgage Market in a Time of Low Interest Rates and Economic Distress," *Federal Reserve Bulletin*, December 2010, pp. A54–A61; available at: [www.federalreserve.gov/pubs/bulletin/2010/pdf/2009\\_HMDA\\_final.pdf](http://www.federalreserve.gov/pubs/bulletin/2010/pdf/2009_HMDA_final.pdf). See also: "A Look at the FHA's Evolving Market Shares by Race and Ethnicity," in HUD's *U.S. Housing Market Conditions*, First Quarter, 2011, pp. 6–12; available at: [http://www.huduser.org/portal/periodicals/ushmc/spring11/USHMC\\_1q11\\_summary.pdf](http://www.huduser.org/portal/periodicals/ushmc/spring11/USHMC_1q11_summary.pdf).

<sup>15</sup> For good introductions to these periods in the FHA's history see 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.

<sup>16</sup> See *Business Week's* cover story of November 19, 2008, by Chad Terhune and Robert Berner, "FHA-Backed Loans: The New Subprime"; available at: [www.businessweek.com/magazine/content/08\\_48/b4110036448352.htm](http://www.businessweek.com/magazine/content/08_48/b4110036448352.htm).

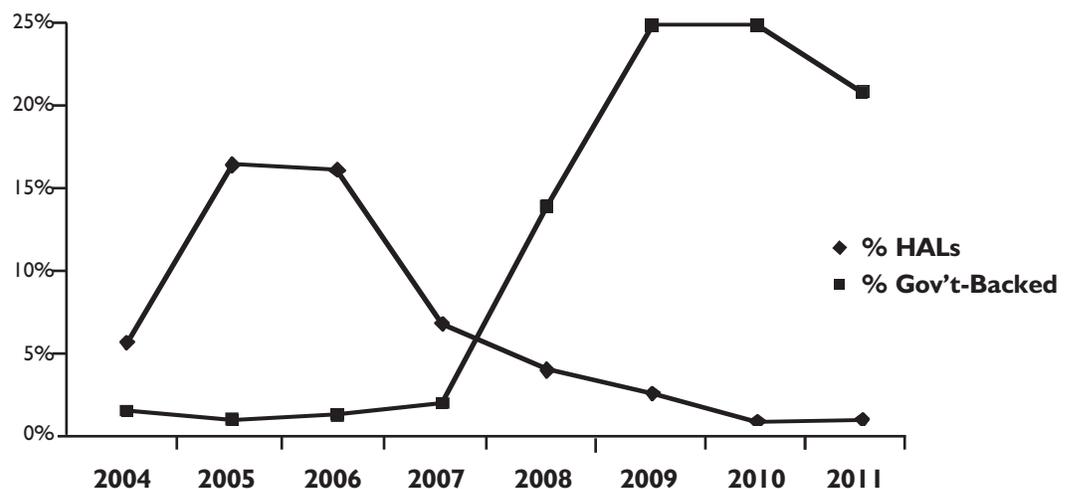
The most striking findings that emerge from these tables are the high levels of government-backed lending that have emerged during the last four years and the virtual disappearance of subprime (high-APR) lending.

- ❖ **The overall level of lending (home-purchase and refinance combined) was substantially lower in 2011 than during the year before. Home-purchase loans continued a multi-year downward trend, while refinance loans were down sharply from 2010, but still far above the low point reached in 2008. Statewide, the 44,032 home-purchase loans in 2011 were 8% fewer than in 2010 and 55% fewer than in 2004. The 126,596 refinance loans statewide in 2011 were 20% fewer than in 2010. In the City of Boston, home-purchase and refinance lending were both down 12% from the previous year. For the third consecutive year, refinance loans accounted for at least 74% of total lending statewide. (See Table 1.)**
- ❖ **Government-backed loans (GBLs) continued to account for historically high shares of total lending in 2011, although these shares were somewhat lower than in the previous two years. Statewide, GBLs accounted for 29.2% (down from 32.2%) of all home-purchase lending, and**

for 5.6% (down from 7.9%) of the much larger volume of refinance lending. In the City of Boston, GBLs accounted for 18.0% of home-purchase loans and 5.1% of refinance loans; in Greater Boston, the corresponding loan shares were 20.6% and 4.1%. The GBL loan shares remain far above those in 2005, when GBLs accounted for just 1.9% of home-purchase loans and 0.6% of refinance loans statewide (and their loans shares were even smaller in Boston and Greater Boston). (Table 1 and Exhibit 1)

- ❖ **The level of high-APR loans (HALs) remained very low in 2011, accounting for just 0.7% of all loans (home-purchase and refinance combined) statewide—far below their peak level of 22.2% in 2006. In 2011, there were just 34 HALs in Boston, 351 in Greater Boston, and 1,131 statewide. (See Table 2 and Exhibit 1.)**
- ❖ **Government-backed loans accounted for a substantially smaller percentage of loans in Massachusetts than they did nationwide. Overall, the GBL loan shares in 2011 were 11.7% in Massachusetts and 26.1% nationwide. For home-purchase loans, the GBL loan shares were 29.2% in the state and 50.4% nationwide; for refinance loans, they were 5.6% in the state and 13.2% nationwide.<sup>17</sup>**

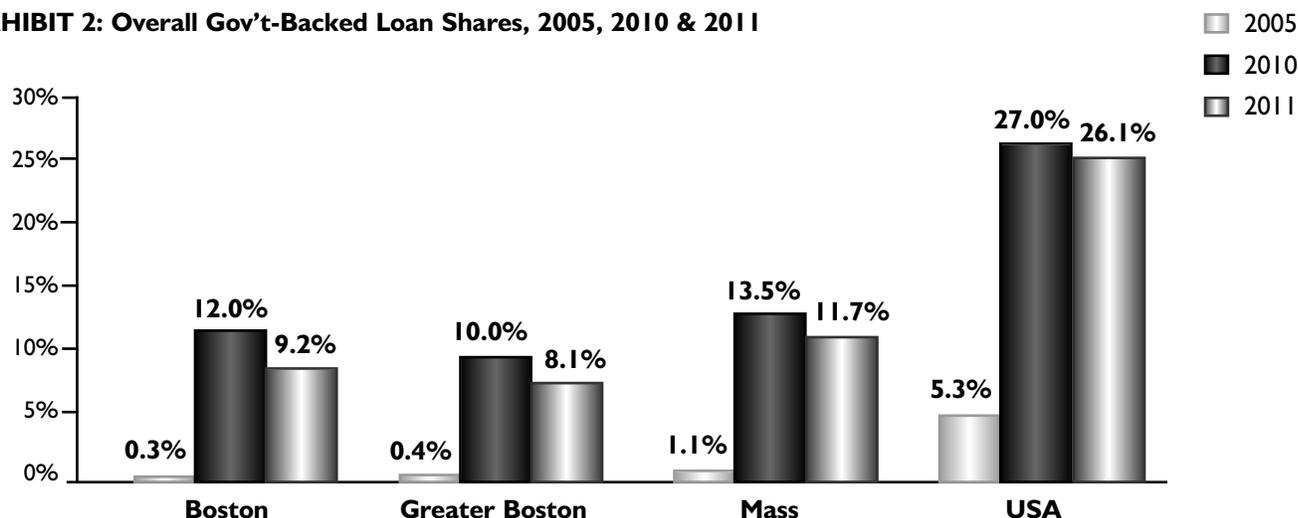
**Exhibit 1: High-APR and Gov't-Backed Loans in Greater Boston, 2004–2011**  
**First-Lien Home-Purchase Loans for Owner-Occupied Homes**



Source: Tables 1 & 2

<sup>17</sup> Nationwide GBL shares were calculated from data in Table 11 of Robert B. Avery, *et al.*, “The Mortgage Market in 2010,” (*Federal Reserve Bulletin*, 2011) and Table 11 in “The Mortgage Market in 2011” (*Federal Reserve Bulletin*, forthcoming). These percentages are for conventional and government-backed first-lien loans on owner-occupied site-built homes. The 2005 nationwide percentage shown in Exhibit 2 was calculated from data in Table 4 of Robert B. Avery, *et al.*, “Higher-Priced Home Lending and the 2005 HMDA Data,” *Federal Reserve Bulletin*, 2006. All three articles are available at: [www.federalreserve.gov](http://www.federalreserve.gov).

**EXHIBIT 2: Overall Gov't-Backed Loan Shares, 2005, 2010 & 2011**



Source: Table 2 and see footnote 17

- ❖ Among the state's thirty-three biggest cities,<sup>18</sup> GBL loan shares were highest in Lawrence (where they accounted for 63.8% of all home-purchase loans and 25.2% of all refinance loans), Brockton (71.2% and 17.2%) and Springfield (60.4% and 19.6%). GBLs also made up more than half of all home-purchase loans in five other cities (Everett, New Bedford, Lynn, Fall River, and Worcester) and the GBL share of refinance loans was also above 15% in two other cities (Chicopee and New Bedford). (Table 3)
- ❖ Almost every city and town in Massachusetts received at least one government-backed loan (GBL) in 2011. Of the 288 cities and towns for which the number of GBLs loans can be

determined exactly, only eight small towns in Berkshire County failed to receive at least one GBL (Hancock, Monterey, New Ashford, New Marlborough, Richmond, Stockbridge, Tyringham, and West Stockbridge).<sup>19</sup> There were only a few GBLs in the wealthiest communities: Wellesley, which has the highest median family income (MFI) of any community in the state (\$182,250, according to 2006–2010 American Community Survey data from the Census Bureau), received eleven GBLs; Weston, Dover, and Carlisle—which had the second, third, and fourth highest MFIs—received one, three, and four GBLs, respectively. (Supplemental Table 1)

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

In all areas of Massachusetts, blacks and Latinos received shares of total **conventional loans (a term commonly used as equivalent to “non-government-back loans” or “non-GBLs”)** 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 **government-backed loans (GBLs)**. The pattern with respect to GBL loans can be seen from two different perspectives. First, GBLs made up much larger shares of all loans to black and Latino borrowers than they did of all loans to white

<sup>18</sup> Although five of the state's thirty-three largest municipalities, as listed in Table 3, are officially towns, the municipalities will be referred to collectively as “cities” throughout this report. The five towns are: Arlington, Brookline, Framingham, Plymouth, and Weymouth. The smallest city or town among the biggest thirty-three is Leominster, with a population of 40,759 according to the 2010 Census.

<sup>19</sup> In addition, there were two multi-town census tracts where the number of GBLs was smaller than the number of towns; in these census tracts there were three additional towns that did not receive any GBLs. Of the 351 cities and towns in the state, only 283 are large enough to have at least one census tract entirely to themselves. The other 68 towns share a total of 23 census tracts, with the number of towns that share a single census tract ranging from two to six. Census tracts are the smallest geographical area for which HMDA data are available, so it is impossible to determine which towns received the loans made in these 23 census tracts.

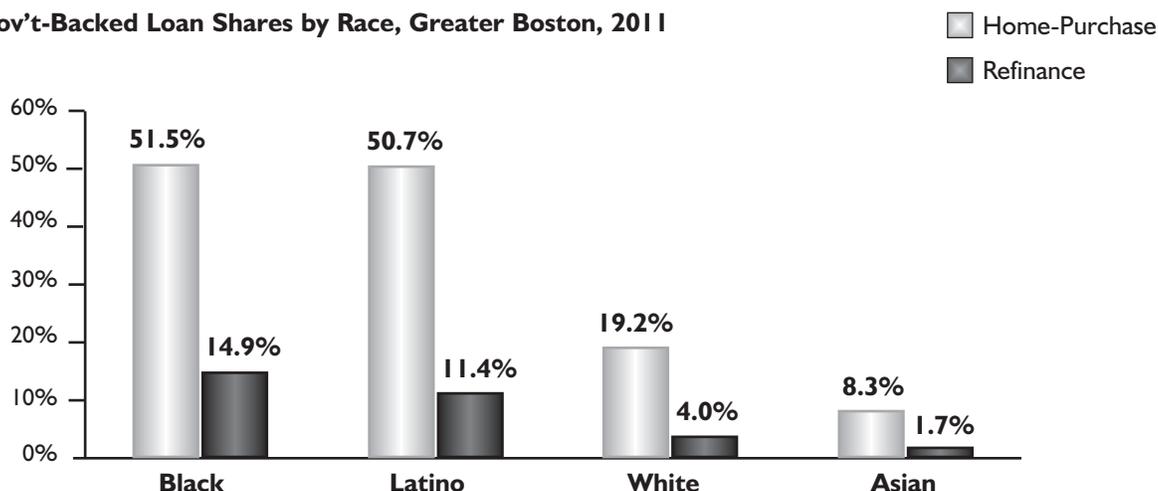
borrowers. Second, blacks and Latinos received much larger shares of total GBLs than they received of total conventional loans. When borrowers are grouped by income level, GBL loan shares tend to decrease steadily as income increases. When borrowers are classified by both race and income, substantial black/white and Latino/white disparities exist at every income level.<sup>20</sup>

- ❖ **Black borrowers in Boston, Greater Boston, and statewide received shares of total conventional loans in 2011 that were far below their shares of total households. In Boston, for example, blacks made up 21.0% of households but received only 4.5% of conventional home-purchase loans and 5.1% of conventional refinance loans.** Statewide, the black household share was 5.7%, but black loan shares were just 1.7% for conventional home-purchase loans and 1.1% for conventional refinance loans.<sup>21</sup> (Panel II of Table 4)
- ❖ **Latino borrowers in Boston, Greater Boston, and statewide also received shares of total conventional loans in 2011 that were well below their shares of total households. In Boston, for**

**example, Latinos made up 13.7% of households, but received only 3.6% of conventional home-purchase loans and 2.6% of conventional refinance loans.** Statewide, the Latino household share was 7.2%, but Latino loan shares were 2.7% for conventional home-purchase loans and just 1.4% for conventional refinance loans. (Panel II of Table 4)

- ❖ **Black and Latino borrowers in Boston, in Greater Boston, and statewide were much more likely to receive GBLs than were their white or Asian counterparts. For home-purchase loans in Greater Boston, for example, GBLs accounted for 51.5% of loans to blacks and 50.7% of loans to Latinos, but only 19.2% of loans to whites.** Accordingly, the black/white disparity ratio was 2.7 and the Latino/white disparity ratio was 2.6. For refinance loans in Greater Boston in 2011, the GBL loan shares were smaller but the disparity ratios were greater: the GBL loan shares were 14.9% for blacks and 11.4% for Latinos, but only 4.0% for whites, for a black/white disparity ratio of 3.7 and a Latino/white disparity ratio of 2.9. The corresponding disparity ratios in the City

**EXHIBIT 3: Gov’t-Backed Loan Shares by Race, Greater Boston, 2011**



Source: Table 4

<sup>20</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 the city’s households throughout the entire period—saw their share of 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 8.3% in 2011.

In addition, information on the share of all loans that went to borrowers at various income levels is presented in the bottom half of Table 9, and Appendix Table 4 and Chart A-4 provide data on the number and percentages of all loans that went to borrowers at different income levels in the City of Boston since 1990. This information is provided for readers who may be interested; none of it is discussed in the text of this report.

<sup>21</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.

of Boston were somewhat higher and those statewide were somewhat lower. GBL loan shares were consistently much *lower* for Asian borrowers than for whites. (Exhibit 3 & Table 4)

- ❖ The dramatic racial/ethnic disparities in government-backed mortgage lending can be illuminated from a different perspective by noting that **while black homebuyers in Greater Boston received just 1.8% of all conventional loans in 2011, their share of all GBL loans was more than four times greater—7.4%. Similarly, while Latino homebuyers received only 2.4% of all conventional loans in Greater Boston, their share of all GBL loans was 9.6%.** (Table 4, Panel II)
- ❖ **The general patterns of GBL 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 GBLs than of conventional loans, were also present in most of the state’s largest cities.** Information for the state’s thirty-three largest cities is presented in Tables 5–8; also see Exhibit 4.<sup>22</sup>

- ❖ **When borrowers in Boston, Greater Boston, and Massachusetts are grouped into five income categories, GBL shares of both home-purchase and refinance loans in 2011 tend to decline steadily as the level of borrower income increases.** Statewide, for example, GBL shares of home-purchase loans were 41.9% for moderate-income borrowers, 33.6% for middle-income borrowers, 20.1% for high-income borrowers, and 6.4% for highest-income borrowers. For refinance lending statewide, GBL loan shares fell steadily from 6.4% of moderate-income borrowers to just 1.1% for the highest-income borrowers.<sup>23</sup> The GBL shares for low-income borrowers were generally lower than those for moderate- and middle-income borrowers; this may reflect the role that targeted affordable mortgage programs play for low-income borrowers. GBL lending to borrowers at different income levels in each of the state’s thirty-three largest cities tended to follow the same general pattern. The median family income in the Boston MSA in 2011 was \$93,700, so low-income borrowers there were those with incomes up to \$47,000, moderate-income was from \$48,000 to

**EXHIBIT 4: Black and Latino Shares of Home-Purchase Loans, Ten Biggest Cities in Massachusetts, 2011**

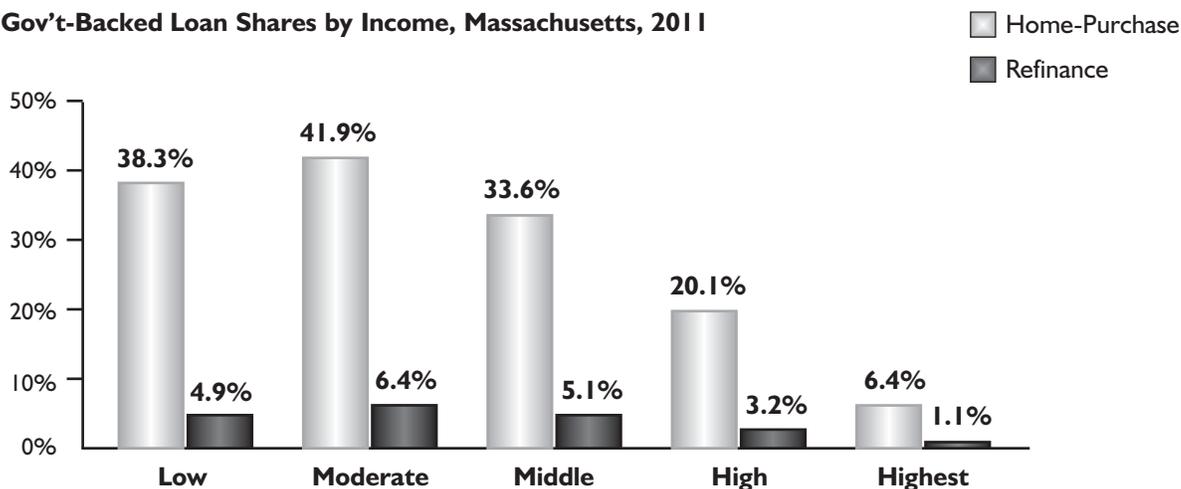
	Black share of total		Latino share of total	
	non-GBLs	GBLs	non-GBLs	GBLs
<b>Boston</b>	4.5%	19.5%	3.6%	11.3%
<b>Worcester</b>	4.1%	15.9%	8.8%	16.2%
<b>Springfield</b>	8.1%	19.0%	18.5%	28.0%
<b>Lowell</b>	2.4%	4.1%	6.7%	12.2%
<b>Cambridge</b>	1.4%	0.0%	1.9%	3.3%
<b>New Bedford</b>	4.0%	6.3%	3.4%	9.2%
<b>Brockton</b>	25.3%	38.9%	5.7%	12.0%
<b>Quincy</b>	1.9%	5.9%	1.2%	2.5%
<b>Lynn</b>	4.9%	8.4%	15.2%	28.8%
<b>Fall River</b>	0.7%	3.3%	1.4%	3.3%

Source: Table 6

<sup>22</sup> Corresponding data for all of the state’s cities and towns is presented in Supplemental Tables 2 and 3.

<sup>23</sup> It is interesting to note that HMDA data include no information on borrower income for more than one-third of the refinance GBLs in Massachusetts in 2011—see the “No Info” row in Panel I.B in Table 9. (In contrast, HMDA data include information on borrower income for over 99% of home-purchase GBLs and for over 97% of all conventional loans.) This reflects the FHA’s “streamline refinance” program for borrowers refinancing from one FHA loan to another with no cash out; under this program, if a current appraisal shows that the property value is greater than the loan amount and if the borrower has a good payment history, then the lender need not verify or report the borrower’s income.

**EXHIBIT 5: Gov't-Backed Loan Shares by Income, Massachusetts, 2011**



Source: Table 9

\$75,000, middle-income was from \$76,000 to \$112,000, high-income was from \$113,000 to \$187,000, and highest-income borrowers were those with incomes of \$188,000 or more.<sup>24</sup> (Tables 9 & 10 and Exhibit 5)

- ❖ **When borrowers are grouped by both race/ethnicity and income level, the GBL loan shares for blacks and Latinos are usually substantially higher than the GBL 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, 38.3% of high-income blacks and 29.4% of high-income Latinos received their home-purchase loans in the form of GBLs, while the GBL loan share was 16.5% for high-income whites.** This means that among homebuyers with reported incomes between \$113,000 and \$187,000, blacks were 2.3 times more likely to receive a GBL than their white counterparts, and Latinos were 1.8 times more likely than whites to receive their mortgage in the form of a GBL. (Tables 11–13).

#### IV. LENDING BY NEIGHBORHOOD RACE/ETHNICITY AND INCOME

In this part of the report the focus is on the characteristics of the *geographical areas* where government-backed loans (GBLs) were made rather than on the characteristics of the *borrowers* who

received such loans. Table 14 (Boston), Table 15 (Greater Boston), and Table 16 (Massachusetts) classify census tracts by both race/ethnicity and income level.<sup>25</sup> These tables provide clear evidence

<sup>24</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 three Metropolitan Divisions (MDs), each with its own MFI. This report deviates from the standard practice because it makes no sense to treat, for example, Cambridge and Boston as being in different metropolitan areas. **Note:** HMDA data only report borrower income to the nearest thousand dollars. See “Notes on Data and Methods” for more detailed information on metropolitan areas and MFIs.

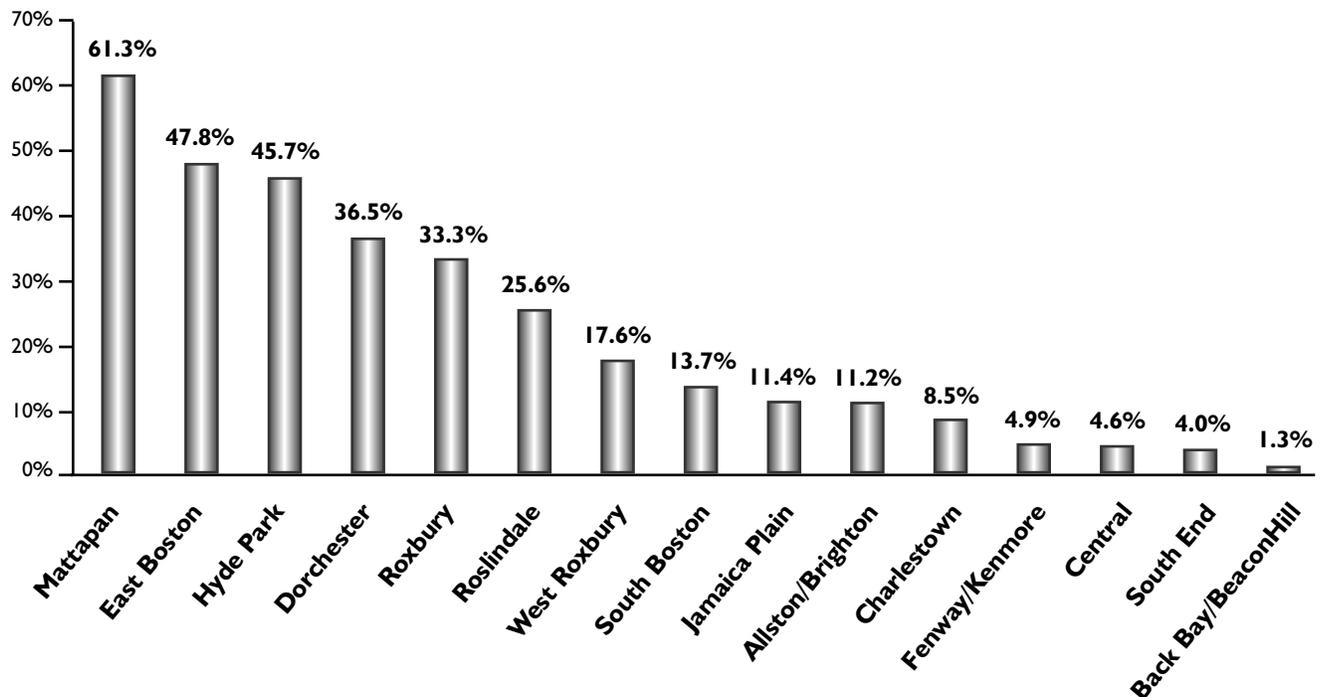
<sup>25</sup> Census tracts, redefined by the U.S. Census Bureau for each decennial census, are the smallest geographic area for which HMDA data are reported. (2011 is the last year that HMDA reporting and analysis are based on 2000 census tracts.) Census tracts typically contain between 3,000 and 6,000 people and, in urban areas, cover an area several blocks square. Boston, with a population of 589,141 according to the 2000 census, had 157 census tracts. Census tracts are placed in racial/ethnic categories on the basis of percentages of minority and white households as reported in the 2000 census (minority households are all those for which the householder is other than a non-Latino white). A tract is placed into an income category on the basis of its median family income (MFI) in relationship to the MFI in the Metropolitan Statistical Area (MSA) within which the tract is located. MFIs for geographical areas are from the 2000 decennial census. “Low-income” tracts are those with MFIs less than 50% of the MFI in the MSA; “moderate-income” tracts have MFIs from 50%–80% of the MFI in the MSA; “middle-income” tracts have MFIs from 80%–120% of the MFI in the MSA; and “upper-income” tracts are those with MFIs greater than 120% of the MFI in their MSA.

that GBLs are concentrated disproportionately in areas where the percentage of minority residents is high and in areas where income levels are low (often, these are the same areas). The first two bullets illustrate this general pattern by summarizing results for home-purchase lending in Boston and refinance lending statewide.

- ❖ **For home-purchase loans in the City of Boston in 2011, the government-backed loan (GBL) share in low-income census tracts was more than five times greater than that in upper-income tracts (20.0% vs. 3.5%) and the GBL loan share in predominantly minority tracts (those with more than 75% minority households) was more than three times greater than that in predominantly white tracts (44.0% vs. 12.9%).** For tracts in the same income category, the GBL share tends to rise substantially as the percentage of minority households increases. The GBL loan shares were highest in the 41 census tracts where minorities constituted more than three-quarters of all households (all of these tracts are low- or moderate-income). (Table 14)

- ❖ **For refinance loans in the state as a whole, the GBL loan share in low-income census tracts was 3.9 times greater than that in upper-income tracts (11.8% vs. 3.0%) and the GBL loan share in predominantly minority tracts was 3.2 times greater than in predominantly white tracts (17.1% vs. 5.4%).** The GBL loan shares were highest in lower-income predominantly-minority census tracts. (Table 16)
- ❖ **Government-backed lending varied dramatically among Boston’s major neighborhoods. For home-purchase loans, GBL shares ranged from 61.3% in Mattapan to 1.3% in Back Bay/Beacon Hill. For refinance loans, GBL shares ranged from 21.2% in Mattapan to 0.4% in the Back Bay/Beacon Hill.** The five Boston neighborhoods with the highest percentages of minority residents—Mattapan, Roxbury, Hyde Park, Dorchester, and East Boston—had the five highest GBL shares for both home-purchase and refinance lending. (Table 17 and Exhibit 6)

**EXHIBIT 6: Gov’t-Backed Shares of Home-Purchase Loans, Boston Neighborhoods, 2011**



Source: Table 17

- ❖ The same pattern emerges at the level of entire communities. For the 33 biggest cities in Massachusetts, Table 3 provides information on median family income and percentages of black and of Latino households as well as on government-backed lending. Examination of these data shows that GBL loan shares have a strong positive correlation with communities' percentages of black and Latino residents and a strong negative correlation with communities' median family incomes (MFIs). For example, **the three cities with the highest GBL shares for home-purchase loans in 2011 had an average of 41.2% black plus Latino households and an average MFI of \$45,444, while the three cities with the lowest GBL shares had an average of 11.8% black plus Latino households and an average MFI of \$121,460.** (The high GBL-share cities are Brockton, Lawrence, and Springfield; the low GBL-share cities are Brookline, Newton, and Cambridge.)
- ❖ **Total home-purchase lending to blacks and Latinos was highly concentrated in a small number of the state's cities and towns, and entirely absent in many others.** Just five cities (Boston, Brockton, Randolph, Springfield, and Worcester) accounted for over half (53.8%) of total home-purchase loans to blacks in Massachusetts; these same three communities accounted for only 10.1% of the state's total loans to whites. Just eight cities (Lawrence, Boston, Springfield, Lynn, Worcester, Revere, Methuen, and Everett) accounted for half (49.7%) of all home-purchase lending to Latinos in the state, while accounting for just 11.3% of total lending to whites. At the same time, **blacks received no home-purchase loans in 168 of the state's 351 cities and towns, and only a single loan in 76 more, while there were 136 communities where Latinos received no loans and 65 more where they received just one. In 102 communities there was not a single home-purchase loan to either a black or Latino homebuyer.** (Calculated from data in Supplemental Table 2)

## V. 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 18 and 19 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 4.<sup>26, 27</sup>

- ❖ **In Boston, Greater Boston, and Massachusetts in 2011, the denial rates on conventional (i.e., non-government-backed) mortgage loan applications by blacks—both for home-**

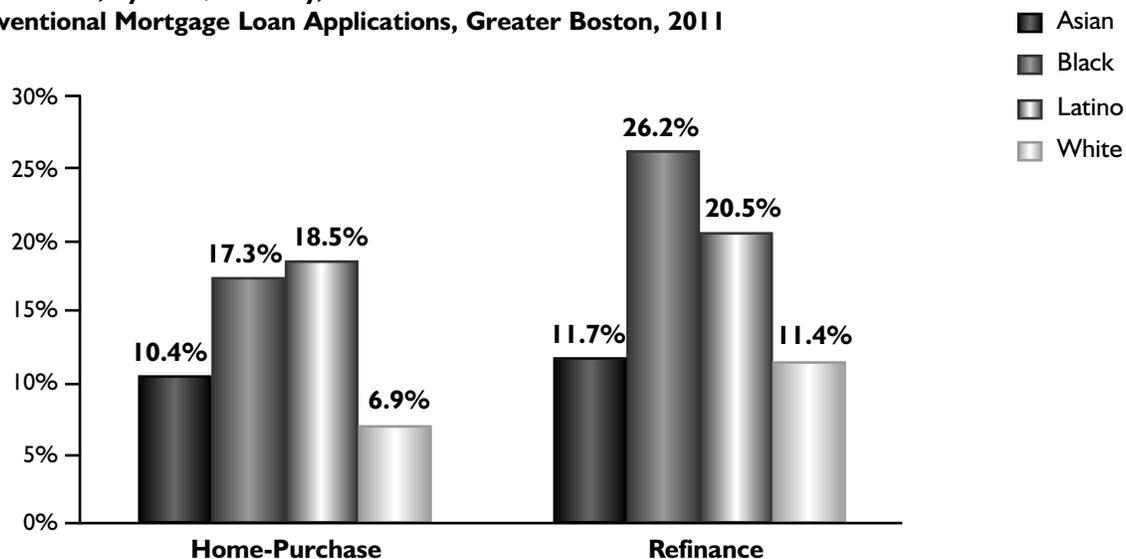
**purchase loans and for refinance loans—were in every case more than twice as high as the corresponding denial rates for whites, while denial rates for Latinos were always at least 1.7 times as high as the white denial rates.** The black/white disparity ratios ranged from 2.12 to 2.71, while the Latino/white disparity ratios ranged from 1.71 to 2.68. Asian denial rates for applications for conventional home-purchase loans were also higher than those for whites in 2011; for conventional refinance loans, they were close to those for whites. (Table 18 and Exhibit 7)

- ❖ **Although denial rates were higher for government-backed loans (GBLs) than they**

<sup>26</sup> In addition, Appendix Table 5 updates the table from earlier reports that provided information on overall denial rates and on denial rate disparity ratios in Boston, Massachusetts, and the U.S. since 1990. It shows that denial rate disparity ratios rose substantially in Boston from 2010 to 2011, although they changed very little in the state and nationwide. Black/white denial rate ratios in 2011 were all between 2.31 and 2.72, while Latino/white denial rate ratios ranged from 1.82 to 2.60.

<sup>27</sup> Not all loan applications result in either loans or denials; approximately one-sixth of applications have other outcomes. Appendix Table 6 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, separately for home-purchase and refinance loans.

**EXHIBIT 7: Denial Rates, by Race/Ethnicity, Conventional Mortgage Loan Applications, Greater Boston, 2011**



Source: Table 18

were for conventional loans, black/white and Latino/white denial rate disparity ratios for GBLs were considerably lower. These GBL denial rate disparity ratios, for both home-purchase and refinance lending, all fell in the range of 1.22 to 2.05. Asian/white denial rate disparity ratios for GBLs were generally lower than the black/white and Latino/white ratios, and tended to be similar to the Asian/white disparity rate ratios for conventional loans. (Table 18)

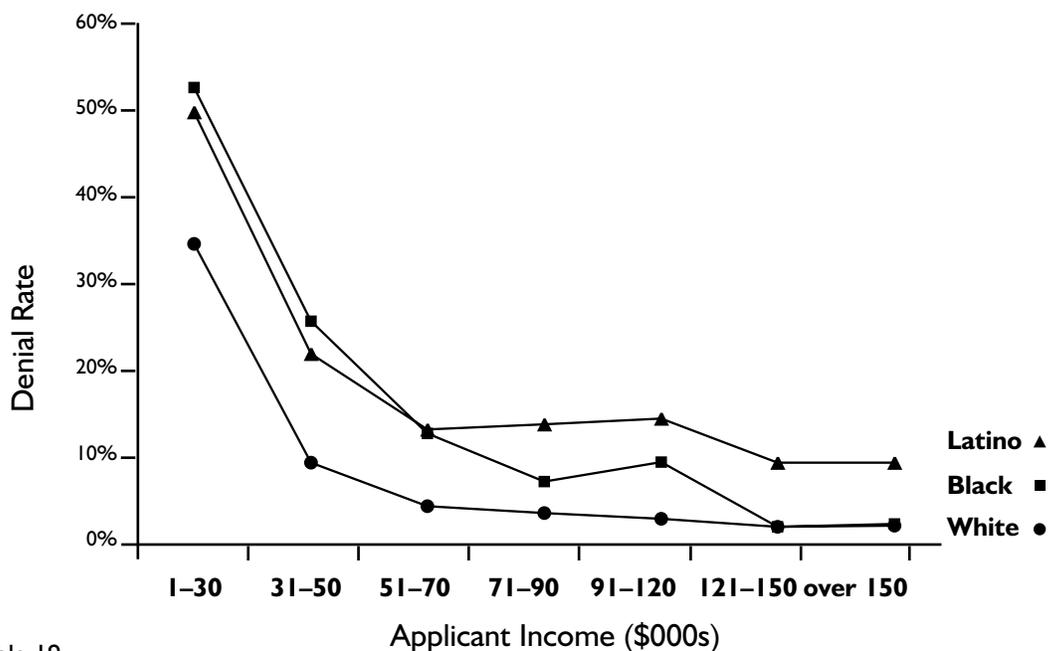
- ❖ Even though black and Latino applicants had, on average, substantially lower incomes than their white counterparts,<sup>28</sup> the higher denial rates experienced by blacks and Latinos cannot be explained by their lower incomes. When applicants in Boston, in Greater Boston, and statewide are grouped into income categories, the 2011 denial rates for blacks and for Latinos were in almost every case well above the denial rates for white applicants in the same income category, and there is no tendency for the denial rate disparity ratio to fall as income rises. For

example, for applicants with incomes between \$90,000 and \$120,000, the black/white disparity ratio ranged from 1.71 statewide to 2.00 in Greater Boston, and the Latino/white disparity ratio ranged from 1.99 statewide to 3.48 in the City of Boston. (Table 19 and Exhibit 8)

- ❖ Appendix Tables 7 and 8 provide summary information on the stated reasons for loan denials to black, Latino, and white applicants for home-purchase and refinance loans, respectively, both overall and for two broad income groupings. **The stated reasons for loan denials are quite similar for blacks, Latinos, and whites, but differ substantially by the income level of applicants and between home-purchase and refinance applications.** Overall, the clearest results are that “Debt-to-Income Ratio” is the most frequently stated reason for denials to low- and moderate-income applicants seeking either type of loan, while “Collateral” is the most frequently stated reason for denials to middle- and upper-income applicants seeking refinance loans.

<sup>28</sup> For example, it can be calculated from the data in Table 19 that 64% of white applicants in Greater Boston had reported incomes of \$91,000 or greater, compared to only 28% of black applicants and 33% of Latino applicants.

**EXHIBIT 8: Denial Rates by Race & Income, Conventional Home-Purchase Loans, Greater Boston, 2011**



Source: Table 19

**VI. LENDING BY MAJOR TYPE OF LENDER**

The analysis in this section is based on classifying each mortgage lender into one of three major categories. *Massachusetts banks and credit unions* consist of all banks headquartered in Massachusetts or with branches in the state, plus Massachusetts-chartered credit unions, plus most mortgage lending affiliates of these institutions. *Licensed Mortgage Lenders* consist of lenders who require a license from the state’s Division of Banks in order to make mortgage loans in the state; these are primarily independent mortgage companies, but also include some subsidiaries and affiliates of non-Massachusetts banks. (Beginning in 2010, this category is limited to lenders that made at least fifty mortgage loans in Massachusetts during the year; in earlier years it included all licensed lenders.) *Other Lenders* consist of all other lenders, primarily of out-of-state banks and credit unions, plus federally-chartered Massachusetts credit unions.<sup>29</sup>

This three-way classification was adopted for the *Changing Patterns* series of reports to emphasize one

crucial factor—whether a lender’s Massachusetts mortgage lending (1) is covered by the state and/or federal Community Reinvestment Act (CRA); (2) is subject to similar oversight by the state (until recently, this oversight was potential; now it is actual, as explained in the following paragraph); or (3) is exempt from such state oversight.

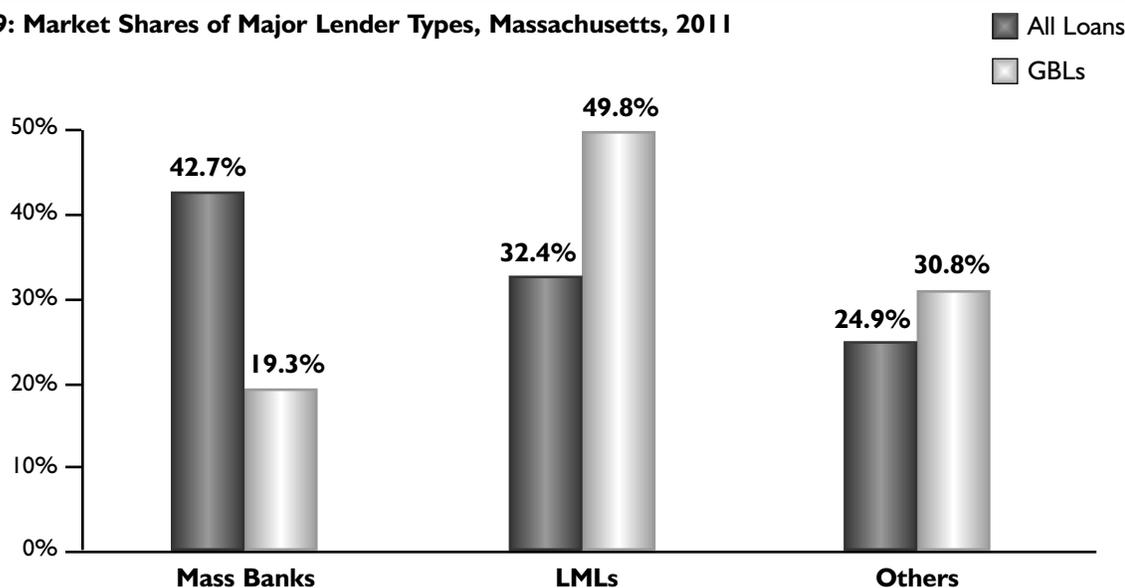
This classification has proved useful in identifying dramatically different patterns of mortgage lending by lenders subject to evaluation under the CRA and by those not subject to such evaluation. Recognition of these different lending patterns was an important factor in the inclusion of CRA-type obligations and evaluations for licensed mortgage lenders (LMLs) in the 2007 *Act Protecting and Preserving Homeownership*; these were implemented in the Division of Bank’s Mortgage Lender Community Investment (MLCI) regulation that became effective in September 2008. The regulation applies to licensed mortgage lenders that made at least fifty mortgage loans in the state during the preceding year.

<sup>29</sup> 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.

❖ **Whether one looks at home-purchase or refinance lending—in Boston, Greater Boston, or statewide—Massachusetts banks and credit unions made about 40% of all loans in 2011, licensed mortgage lenders made about one-third, and other lenders made about one-quarter of the total.** These loan shares are little changed from the preceding year, but dramatically changed from 2005 and 2006, when licensed mortgage lenders accounted for approximately half of all loans and Massachusetts banks and credit unions accounted for less than one-quarter of the total. (Table 20)<sup>30</sup>

❖ **Massachusetts banks and credit unions accounted for a substantially larger share of total (home-purchase plus refinance) loans than of government-backed loans (GBLs), while the reverse was true for Licensed Mortgage Lenders.** Statewide, Massachusetts banks and credit unions accounted for 42.7% of all loans but only 19.3% of GBLs, while LMLs accounted for less than one-third (32.1%) of all loans, but for nearly one-half (48.6%) of GBLs. Other Lenders accounted for 25.2% of total lending and 32.1% of GBLs. The same general pattern was true in the City of Boston and in Greater Boston. (Table 21 and Exhibit 9)

**EXHIBIT 9: Market Shares of Major Lender Types, Massachusetts, 2011**



Source: Table 21

❖ **GBLs made up a much larger share of total loans by LMLs and Other Lenders than of total loans by Massachusetts banks and credit unions.** Statewide, for example, GBLs accounted for 17.7% of all loans by LMLs, and for 14.9% of all loans by Other Lenders, but for only 5.3% of all loans by Massachusetts banks and credit unions. In Boston and Greater Boston, GBLs accounted

for approximately the same shares of all loans by LMLs and Other Lenders, and these shares were roughly two and one-half as great as the shares of GBLs in all loans by Massachusetts banks and credit unions. (Table 22)

❖ Table 23 (Boston) and Table 24 (Massachusetts) present information on the shares of the total

<sup>30</sup> Appendix Table A-9 shows how the shares of major categories of mortgage lenders have changed since 1990, following the same format—and the same lender categories—as the corresponding table in previous reports. 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. In 2011, the biggest Boston banks consisted of Bank of America, RBS Citizens, and Sovereign. “Notes on Data and Methods” provides information on the banks included in the “Big Boston Bank” category in earlier years and on how the category of “subprime lenders” was defined for the years 2000–2009.

loans of each of the three major types of lenders that consisted of conventional loans (that is, non-government-backed loans) to traditionally underserved borrowers and neighborhoods, and on the shares of their total loans that consisted of GBLs to these same borrowers and neighborhoods. **In the case of home-purchase loans, Massachusetts banks and credit unions (“CRA-covered lenders”) directed a substantially greater share of their total loans as conventional loans to every one of the categories of traditionally underserved borrowers and neighborhoods examined in this report than did LMLs and Other Lenders.** This is true both in Boston and statewide; in Boston LMLs generally performed better than Other Lenders by these measures, while statewide they performed about equally well.<sup>31</sup> For home-purchase loans in Boston, for example, conventional loans to black borrowers made up 6.4% of all loans made by CRA-covered lenders, 2.1% of all loans by LMLs and 0.8% of all loans by Other Lenders. Similarly, CRA-covered lenders directed 6.1% of their Boston home-purchase loans to predominantly black and Latino low- and moderate-income (LMI) census tracts in the

form of conventional loans, compared to 2.0% for LMLs and 1.3% for Other Lenders. In every category of loans, CRA-covered lenders made more conventional loans than GBLs; the reverse was true for LMLs and Other Lenders in every category statewide and for three of the five categories in Boston). (Tables 23 & 24)

**In the case of refinance loans, CRA-covered lenders and Other Lenders performed about equally well statewide in terms of the shares of their total loans that went as conventional loans to the five categories of traditionally underserved borrowers and neighborhoods, while Other Lenders actually outperformed CRA-covered lenders in four of the five loan categories in Boston. This is the first time in the history of the *Changing Patterns* series of reports that CRA-covered lenders have failed to outperform every other type of lender.** The loan shares of LML lenders were lowest in every category, both in Boston and statewide. (This analysis refers only to conventional loans; GBLs are ignored here because they made up only about 5% of all refinance lending in 2011—see Table 1.) (Tables 23 & 24)

## VII. THE BIGGEST LENDERS

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Who were the biggest lenders, both overall and for government-backed loans (GBLs)? Tables 25 and 26 present information on the 30 biggest overall lenders in the City of Boston and in Massachusetts. For each lender, these tables show the total number of loans, the total number of GBLs, and GBLs as a percentage of the total (for overall lending as well as for home-purchase and refinance loans separately). These

lenders include the 11 biggest GBL lenders in Boston (and 16 of the top 20) and the 10 biggest GBL lenders statewide (and 15 of the top 20). Loans by lenders within the same “family” of related lenders are consolidated; information on the lending by individual lenders within each family is presented in Table 29.<sup>32</sup>

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<sup>31</sup> The contrast between the performance of CRA-covered lenders and all other lenders has been clear since the *Changing Patterns* series of reports was begun in the mid-1990s. It remains to be seen to what extent the introduction of the state’s Mortgage Lender Community Investment (MLCI) regulation—which imposes CRA-like requirements on LMLs—will result in changes in LML performance relative to the two other major types of lenders. The MLCI regime is relatively new (only 35 of approximately 90 LMLs had received their initial evaluations and ratings by the end of 2011), and it is not surprising that only limited impact is obvious in the data reviewed here. It will be interesting to follow the relative performance of LMLs in future years.

<sup>32</sup> A few years ago it was common for companies in the mortgage business to operate through two or more separate lenders, often doing most of their subprime lending through subsidiaries that specialized in such loans. As Table 29 indicates, however, most companies now operate through a single lender, while the others tend to do almost all of their lending through their main lender (e.g., Bank of America, 96%; Wells Fargo, 98%). Exceptions are provided by CitiGroup (whose two biggest lenders had loan shares of 61% and 36%), Leader Bank/Mortgage (where the bank and mortgage company shares were 71% and 29%, respectively), and U.S. Bank (where two of its banks had loan shares of 86% and 14%).

**EXHIBIT 10: The 5 Biggest Lending Families in Boston & Massachusetts  
Home-Purchase & Refinance Loans Combined, 2011**

Rank	Boston			Massachusetts		
	Lender	Loans	Mkt Share	Lender	Loans	Mkt Share
1	Mortgage Master	985	9.0%	Bank of America	10,191	6.0%
2	Bank of America	970	8.8%	Wells Fargo	9,693	5.7%
3	Wells Fargo	881	8.0%	Mortgage Master	8,711	5.1%
4	RBS Citizens	501	4.6%	JP Morgan Chase	6,666	3.9%
5	JP Morgan Chase	380	3.5%	Sovereign	6,185	3.6%
	<b>Total, Top 5 Lenders</b>	<b>3,717</b>	<b>33.8%</b>		<b>41,446</b>	<b>24.3%</b>
	<b>Total, All Lenders</b>	<b>11,000</b>	<b>100.0%</b>		<b>170,628</b>	<b>100.0%</b>

Source: Tables 25 & 26

- ❖ **Bank of America was the biggest lender statewide and a close second to Mortgage Master in Boston in 2011.**<sup>33</sup> In Boston, Mortgage Master made 985 total loans, while Bank of America made 970. Wells Fargo ranked third with 881 loans. In Massachusetts, Bank of America made 10,191 total loans, while Wells Fargo ranked second with 9,693 and Mortgage Master ranked third with 8,711. The next four places both in Boston and statewide were taken by JPMorgan Chase, Sovereign, RBS Citizens and Leader Bank/Mortgage (listed by their statewide ranking; their Boston ranking was different).<sup>34, 35</sup> (Tables 25 & 26)
- ❖ **Wells Fargo was Boston's and the state's biggest government-backed loan (GBL) lender by far in 2011. Bank of America ranked second in the state and third in Boston, while MetLife ranked second in Boston and third in the state.** Mortgage Master ranked fourth in Boston and fifth statewide, RBS Citizens was the fifth biggest GBL lender in the state and Quicken Loans ranked fourth in Boston. GBLs made up a somewhat smaller share of total Massachusetts

loans by Bank of America (11.0%) and Mortgage Master (7.6%) than they did for all lenders combined (11.7%); the GBL share of total lending was approximately double the average for Wells Fargo (22.4%) and for Quicken (23.9%), and triple the average for MetLife (34.7%). Together, the top five GBL lenders accounted for less than one-quarter (22.3%) of total GBLs made in Massachusetts in 2011. (Tables 25 & 26)

- ❖ **Of the top seven lender families in Boston and the state, four had all or most of their Massachusetts lending covered by the CRA: Bank of America, Sovereign, RBS Citizens, and Leader. In addition, the lending of Mortgage Master, the biggest lender in Boston and third biggest statewide, is now covered by the state's Mortgage Lender Community Investment (MLCI) regulations.** Of the thirty biggest lender families statewide, twelve are (completely or partially) covered by CRA, fourteen are (completely or partially) covered by MLCI, and eight are (completely or partially) out-of-state banks. (Table 26)

<sup>33</sup> Mortgage Master, Inc. is a privately-held mortgage company based in Walpole, Massachusetts, that currently has 40 offices in 10 states.

<sup>34</sup> Leader Bank has no formal corporate connection to Leader Mortgage Company. However, the former's president and CEO owns and is chairman of the latter, so they are classified here as members of the same lending family.

<sup>35</sup> Wells Fargo, JPMorgan Chase, and Bank of America were the three biggest lenders nationwide, accounting for 25.4% of all first-lien loans in 2011, according to HMDA data. The top five lenders, also including U.S. Bank and Quicken Loans, accounted for 29.9% of the total. (Data from Table 13 of Robert B. Avery, *et al.*, "The Mortgage Market in 2011," *Federal Reserve Bulletin*, 2012 [forthcoming]; available at: [www.federalreserve.gov](http://www.federalreserve.gov)).

❖ Table 27 (Boston) and Table 28 (Massachusetts) provide information on lending to blacks, Latino, and white borrowers by each of the lenders included in Tables 25 and 26 (listed in the same order). This information includes: the total loans to each of these racial/ethnic groups, the percentage of government-backed loans (GBLs) for each group, and the disparity ratios for black/white and Latino/white GBL shares (calculated as the black [or Latino] GBL share divided by the white GBL share). **For the great**

**majority of lenders, GBLs made up much greater shares of their total loans to blacks and Latinos than of their total loans to whites. For the top four GBL lenders in Boston, the average black/white disparity ratio was 4.76 and the average Latino/white disparity ratio was 4.56.** Statewide, the disparity ratios were much smaller; for the top four lenders, the average black/white disparity ratio was 2.40 and the average Latino/white disparity ratio was 2.39.<sup>36</sup>

## VIII. RECENT LEGISLATIVE AND REGULATORY DEVELOPMENTS

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One year ago, the final section of *Changing Patterns XVIII* summarized a broad range of legislative and regulatory measures, designed to prevent irresponsible mortgage lending, that were adopted in the aftermath of the implosion of the subprime mortgage industry.<sup>37</sup>

The regulations implementing four of the most important measures that had not been finalized at the time of last year's report all remain unfinalized one year later. These include the rules governing the compensation of loan originators; the forms to be used in providing disclosures to mortgage loan applicants both following their applications and at closings; the standards for ensuring that mortgage borrowers have the ability to repay their loans (including the so-called "qualified mortgage" or "QM" regulations); and the rules for determining when issuers of mortgage-backed securities must retain a portion of the risk that the mortgages will not be repaid as scheduled (the so-called "qualified residential mortgage" or "QRM" regulations).

In addition, a set of regulatory capital rules proposed by the bank regulators in mid-2012 (commonly referred to as the "Basel III" rules) would increase the amount of capital that banks are required to hold against riskier mortgages.<sup>38</sup> Because the proposed rules place all mortgages with a loan-to-value ratio of greater than 80% (that is, with down payments of less than 20%) in higher-risk categories—with no exceptions for well-designed, publicly-supported, and carefully-underwritten affordable mortgage programs such as the Massachusetts SoftSecond Mortgage Program, even though such programs have very strong track records—many commenters have argued that the Basel III proposals in their current form would inappropriately reduce access to high-quality mortgage credit for traditionally-underserved borrowers and neighborhoods.<sup>39</sup>

Meanwhile, the process of preparing the regulations that will implement the expansions in Home Mortgage Disclosure Act (HMDA) data that were mandated by the Dodd-Frank Act are proceeding at such a slow pace that 2015 is now the earliest

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<sup>36</sup> Among these the top lenders, Mortgage Master had the highest disparity ratios—both in Boston, where its black/white ratio was 5.3 and its Latino/white ratio was 4.6, and statewide, where its black/white ratio was 7.0 and its Latino/white ratio was 5.0. In May 2011, Massachusetts Attorney General Martha Coakley announced a settlement with Mortgage Master "as a result of a civil rights investigation into discriminatory practices against African-American borrowers." (Office of the Attorney General, Press Release, May 17, 2011).

<sup>37</sup> This summary, presented on pages 19–23 of *Changing Patterns XVIII* (available at [www.mcabc.info/reports/mortgage](http://www.mcabc.info/reports/mortgage)), was limited to measures concerning the origination of mortgage loans and thus excluded consideration of such related issues as mortgage servicing, the foreclosure process and foreclosure prevention, and the reform of the overall housing finance system.

<sup>38</sup> Detailed information on the proposed rules is available in a Federal Reserve press release of June 7, 2012 and the links that it provides (<http://federalreserve.gov/newsevents/press/bcreg/20120607a.htm>). For an accessible summary of the issues involving residential mortgage lending, see Raymond Natter, "Mortgage Finance under Basel III" (July 2012, available at: [www.bsnlawfirm.com/newsletter/OP0712\\_Natter.pdf](http://www.bsnlawfirm.com/newsletter/OP0712_Natter.pdf)).

<sup>39</sup> See, for example, the comments submitted by the Massachusetts Housing Partnership; the Massachusetts Bankers Association; Eastern Bank; and the Center for American Progress, jointly with several national consumer advocacy groups and others. These are available at [www.regulations.gov](http://www.regulations.gov), by using "advanced search" to search for "public submissions" on Docket No. OCC-2012-0008.

possible year for which lenders would be required to collect the expanded HMDA data,<sup>40</sup> And, years after soliciting extensive public input, the federal bank regulators have yet to offer any proposals to revise the regulations that implement the Community Reinvestment Act (CRA).<sup>41</sup> Finally, neither the Obama administration nor the Congress has begun

to seriously address the issues involved in reforming the housing finance system—including reforming or replacing Fannie Mae and Freddie Mac.<sup>42</sup>

Each of these important unresolved issues offers the potential for future developments worthy of being summarized in next year’s report.

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<sup>40</sup> The Dodd-Frank Act specifies that the new reporting requirements will go into effect on the January 1 following the March 31 that follows the adoption of final implementing regulations. There is no chance that these regulations will be finalized by March 31, 2013; therefore the earliest they could go into effect is January 1, 2015. See Sec. 1094(3)(F) of the Act, page 724 of the full text version available at: <http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>.

<sup>41</sup> In a June 2010 joint press release, the federal bank regulators announced a series of public hearings to help them “consider how to update the [CRA] regulations to reflect changes in the financial services industry, changes in how banking services are delivered to consumers today, and current housing and community development needs.” Links to that press release and to the extensive comments submitted at the four day-long hearings held in July and August 2010 are available at: [www.ffiec.gov/cra/hearings.htm](http://www.ffiec.gov/cra/hearings.htm).

<sup>42</sup> John Griffith of the Center for American Progress has provided a helpful introduction of the issues involved in reforming the housing finance system, together with a comparison of 21 separate plans for dealing with the Fannie and Freddie question: [www.americanprogress.org/issues/housing/news/2012/08/02/12025/the-5-trillion-question-what-should-we-do-with-fannie-mae-and-freddie-mac/](http://www.americanprogress.org/issues/housing/news/2012/08/02/12025/the-5-trillion-question-what-should-we-do-with-fannie-mae-and-freddie-mac/).



**TABLE I**  
**Total and Government-Backed Loans (GBLs), 2004–2011**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien Loans for Owner-Occupied Homes**

	City of Boston			Greater Boston#			Massachusetts		
	All Loans	Govt-Backed Loans	% Govt-Backed	All Loans	Govt-Backed Loans	% Govt-Backed	All Loans	Govt-Backed Loans	% Govt-Backed
<b>A. HOME-PURCHASE LOANS</b>									
2004	8,658	52	0.6%	46,819	495	1.1%	98,297	3,404	3.5%
2005	8,330	32	0.4%	44,583	229	0.5%	94,286	1,832	1.9%
2006	7,052	42	0.6%	36,538	295	0.8%	76,984	1,589	2.1%
2007	5,718	70	1.2%	30,982	472	1.5%	62,973	1,959	3.1%
2008	4,472	458	10.2%	25,928	3,527	13.6%	51,279	10,228	19.9%
2009	4,160	810	19.5%	26,263	6,486	24.7%	51,901	16,996	32.7%
2010	3,958	902	22.8%	24,602	6,072	24.7%	47,699	15,352	32.2%
2011	3,493	630	18.0%	22,983	4,731	20.6%	44,032	12,839	29.2%
<b>B. REFINANCE LOANS</b>									
2004	10,996	75	0.7%	79,579	413	0.5%	177,135	1,982	1.1%
2005	9,157	28	0.3%	62,947	188	0.3%	146,120	926	0.6%
2006	6,635	36	0.5%	43,625	212	0.5%	103,877	1,997	1.9%
2007	4,882	85	1.7%	34,185	504	1.5%	78,322	2,036	2.6%
2008	4,443	274	6.2%	34,763	2,035	5.9%	70,957	7,192	10.1%
2009	9,489	745	7.9%	91,362	6,216	6.8%	171,161	16,544	9.7%
2010	8,615	608	7.1%	89,394	5,277	5.9%	158,689	12,592	7.9%
2011	7,507	380	5.1%	71,620	2,951	4.1%	126,596	7,149	5.6%
<b>C. TOTAL: HOME-PURCHASE PLUS REFINANCE LOANS</b>									
2004	19,654	127	0.6%	126,398	908	0.7%	275,432	5,386	2.0%
2005	17,487	60	0.3%	107,530	417	0.4%	240,406	2,758	1.1%
2006	13,687	78	0.6%	80,163	507	0.6%	180,861	3,586	2.0%
2007	10,600	155	1.5%	65,167	976	1.5%	141,295	3,995	2.8%
2008	8,915	732	8.2%	60,691	5,562	9.2%	122,236	17,420	14.3%
2009	13,649	1,555	11.4%	117,625	12,702	10.8%	223,062	33,540	15.0%
2010	12,573	1,510	12.0%	113,996	11,349	10.0%	206,388	27,944	13.5%
2011	11,000	1,010	9.2%	94,603	7,682	8.1%	170,628	19,988	11.7%

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

Note: The great majority of government-backed loans in 2010 were insured by the Federal Housing Administration (FHA).

Statewide, the FHA accounted for 82.9% of home-purchase GBLs and 79.4% of refinance GBLs.

Of total GBLs in Boston -- FHA: 878 (86.9%); VA: 132 (13.1%); USDA: no loans.

Of total GBLs in Greater Boston -- FHA: 6,675 (86.9%); VA: 968(12.6%); USDA: 39 (0.5%).

Of total GBLs in Massachusetts -- FHA: 16,326 (81.7%); VA: 2,955 (14.8%); USDA: 707 (3.5%).

**TABLE 2**  
**Total and High-APR Loans (HALs), 2004–2011**  
**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%
<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%
<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%

# 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 data for the first nine months of 2009 were reported under the old rules, while data for last three months of 2009, and for later years, were reported under the new rules.

**TABLE 3**  
**Total and Gov't-Backed Loans (GBLs) in the 33 Biggest Cities & Towns in Massachusetts**  
**First-Lien Home-Purchase and Refinance Loans for Owner-Occupied Homes, 2011**

	Home-Purchase Loans			Refinance Loans			% Black Pop'n	% Latino Pop'n	Median Family Income
	All Loans	Govt-Backed Loans	% GBLs	All Loans	Govt-Backed Loans	% GBLs			
<b>Arlington</b>	446	45	10.1%	1,439	31	2.2%	2.8%	3.3%	\$105,316
<b>Attleboro</b>	332	161	48.5%	693	64	9.2%	3.5%	6.3%	\$79,688
<b>Barnstable</b>	315	92	29.2%	889	48	5.4%	3.8%	3.1%	\$72,741
<b>Boston</b>	3,493	630	18.0%	7,507	380	5.1%	23.6%	17.5%	\$58,600
<b>Brockton</b>	549	391	71.2%	640	110	17.2%	34.1%	10.0%	\$57,861
<b>Brookline</b>	481	8	1.7%	1,650	10	0.6%	3.7%	5.0%	\$139,787
<b>Cambridge</b>	665	30	4.5%	1,628	19	1.2%	12.2%	7.6%	\$87,750
<b>Chicopee</b>	312	148	47.4%	484	88	18.2%	3.3%	14.8%	\$56,446
<b>Everett</b>	186	109	58.6%	252	34	13.5%	4.4%	7.4%	\$59,942
<b>Fall River</b>	294	151	51.4%	609	87	14.3%	5.8%	13.4%	\$44,498
<b>Framingham</b>	383	133	34.7%	1,216	77	6.3%	3.2%	14.5%	\$84,362
<b>Haverhill</b>	428	207	48.4%	900	95	10.6%	2.5%	73.8%	\$75,342
<b>Lawrence</b>	320	204	63.8%	218	55	25.2%	5.2%	14.5%	\$36,940
<b>Lowell</b>	500	245	49.0%	858	108	12.6%	6.7%	17.3%	\$55,852
<b>Lynn</b>	478	274	57.3%	714	98	13.7%	11.8%	32.1%	\$50,536
<b>Malden</b>	244	77	31.6%	620	55	8.9%	15.3%	8.4%	\$67,666
<b>Medford</b>	389	77	19.8%	1,100	59	5.4%	9.4%	4.4%	\$80,839
<b>Methuen</b>	365	175	47.9%	794	88	11.1%	2.3%	18.1%	\$80,739
<b>New Bedford</b>	355	206	58.0%	586	89	15.2%	7.5%	16.7%	\$45,347
<b>Newton</b>	667	30	4.5%	3,165	25	0.8%	2.8%	4.1%	\$136,843
<b>Peabody</b>	300	113	37.7%	973	79	8.1%	2.3%	6.3%	\$80,471
<b>Pittsfield</b>	263	64	24.3%	432	36	8.3%	6.6%	5.0%	\$56,256
<b>Plymouth</b>	474	176	37.1%	1,136	104	9.2%	2.5%	1.8%	\$88,518
<b>Quincy</b>	539	118	21.9%	1,512	109	7.2%	5.0%	3.3%	\$77,514
<b>Revere</b>	279	138	49.5%	384	43	11.2%	5.1%	24.4%	\$59,327
<b>Salem</b>	292	87	29.8%	576	54	9.4%	4.3%	15.6%	\$68,844
<b>Somerville</b>	448	45	10.0%	1,028	40	3.9%	7.2%	10.6%	\$69,245
<b>Springfield</b>	627	379	60.4%	683	134	19.6%	20.9%	38.8%	\$41,532
<b>Taunton</b>	330	162	49.1%	696	79	11.4%	5.9%	5.5%	\$68,796
<b>Waltham</b>	391	83	21.2%	1,157	43	3.7%	6.2%	13.7%	\$82,688
<b>Westfield</b>	273	111	40.7%	515	59	11.5%	1.8%	7.5%	\$69,828
<b>Weymouth</b>	378	145	38.4%	1,150	102	8.9%	3.4%	2.6%	\$82,992
<b>Worcester</b>	777	390	50.2%	1,281	179	14.0%	11.4%	20.9%	\$56,053

Note: Population data from 2010 Census. Income data from 2006–2010 American Community Survey.

**TABLE 4**  
**Total and Government-Backed Loans (GBLs), By Race/Ethnicity of Borrower**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Loans for Owner-Occupied Homes, 2011**

<b>I. GBLs AS PERCENTAGE OF ALL LOANS, BY RACE/ETHNICITY OF BORROWER</b>													
<b>Borrower Race/Ethnicity</b>	<b>City of Boston</b>				<b>Greater Boston</b>				<b>Massachusetts</b>				
	<b>All Loans</b>	<b>Govt-Backed Loans</b>	<b>% Govt-Backed</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>Govt-Backed Loans</b>	<b>% Govt-Backed</b>	<b>Ratio to White %</b>	<b>All Loans</b>	<b>Govt-Backed Loans</b>	<b>% Govt-Backed</b>	<b>Ratio to White %</b>	
<b>A. GBLs AS PERCENT OF ALL HOME-PURCHASE LOANS</b>													
Asian	254	17	6.7%	0.49	2,119	176	8.3%	0.43	2,902	360	12.4%	0.45	
Black	251	123	49.0%	3.60	684	352	51.5%	2.68	1,315	800	60.8%	2.19	
Latino	175	71	40.6%	2.98	900	456	50.7%	2.64	2,040	1,184	58.0%	2.09	
White	2,315	315	13.6%	1.00	16,798	3,227	19.2%	1.00	33,802	9,374	27.7%	1.00	
Other*	13	6	46.2%		72	20	27.8%		133	43	32.3%		
No Info ^	485	98	20.2%		2,410	500	20.7%		3,840	1,078	28.1%		
<b>Total</b>	<b>3,493</b>	<b>630</b>	<b>18.0%</b>		<b>22,983</b>	<b>4,731</b>	<b>20.6%</b>		<b>44,032</b>	<b>12,839</b>	<b>29.2%</b>		
<b>B. GBLs AS PERCENT OF ALL REFINANCE LOANS</b>													
Asian	438	14	3.2%	0.87	5,349	92	1.7%	0.43	7,342	147	2.0%	0.37	
Black	436	76	17.4%	4.73	1,007	150	14.9%	3.72	1,562	267	17.1%	3.13	
Latino	218	34	15.6%	4.24	1,070	122	11.4%	2.85	1,919	298	15.5%	2.84	
White	5,514	203	3.7%	1.00	56,463	2,259	4.0%	1.00	102,893	5,624	5.5%	1.00	
Other*	21	1	4.8%		166	11	6.6%		324	34	10.5%		
No Info ^	880	52	5.9%		7,565	317	4.2%		12,556	779	6.2%		
<b>Total</b>	<b>7,507</b>	<b>380</b>	<b>5.1%</b>		<b>71,620</b>	<b>2,951</b>	<b>4.1%</b>		<b>126,596</b>	<b>7,149</b>	<b>5.6%</b>		
<b>II. SHARES OF ALL LOANS, NON-GBLs, AND GBLs, BY RACE/ETHNICITY OF BORROWER</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-GB Loans</b>	<b>% of GB Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-GB Loans</b>	<b>% of GB Loans</b>	<b>All Loans</b>	<b>% of All Loans</b>	<b>% of Non-GB Loans</b>	<b>% of GB Loans</b>	
<b>A. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL HOME-PURCHASE LOANS</b>													
Asian	254	7.3%	8.3%	2.7%	2,119	9.2%	10.6%	3.7%	2,902	6.6%	8.1%	2.8%	
Black	251	7.2%	4.5%	19.5%	684	3.0%	1.8%	7.4%	1,315	3.0%	1.7%	6.2%	
Latino	175	5.0%	3.6%	11.3%	900	3.9%	2.4%	9.6%	2,040	4.6%	2.7%	9.2%	
White	2,315	66.3%	69.9%	50.0%	16,798	73.1%	74.4%	68.2%	33,802	76.8%	78.3%	73.0%	
Other*	13	0.4%	0.2%	1.0%	72	0.3%	0.3%	0.4%	133	0.3%	0.3%	0.3%	
No Info ^	485	13.9%	13.5%	15.6%	2,410	10.5%	10.5%	10.6%	3,840	8.7%	8.9%	8.4%	
<b>Total</b>	<b>3,493</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>22,983</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>44,032</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	
<b>B. LOANS TO EACH RACIAL/ETHNIC GROUP AS PERCENT OF TOTAL REFINANCE LOANS</b>													
Asian	438	5.8%	5.9%	3.7%	5,349	7.5%	7.7%	3.1%	7,342	5.8%	6.0%	2.1%	
Black	436	5.8%	5.1%	20.0%	1,007	1.4%	1.2%	5.1%	1,562	1.2%	1.1%	3.7%	
Latino	218	2.9%	2.6%	8.9%	1,070	1.5%	1.4%	4.1%	1,919	1.5%	1.4%	4.2%	
White	5,514	73.5%	74.5%	53.4%	56,463	78.8%	78.9%	76.6%	102,893	81.3%	81.4%	78.7%	
Other*	21	0.3%	0.3%	0.3%	166	0.2%	0.2%	0.4%	324	0.3%	0.2%	0.5%	
No Info ^	880	11.7%	11.6%	13.7%	7,565	10.6%	10.6%	10.7%	12,556	9.9%	9.9%	10.9%	
<b>Total</b>	<b>7,507</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>71,620</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>126,596</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."

**TABLE 5**  
**Total and Government-Backed Loans (GBLs) to Black, Latino, & White Borrowers**  
**In the 33 Biggest Cities and Towns in Massachusetts**  
**First-Lien HOME-PURCHASE LOANS for Owner-Occupied Homes, 2011**

	Black Borrowers			Latino Borrowers			White Borrowers			GBL Share Disparity Ratios	
	All Loans	Gov't-Backed Loans	% GBL	All Loans	Gov't-Backed Loans	% GBL	All Loans	Gov't-Backed Loans	% GBL	Black/White	Latino/White
<b>Arlington</b>	5	1	20.0%	8	1	12.5%	324	31	9.6%	2.09	1.31
<b>Attleboro</b>	10	7	70.0%	9	7	77.8%	273	129	47.3%	1.48	1.65
<b>Barnstable</b>	7	4	57.1%	8	5	62.5%	273	75	27.5%	2.08	2.28
<b>Boston</b>	251	123	49.0%	175	71	40.6%	2,315	315	13.6%	3.60	2.98
<b>Brockton</b>	192	152	79.2%	56	47	83.9%	242	149	61.6%	1.29	1.36
<b>Brookline</b>	2	0	0.0%	9	1	11.1%	327	6	1.8%	0.00	6.06
<b>Cambridge</b>	9	0	0.0%	13	1	7.7%	445	17	3.8%	0.00	2.01
<b>Chicopee</b>	10	6	60.0%	13	9	69.2%	273	124	45.4%	1.32	1.52
<b>Everett</b>	26	14	53.8%	61	47	77.0%	67	36	53.7%	1.00	1.43
<b>Fall River</b>	6	5	83.3%	7	5	71.4%	260	129	49.6%	1.68	1.44
<b>Framingham</b>	18	11	61.1%	25	9	36.0%	275	90	32.7%	1.87	1.10
<b>Haverhill</b>	13	11	84.6%	36	26	72.2%	343	157	45.8%	1.85	1.58
<b>Lawrence</b>	4	3	75.0%	246	168	68.3%	50	25	50.0%	1.50	1.37
<b>Lowell</b>	16	10	62.5%	47	30	63.8%	262	121	46.2%	1.35	1.38
<b>Lynn</b>	33	23	69.7%	110	79	71.8%	245	125	51.0%	1.37	1.41
<b>Malden</b>	21	8	38.1%	14	10	71.4%	115	41	35.7%	1.07	2.00
<b>Medford</b>	5	3	60.0%	12	3	25.0%	261	51	19.5%	3.07	1.28
<b>Methuen</b>	5	4	80.0%	82	66	80.5%	228	92	40.4%	1.98	1.99
<b>New Bedford</b>	19	13	68.4%	24	19	79.2%	287	155	54.0%	1.27	1.47
<b>Newton</b>	5	1	20.0%	7	0	0.0%	442	22	5.0%	4.02	0.00
<b>Peabody</b>	4	2	50.0%	12	9	75.0%	256	88	34.4%	1.45	2.18
<b>Pittsfield</b>	5	2	40.0%	6	1	16.7%	240	59	24.6%	1.63	0.68
<b>Plymouth</b>	2	2	100.0%	3	1	33.3%	428	164	38.3%	2.61	0.87
<b>Quincy</b>	15	7	46.7%	8	3	37.5%	337	91	27.0%	1.73	1.39
<b>Revere</b>	18	12	66.7%	90	62	68.9%	131	43	32.8%	2.03	2.10
<b>Salem</b>	1	1	100.0%	11	8	72.7%	233	66	28.3%	3.53	2.57
<b>Somerville</b>	10	4	40.0%	19	5	26.3%	323	32	9.9%	4.04	2.66
<b>Springfield</b>	92	72	78.3%	152	106	69.7%	312	152	48.7%	1.61	1.43
<b>Taunton</b>	10	6	60.0%	13	11	84.6%	286	133	46.5%	1.29	1.82
<b>Waltham</b>	3	3	100.0%	7	4	57.1%	292	58	19.9%	5.03	2.88
<b>Westfield</b>	2	2	100.0%	9	6	66.7%	243	96	39.5%	2.53	1.69
<b>Weymouth</b>	7	2	28.6%	3	1	33.3%	321	123	38.3%	0.75	0.87
<b>Worcester</b>	78	62	79.5%	97	63	64.9%	475	214	45.1%	1.76	1.44

**TABLE 6**  
**Black, Latino, & White Borrowers' Loan Shares**  
**Shares of All Loans, Gov't-Backed Loans (GBLs), and Conventional Loans (Non-GBLs)**  
**In the 33 Biggest Cities and Towns in Massachusetts**  
**First-Lien HOME-PURCHASE LOANS for Owner-Occupied Homes, 2011**

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non-GBL Loans	GBL Loans	% of All Loans	% of All Non-GBLs	% of All GBLs	% of All Loans	% of All Non-GBLs	% of All GBLs	% of All Loans	% of All Non-GBLs	% of All GBLs
Arlington	446	401	45	1.1%	1.0%	2.2%	1.8%	1.7%	2.2%	72.6%	73.1%	68.9%
Attleboro	332	171	161	3.0%	1.8%	4.3%	2.7%	1.2%	4.3%	82.2%	84.2%	80.1%
Barnstable	315	223	92	2.2%	1.3%	4.3%	2.5%	1.3%	5.4%	86.7%	88.8%	81.5%
Boston	3,493	2,863	630	7.2%	4.5%	19.5%	5.0%	3.6%	11.3%	66.3%	69.9%	50.0%
Brockton	549	158	391	35.0%	25.3%	38.9%	10.2%	5.7%	12.0%	44.1%	58.9%	38.1%
Brookline	481	473	8	0.4%	0.4%	0.0%	1.9%	1.7%	12.5%	68.0%	67.9%	75.0%
Cambridge	665	635	30	1.4%	1.4%	0.0%	2.0%	1.9%	3.3%	66.9%	67.4%	56.7%
Chicopee	312	164	148	3.2%	2.4%	4.1%	4.2%	2.4%	6.1%	87.5%	90.9%	83.8%
Everett	186	77	109	14.0%	15.6%	12.8%	32.8%	18.2%	43.1%	36.0%	40.3%	33.0%
Fall River	294	143	151	2.0%	0.7%	3.3%	2.4%	1.4%	3.3%	88.4%	91.6%	85.4%
Framingham	383	250	133	4.7%	2.8%	8.3%	6.5%	6.4%	6.8%	71.8%	74.0%	67.7%
Haverhill	428	221	207	3.0%	0.9%	5.3%	8.4%	4.5%	12.6%	80.1%	84.2%	75.8%
Lawrence	320	116	204	1.3%	0.9%	1.5%	76.9%	67.2%	82.4%	15.6%	21.6%	12.3%
Lowell	500	255	245	3.2%	2.4%	4.1%	9.4%	6.7%	12.2%	52.4%	55.3%	49.4%
Lynn	478	204	274	6.9%	4.9%	8.4%	23.0%	15.2%	28.8%	51.3%	58.8%	45.6%
Malden	244	167	77	8.6%	7.8%	10.4%	5.7%	2.4%	13.0%	47.1%	44.3%	53.2%
Medford	389	312	77	1.3%	0.6%	3.9%	3.1%	2.9%	3.9%	67.1%	67.3%	66.2%
Methuen	365	190	175	1.4%	0.5%	2.3%	22.5%	8.4%	37.7%	62.5%	71.6%	52.6%
New Bedford	355	149	206	5.4%	4.0%	6.3%	6.8%	3.4%	9.2%	80.8%	88.6%	75.2%
Newton	667	637	30	0.7%	0.6%	3.3%	1.0%	1.1%	0.0%	66.3%	65.9%	73.3%
Peabody	300	187	113	1.3%	1.1%	1.8%	4.0%	1.6%	8.0%	85.3%	89.8%	77.9%
Pittsfield	263	199	64	1.9%	1.5%	3.1%	2.3%	2.5%	1.6%	91.3%	91.0%	92.2%
Plymouth	474	298	176	0.4%	0.0%	1.1%	0.6%	0.7%	0.6%	90.3%	88.6%	93.2%
Quincy	539	421	118	2.8%	1.9%	5.9%	1.5%	1.2%	2.5%	62.5%	58.4%	77.1%
Revere	279	141	138	6.5%	4.3%	8.7%	32.3%	19.9%	44.9%	47.0%	62.4%	31.2%
Salem	292	205	87	0.3%	0.0%	1.1%	3.8%	1.5%	9.2%	79.8%	81.5%	75.9%
Somerville	448	403	45	2.2%	1.5%	8.9%	4.2%	3.5%	11.1%	72.1%	72.2%	71.1%
Springfield	627	248	379	14.7%	8.1%	19.0%	24.2%	18.5%	28.0%	49.8%	64.5%	40.1%
Taunton	330	168	162	3.0%	2.4%	3.7%	3.9%	1.2%	6.8%	86.7%	91.1%	82.1%
Waltham	391	308	83	0.8%	0.0%	3.6%	1.8%	1.0%	4.8%	74.7%	76.0%	69.9%
Westfield	273	162	111	0.7%	0.0%	1.8%	3.3%	1.9%	5.4%	89.0%	90.7%	86.5%
Weymouth	378	233	145	1.9%	2.1%	1.4%	0.8%	0.9%	0.7%	84.9%	85.0%	84.8%
Worcester	777	387	390	10.0%	4.1%	15.9%	12.5%	8.8%	16.2%	61.1%	67.4%	54.9%

Note: See Table 5 for the *numbers* of loans to black, Latino, & white borrowers that were used to calculate this table's *percentages*.

**TABLE 7**  
**Government-Backed Loans (GBLs) to Black, Latino, & White Borrowers**  
**In the 33 Biggest Cities and Towns in Massachusetts**  
**First-Lien REFINANCE LOANS for Owner-Occupied Homes, 2011**

	Black Borrowers			Latino Borrowers			White Borrowers			GBL Share Disparity Ratios	
	All Loans	Gov't-Backed Loans	% GBL	All Loans	Gov't-Backed Loans	% GBL	All Loans	Gov't-Backed Loans	% GBL	Black/White	Latino/White
Arlington	9	1	11.1%	18	0	0.0%	1,099	23	2.1%	5.31	0.00
Attleboro	14	4	28.6%	9	1	11.1%	586	54	9.2%	3.10	1.21
Barnstable	8	2	25.0%	4	2	50.0%	787	39	5.0%	5.04	10.09
Boston	436	76	17.4%	218	34	15.6%	5,514	203	3.7%	4.73	4.24
Brockton	91	19	20.9%	31	6	19.4%	432	69	16.0%	1.31	1.21
Brookline	9	0	0.0%	27	0	0.0%	1,225	8	0.7%	0.00	0.00
Cambridge	30	2	6.7%	29	0	0.0%	1,198	11	0.9%	7.26	0.00
Chicopee	5	2	40.0%	7	2	28.6%	430	73	17.0%	2.36	1.68
Everett	19	6	31.6%	24	6	25.0%	151	18	11.9%	2.65	2.10
Fall River	6	1	16.7%	7	4	57.1%	562	73	13.0%	1.28	4.40
Framingham	24	4	16.7%	34	5	14.7%	936	51	5.4%	3.06	2.70
Haverhill	10	2	20.0%	14	5	35.7%	763	82	10.7%	1.86	3.32
Lawrence	4	0	0.0%	79	35	44.3%	94	15	16.0%	0.00	2.78
Lowell	11	3	27.3%	40	10	25.0%	620	68	11.0%	2.49	2.28
Lynn	18	3	16.7%	46	15	32.6%	543	66	12.2%	1.37	2.68
Malden	28	6	21.4%	27	3	11.1%	363	31	8.5%	2.51	1.30
Medford	31	1	3.2%	17	1	5.9%	838	46	5.5%	0.59	1.07
Methuen	8	2	25.0%	31	13	41.9%	614	57	9.3%	2.69	4.52
New Bedford	25	7	28.0%	25	5	20.0%	485	66	13.6%	2.06	1.47
Newton	10	0	0.0%	28	0	0.0%	2,424	22	0.9%	0.00	0.00
Peabody	3	1	33.3%	18	2	11.1%	814	65	8.0%	4.17	1.39
Pittsfield	5	1	20.0%	3	1	33.3%	389	26	6.7%	2.99	4.99
Plymouth	6	0	0.0%	13	2	15.4%	993	87	8.8%	0.00	1.76
Quincy	9	1	11.1%	22	1	4.5%	1,039	90	8.7%	1.28	0.52
Revere	9	2	22.2%	37	7	18.9%	276	28	10.1%	2.19	1.86
Salem	3	0	0.0%	16	2	12.5%	490	47	9.6%	0.00	1.30
Somerville	17	2	11.8%	33	4	12.1%	753	27	3.6%	3.28	3.38
Springfield	73	22	30.1%	64	17	26.6%	472	73	15.5%	1.95	1.72
Taunton	16	3	18.8%	17	5	29.4%	597	62	10.4%	1.81	2.83
Waltham	12	0	0.0%	30	2	6.7%	881	32	3.6%	0.00	1.84
Westfield	2	1	50.0%	14	3	21.4%	445	50	11.2%	4.45	1.91
Weymouth	4	0	0.0%	9	3	33.3%	983	90	9.2%	0.00	3.64
Worcester	41	13	31.7%	40	8	20.0%	1,012	140	13.8%	2.29	1.45

**TABLE 8**  
**Black, Latino, & White Borrowers' Loan Shares**  
**Shares of All Loans, Gov't-Backed Loans (GBLs), and Conventional Loans (Non-GBLs)**  
**In the 33 Biggest Cities and Towns in Massachusetts**  
**First-Lien REFINANCE LOANS for Owner-Occupied Homes, 2011**

	All Borrowers			Black Borrowers			Latino Borrowers			White Borrowers		
	All Loans	Non-GBL Loans	GBL Loans	% of All Loans	% of All Non-GBLs	% of All GBLs	% of All Loans	% of All Non-GBLs	% of All GBLs	% of All Loans	% of All Non-GBLs	% of All GBLs
Arlington	1,439	1,408	31	0.6%	0.6%	3.2%	1.3%	1.3%	0.0%	76.4%	76.4%	74.2%
Attleboro	693	629	64	2.0%	1.6%	6.3%	1.3%	1.3%	1.6%	84.6%	84.6%	84.4%
Barnstable	889	841	48	0.9%	0.7%	4.2%	0.4%	0.2%	4.2%	88.5%	88.9%	81.3%
Boston	7,507	7,127	380	5.8%	5.1%	20.0%	2.9%	2.6%	8.9%	73.5%	74.5%	53.4%
Brockton	640	530	110	14.2%	13.6%	17.3%	4.8%	4.7%	5.5%	67.5%	68.5%	62.7%
Brookline	1,650	1,640	10	0.5%	0.5%	0.0%	1.6%	1.6%	0.0%	74.2%	74.2%	80.0%
Cambridge	1,628	1,609	19	1.8%	1.7%	10.5%	1.8%	1.8%	0.0%	73.6%	73.8%	57.9%
Chicopee	484	396	88	1.0%	0.8%	2.3%	1.4%	1.3%	2.3%	88.8%	90.2%	83.0%
Everett	252	218	34	7.5%	6.0%	17.6%	9.5%	8.3%	17.6%	59.9%	61.0%	52.9%
Fall River	609	522	87	1.0%	1.0%	1.1%	1.1%	0.6%	4.6%	92.3%	93.7%	83.9%
Framingham	1,216	1,139	77	2.0%	1.8%	5.2%	2.8%	2.5%	6.5%	77.0%	77.7%	66.2%
Haverhill	900	805	95	1.1%	1.0%	2.1%	1.6%	1.1%	5.3%	84.8%	84.6%	86.3%
Lawrence	218	163	55	1.8%	2.5%	0.0%	36.2%	27.0%	63.6%	43.1%	48.5%	27.3%
Lowell	858	750	108	1.3%	1.1%	2.8%	4.7%	4.0%	9.3%	72.3%	73.6%	63.0%
Lynn	714	616	98	2.5%	2.4%	3.1%	6.4%	5.0%	15.3%	76.1%	77.4%	67.3%
Malden	620	565	55	4.5%	3.9%	10.9%	4.4%	4.2%	5.5%	58.5%	58.8%	56.4%
Medford	1,100	1,041	59	2.8%	2.9%	1.7%	1.5%	1.5%	1.7%	76.2%	76.1%	78.0%
Methuen	794	706	88	1.0%	0.8%	2.3%	3.9%	2.5%	14.8%	77.3%	78.9%	64.8%
New Bedford	586	497	89	4.3%	3.6%	7.9%	4.3%	4.0%	5.6%	82.8%	84.3%	74.2%
Newton	3,165	3,140	25	0.3%	0.3%	0.0%	0.9%	0.9%	0.0%	76.6%	76.5%	88.0%
Peabody	973	894	79	0.3%	0.2%	1.3%	1.8%	1.8%	2.5%	83.7%	83.8%	82.3%
Pittsfield	432	396	36	1.2%	1.0%	2.8%	0.7%	0.5%	2.8%	90.0%	91.7%	72.2%
Plymouth	1,136	1,032	104	0.5%	0.6%	0.0%	1.1%	1.1%	1.9%	87.4%	87.8%	83.7%
Quincy	1,512	1,403	109	0.6%	0.6%	0.9%	1.5%	1.5%	0.9%	68.7%	67.6%	82.6%
Revere	384	341	43	2.3%	2.1%	4.7%	9.6%	8.8%	16.3%	71.9%	72.7%	65.1%
Salem	576	522	54	0.5%	0.6%	0.0%	2.8%	2.7%	3.7%	85.1%	84.9%	87.0%
Somerville	1,028	988	40	1.7%	1.5%	5.0%	3.2%	2.9%	10.0%	73.2%	73.5%	67.5%
Springfield	683	549	134	10.7%	9.3%	16.4%	9.4%	8.6%	12.7%	69.1%	72.7%	54.5%
Taunton	696	617	79	2.3%	2.1%	3.8%	2.4%	1.9%	6.3%	85.8%	86.7%	78.5%
Waltham	1,157	1,114	43	1.0%	1.1%	0.0%	2.6%	2.5%	4.7%	76.1%	76.2%	74.4%
Westfield	515	456	59	0.4%	0.2%	1.7%	2.7%	2.4%	5.1%	86.4%	86.6%	84.7%
Weymouth	1,150	1,048	102	0.3%	0.4%	0.0%	0.8%	0.6%	2.9%	85.5%	85.2%	88.2%
Worcester	1,281	1,102	179	3.2%	2.5%	7.3%	3.1%	2.9%	4.5%	79.0%	79.1%	78.2%

Note: See Table 7 for the *numbers* of loans to black, Latino, & white borrowers that were used to calculate this table's *percentages*.

**TABLE 9**  
**Total and Government-Backed Loans (GBLs), By Income of Borrower**  
**City of Boston, Greater Boston, and Massachusetts**  
**First-Lien Loans for Owner-Occupied Homes, 2011**

<b>I. GBLs AS PERCENTAGE OF ALL LOANS BY INCOME OF BORROWER</b>												
Borrower* Income	City of Boston				Greater Boston				Massachusetts			
	All Loans	Govt-Backed Loans	% Govt-Backed	Ratio to Highest%	All Loans	Govt-Backed Loans	% Govt-Backed	Ratio to Highest%	All Loans	Govt-Backed Loans	% Govt-Backed	Ratio to Highest%
<b>A. GBLs AS PERCENT OF ALL HOME-PURCHASE LOANS AT EACH INCOME LEVEL</b>												
Low	242	46	19.0%	4.60	1,731	446	25.8%	5.15	4,688	1,797	38.3%	6.02
Moderate	912	234	25.7%	6.21	5,037	1,620	32.2%	6.43	11,300	4,736	41.9%	6.58
Middle	874	208	23.8%	5.76	5,657	1,464	25.9%	5.18	11,139	3,745	33.6%	5.28
High	766	113	14.8%	3.57	6,077	971	16.0%	3.20	10,442	2,101	20.1%	3.16
Highest	678	28	4.1%	1.00	4,341	217	5.0%	1.00	6,158	392	6.4%	1.00
No Info	21	1	4.8%		140	13	9.3%		305	68	22.3%	
Total	3,493	630	18.0%		22,983	4,731	20.6%		44,032	12,839	29.2%	
<b>B. GBLs AS PERCENT OF ALL REFINANCE LOANS AT EACH INCOME LEVEL</b>												
Low	418	21	5.0%	4.79	2,905	100	3.4%	4.50	6,581	320	4.9%	4.40
Moderate	1,336	69	5.2%	4.92	9,865	464	4.7%	6.15	19,721	1,267	6.4%	5.82
Middle	1,934	89	4.6%	4.38	17,188	706	4.1%	5.37	31,613	1,611	5.1%	4.61
High	2,111	69	3.3%	3.11	23,032	589	2.6%	3.34	39,430	1,279	3.2%	2.94
Highest	1,429	15	1.0%	1.00	15,552	119	0.8%	1.00	22,544	249	1.1%	1.00
No Info	279	117	41.9%		3,078	973	31.6%		6,707	2,423	36.1%	
Total	7,507	380	5.1%		71,620	2,951	4.1%		126,596	7,149	5.6%	
<b>II. SHARES OF ALL LOANS, NON-GBL LOANS, AND GBLs, BY INCOME OF BORROWER</b>												
Borrower* Income	City of Boston				Greater Boston				Massachusetts			
	All Loans	% of All Loans	% of non-GBLs	% of GBLs	All Loans	% of All Loans	% of non-GBLs	% of GBLs	All Loans	% of All Loans	% of non-GBLs	% of GBLs
<b>A. LOANS TO EACH INCOME CATEGORY AS PERCENT OF TOTAL HOME-PURCHASE LOANS: ALL LOANS, NON-GBL LOANS, AND GBLs</b>												
Low	242	6.9%	6.8%	7.3%	1,731	7.5%	7.0%	9.4%	4,688	10.6%	9.3%	14.0%
Moderate	912	26.1%	23.7%	37.1%	5,037	21.9%	18.7%	34.2%	11,300	25.7%	21.0%	36.9%
Middle	874	25.0%	23.3%	33.0%	5,657	24.6%	23.0%	30.9%	11,139	25.3%	23.7%	29.2%
High	766	21.9%	22.8%	17.9%	6,077	26.4%	28.0%	20.5%	10,442	23.7%	26.7%	16.4%
Highest	678	19.4%	22.7%	4.4%	4,341	18.9%	22.6%	4.6%	6,158	14.0%	18.5%	3.1%
No Info	21	0.6%	0.7%	0.2%	140	0.6%	0.7%	0.3%	305	0.7%	0.8%	0.5%
Total	3,493	100.0%	100.0%	100.0%	22,983	100.0%	100.0%	100.0%	44,032	100.0%	100.0%	100.0%
<b>B. LOANS TO EACH INCOME CATEGORY AS PERCENT OF TOTAL REFINANCE LOANS: ALL LOANS, NON-GBL LOANS, AND GBLs</b>												
Low	418	5.6%	5.6%	5.5%	2,905	4.1%	4.1%	3.4%	6,581	5.2%	5.2%	4.5%
Moderate	1,336	17.8%	17.8%	18.2%	9,865	13.8%	13.7%	15.7%	19,721	15.6%	15.4%	17.7%
Middle	1,934	25.8%	25.9%	23.4%	17,188	24.0%	24.0%	23.9%	31,613	25.0%	25.1%	22.5%
High	2,111	28.1%	28.7%	18.2%	23,032	32.2%	32.7%	20.0%	39,430	31.1%	31.9%	17.9%
Highest	1,429	19.0%	19.8%	3.9%	15,552	21.7%	22.5%	4.0%	22,544	17.8%	18.7%	3.5%
No Info	279	3.7%	2.3%	30.8%	3,078	4.3%	3.1%	33.0%	6,707	5.3%	3.6%	33.9%
Total	7,507	100.0%	100.0%	100.0%	71,620	100.0%	100.0%	100.0%	126,596	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 2011 was \$93,700. The MFIs in the five other MSAs in the state, ranged from \$68,900 to \$82,500 in 2011. Borrowers in Dukes and Nantucket Counties, which are not in any metro area, were classified using the MFI for the nonmetro part of the state (\$88,300). "Low" is less than 50% of the MFI in the relevant MSA; "Moderate" is 50%-80% of this amount; "Middle" is 80%-120% of this amount; "High" is 120%-200% of this amount; and "Highest" is over 200% of the MFI in the relevant metro area.

**TABLE 10**  
**Government-Backed Loans (GBLs) To Borrowers at Different Income Levels**  
**In the 33 Biggest Cities and Towns in Massachusetts**  
**Home-Purchase and Refinance Loans Combined**  
**First-Lien Loans for Owner-Occupied Homes, 2011**

	Low Income*		Moderate Income*		Middle Income*		High Income*		Highest Income*	
	Number GBLs	% GBLs	Number GBLs	% GBLs	Number GBLs	% GBLs	Number GBLs	% GBLs	Number GBLs	% GBLs
Arlington	3	6.3%	7	3.2%	20	4.1%	32	4.1%	3	1.0%
Attleboro	10	16.4%	58	27.1%	70	25.0%	53	17.0%	13	13.0%
Barnstable	9	7.6%	43	16.6%	45	14.2%	16	6.1%	2	1.1%
Boston	67	10.2%	303	13.5%	297	10.6%	182	6.3%	43	2.0%
Brockton	170	51.5%	190	44.1%	82	34.6%	16	16.5%	1	20.0%
Brookline	0	0.0%	1	0.6%	1	0.3%	5	0.8%	6	0.7%
Cambridge	0	0.0%	4	1.3%	11	2.0%	18	2.3%	6	1.1%
Chicopee	22	18.2%	90	34.9%	67	27.6%	31	25.6%	4	28.6%
Everett	16	20.8%	76	40.0%	39	34.5%	4	9.8%	0	0.0%
Fall River	44	28.9%	80	26.4%	50	21.6%	22	16.3%	4	14.3%
Framingham	14	13.5%	59	19.0%	56	12.4%	42	9.3%	4	2.2%
Haverhill	55	27.2%	108	27.6%	73	19.9%	31	12.0%	2	5.1%
Lawrence	127	52.5%	99	49.7%	16	32.7%	2	14.3%	0	0.0%
Lowell	99	31.5%	136	29.3%	49	16.2%	23	13.9%	5	16.7%
Lynn	98	39.4%	167	37.1%	58	21.0%	19	14.0%	0	0.0%
Malden	14	11.3%	52	19.8%	31	12.7%	13	8.1%	2	8.3%
Medford	6	6.1%	31	9.0%	40	8.1%	33	8.6%	6	5.5%
Methuen	52	32.1%	107	30.6%	49	16.6%	24	10.3%	4	7.3%
New Bedford	49	35.3%	114	33.5%	75	29.9%	20	15.3%	1	4.5%
Newton	1	1.7%	5	2.3%	9	1.6%	17	1.4%	11	0.7%
Peabody	7	7.6%	69	18.4%	52	13.4%	37	12.3%	3	6.3%
Pittsfield	9	13.0%	30	18.9%	33	16.9%	12	7.5%	4	5.4%
Plymouth	32	21.5%	85	22.0%	66	14.5%	54	13.3%	4	3.4%
Quincy	14	7.4%	58	10.5%	67	11.4%	42	8.8%	7	5.6%
Revere	32	30.5%	86	30.0%	37	23.9%	9	12.2%	1	16.7%
Salem	15	15.8%	51	18.8%	40	16.5%	14	8.1%	3	6.3%
Somerville	0	0.0%	20	6.7%	27	6.2%	21	4.5%	4	2.2%
Springfield	120	46.3%	207	46.6%	100	30.4%	36	20.5%	6	18.8%
Taunton	16	19.8%	73	27.9%	70	22.4%	47	18.7%	10	15.2%
Waltham	2	2.2%	32	11.2%	46	8.7%	29	6.4%	8	5.8%
Westfield	8	18.6%	51	30.9%	58	25.4%	34	14.3%	1	1.4%
Weymouth	17	10.4%	78	18.2%	80	17.2%	33	9.8%	4	9.1%
Worcester	90	29.3%	243	37.4%	111	23.0%	49	14.2%	8	6.7%

\* 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 24 of the 33 largest cities and towns, the MFI in 2011 was \$93,700. The MFIs in the five other MSAs in the state ranged from \$68,900 to \$82,500 in 2011. "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 11**  
**Total & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, City of Boston, 2011**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF HOME-PURCHASE LOANS</b>					
Asian	34	67	59	53	41
Black	36	134	57	17	6
Latino	34	69	41	17	12
White	118	525	592	570	496
<b>B. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS</b>					
Asian	8.8%	7.5%	8.5%	5.7%	2.4%
Black	36.1%	47.8%	70.2%	29.4%	16.7%
Latino	29.4%	52.2%	48.8%	29.4%	0.0%
White	11.9%	17.9%	17.4%	14.6%	4.0%
<b>C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	0.74	0.42	0.49	0.39	0.60
Black	3.04	2.67	4.03	2.02	4.13
Latino	2.48	2.91	2.80	2.02	0.00
White	1.00	1.00	1.00	1.00	1.00
<b>D. TOTAL NUMBER OF REFINANCE LOANS</b>					
Asian	33	88	113	112	80
Black	76	118	118	54	20
Latino	23	59	67	40	15
White	227	899	1,429	1,680	1,114
<b>E. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: REFINANCE LOANS</b>					
Asian	3.0%	3.4%	3.5%	0.9%	0.0%
Black	7.9%	15.3%	13.6%	11.1%	5.0%
Latino	21.7%	22.0%	7.5%	12.5%	0.0%
White	2.2%	3.0%	3.4%	2.9%	0.8%
<b>F. REFINANCE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	1.38	1.14	1.05	0.31	0.00
Black	3.58	5.08	4.04	3.81	6.19
Latino	9.87	7.34	2.22	4.29	0.00
White	1.00	1.00	1.00	1.00	1.00

\* Income categories are defined in relationship to the Median Family Income of the Boston MSA (\$93,700 in 2011).

"Low" is less than 50% of this amount (\$1K-\$47K in 2011); "Moderate" is 50%-80% of this amount (\$48K-\$75K); "Middle" is 80%-120% of this amount (\$76K-\$112K); "High" is 120%-200% of this amount (\$113K-\$187K); and "Highest" is over 200% of this amount (\$188K or more). HMDA data report income to the nearest thousand dollars.

**TABLE 12**  
**Total & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, Greater Boston, 2011**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF HOME-PURCHASE LOANS</b>					
Asian	212	416	545	547	381
Black	106	314	146	81	34
Latino	188	370	174	102	55
White	1,081	3,436	4,207	4,687	3,298
<b>B. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS</b>					
Asian	11.3%	11.8%	10.6%	6.4%	2.1%
Black	43.4%	58.0%	59.6%	38.3%	14.7%
Latino	53.2%	62.7%	52.3%	29.4%	5.5%
White	21.6%	28.5%	25.2%	16.5%	5.2%
<b>C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	0.52	0.41	0.42	0.39	0.40
Black	2.00	2.04	2.37	2.32	2.84
Latino	2.46	2.20	2.08	1.78	1.05
White	1.00	1.00	1.00	1.00	1.00
<b>D. TOTAL NUMBER OF REFINANCE LOANS</b>					
Asian	189	591	1,536	1,849	1,085
Black	125	238	273	185	85
Latino	100	249	279	241	134
White	2,163	7,748	13,418	18,317	12,374
<b>E. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: REFINANCE LOANS</b>					
Asian	1.6%	2.7%	1.8%	1.2%	0.2%
Black	7.2%	16.4%	10.6%	7.0%	1.2%
Latino	14.0%	15.7%	6.5%	6.2%	1.5%
White	3.0%	4.2%	4.0%	2.5%	0.8%
<b>F. REFINANCE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	0.53	0.64	0.43	0.49	0.24
Black	2.40	3.87	2.62	2.76	1.55
Latino	4.66	3.70	1.59	2.44	1.96
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 2011 was \$93,700 (three small communities were in the Worcester MSA, where the MFI in 2011 was \$82,500). "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 & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Borrower**  
**Number of Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2011**

	Low Income*	Moderate Income*	Middle Income*	High Income*	Highest Income*
<b>A. TOTAL NUMBER OF HOME-PURCHASE LOANS</b>					
Asian	367	596	709	728	475
Black	269	567	282	145	49
Latino	604	802	333	192	89
White	3,122	8,420	8,853	8,372	4,818
<b>B. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: HOME-PURCHASE LOANS</b>					
Asian	19.1%	20.3%	14.1%	7.4%	1.9%
Black	63.9%	67.0%	61.7%	44.8%	16.3%
Latino	63.6%	67.2%	54.7%	33.3%	12.4%
White	33.0%	39.0%	33.4%	20.6%	6.7%
<b>C. HOME-PURCHASE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	0.58	0.52	0.42	0.36	0.28
Black	1.94	1.72	1.85	2.17	2.44
Latino	1.93	1.72	1.64	1.61	1.84
White	1.00	1.00	1.00	1.00	1.00
<b>D. TOTAL NUMBER OF REFINANCE LOANS</b>					
Asian	284	766	2,130	2,613	1,399
Black	188	371	398	302	134
Latino	225	442	499	400	194
White	5,264	16,192	25,644	32,106	18,221
<b>E. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF TOTAL: REFINANCE LOANS</b>					
Asian	2.5%	4.2%	1.8%	1.2%	0.4%
Black	9.6%	18.3%	11.3%	8.3%	6.7%
Latino	20.4%	17.9%	8.8%	7.8%	3.6%
White	4.3%	5.8%	5.0%	3.2%	1.0%
<b>F. REFINANCE LOANS SHARE DISPARITY RATIOS</b> (Ratio to White GBL percentage for same income category)					
Asian	0.58	0.72	0.36	0.37	0.35
Black	2.25	3.15	2.26	2.59	6.51
Latino	4.80	3.08	1.76	2.42	3.50
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 2011 ranging from \$68,900 to \$93,700. "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. The minimum income needed to qualify for the "Highest" income category ranged from \$1329K in the Pittsfield MSA to \$188K in the Boston MSA. See "Notes on Data & Methods."

**TABLE 14**  
**Total & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, City of Boston, 2011**

	Low Income	Moderate Income	Middle Income	Upper Income	Total#
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	24	17	0	0	41
50%-75% Minority	7	13	0	0	20
25%-50% Minority	9	23	10	1	43
> 75% White	0	11	28	13	52
<b>Total</b>	<b>40</b>	<b>64</b>	<b>38</b>	<b>14</b>	<b>156</b>
<b>B. NUMBER OF HOME-PURCHASE LOANS</b>					
> 75% Minority	126	181	0	0	307
50%-75% Minority	51	214	0	0	265
25%-50% Minority	188	519	283	13	1,003
> 75% White	0	263	1,095	560	1,918
<b>Total</b>	<b>365</b>	<b>1,177</b>	<b>1,378</b>	<b>573</b>	<b>3,493</b>
<b>C. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL HOME-PURCHASE LOANS</b>					
> 75% Minority	42.1%	45.3%	na	na	44.0%
50%-75% Minority	25.5%	29.9%	na	na	29.1%
25%-50% Minority	3.7%	15.8%	28.6%	0.0%	16.9%
> 75% White	na	19.8%	16.1%	3.6%	12.9%
<b>Total</b>	<b>20.0%</b>	<b>23.8%</b>	<b>18.7%</b>	<b>3.5%</b>	<b>18.0%</b>
<b>D. HOME-PURCHASE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	11.78	12.69	na	na	12.31
50%-75% Minority	7.14	8.37	na	na	8.14
25%-50% Minority	1.04	4.42	8.01	0.00	4.75
> 75% White	na	5.54	4.50	1.00	3.62
<b>Total</b>	<b>5.60</b>	<b>6.66</b>	<b>5.22</b>	<b>0.98</b>	<b>5.05</b>
<b>E. NUMBER OF REFINANCE LOANS</b>					
> 75% Minority	165	330	0	0	495
50%-75% Minority	112	517	0	0	629
25%-50% Minority	374	960	637	33	2,004
> 75% White	0	449	2,484	1,446	4,379
<b>Total</b>	<b>651</b>	<b>2,256</b>	<b>3,121</b>	<b>1,479</b>	<b>7,507</b>
<b>F. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL REFINANCE LOANS</b>					
> 75% Minority	15.8%	13.3%	na	na	14.1%
50%-75% Minority	8.0%	8.9%	na	na	8.7%
25%-50% Minority	1.9%	5.2%	8.0%	0.0%	5.4%
> 75% White	na	4.2%	4.3%	1.4%	3.4%
<b>Total</b>	<b>6.5%</b>	<b>7.0%</b>	<b>5.1%</b>	<b>1.4%</b>	<b>5.1%</b>
<b>G. REFINANCE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	11.39	9.64	na	na	10.22
50%-75% Minority	5.81	6.43	na	na	6.32
25%-50% Minority	1.35	3.77	5.79	0.00	3.90
> 75% White	na	3.06	3.14	1.00	2.43
<b>Total</b>	<b>4.66</b>	<b>5.10</b>	<b>3.68</b>	<b>0.98</b>	<b>3.66</b>

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

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

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

**TABLE 15**  
**Total & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, Greater Boston, 2011**

	Low Income	Moderate Income	Middle Income	Upper Income	Total
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	24	17	0	0	41
50%-75% Minority	27	22	0	0	49
25%-50% Minority	21	62	21	3	107
> 75% White	2	70	340	224	636
<b>Total</b>	<b>74</b>	<b>171</b>	<b>361</b>	<b>227</b>	<b>833</b>
<b>B. NUMBER OF HOME-PURCHASE LOANS</b>					
> 75% Minority	126	181	0	0	307
50%-75% Minority	172	276	0	0	448
25%-50% Minority	227	936	728	97	1,988
> 75% White	11	1,194	9,153	9,882	20,240
<b>Total</b>	<b>536</b>	<b>2,587</b>	<b>9,881</b>	<b>9,979</b>	<b>22,983</b>
<b>C. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL HOME-PURCHASE LOANS</b>					
> 75% Minority	42.1%	45.3%	na	na	44.0%
50%-75% Minority	45.9%	25.7%	na	na	33.5%
25%-50% Minority	9.7%	23.3%	33.7%	24.7%	25.6%
> 75% White	54.5%	37.9%	25.8%	11.3%	19.5%
<b>Total</b>	<b>29.9%</b>	<b>31.9%</b>	<b>26.4%</b>	<b>11.4%</b>	<b>20.6%</b>
<b>D. HOME-PURCHASE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	3.73	4.02	na	na	3.90
50%-75% Minority	4.07	2.28	na	na	2.97
25%-50% Minority	0.86	2.06	2.98	2.19	2.27
> 75% White	4.83	3.36	2.29	1.00	1.72
<b>Total</b>	<b>2.65</b>	<b>2.82</b>	<b>2.34</b>	<b>1.01</b>	<b>1.82</b>
<b>E. NUMBER OF REFINANCE LOANS</b>					
> 75% Minority	165	330	0	0	495
50%-75% Minority	202	669	0	0	871
25%-50% Minority	414	1,764	1,531	329	4,038
> 75% White	21	2,168	25,807	38,220	66,216
<b>Total</b>	<b>802</b>	<b>4,931</b>	<b>27,338</b>	<b>38,549</b>	<b>71,620</b>
<b>F. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL REFINANCE LOANS</b>					
> 75% Minority	15.8%	13.3%	na	na	14.1%
50%-75% Minority	13.4%	7.8%	na	na	9.1%
25%-50% Minority	3.6%	6.5%	7.7%	2.1%	6.3%
> 75% White	4.8%	8.4%	5.8%	2.2%	3.8%
<b>Total</b>	<b>8.6%</b>	<b>8.0%</b>	<b>5.9%</b>	<b>2.2%</b>	<b>4.1%</b>
<b>G. REFINANCE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	7.03	5.95	na	na	6.31
50%-75% Minority	5.96	3.47	na	na	4.05
25%-50% Minority	1.62	2.88	3.44	0.95	2.81
> 75% White	2.12	3.76	2.60	1.00	1.72
<b>Total</b>	<b>3.84</b>	<b>3.55</b>	<b>2.65</b>	<b>1.00</b>	<b>1.84</b>

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

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

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

**TABLE 16**  
**Total & Gov't-Backed Loans (GBLs) by Race/Ethnicity & Income of Census Tracts\***  
**Numbers of Tracts & Loans, Percent of All Loans, and Disparity Ratios**  
**First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2011**

	Low Income	Moderate Income	Middle Income	Upper Income	Total
<b>A. NUMBER OF CENSUS TRACTS</b>					
> 75% Minority	24	18	0	0	42
50%-75% Minority	38	24	0	0	62
25%-50% Minority	35	84	27	3	149
> 75% White	12	147	593	335	1,087
<b>Total</b>	<b>109</b>	<b>273</b>	<b>620</b>	<b>338</b>	<b>1,340</b>
<b>B. NUMBER OF HOME-PURCHASE LOANS</b>					
> 75% Minority	216	190	0	0	406
50%-75% Minority	343	390	0	0	733
25%-50% Minority	383	1,671	870	97	3,021
> 75% White	49	2,948	21,136	15,710	39,843
<b>Total</b>	<b>991</b>	<b>5,199</b>	<b>22,006</b>	<b>15,807</b>	<b>44,003</b>
<b>C. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL HOME-PURCHASE LOANS</b>					
> 75% Minority	54.6%	46.8%	na	na	51.0%
50%-75% Minority	54.8%	38.2%	na	na	46.0%
25%-50% Minority	32.6%	38.9%	38.0%	24.7%	37.4%
> 75% White	51.0%	47.8%	33.8%	16.4%	28.0%
<b>Total</b>	<b>46.0%</b>	<b>44.2%</b>	<b>34.0%</b>	<b>16.5%</b>	<b>29.2%</b>
<b>D. HOME-PURCHASE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	3.33	2.85	na	na	3.11
50%-75% Minority	3.34	2.33	na	na	2.80
25%-50% Minority	1.99	2.37	2.32	1.51	2.28
> 75% White	3.11	2.91	2.06	1.00	1.71
<b>Total</b>	<b>2.80</b>	<b>2.69</b>	<b>2.07</b>	<b>1.00</b>	<b>1.78</b>
<b>E. NUMBER OF REFINANCE LOANS</b>					
> 75% Minority	219	342	na	na	561
50%-75% Minority	316	756	na	na	1,072
25%-50% Minority	578	2,547	1,735	329	5,189
> 75% White	62	4,850	56,632	58,193	119,737
<b>Total</b>	<b>1,175</b>	<b>8,495</b>	<b>58,367</b>	<b>58,522</b>	<b>126,559</b>
<b>F. GOV'T-BACKED LOANS (GBLs) AS PERCENT OF ALL REFINANCE LOANS</b>					
> 75% Minority	21.5%	14.3%	na	na	17.1%
50%-75% Minority	15.8%	10.4%	na	na	12.0%
25%-50% Minority	6.4%	10.0%	9.6%	2.1%	8.9%
> 75% White	8.1%	11.9%	7.2%	3.0%	5.4%
<b>Total</b>	<b>11.8%</b>	<b>11.3%</b>	<b>7.3%</b>	<b>3.0%</b>	<b>5.6%</b>
<b>G. REFINANCE LOANS: GBL SHARE DISPARITY RATIOS (Ratio to GBL % in Upper-Income Tracts &gt;75% White)</b>					
> 75% Minority	7.04	4.70	na	na	5.61
50%-75% Minority	5.19	3.43	na	na	3.95
25%-50% Minority	2.10	3.27	3.14	0.70	2.93
> 75% White	2.65	3.92	2.37	1.00	1.77
<b>Total</b>	<b>3.88</b>	<b>3.71</b>	<b>2.40</b>	<b>1.00</b>	<b>1.85</b>

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

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

**TABLE 17**  
**Total & Government-Backed Loans (GBLs), By Neighborhood\***  
**First-Lien Loans for Owner-Occupied Homes, City of Boston, 2011**

Neighborhood	All Loans	Govt-Backed Loans	Percent GBLs	Percent Minority*	Income Level*
<b>A. HOME-PURCHASE LOANS</b>					
Mattapan	80	49	61.3%	93.8%	\$42,146
East Boston	134	64	47.8%	55.6%	\$43,511
Hyde Park	164	75	45.7%	67.8%	\$53,474
Dorchester	351	128	36.5%	65.0%	\$46,281
Roxbury	117	39	33.3%	91.9%	\$30,654
Roslindale	215	55	25.6%	41.9%	\$62,702
West Roxbury	238	42	17.6%	23.8%	\$71,066
South Boston	518	71	13.7%	16.8%	\$63,747
Jamaica Plain	263	30	11.4%	43.4%	\$55,861
Allston/Brighton	205	23	11.2%	30.2%	\$52,362
Charlestown	258	22	8.5%	21.8%	\$83,926
Fenway/Kenmore	81	4	4.9%	29.4%	\$32,509
Central	197	9	4.6%	29.0%	\$65,662
South End	373	15	4.0%	50.3%	\$51,870
BackBay/BeaconHill	299	4	1.3%	14.8%	\$82,742
<b>City of Boston</b>	<b>3,493</b>	<b>630</b>	<b>18.0%</b>	<b>49.1%</b>	<b>\$52,433</b>
<b>B. REFINANCE LOANS</b>					
Mattapan	146	31	21.2%	93.8%	\$42,146
East Boston	176	29	16.5%	55.6%	\$43,511
Hyde Park	325	48	14.8%	67.8%	\$53,474
Roxbury	183	19	10.4%	91.9%	\$30,654
Dorchester	704	64	9.1%	65.0%	\$46,281
Roslindale	601	43	7.2%	41.9%	\$62,702
West Roxbury	828	41	5.0%	23.8%	\$71,066
South Boston	824	34	4.1%	16.8%	\$63,747
Charlestown	513	18	3.5%	21.8%	\$83,926
Jamaica Plain	671	22	3.3%	43.4%	\$55,861
Allston/Brighton	509	13	2.6%	30.2%	\$52,362
Central	441	6	1.4%	29.0%	\$65,662
South End	758	8	1.1%	50.3%	\$51,870
Fenway/Kenmore	157	1	0.6%	29.4%	\$32,509
BackBay/BeaconHill	671	3	0.4%	14.8%	\$82,742
<b>City of Boston</b>	<b>7,507</b>	<b>380</b>	<b>5.1%</b>	<b>49.1%</b>	<b>\$52,433</b>

# The neighborhoods used in this study are based on the Planning Districts (PDs) defined by the Boston Redevelopment Authority (BRA), except: North and South Dorchester are combined and the Harbor Islands PD (no loans in 2007) is omitted. *Percent minority* population is from 2005-2009 American Community Survey data as reported by the BRA (with "minority" defined for this report as all but those who reported their race as "White alone"). *Income Level* is Median Household Income, from the same source.

Lending data are available only on a census tract basis and many tracts are divided among two or more PDs; *loans* in each PD were calculated using a list of 2000 census tracts obtained from the BRA that correspond to the the PDs as closely as possible.

**TABLE 18**  
**Denial Rates and Ratios, By Race/Ethnicity and Type of Loan**  
**City of Boston, Greater Boston#, and Statewide**  
**Applications for First-Lien Loans for Owner-Occupied Homes, 2011**

	Denials				Denial Rate				Denial Rate Ratio		
	Asians	Blacks	Latinos	Whites	Asians	Blacks	Latinos	Whites	Asian/ White	Black/ White	Latino/ White
<b>A. CONVENTIONAL (NON-GOVERNMENT-BACKED) HOME-PURCHASE LOANS</b>											
<b>Boston</b>	46	47	35	215	13.6%	22.0%	21.1%	8.1%	1.68	2.71	2.61
<b>Greater Boston</b>	274	88	122	1,206	10.4%	17.3%	18.5%	6.9%	1.52	2.51	2.68
<b>Massachusetts</b>	398	169	246	2,861	11.4%	20.3%	19.2%	8.8%	1.28	2.29	2.17
<b>B. GOVERNMENT-BACKED HOME-PURCHASE LOANS</b>											
<b>Boston</b>	7	78	33	78	22.6%	31.1%	24.6%	16.1%	1.40	1.93	1.53
<b>Greater Boston</b>	58	157	166	549	20.0%	25.0%	22.0%	12.2%	1.64	2.05	1.80
<b>Massachusetts</b>	132	316	423	1,717	22.0%	23.0%	21.8%	13.0%	1.69	1.77	1.68
<b>C. ALL HOME-PURCHASE LOANS</b>											
<b>Boston</b>	53	125	68	293	14.4%	26.9%	22.7%	9.3%	1.54	2.88	2.43
<b>Greater Boston</b>	332	245	288	1,755	11.4%	21.6%	20.4%	8.0%	1.43	2.70	2.55
<b>Massachusetts</b>	530	485	669	4,578	12.9%	22.0%	20.8%	10.1%	1.28	2.19	2.07
<b>D. CONVENTIONAL (NON-GOVERNMENT-BACKED) REFINANCE LOANS</b>											
<b>Boston</b>	116	220	82	1,077	18.0%	30.2%	23.7%	13.8%	1.30	2.18	1.71
<b>Greater Boston</b>	848	437	338	8,607	11.7%	26.2%	20.5%	11.4%	1.03	2.29	1.79
<b>Massachusetts</b>	1,216	700	669	18,006	12.2%	27.5%	22.5%	12.9%	0.94	2.12	1.74
<b>E. GOVERNMENT-BACKED REFINANCE LOANS</b>											
<b>Boston</b>	10	45	23	79	29.4%	26.2%	25.3%	19.7%	1.50	1.33	1.29
<b>Greater Boston</b>	44	112	87	935	20.9%	29.9%	26.4%	20.9%	1.00	1.43	1.27
<b>Massachusetts</b>	95	217	224	2,825	25.8%	30.8%	28.4%	23.3%	1.11	1.32	1.22
<b>F. ALL REFINANCE LOANS</b>											
<b>Boston</b>	126	265	105	1,156	18.6%	29.4%	24.0%	14.1%	1.31	2.08	1.70
<b>Greater Boston</b>	892	549	425	9,542	12.0%	26.8%	21.5%	12.0%	1.00	2.24	1.80
<b>Massachusetts</b>	1,311	917	893	20,831	12.7%	28.2%	23.7%	13.8%	0.92	2.05	1.72

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

**TABLE 19**  
**Applications And Denial Rates By Race & Income Of Applicant**  
**Conventional ^ First-Lien Home-Purchase Loans For Owner-Occupied Homes, 2011**

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>								
1-30	8	62.5%	4	75.0%	14	50.0%	1.25	1.50
31-50	60	36.7%	43	25.6%	205	14.6%	2.51	1.75
51-70	85	15.3%	41	19.5%	388	5.7%	2.70	3.44
71-90	27	14.8%	26	11.5%	401	7.7%	1.92	1.49
91-120	13	15.4%	20	30.0%	441	8.6%	1.79	3.48
121-150	6	0.0%	6	0.0%	293	8.5%	0.00	0.00
over 150	12	0.0%	21	14.3%	850	6.8%	0.00	2.09
<b>Total*</b>	214	22.0%	166	21.1%	2,657	8.1%	2.71	2.61
<b>B. GREATER BOSTON</b>								
1-30	19	52.6%	28	50.0%	179	35.8%	1.47	1.40
31-50	124	27.4%	159	23.9%	1,410	12.2%	2.25	1.96
51-70	150	15.3%	146	15.8%	2,187	7.5%	2.06	2.11
71-90	69	10.1%	92	16.3%	2,353	6.8%	1.50	2.41
91-120	49	12.2%	71	16.9%	3,055	6.1%	2.00	2.76
121-150	38	5.3%	41	12.2%	2,350	5.3%	1.00	2.31
over 150	54	5.6%	107	12.1%	5,715	5.4%	1.03	2.25
<b>Total*</b>	509	17.3%	660	18.5%	17,507	6.9%	2.51	2.68
<b>C. MASSACHUSETTS</b>								
1-30	55	49.1%	106	29.2%	885	33.6%	1.46	0.87
31-50	208	29.8%	382	25.1%	4,237	14.2%	2.10	1.77
51-70	236	17.4%	284	17.3%	5,105	9.8%	1.77	1.75
71-90	111	9.9%	148	14.9%	4,602	8.3%	1.19	1.79
91-120	83	12.0%	114	14.0%	5,388	7.1%	1.71	1.99
121-150	51	9.8%	73	15.1%	3,819	5.7%	1.73	2.66
over 150	81	9.9%	152	4.6%	7,871	5.5%	1.78	0.83
<b>Total*</b>	833	20.3%	1,282	19.2%	32,329	8.8%	2.29	2.17

^ Conventional loans are non-Government-Backed Loans

\* Total includes applicants without reported income.

**TABLE 20**  
**Shares of Total Loans by Major Types of Lenders, 2004–2011**  
**Boston, Greater Boston, and Massachusetts**  
**First-Lien 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*
<b>A. HOME-PURCHASE LOANS</b>									
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%
<b>B. REFINANCE LOANS</b>									
2004	18.1%	45.6%	36.3%	22.6%	40.8%	36.6%	24.5%	41.3%	34.2%
2005	14.6%	53.2%	32.3%	19.1%	50.2%	30.7%	21.1%	48.6%	30.3%
2006	14.5%	55.6%	29.9%	18.9%	50.6%	30.5%	20.2%	50.3%	29.5%
2007	22.9%	37.6%	39.5%	25.1%	37.0%	37.9%	27.4%	35.9%	36.7%
2008	26.3%	31.5%	42.1%	28.9%	31.7%	39.4%	32.9%	28.1%	39.0%
2009	37.4%	34.5%	28.0%	39.2%	34.6%	26.2%	43.5%	30.0%	26.5%
2010	40.5%	36.7%	22.8%	39.8%	37.8%	22.3%	43.5%	32.8%	23.7%
2011	39.4%	35.4%	25.2%	39.1%	36.5%	24.5%	42.7%	31.1%	26.1%
<b>C. TOTAL: HOME-PURCHASE PLUS REFINANCE LOANS</b>									
2004	19.9%	44.3%	35.8%	22.9%	41.2%	36.0%	25.2%	40.5%	34.3%
2005	17.0%	51.6%	31.4%	19.4%	49.8%	30.8%	22.1%	47.9%	30.0%
2006	18.5%	52.4%	29.1%	20.4%	50.0%	29.6%	22.5%	48.6%	28.9%
2007	29.8%	33.4%	36.8%	29.1%	35.2%	35.6%	32.0%	33.5%	34.5%
2008	32.7%	28.7%	38.5%	32.4%	30.9%	36.7%	36.4%	27.6%	36.0%
2009	40.5%	33.8%	25.7%	40.0%	35.0%	25.0%	43.9%	30.8%	25.4%
2010	42.0%	35.8%	22.2%	40.2%	37.7%	22.1%	43.5%	33.2%	23.3%
2011	40.6%	35.2%	24.1%	39.4%	36.8%	23.8%	42.7%	32.1%	25.2%

# 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 21**  
**Shares of Total Loans and Gov't-Backed Loans (GBLs) by Major Types of Lenders\***  
**In the City of Boston, Greater Boston, and Statewide**  
**First-Lien Mortgage Loans for Owner-Occupied Homes, 2011**

	All Loans (HomePur + Refi)				Gov't-Backed Loans (HomePur + Refi)			
	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*	Total Loans	% Mass Banks & CUs*	% Lic. Mort Lenders*	% Other Lenders*
<b>Boston</b>	11,000	40.6%	35.2%	24.1%	1,010	21.0%	45.9%	32.9%
<b>Greater Boston</b>	94,603	39.4%	36.8%	23.8%	7,682	19.0%	48.9%	32.1%
<b>Massachusetts</b>	170,628	42.7%	32.1%	25.2%	19,988	19.3%	48.6%	32.1%

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 Revestment 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 22**  
**Gov't-Backed Loans (GBLs) and Loan Percentages by Major Lender Type**  
**In the City of Boston, Greater Boston, and Statewide**  
**First-Lien Mortgage Loans (Home-Purchase + Refinance) for Owner-Occupied Homes, 2011**

	Mass. Banks & CUs*			Licensed Mort Lenders*			Other Lenders*		
	Total Loans	Gov't-Backed Loans	% GBLs	All Loans	Gov't-Backed Loans	% GBLs	All Loans	Gov't-Backed Loans	% GBLs
<b>Boston</b>	4,467	212	4.7%	3,877	464	12.0%	2,656	332	12.5%
<b>Greater Boston</b>	37,277	1,456	3.9%	34,815	3,760	10.8%	22,511	2,466	11.0%
<b>Massachusetts</b>	72,846	3,865	5.3%	54,784	9,710	17.7%	42,998	6,413	14.9%

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 Revestment 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 23**  
**Shares of the Conventional Loans (Non-GBLs) & Gov't-Backed Loans (GBLs) by Each**  
**Major Type of Lender\* That Went to Traditionally Underserved Borrowers and Neighborhoods**  
**First-Lien Loans for Owner-Occupied Homes, City of Boston, 2011**

	Total Loans	Black Borrowers		Latino Borrowers		LMI Borrowers		LMI Census Tracts		LMI Census Tracts >75% Blk+Latino	
		Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non-GBL Loans	GBL Loans
<b>I. HOME-PURCHASE LOANS</b>											
<b>A. MASSACHUSETTS BANKS AND CREDIT UNIONS*</b>											
Number of Loans	1,511	96	40	72	21	452	79	628	93	92	39
% of Loans	100%	6.4%	2.6%	4.8%	1.4%	29.9%	5.2%	41.6%	6.2%	6.1%	2.6%
<b>B. LICENSED MORTGAGE LENDERS*</b>											
Number of Loans	1,223	26	47	15	23	275	114	353	131	25	43
% of Loans	100%	2.1%	3.8%	1.2%	1.9%	22.5%	9.3%	28.9%	10.7%	2.0%	3.5%
<b>C. OTHER LENDERS*</b>											
Number of Loans	759	6	36	17	27	147	87	208	129	10	35
% of Loans	100%	0.8%	4.7%	2.2%	3.6%	19.4%	11.5%	27.4%	17.0%	1.3%	4.6%
<b>D. TOTAL</b>											
Number of Loans	3,493	128	123	104	71	874	280	1,189	353	127	117
% of Loans	100%	3.7%	3.5%	3.0%	2.0%	25.0%	8.0%	34.0%	10.1%	3.6%	3.3%
<b>II. REFINANCE LOANS</b>											
<b>A. MASSACHUSETTS BANKS AND CREDIT UNIONS*</b>											
Number of Loans	2,956	174	15	74	5	739	12	1,134	38	160	12
% of Loans	100%	5.9%	0.5%	2.5%	0.2%	25.0%	0.4%	38.4%	1.3%	5.4%	0.4%
<b>B. LICENSED MORTGAGE LENDERS*</b>											
Number of Loans	2,681	68	37	50	14	511	58	849	102	64	31
% of Loans	100%	2.5%	1.4%	1.9%	0.5%	19.1%	2.2%	31.7%	3.8%	2.4%	1.2%
<b>C. OTHER LENDERS*</b>											
Number of Loans	1,870	118	24	60	15	414	20	723	61	113	21
% of Loans	100%	6.3%	1.3%	3.2%	0.8%	22.1%	1.1%	38.7%	3.3%	6.0%	1.1%
<b>D. TOTAL</b>											
Number of Loans	7,507	360	76	184	34	1,664	90	2,706	201	337	64
% of Loans	100%	4.8%	1.0%	2.5%	0.5%	22.2%	1.2%	36.0%	2.7%	4.5%	0.9%

\* "Mass. Banks and Credit Unions": banks with Mass. offices, plus 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 and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Revestment Act (CRA). Licensed mortgage lenders 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 regulation.  
"Low-Income" borrowers: reported incomes below 50% of median family income (MFI) in Boston MSA (<\$48K in 2011).  
"LMI [low- or moderate-income] borrowers": reported incomes below 80% of MFI in Boston MSA (<\$76K in 2011).  
"LMI census tracts" have median family incomes (MFIs) less than 80% of the MFI in the Boston MSA (2000 Census data).  
"LMI CTs >75% Blk+Latino" include all 31 census tracts in which over 75% of the population was black or Latino (2000 Census).

**TABLE 24**  
**Shares of the Conventional Loans (Non-GBLs) & Gov't-Backed Loans (GBLs) by Each**  
**Major Type of Lender\* That Went to Traditionally Underserved Borrowers and Neighborhoods**  
**First-Lien Loans for Owner-Occupied Homes, Massachusetts, 2011**

	Total Loans	Black Borrowers		Latino Borrowers		LMI Borrowers		LMI Census Tracts		LMI Census Tracts >75% Blk+Latino	
		Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non- GBL Loans	GBL Loans	Non-GBL Loans	GBL Loans
<b>I. HOME-PURCHASE LOANS</b>											
<b>A. MASSACHUSETTS BANKS AND CREDIT UNIONS*</b>											
Number of Loans	18,738	342	210	531	287	5,383	1,495	2,026	665	117	55
% of Loans	100%	1.8%	1.1%	2.8%	1.5%	28.7%	8.0%	10.8%	3.5%	0.6%	0.3%
<b>B. LICENSED MORTGAGE LENDERS*</b>											
Number of Loans	15,559	106	360	179	455	2,552	3,036	857	1,171	27	92
% of Loans	100%	0.7%	2.3%	1.2%	2.9%	16.4%	19.5%	5.5%	7.5%	0.2%	0.6%
<b>C. OTHER LENDERS*</b>											
Number of Loans	9,735	67	230	146	442	1,520	2,002	554	917	13	52
% of Loans	100%	0.7%	2.4%	1.5%	4.5%	15.6%	20.6%	5.7%	9.4%	0.1%	0.5%
<b>D. TOTAL</b>											
Number of Loans	44,032	515	800	856	1,184	9,455	6,533	3,437	2,753	157	199
% of Loans	100%	1.2%	1.8%	1.9%	2.7%	21.5%	14.8%	7.8%	6.3%	0.4%	0.5%
<b>II. REFINANCE LOANS</b>											
<b>A. MASSACHUSETTS BANKS AND CREDIT UNIONS*</b>											
Number of Loans	54,108	633	43	744	54	12,709	188	4,102	174	186	17
% of Loans	100%	1.2%	0.1%	1.4%	0.1%	23.5%	0.3%	7.6%	0.3%	0.3%	0.0%
<b>B. LICENSED MORTGAGE LENDERS*</b>											
Number of Loans	39,815	260	133	381	126	5,961	1,008	2,093	528	68	41
% of Loans	100%	0.7%	0.3%	1.0%	0.3%	15.0%	2.5%	5.3%	1.3%	0.2%	0.1%
<b>C. OTHER LENDERS*</b>											
Number of Loans	32,673	402	91	496	118	6,045	391	2,375	398	126	30
% of Loans	100%	1.2%	0.3%	1.5%	0.4%	18.5%	1.2%	7.3%	1.2%	0.4%	0.1%
<b>D. TOTAL</b>											
Number of Loans	126,596	1,295	267	1,621	298	24,715	1,587	8,570	1,100	380	88
% of Loans	100%	1.0%	0.2%	1.3%	0.2%	19.5%	1.3%	6.8%	0.9%	0.3%	0.1%

\* "Mass. Banks and Credit Unions": banks with Mass. offices, plus 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 and credit unions, local performance in meeting community credit needs is subject to evaluation by federal and/or state bank regulators under the state and/or federal Community Reinvestment Act (CRA). Licensed mortgage lenders 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 regulation.  
"Low-Income" borrowers: reported incomes below 50% of median family income (MFI) in their Metropolitan Statistical Area (MSA).  
"LMI [low- or moderate-income] borrowers": reported incomes below 80% of MFI in their MSA. .  
"LMI census tracts" have median family incomes (MFIs) less than 80% of the MFI in the Boston MSA (2000 Census data).  
"LMI CTs >75% Blk+Latino" include all 31 census tracts in which over 75% of the population was black or Latino (2000 Census).

**TABLE 25**  
**The 30 Biggest Lenders (“Lender Families”) in the City of Boston\***  
**(These Include 16 of the Top 20 Government-Backed Loan [GBL] Lenders ^)**  
**First-Lien Loans for Owner-Occupied Homes, 2011**

Lender Family*	Lender Type#	Total Loans			Number of GBLs			GBLs as % of Total			GBL Rank
		Total	HmPur	ReFi	Total	HmPur	ReFi	Total	HmPur	ReFi	
Mortgage Master	LML	985	301	684	58	43	15	5.9%	14.3%	2.2%	4
Bank of America*	CRA ^	970	275	695	87	53	34	9.0%	19.3%	4.9%	2
Wells Fargo*	OTH	881	382	499	156	127	29	17.7%	33.2%	5.8%	1
RBS Citizens	CRA	501	175	326	44	34	10	8.8%	19.4%	3.1%	5
JPMorgan Chase	OTH	380	16	364	3	3	0	0.8%	18.8%	0.0%	
Leader Bank/Mortgage*	MIX	370	92	278	21	15	6	5.7%	16.3%	2.2%	10
Sovereign Bank	CRA	334	72	262	6	5	1	1.8%	6.9%	0.4%	
Metlife Bank	OTH	317	115	202	71	41	30	22.4%	35.7%	14.9%	3
Ally/GMAC	OTH	245	38	207	9	6	3	3.7%	15.8%	1.4%	24
Poli Mortgage	LML	227	45	182	13	9	4	5.7%	20.0%	2.2%	17
East Boston SB	CRA	222	94	128	11	11	0	5.0%	11.7%	0.0%	20
PHH/NE Moves Mortgage*	LML	202	113	89	37	34	3	18.3%	30.1%	3.4%	6
Guaranteed Rate	LML	193	68	125	26	15	11	13.5%	22.1%	8.8%	8
Boston Private	CRA	188	131	57	0	0	0	0.0%	0.0%	0.0%	
Quicken Loans	LML	188	6	182	35	0	35	18.6%	0.0%	19.2%	7
CitiGroup*	CRA ^	182	10	172	1	0	1	0.5%	0.0%	0.6%	
Bank of Canton	CRA	180	69	111	4	2	2	2.2%	2.9%	1.8%	
Greenpark Mortgage	LML	157	51	106	7	4	3	4.5%	7.8%	2.8%	30
MSA Mortgage	LML	138	39	99	5	4	1	3.6%	10.3%	1.0%	
Provident Funding	LML	137	22	115	0	0	0	0.0%	0.0%	0.0%	
Salem Five	CRA	129	53	76	10	6	4	7.8%	11.3%	5.3%	22
Prospect Mortgage	LML	127	127	0	22	22	0	17.3%	17.3%	na	9
TD Bank	CRA	121	42	79	0	0	0	0.0%	0.0%	0.0%	
Mortgage Network	LML	114	47	67	15	10	5	13.2%	21.3%	7.5%	14
Eastern Bank*	CRA	95	45	50	0	0	0	0.0%	0.0%	0.0%	
People's United Bank	CRA	89	41	48	0	0	0	0.0%	0.0%	0.0%	
Reliant Mortgage	LML	88	22	66	21	12	9	23.9%	54.5%	13.6%	11
Merrimack Mortgage	LML	85	16	69	13	5	8	15.3%	31.3%	11.6%	16
First Republic Bank	OTH	82	55	27	0	0	0	0.0%	0.0%	0.0%	
Lowell Co-op Bank	CRA	77	21	56	17	8	9	22.1%	38.1%	16.1%	13
<b>Total, 30 Biggest Lenders</b>		<b>8,004</b>	<b>2,583</b>	<b>5,421</b>	<b>692</b>	<b>469</b>	<b>223</b>	<b>8.6%</b>	<b>18.2%</b>	<b>4.1%</b>	
<b>Total, All 339 Lenders</b>		<b>11,000</b>	<b>3,493</b>	<b>7,507</b>	<b>1,010</b>	<b>630</b>	<b>380</b>	<b>9.2%</b>	<b>18.0%</b>	<b>5.1%</b>	

\* Indicates that the loans shown are for two or more affiliated lenders in the same “lender family.”  
Table 29 provides information on the individual lenders within each “lender family.”

^ There were four top-20 GBL lenders not among the top 30 overall lenders: USAA Federal SB (#12), Flagstar Bank (#15), Continental Home Loans (#18), and Franklin American (#19).

# 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. CRA^ or LML^ or OTH^ indicates that the family includes more than one type of lender, but that more than 90% of the lending family’s loans are accounted for by lenders of the type indicated. MIX: lender families that include two types of lenders (with each lender type accounting for at least 10% of the lender family’s total loans).

**TABLE 26**  
**The 30 Biggest Lenders (“Lender Families”) in Massachusetts\***  
(These Include the Top 10 Government-Backed Loan [GBL] Lenders, & 15 of the Top 20 ^)  
**First-Lien Loans for Owner-Occupied Homes, 2011**

Lender Family*	Lender Type#	Total Loans			Number of GBLs			GBLs as % of Total			GBL Rank
		Total	HmPur	ReFi	Total	HmPur	ReFi	Total	HmPur	ReFi	
Bank of America*	CRA ^	10,191	2,326	7,865	1,125	719	406	11.0%	30.9%	5.2%	3
Wells Fargo*	OTH	9,693	3,675	6,018	2,167	1,638	529	22.4%	44.6%	8.8%	1
Mortgage Master	LML	8,711	1,818	6,893	660	457	203	7.6%	25.1%	2.9%	6
JPMorgan Chase	OTH	6,666	166	6,500	93	51	42	1.4%	30.7%	0.6%	
Sovereign Bank	CRA	6,185	1,117	5,068	238	198	40	3.8%	17.7%	0.8%	22
RBS Citizens	CRA	5,985	1,487	4,498	504	426	78	8.4%	28.6%	1.7%	7
Leader Bank/Mortgage*	MIX	4,318	964	3,354	235	168	67	5.4%	17.4%	2.0%	23
Metlife Bank	OTH	4,087	1,559	2,528	1,417	877	540	34.7%	56.3%	21.4%	2
Ally/GMAC*	OTH	4,052	611	3,441	243	127	116	6.0%	20.8%	3.4%	21
Quicken Loans	LML	3,649	146	3,503	872	84	788	23.9%	57.5%	22.5%	4
PHH/NE Moves Mortgage*	LML	3,033	1,911	1,122	734	680	54	24.2%	35.6%	4.8%	5
Salem Five*	CRA	2,967	1,120	1,847	401	350	51	13.5%	31.3%	2.8%	10
Provident Funding	LML	2,918	294	2,624	0	0	0	0.0%	0.0%	0.0%	
Guaranteed Rate	LML	2,434	602	1,832	263	205	58	10.8%	34.1%	3.2%	18
Greenpark Mortgage	LML	2,276	632	1,644	245	182	63	10.8%	28.8%	3.8%	20
TD Bank	CRA	2,217	489	1,728	107	85	22	4.8%	17.4%	1.3%	
CitiGroup*	CRA ^	2,105	147	1,958	33	8	25	1.6%	5.4%	1.3%	
Poli Mortgage	LML	2,056	348	1,708	155	99	56	7.5%	28.4%	3.3%	
MSA Mortgage	LML	1,888	464	1,424	133	107	26	7.0%	23.1%	1.8%	
Mortgage Network	LML	1,835	669	1,166	289	228	61	15.7%	34.1%	5.2%	16
Reliant Mortgage	LML	1,807	379	1,428	307	152	155	17.0%	40.1%	10.9%	15
Merrimack Mortgage	LML	1,686	529	1,157	407	298	109	24.1%	56.3%	9.4%	9
Rockland Trust	CRA	1,652	294	1,358	67	49	18	4.1%	16.7%	1.3%	
Bank of Canton	CRA	1,583	568	1,015	72	65	7	4.5%	11.4%	0.7%	
First Eastern Mortgage	CRA	1,425	547	878	384	287	97	26.9%	52.5%	11.0%	12
HarborOne CU	CRA	1,303	255	1,048	46	41	5	3.5%	16.1%	0.5%	
Prospect Mortgage	LML	1,236	1,236	0	445	445	0	36.0%	36.0%	na	8
US Bank*	OTH	1,234	180	1,054	110	61	49	8.9%	33.9%	4.6%	
Cape Cod Five	CRA	1,167	322	845	18	18		1.5%	5.6%	0.0%	
Digital Federal CU	OTH	1,119	164	955	14	13	1	1.3%	7.9%	0.1%	
<b>Total, 30 Biggest Lenders</b>		<b>101,478</b>	<b>25,019</b>	<b>76,459</b>	<b>11,784</b>	<b>8,118</b>	<b>3,666</b>	<b>11.6%</b>	<b>32.4%</b>	<b>4.8%</b>	
<b>Total, All 642 Lenders</b>		<b>170,628</b>	<b>44,032</b>	<b>126,596</b>	<b>19,988</b>	<b>12,839</b>	<b>7,149</b>	<b>11.7%</b>	<b>29.2%</b>	<b>5.6%</b>	

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

Table 29 provides information on the individual lenders within each “lender family.”

^ The five top-20 GBL lender that were not among the top-30 overall lenders were: Franklin American Mort (#11), Flagstar Bank (#19), Residential Mortgage Services (#13), USAAA Federal SB (#14), Radius Financial (#17), and Flagstar Bank (#19).

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

**TABLE 27**  
**The 30 Biggest Lenders (“Lender Families”) in Boston\***  
**Total and Government-Backed Loans (GBLs) by Borrower Race/Ethnicity**  
**First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2011**

Lender Family*	Lender Type#	Total Loans			GBLs as % of Total			Ratio to White		GBL Rank
		Black	Latino	White	Black	Latino	White	Black	Latino	
Mortgage Master	LML	22	17	872	27.3%	23.5%	5.2%	5.28	4.56	4
Bank of America*	CRA ^	82	32	558	24.4%	21.9%	4.8%	5.04	4.52	2
Wells Fargo*	OTH	57	36	587	52.6%	52.8%	14.0%	3.77	3.78	1
RBS Citizens	CRA	85	40	239	20.0%	27.5%	3.3%	5.98	8.22	5
JPMorgan Chase	OTH	48	22	236	2.1%	0.0%	0.8%	2.46	0.00	
Leader Bank/Mortgage*	MIX	3	8	317	0.0%	0.0%	6.3%	0.00	0.00	10
Sovereign Bank	CRA	39	18	238	7.7%	0.0%	1.3%	6.10	0.00	
Metlife Bank	OTH	13	20	199	76.9%	70.0%	15.6%	4.94	4.49	3
Ally Bank	OTH	23	9	185	8.7%	22.2%	2.2%	4.02	10.28	24
Poli Mortgage	LML	5	2	204	0.0%	0.0%	5.9%	0.00	0.00	17
East Boston SB	CRA	18	7	177	44.4%	0.0%	1.1%	39.33	0.00	20
PHH/NE Moves Mortgage*	LML	13	5	164	61.5%	80.0%	12.2%	5.05	6.56	6
Guaranteed Rate	LML	11	5	121	72.7%	60.0%	6.6%	11.00	9.08	8
Boston Private	CRA	7	13	146	0.0%	0.0%	0.0%	na	na	
Quicken Loans	LML	18	5	113	27.8%	0.0%	16.8%	1.65	0.00	7
CitiGroup*	CRA ^	17	3	114	5.9%	0.0%	0.0%	na	na	
Bank of Canton	CRA	3	3	144	0.0%	0.0%	2.1%	0.00	0.00	
Greenpark Mortgage	LML	4	2	131	0.0%	50.0%	3.8%	0.00	13.10	30
MSA Mortgage	LML	2	5	92	100.0%	0.0%	0.0%	na	na	
Provident Funding	LML	1	2	89	0.0%	0.0%	0.0%	na	na	
Salem Five	CRA	2	6	93	0.0%	16.7%	5.4%	0.00	3.10	22
Prospect Mortgage	LML	6	3	47	33.3%	66.7%	17.0%	1.96	3.92	9
TD Bank	CRA	2	6	89	0.0%	0.0%	0.0%	na	na	
Mortgage Network	LML	2	4	85	50.0%	0.0%	11.8%	4.25	0.00	14
Eastern Bank*	CRA	2	3	78	0.0%	0.0%	0.0%	na	na	
People's United Bank	CRA	1	0	71	0.0%	na	0.0%	na	na	
Reliant Mortgage	LML	8	2	69	87.5%	50.0%	14.5%	6.04	3.45	11
Merrimack Mortgage	LML	3	2	72	66.7%	50.0%	12.5%	5.33	4.00	16
First Republic Bank	OTH	0	1	39	na	0.0%	0.0%	na	na	
Lowell Co-op Bank	CRA	4	5	63	100.0%	40.0%	17.5%	5.73	2.29	13
<b>Total, 30 Biggest Lenders</b>		<b>501</b>	<b>286</b>	<b>5,632</b>	<b>27.3%</b>	<b>25.2%</b>	<b>6.1%</b>	<b>4.48</b>	<b>4.12</b>	
<b>Total, All 339 Lenders</b>		<b>687</b>	<b>393</b>	<b>7,829</b>	<b>29.0%</b>	<b>26.7%</b>	<b>6.6%</b>	<b>4.38</b>	<b>4.04</b>	

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

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

**TABLE 28**  
**The 30 Biggest Lenders (“Lender Families”) in Massachusetts\***  
**Total and Government-Backed Loans (GBLs) by Borrower Race/Ethnicity**  
**First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2011**

Lender Family*	Lender Type#	Total Loans			GBLs as % of Total			Ratio to White		GBL Rank
		Black	Latino	White	Black	Latino	White	Black	Latino	
Bank of America*	CRA ^	259	307	6,924	28.6%	25.4%	9.4%	3.03	2.69	3
Wells Fargo*	OTH	227	426	7,361	53.7%	66.0%	20.2%	2.67	3.27	1
Mortgage Master	LML	98	140	7,718	49.0%	35.0%	7.0%	7.04	5.03	6
JPMorgan Chase	OTH	139	136	5,375	2.9%	1.5%	1.4%	2.06	1.05	
Sovereign Bank	CRA	110	220	5,234	18.2%	25.0%	2.9%	6.30	8.67	22
RBS Citizens	CRA	173	217	3,611	27.7%	39.6%	6.8%	4.06	5.79	7
Leader Bank/Mortgage*	NIX	22	54	3,306	9.1%	7.4%	6.2%	1.47	1.20	23
Metlife Bank	OTH	68	148	3,366	77.9%	69.6%	34.3%	2.27	2.03	2
Ally/GMAC*	OTH	70	87	3,450	10.0%	11.5%	6.0%	1.67	1.93	21
Quicken Loans	LML	63	50	2,620	39.7%	38.0%	24.5%	1.62	1.55	4
PHH/NE Moves Mortgage*	LML	67	68	2,606	61.2%	47.1%	23.3%	2.63	2.02	5
Salem Five*	CRA	25	63	2,616	12.0%	25.4%	12.4%	0.97	2.04	10
Provident Funding	LML	10	16	1,700	0.0%	0.0%	0.0%	na	na	
Guaranteed Rate	LML	49	42	1,284	61.2%	47.6%	13.6%	4.49	3.49	18
Greenpark Mortgage	LML	22	43	1,999	22.7%	20.9%	11.0%	2.07	1.91	20
TD Bank	CRA	28	81	1,814	28.6%	14.8%	4.0%	7.10	3.68	
CitiGroup*	CRA ^	46	47	1,579	2.2%	2.1%	1.5%	1.43	1.40	
Poli Mortgage	LML	26	16	1,848	38.5%	25.0%	6.9%	5.55	3.61	
MSA Mortgage	LML	9	27	1,461	44.4%	25.9%	7.0%	6.37	3.71	
Mortgage Network	LML	17	36	1,497	52.9%	50.0%	15.5%	3.42	3.23	16
Reliant Mortgage	LML	25	35	1,659	76.0%	28.6%	15.7%	4.85	1.82	15
Merrimack Mortgage	LML	19	24	1,447	63.2%	41.7%	24.7%	2.55	1.68	9
Rockland Trust	CRA	35	21	1,493	28.6%	14.3%	3.5%	8.20	4.10	
Bank of Canton	CRA	20	25	1,183	15.0%	12.0%	5.1%	2.96	2.37	
First Eastern Mortgage	CRA	19	30	1,247	63.2%	53.3%	25.7%	2.46	2.08	12
HarborOne CU	CRA	62	10	1,213	35.5%	30.0%	1.6%	21.52	18.20	
Prospect Mortgage	LML	49	50	860	75.5%	72.0%	35.8%	2.11	2.01	8
US Bank*	OTH	19	22	941	36.8%	27.3%	9.1%	4.03	2.98	
Cape Cod Five	CRA	5	2	1,015	20.0%	0.0%	1.4%	14.50	0.00	
Digital Federal CU	OTH	20	21	836	15.0%	9.5%	0.7%	20.90	13.27	
<b>Total, 30 Biggest Lenders</b>		<b>1,801</b>	<b>2,464</b>	<b>79,263</b>	<b>35.5%</b>	<b>36.3%</b>	<b>11.0%</b>	<b>3.23</b>	<b>3.30</b>	
<b>Total, All 642 Lenders</b>		<b>2,877</b>	<b>3,959</b>	<b>136,695</b>	<b>37.1%</b>	<b>37.4%</b>	<b>11.0%</b>	<b>3.38</b>	<b>3.41</b>	

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

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

**TABLE 29**  
**Individual Lenders in the 30 Biggest Lender “Families” in Boston & Massachusetts\***  
**First-Lien Loans (Home Purchase + Refinance) for Owner-Occupied Homes, 2011**

Lender Family	Lender Name	Lender Type#	Boston			Massachusetts		
			Total Loans	GBL Loans	% GBLs	Total Loans	GBL Loans	% GBLs
Bank of America*	BANK OF AMERICA, N.A.	CRA	944	87	9.2%	9,774	1,120	11.5%
Bank of America*	MERRILL LYNCH CREDIT CORP	OTH	26	0	0.0%	407	0	0.0%
CitiGroup*	CITIMORTGAGE, INC	CRA	110	0	0.0%	1,293	17	1.3%
CitiGroup*	CITIBANK, N.A.	CRA	70	1	1.4%	757	16	2.1%
CitiGroup*	CITICORP TRUST BANK, FSB	OTH	2	0	0.0%	53	0	0.0%
Eastern Bank*	EASTERN BANK	CRA	71	0	0.0%	893	29	3.2%
Eastern Bank*	WAINWRIGHT BANK & TRUST	CRA	24	0	0.0%	52	0	0.0%
Leader Bank/Mortgage*	LEADER BANK	CRA	294	20	6.8%	3,081	215	7.0%
Leader Bank/Mortgage*	LEADER MORTGAGE COMPANY	LML	76	1	1.3%	1,237	20	1.6%
PHH/NE Moves Mortgage*	NE MOVES MORTGAGE, LLC	LML	163	31	19.0%	2,097	533	25.4%
PHH/NE Moves Mortgage*	PHH MORTGAGE CORP	LML	34	6	17.6%	831	188	22.6%
PHH/NE Moves Mortgage*	PHH HOME LOANS	LML	5	0	0.0%	105	13	12.4%
US Bank*	US BANK, N.A.	OTH	59	3	5.1%	1,043	110	10.5%
US Bank*	US BANK NORTH DAKOTA	OTH	7	0	0.0%	191	0	0.0%
Wells Fargo*	WELLS FARGO BANK, NA	OTH	868	156	18.0%	9,527	2,167	22.7%
Wells Fargo*	WELLS FARGO FUNDING, INC	OTH	8	0	0.0%	94	0	0.0%
Wells Fargo*	NEW ENGLAND MTG PARTNERS LLC	LML	4	0	0.0%	58	0	0.0%

\* This table is a supplement to Tables 25 & 26, which show total loans for each of the 30 biggest “lender families.” This table includes only individual lenders in multi-lender families, as indicated by an asterisk following the family name in Tables 25 & 26. Nine individual lenders with ten or fewer loans statewide are excluded from this table, but their loans are included in the lender family totals in Tables 25 & 26. These include one lender each from Bank of America\*, Ally/GMAC\*, CitiGroup\*, and Salem Five\*, and five lenders from Wells Fargo\*.

# CRA: banks with Mass. branches, whose local lending is subject to evaluation under the Community Reinvestment Act. LML: licensed mortgage lenders, mostly mortgage companies, with 50 or more Mass. Loans; these lenders recently became subject to state CRA-type regulation. OTH: all other lenders, mainly out-of-state banks, who can do mortgage lending in Mass. without a license and are exempt from state regulation.

**APPENDIX TABLE I**

**All Home-Purchase and Refinance Loans in Massachusetts, 2011, Classified by Five Characteristics:  
(1) Home-purchase or Refinance; (2) Conventional or Government-Backed; (3) First-Lien or Subordinate-Lien;  
(4) Owner-Occupied or Not Owner-Occupied; and (5) Site-Built or Manufactured Housing**

<b>A. NUMBER OF LOANS</b>									
	Home Purchase Loans			Refinance Loans			Total Loans		
	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total
<b>First Lien</b>	37,490	12,849	50,339	130,442	7,194	137,636	167,932	20,043	187,975
<b>Owner-Occupied</b>	31,193	12,839	44,032	119,447	7,149	126,596	150,640	19,988	170,628
<b>Site-built</b>	31,026	12,836	43,862	119,372	7,148	126,520	150,398	19,984	170,382
<b>Mfg housing</b>	167	3	170	75	1	76	242	4	246
<b>Not Owner-Occ</b>	6,297	10	6,307	10,995	45	11,040	17,292	55	17,347
<b>Site-built</b>	6,293	10	6,303	10,995	45	11,040	17,288	55	17,343
<b>Mfg housing</b>	4	0	4	0	0	0	4	0	4
<b>Sub Lien</b>	1,410	0	1,410	1,469	1	1,470	2,879	1	2,880
<b>Owner-Occupied</b>	1,382	0	1,382	1,439	1	1,440	2,821	1	2,822
<b>Site-built</b>	1,381	0	1,381	1,439	1	1,440	2,820	1	2,821
<b>Mfg housing</b>	1	0	1	0	0	0	1	0	1
<b>Not Owner-Occ</b>	28	0	28	30	0	30	58	0	58
<b>Site-built</b>	28	0	28	30	0	30	58	0	58
<b>Mfg housing</b>	0	0	0	0	0	0	0	0	0
<b>Any Lien</b>	38,900	12,849	51,749	131,911	7,195	139,106	170,811	20,044	190,855
<b>Owner-Occupied</b>	32,575	12,839	45,414	120,886	7,150	128,036	153,461	19,989	173,450
<b>Site-built</b>	32,407	12,836	45,243	120,811	7,149	127,960	153,218	19,985	173,203
<b>Mfg housing</b>	168	3	171	75	1	76	243	4	247
<b>Not Owner-Occ</b>	6,325	10	6,335	11,025	45	11,070	17,350	55	17,405
<b>Site-built</b>	6,321	10	6,331	11,025	45	11,070	17,346	55	17,401
<b>Mfg housing</b>	4	0	4	0	0	0	4	0	4
<b>memo:</b>									
<b>total site-built</b>	38,728	12,846	51,574	131,836	7,194	139,030	170,564	20,040	190,604
<b>total mfg hsing</b>	172	3	175	75	1	76	247	4	251
<b>B. PERCENTAGE OF TOTAL LOANS</b>									
	Home Purchase Loans			Refinance Loans			Total Loans		
	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total	Conventional	Gov-Backed	Total
<b>First Lien</b>	19.6%	6.7%	26.4%	68.3%	3.8%	72.1%	88.0%	10.5%	98.5%
<b>Owner-Occupied</b>	16.3%	6.7%	23.1%	62.6%	3.7%	66.3%	78.9%	10.5%	89.4%
<b>Site-built</b>	16.3%	6.7%	23.0%	62.5%	3.7%	66.3%	78.8%	10.5%	89.3%
<b>Mfg housing</b>	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%
<b>Not Owner-Occ</b>	3.3%	0.0%	3.3%	5.8%	0.0%	5.8%	9.1%	0.0%	9.1%
<b>Site-built</b>	3.3%	0.0%	3.3%	5.8%	0.0%	5.8%	9.1%	0.0%	9.1%
<b>Mfg housing</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Sub Lien</b>	0.7%	0.0%	0.7%	0.8%	0.0%	0.8%	1.5%	0.0%	1.5%
<b>Owner-Occupied</b>	0.7%	0.0%	0.7%	0.8%	0.0%	0.8%	1.5%	0.0%	1.5%
<b>Site-built</b>	0.7%	0.0%	0.7%	0.8%	0.0%	0.8%	1.5%	0.0%	1.5%
<b>Mfg housing</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Not Owner-Occ</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Site-built</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Mfg housing</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Any Lien</b>	20.4%	6.7%	27.1%	69.1%	3.8%	72.9%	89.5%	10.5%	100.0%
<b>Owner-Occupied</b>	17.1%	6.7%	23.8%	63.3%	3.7%	67.1%	80.4%	10.5%	90.9%
<b>Site-built</b>	17.0%	6.7%	23.7%	63.3%	3.7%	67.0%	80.3%	10.5%	90.8%
<b>Mfg housing</b>	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%
<b>Not Owner-Occ</b>	3.3%	0.0%	3.3%	5.8%	0.0%	5.8%	9.1%	0.0%	9.1%
<b>Site-built</b>	3.3%	0.0%	3.3%	5.8%	0.0%	5.8%	9.1%	0.0%	9.1%
<b>Mfg housing</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>memo:</b>									
<b>total site-built</b>	20.3%	6.7%	27.0%	69.1%	3.8%	72.8%	89.4%	10.5%	99.9%
<b>total mfg hsing</b>	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%

Notes:

This five-way classification results in a total of 32 categories. The number of loans in each of these categories was obtained from the 2011 HMDA data. All other numbers in this table are calculated from these 32 basic numbers (13 of which were 0 in 2011).

The text of this report, and all other tables, include only first-lien loans for owner-occupied homes, which are shown here to constitute 89.3% of total loans. The loans excluded by this criterion consisted of first-lien loans for non-owner occupied homes (9.1% of the total) and subordinate-lien loans (1.5%).

Of the government-backed loans, 81.6% were FHA, 14.8% were VA, and 3.5% were USDA. There was only one HEOPA loan.

This table ignores 116 loans (0.1% of the total) for which owner-occupancy status was not reported.

This table also ignores the state's 13,289 home-improvement loans, of which 7,529 were first-lien loans on owner-occupied homes.

**APPENDIX TABLE 2**  
**All Loans & Gov't-Backed Loans (GBLs), by Race/Ethnicity of Borrower**  
**By Loan Purpose and Lien Type#**  
**Loans for Owner-Occupied Homes, Massachusetts, 2011**

Borrower Race/Ethnicity	All Loans	Non-GBL Loans	GBL Loans	Percent GBLs	Ratio to White %
<b>A-1. HOME-PURCHASE LOANS — ANY LIEN</b>					
Asian	3,006	2,646	360	12.0%	0.44
Black	1,417	617	800	56.5%	2.09
Latino	2,211	1,027	1,184	53.6%	1.98
White	34,708	25,334	9,374	27.0%	1.00
No Info*	3,937	2,859	1,078	27.4%	
<b>Total*</b>	<b>45,414</b>	<b>32,575</b>	<b>12,839</b>	<b>28.3%</b>	
<b>A-2. HOME-PURCHASE LOANS — FIRST LIEN (97.0% of all Home Purchase Loans)</b>					
Asian	2,902	2,542	360	12.4%	0.45
Black	1,315	515	800	60.8%	2.19
Latino	2,040	856	1,184	58.0%	2.09
White	33,802	24,428	9,374	27.7%	1.00
No Info*	3,840	2,762	1,078	28.1%	
<b>Total*</b>	<b>44,032</b>	<b>31,193</b>	<b>12,839</b>	<b>29.2%</b>	
<b>A-3. HOME-PURCHASE LOANS — JUNIOR LIEN (3.0% of all Home Purchase Loans)</b>					
Asian	104	104	0	0.0%	na
Black	102	102	0	0.0%	na
Latino	171	171	0	0.0%	na
White	906	906	0	0.0%	na
No Info*	97	97	0	0.0%	
<b>Total*</b>	<b>1,382</b>	<b>1,382</b>	<b>0</b>	<b>0.0%</b>	
<b>B-1. REFINANCE LOANS — ANY LIEN</b>					
Asian	7,386	7,239	147	2.0%	0.37
Black	1,582	1,315	267	16.9%	3.12
Latino	1,956	1,658	298	15.2%	2.82
White	104,094	98,469	5,625	5.4%	1.00
No Info*	12,689	11,910	779	6.1%	
<b>Total*</b>	<b>128,036</b>	<b>120,886</b>	<b>7,150</b>	<b>5.6%</b>	
<b>B-2. REFINANCE LOANS — FIRST LIEN (98.9% of all Refinance Loans)</b>					
Asian	7,342	7,195	147	2.0%	0.37
Black	1,562	1,295	267	17.1%	3.13
Latino	1,919	1,621	298	15.5%	2.84
White	102,893	97,269	5,624	5.5%	1.00
No Info*	12,556	11,777	779	6.2%	
<b>Total*</b>	<b>126,596</b>	<b>119,447</b>	<b>7,149</b>	<b>5.6%</b>	
<b>B-3. REFINANCE LOANS — JUNIOR LIEN (1.1% of all Refinance Loans)</b>					
Asian	44	44	0	0.0%	0.00
Black	20	20	0	0.0%	0.00
Latino	37	37	0	0.0%	0.00
White	1,201	1,200	1	0.1%	1.00
No Info*	133	133	0	0.0%	
<b>Total*</b>	<b>1,440</b>	<b>1,439</b>	<b>1</b>	<b>0.1%</b>	
<b>C-1. ALL HOME-PURCHASE AND REFINANCE LOANS — ANY LIEN</b>					
Asian	10,392	9,885	507	4.9%	0.45
Black	2,999	1,932	1,067	35.6%	3.29
Latino	4,167	2,685	1,482	35.6%	3.29
White	138,802	123,803	14,999	10.8%	1.00
No Info*	16,626	14,769	1,857	11.2%	
<b>Total*</b>	<b>173,450</b>	<b>153,461</b>	<b>19,989</b>	<b>11.5%</b>	

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

"Total" includes "Other" as well as the categories shown in the table; "other" is 0.5% or less in each category of loans.

**APPENDIX TABLE 3  
Boston Home-Purchase Loans by Race/Ethnicity, 1990–2011\***

Race/ Ethnicity	Number of Loans						Percent of All Loans#					
	1990	1995	2000	2005	2010	2011	1990	1995	2000	2005	2010	2011
Asian	100	269	381	453	317	254	5.7%	6.0%	5.8%	6.1%	9.3%	8.4%
Black	287	880	710	1,065	332	251	16.4%	19.8%	10.9%	14.3%	9.7%	8.3%
Latino	91	303	463	719	212	175	5.2%	6.8%	7.1%	9.7%	6.2%	5.8%
White	1,266	2,866	4,831	5,175	2,548	2,315	72.5%	64.4%	74.0%	69.5%	74.5%	77.0%
Other	3	132	147	34	13	13	0.2%	3.0%	2.3%	0.5%	0.4%	0.4%
SubTotal#	1,747	4,450	6,532	7,446	3,422	3,008	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
No Info+	23	187	935	884	536	485						
<b>Total</b>	<b>1,770</b>	<b>4,637</b>	<b>7,467</b>	<b>8,330</b>	<b>3,958</b>	<b>3,493</b>						

**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.”

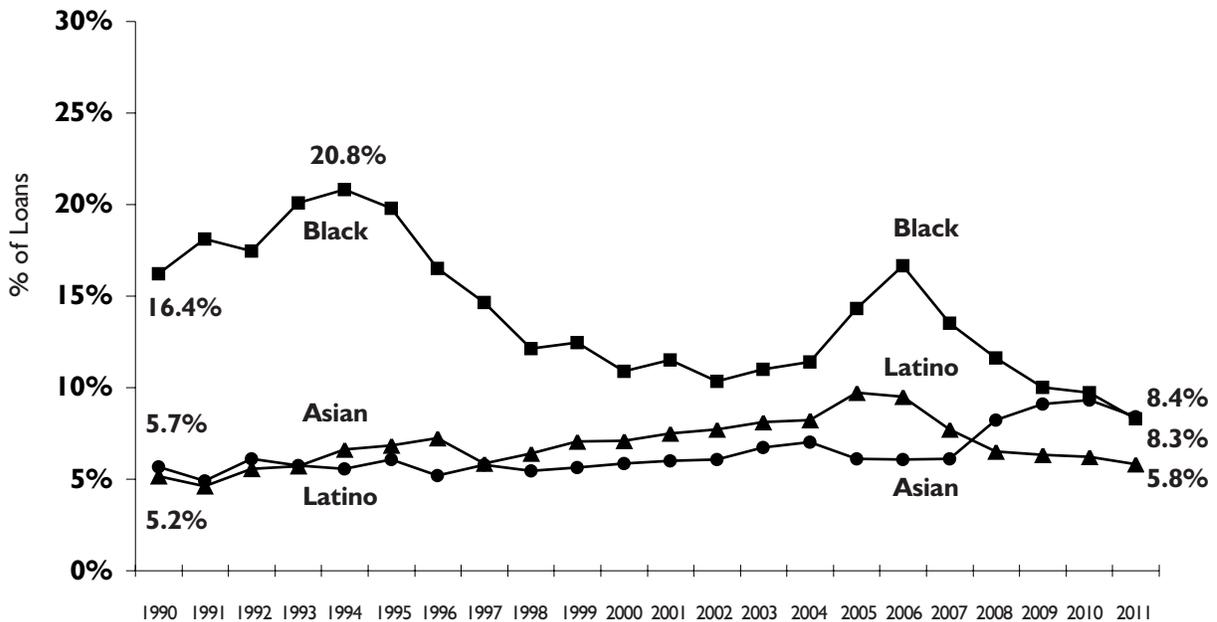
**Chart A-3: Shares of Home-Purchase Loans & Households by Race/Ethnicity, Boston, 1990–2011\***

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  
1990–2011\***

Income Level ^	Number of Loans						As Percent of All Loans					
	1990	1995	2000	2005	2010	2011	1990	1995	2000	2005	2010	2011
<b>Low#</b>	51	530	369	216	217	242	2.8%	11.6%	5.1%	2.7%	5.5%	6.9%
<b>Moderate</b>	352	1,233	1,321	1,314	1,067	912	19.6%	27.0%	18.4%	16.4%	27.1%	26.1%
<b>Middle</b>	527	1,261	1,815	2,281	1,036	874	29.3%	27.6%	25.2%	28.5%	26.4%	25.0%
<b>High</b>	513	889	2,095	2,715	920	766	28.5%	19.4%	29.1%	33.9%	23.4%	21.9%
<b>Highest</b>	355	659	1,589	1,474	691	678	19.7%	14.4%	22.1%	18.4%	17.6%	19.4%
<b>Hi+Hi'est</b>	868	1,548	3,684	4,189	1,611	1,444	48.3%	33.9%	51.2%	52.4%	41.0%	41.3%
<b>Total#</b>	1,798	4,572	7,189	8,000	3,931	3,493	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 (21 in 2011); 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:

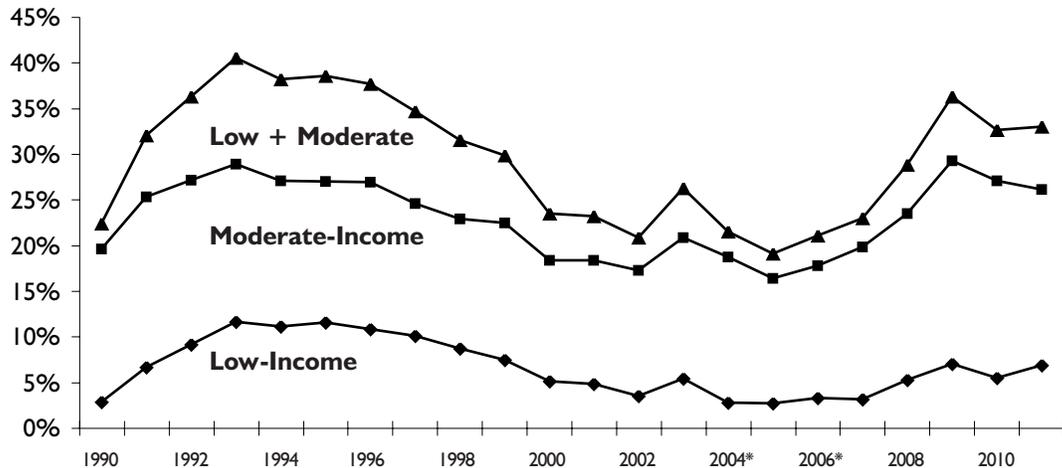
Low: <50% Moderate: 50%–80% Middle: 80%–120% High: 120%–200% Highest: >200%

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

**Chart A-4: Loans to Low- and Moderate-Income Borrowers  
as % of All Boston Home-Purchase Loans, 1990–2011\***

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



**APPENDIX TABLE 5**  
**Home-Purchase Loan Denial Rates by Race**  
**Boston, Massachusetts, and United States — 1990–2011\***

	Denial Rate						Ratio to White Denial Rate					
	1990	1995	2000	2005	2010	2011	1990	1995	2000	2005	2010	2011
<b>A. BOSTON</b>												
Asian	14.5%	8.2%	12.7%	14.6%	12.3%	13.6%	0.89	1.12	1.37	1.45	1.13	1.68
Black	32.7%	15.8%	24.5%	23.6%	21.9%	22.0%	2.00	2.16	2.63	2.34	2.01	2.72
Latino	25.3%	18.6%	18.9%	20.9%	22.2%	21.1%	1.55	2.55	2.03	2.07	2.04	2.60
White	16.4%	7.3%	9.3%	10.1%	10.9%	8.1%	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%	11.4%	0.99	1.08	1.04	1.24	1.30	
Black		16.3%	20.7%	21.3%	22.3%	20.3%	2.23	2.46	2.20	2.23	2.31	
Latino		13.1%	17.2%	19.1%	22.1%	19.2%	1.79	2.05	1.97	2.21	2.18	
White		7.3%	8.4%	9.7%	10.0%	8.8%	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%	14.8%	0.90	0.61	0.56	1.28	1.17	1.24
Black	33.9%	40.5%	44.6%	27.5%	30.9%	30.9%	2.35	1.97	2.00	2.24	2.51	2.60
Latino	21.4%	29.5%	31.4%	21.3%	22.9%	21.7%	1.49	1.43	1.41	1.73	1.86	1.82
White	14.4%	20.6%	22.3%	12.3%	12.3%	11.9%	1.00	1.00	1.00	1.00	1.00	1.00

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

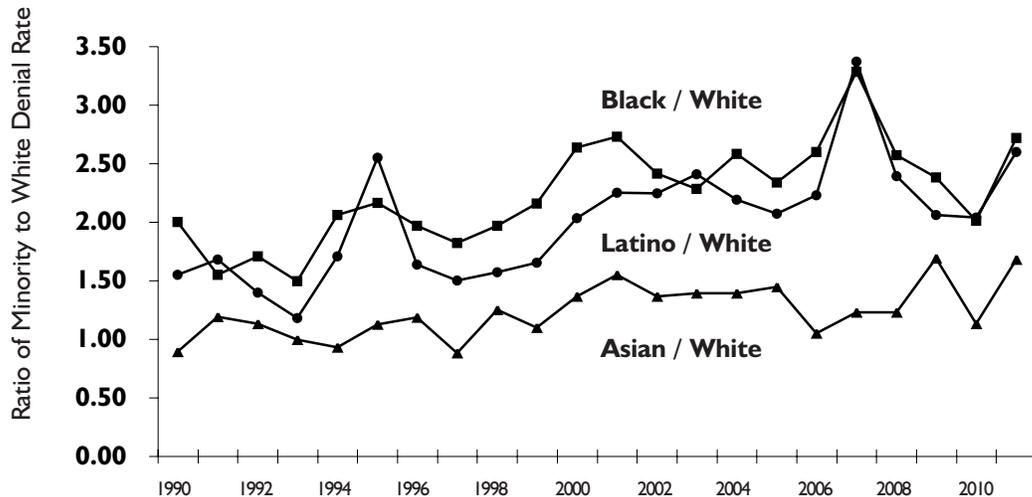
\* Columns for many years are omitted from this table because of insufficient space, but denial rate ratios for all years are shown in Chart A-5.

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

U.S. denial rates are for conventional loans only; in Boston and MA 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.

**Chart A-5: Minority/White Denial Ratios, By Race**  
**Boston Home-Purchase Loans, 1990–2011\***

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



**APPENDIX TABLE 6**  
**Results of Applications, by Race/Ethnicity of Applicant ^**  
**Applications for First-Lien Loans for Owner-Occupied Homes**  
**As Percentage of Total, 2011**

	Home Purchase Loans						Refinance Loans					
	Appli- cations	Loan Made	Approv No Loan	Denied	With- drawn	File In- complete	Appli- cations	Loan Made	Approv No Loan	Denied	With- drawn	File In- complete
<b>A. BOSTON</b>												
<b>Asian</b>	369	68.8%	3.0%	14.4%	11.9%	1.9%	678	64.6%	3.8%	18.6%	8.7%	4.3%
<b>Black</b>	465	54.0%	5.4%	26.9%	11.6%	2.2%	901	48.4%	4.9%	29.4%	12.0%	5.3%
<b>Latino</b>	300	58.3%	5.0%	22.7%	11.3%	2.7%	437	49.9%	5.3%	24.0%	14.4%	6.4%
<b>White</b>	3,141	73.7%	4.1%	9.3%	11.1%	1.8%	8,179	67.4%	3.8%	14.1%	10.1%	4.6%
<b>Total*</b>	5,043	69.3%	4.1%	12.6%	11.6%	2.5%	11,927	62.9%	4.0%	16.5%	11.1%	5.5%
<b>B. GREATER BOSTON+</b>												
<b>Asian</b>	2,915	72.7%	4.3%	11.4%	9.4%	2.2%	7,441	71.9%	3.8%	12.0%	8.6%	3.7%
<b>Black</b>	1,136	60.2%	4.9%	21.6%	10.9%	2.4%	2,045	49.2%	4.6%	26.8%	12.6%	6.7%
<b>Latino</b>	1,413	63.7%	4.7%	20.4%	9.2%	2.0%	1,977	54.1%	4.6%	21.5%	13.6%	6.2%
<b>White</b>	21,999	76.4%	3.7%	8.0%	10.1%	1.9%	79,719	70.8%	3.8%	12.0%	9.2%	4.2%
<b>Total*</b>	31,253	73.5%	3.9%	9.8%	10.5%	2.2%	104,818	68.3%	4.0%	12.9%	9.9%	4.9%
<b>C. MASSACHUSETTS</b>												
<b>Asian</b>	4,106	70.7%	4.4%	12.9%	9.7%	2.4%	10,354	70.9%	3.7%	12.7%	8.6%	4.1%
<b>Black</b>	2,205	59.6%	4.8%	22.0%	10.7%	2.8%	3,255	48.0%	4.9%	28.2%	12.7%	6.2%
<b>Latino</b>	3,218	63.4%	4.2%	20.8%	9.7%	2.0%	3,762	51.0%	4.5%	23.7%	14.1%	6.6%
<b>White</b>	45,535	74.2%	3.8%	10.1%	9.8%	2.2%	151,325	68.0%	3.8%	13.8%	9.9%	4.6%
<b>Total*</b>	61,276	71.9%	3.9%	11.6%	10.2%	2.5%	192,673	65.7%	3.9%	14.6%	10.5%	5.3%

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

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

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

**APPENDIX TABLE 7**  
**Reasons Given For Denials Of Mortgage Loan Applications**  
**From Black, Latino, And White Applicants In Massachusetts**  
**First-Lien, Owner-Occupied HOME-PURCHASE Loans Only, 2011**

<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	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	102	16	119	161	21	185	709	371	1,111
Employment History	12	5	17	27	2	29	113	61	178
Credit History	72	24	100	88	26	117	420	329	772
Collateral	57	20	79	73	25	99	375	399	781
Insufficient Cash	25	4	30	22	12	35	93	82	183
Unverifiable Information	16	6	23	31	4	37	129	117	255
Credit Application Incomplete	25	12	37	33	11	46	105	195	322
Mortgage Insurance Denied	4	3	7	3	2	5	26	29	58
Other	55	19	78	78	27	106	294	328	627
<b>Total Denials</b>	<b>364</b>	<b>109</b>	<b>485</b>	<b>517</b>	<b>140</b>	<b>669</b>	<b>2,407</b>	<b>2,074</b>	<b>4,578</b>
<b>Number with Reason Reported</b>	<b>297</b>	<b>88</b>	<b>395</b>	<b>427</b>	<b>110</b>	<b>549</b>	<b>1,834</b>	<b>1,606</b>	<b>3,526</b>
<b>Number with No Reason Reported</b>	<b>67</b>	<b>21</b>	<b>90</b>	<b>90</b>	<b>30</b>	<b>120</b>	<b>573</b>	<b>468</b>	<b>1,052</b>
<b>Percent with No Reason Reported</b>	<b>18.4%</b>	<b>19.3%</b>	<b>18.6%</b>	<b>17.4%</b>	<b>21.4%</b>	<b>17.9%</b>	<b>23.8%</b>	<b>22.6%</b>	<b>23.0%</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	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	34%	18%	30%	38%	19%	34%	39%	23%	32%
Employment History	4%	6%	4%	6%	2%	5%	6%	4%	5%
Credit History	24%	27%	25%	21%	24%	21%	23%	20%	22%
Collateral	19%	23%	20%	17%	23%	18%	20%	25%	22%
Insufficient Cash	8%	5%	8%	5%	11%	6%	5%	5%	5%
Unverifiable Information	5%	7%	6%	7%	4%	7%	7%	7%	7%
Credit Application Incomplete	8%	14%	9%	8%	10%	8%	6%	12%	9%
Mortgage Insurance Denied	1%	3%	2%	1%	2%	1%	1%	2%	2%
Other	19%	22%	20%	18%	25%	19%	16%	20%	18%

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 1.4% of denials in Massachusetts in 2011; 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 value or type of collateral not sufficient
- Collateral: [for downpayment or closing costs]
- 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]

**APPENDIX TABLE 8**  
**Reasons Given For Denials Of Mortgage Loan Applications**  
**From Black, Latino, And White Applicants In Massachusetts**  
**First-Lien, Owner-Occupied REFINANCE Loans Only, 2011**

<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	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	142	50	194	173	43	224	2,458	1,611	4,166
Employment History	3	2	6	6	0	6	165	142	326
Credit History	72	63	141	69	52	125	875	1,227	2,179
Collateral	97	102	209	102	114	226	1,307	3,629	5,153
Insufficient Cash	13	10	28	17	11	30	153	250	429
Unverifiable Information	11	13	26	19	10	32	293	422	762
Credit Application Incomplete	47	38	101	33	22	70	602	1,287	2,390
Mortgage Insurance Denied	1	2	3	2	4	6	14	57	71
Other	57	53	125	42	44	103	734	1,531	2,404
<b>Total Denials</b>	<b>484</b>	<b>375</b>	<b>917</b>	<b>499</b>	<b>336</b>	<b>893</b>	<b>7,955</b>	<b>11,724</b>	<b>20,831</b>
<b>Number with Reason Reported</b>	<b>375</b>	<b>287</b>	<b>713</b>	<b>378</b>	<b>263</b>	<b>695</b>	<b>5,619</b>	<b>8,909</b>	<b>15,586</b>
<b>Number with No Reason Reported</b>	<b>109</b>	<b>88</b>	<b>204</b>	<b>121</b>	<b>73</b>	<b>198</b>	<b>2,336</b>	<b>2,815</b>	<b>5,245</b>
<b>Percent with No Reason Reported</b>	<b>22.5%</b>	<b>23.5%</b>	<b>22.2%</b>	<b>24.2%</b>	<b>21.7%</b>	<b>22.2%</b>	<b>29.4%</b>	<b>24.0%</b>	<b>25.2%</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	All	Low- & Mod-Income	Mid- & Upper-Income	All	Low- & Mod-Income	Mid- & Upper-Income	All
Debt-to-Income Ratio	38%	17%	27%	46%	16%	32%	44%	18%	27%
Employment History	1%	1%	1%	2%	0%	1%	3%	2%	2%
Credit History	19%	22%	20%	18%	20%	18%	16%	14%	14%
Collateral	26%	36%	29%	27%	43%	33%	23%	41%	33%
Insufficient Cash	3%	3%	4%	4%	4%	4%	3%	3%	3%
Unverifiable Information	3%	5%	4%	5%	4%	5%	5%	5%	5%
Credit Application Incomplete	13%	13%	14%	9%	8%	10%	11%	14%	15%
Mortgage Insurance Denied	0%	1%	0%	1%	2%	1%	0%	1%	0%
Other	15%	18%	18%	11%	17%	15%	13%	17%	15%

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 1.4% of denials in Massachusetts in 2011; 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 value or type of collateral not sufficient
- 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.

**APPENDIX TABLE 9**

**Home-Purchase Loans by Major Types of Lenders, Boston & Massachusetts, 1990–2011 <sup>^</sup>**  
**(For 2004–2011, Includes Only First-Lien Loans for Owner-Occupied Homes\*)**

	1990	1995	2000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>I. BOSTON</b>													
<b>A. BIG BOSTON BANKS</b>													
<b>Number of Loans</b>	541	2,020	876	860	790	736	695	699	1,019	723	937	780	519
<b>% of All Loans</b>	28.9%	43.6%	11.7%	10.9%	9.3%	8.5%	8.3%	9.9%	17.8%	16.2%	22.5%	19.7%	14.9%
<b>B. OTHER MASSACHUSETTS BANKS AND CREDIT UNIONS</b>													
<b>Number of Loans</b>	919	869	1,367	1,229	1,188	1,189	946	868	1,084	1,023	1,039	1,012	992
<b>% of All Loans</b>	49.1%	18.7%	18.3%	15.6%	14.0%	13.7%	11.4%	12.3%	19.0%	22.9%	25.0%	25.6%	28.4%
<b>C. MORTGAGE COMPANIES &amp; OUT-OF-STATE BANKS (excluding subprime lenders 2000–2009)</b>													
<b>Number of Loans</b>	410	1,748	4,736	5,213	5,545	5,752	5,196	4,159	3,275	2,703	2,182	2,166	1,982
<b>% of All Loans</b>	21.9%	37.7%	63.4%	66.0%	65.3%	66.4%	62.4%	59.0%	57.3%	60.4%	52.5%	54.7%	56.7%
<b>D. SUBPRIME LENDERS (2000–2009) #</b>													
<b>Number of Loans</b>			488	600	963	981	1,493	1,326	340	23	2		
<b>% of All Loans</b>			6.5%	7.6%	11.3%	11.3%	17.9%	18.8%	5.9%	0.5%	0.0%		
<b>E. TOTAL</b>													
<b>Number of Loans</b>	1,870	4,637	7,467	7,902	8,486	8,658	8,330	7,052	5,718	4,472	4,160	3,958	3,493
<b>% of All Loans</b>	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>													
<b>Number of Loans</b>				31,946	29,750	26,038	22,238	19,734	23,750	21,131	23,408	20,857	18,738
<b>% of All Loans</b>				32.1%	28.4%	26.5%	23.6%	25.6%	37.7%	41.2%	45.1%	43.7%	42.6%
<b>C. MORTGAGE COMPANIES &amp; OUT-OF-STATE BANKS (excluding subprime lenders, 2002–2009)</b>													
<b>Number of Loans</b>				60,387	64,105	59,961	53,719	44,437	36,185	29,870	28,422	26,842	25,294
<b>% of All Loans</b>				60.7%	61.3%	61.0%	57.0%	57.7%	57.5%	58.2%	54.8%	56.3%	57.4%
<b>D. SUBPRIME LENDERS (2002–2009) #</b>													
<b>Number of Loans</b>				7,186	10,801	12,298	18,329	12,813	3,038	278	71		
<b>% of All Loans</b>				7.2%	10.3%	12.5%	19.4%	16.6%	4.8%	0.5%	0.1%		
<b>E. TOTAL</b>													
<b>Number of Loans</b>				99,519	104,656	98,297	94,286	76,984	62,973	51,279	51,901	47,699	44,032
<b>% of All Loans</b>				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

<sup>^</sup> For reasons of space, the columns for several years before 2002 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": RBS Citizens, Bank of America, and Sovereign in 2004–2011. 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 2011, they would have added only 71 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.

## 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. The information in these “Notes” here 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 ([www.ffiec.gov/hmda](http://www.ffiec.gov/hmda)). Among the HMDA data provided for each loan are: the identity of the lending institution; the census tract, county, and metropolitan area in which the property is located; the race, ethnicity, and sex of the applicant (and co-applicant, if any); the income of the applicant(s); the purpose of the loan (home-purchase, refinancing of existing mortgage, or home improvement); the 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), pricing information for loans with annual percentage rates above threshold levels (see below), whether the loan is secured by a manufactured home, and whether the loan is a HOEPA loan (that is, a high-cost loan subject to the protections of the Home Ownership and Equity Protection Act of 1994). HMDA LAR data can be downloaded for free from the FFIEC website.

**Government-backed loans (GBLs)** are those identified in HMDA data as FHA-insured, VA-guaranteed, or USDA-guaranteed (i.e., guaranteed by the Farm Service Agency or the Rural Housing Service). See Section I for more information about GBLs.

**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 the loan’s APR and the interest rate on Treasury securities was three percentage points or more for a first-lien loan (or five percentage points or more for a junior-lien loan) then the spread for that loan had to be reported, to two decimal points, in HMDA LAR data. Beginning with applications received on October 1, 2009

(and for all earlier applications not acted on until 2010), each loan’s APR is compared to the Fed’s estimate of the APR on prime mortgage loans of the same maturity (if fixed-rate) or same number of years until first interest-rate reset (if adjustable rate); high-APR loans are those with rate spreads of one and one-half percentage points or more for a first-lien loan (or three and one-half percentage points or more for a junior-lien loan). The new criteria are far superior to the old because the comparison is directly to the rate on comparable prime mortgages. In this report, loans for which the spreads are reported are referred to as “high-APR loans” or “HALs.”

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

(A few tables combine data for home-purchase and refinance loans; a few other tables have data for home-purchase loans only.) This involves ignoring a great deal of data in order to avoid a proliferation of tables that would result in information overload. In fact, information in the HMDA LAR data makes it possible to present results for 72 categories of loans on the basis of the following five distinctions: government-backed vs. conventional loans; 1–4 family site-built homes vs. manufactured homes vs. multi-family properties; owner-occupied vs. non-owner-occupied homes; home-purchase vs. refinance vs. home improvement loans; and first-lien vs. junior-lien loans. To achieve simplicity and to focus on the loans of greatest interest, I have taken two measures. First, I ignored the distinction between site-built and manufactured homes (in 2011, loans for manufactured homes accounted for only 0.1% of the state’s loans). 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. That is, none of these types of loans are included in any of the numbers contained in this report’s tables, except for Appendix Tables 1 and 2—which provide data that allow the interested reader to assess the impact of these decisions about what loans to include and exclude from the analysis in this report.

**The decision to include only first-lien loans in all of the tables in body of this report** has less impact for 2011 data than in 2008 and earlier years because junior-lien loans in 2011 made up just 2.7% of all home-purchase loans and 1.1% of all refinance loans. 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. Thus, borrowers received a first-lien loan for 80% of the value of the

home and a second, junior-lien mortgage for the additional amount being borrowed (20% of the home's value in the case of a zero-down-payment loan). Restricting the analysis to first-lien loans avoids double-counting home buyers who obtained piggy-back second mortgages. Appendix Table 2 provides information on the breakdown of home-purchase and refinance lending between first-lien and junior-lien loans for total loans and GBLs, overall and for each of the major racial/ethnic groups included in this report.

**Income categories for applicants/borrowers** are defined in relationship to annually-updated estimates of the median family income (MFI) of the Metropolitan Statistical Area (MSA) in which the property is located. (These estimates are now provided by the FFIEC, until last year they were provided by the Department of Housing and Urban Development [HUD].) 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 use the revised metropolitan areas defined by U.S. Office of Management and Budget OMB in June 2003, under which New England joined the rest of the U.S. in having metropolitan areas consist of entire counties [[www.whitehouse.gov/omb/bulletins/b03-04.html](http://www.whitehouse.gov/omb/bulletins/b03-04.html)]. The Boston MSA now consists of Essex, Middlesex, Suffolk, Norfolk, and Plymouth counties. (Actually, this is just the Massachusetts portion of the Boston-Cambridge-Quincy MA-NH MSA; only data for the Massachusetts portion of the MSA are analyzed in this series of reports). Furthermore, like ten other large MSAs in the U.S., the Boston MSA is divided into Metropolitan Divisions (MDs). The Boston MSA now consists of three MDs: the Essex Country MD; the Cambridge-Newton-Framingham MD (Middlesex County); and the Boston-Quincy MD (Suffolk, Norfolk, and Plymouth Counties). Although the standard practice—by bank regulators and others—in analyzing HMDA data is to use the MFI of MDs in classifying borrowers and census tracts into income categories, **this report uses the MFI of the Boston MSA to classify all borrowers and census tracts in the Boston MSA into income categories.** This practice, first used in *Changing Patterns XIV*, was adopted because there is little or no economic, political, or social logic to a system which places Cambridge and Boston into separate Metropolitan areas. (The 2011 MFIs for the three MDs as well as for the entire Boston MSA are provided below.)

**Median family incomes (MFI) of Massachusetts metropolitan areas in 2011 were:**

Barnstable MSA (Barnstable County) .....	\$79,000
Boston MSA (Essex/Middlesex/Norfolk/Plymouth/Suffolk Counties) .....	\$93,700*
Boston–Quincy MD (Norfolk/Plymouth/Suffolk Counties) .....	\$87,600
Cambridge–Newton–Framingham MD (Middlesex County).....	\$105,000
Peabody MD (Essex County) .....	\$86,200
Pittsfield MSA (Berkshire County) .....	\$68,900
Providence–Fall River–New Bedford MSA (Bristol County).....	\$74,500
Springfield MSA (Franklin/Hampden/Hampshire Counties).....	\$69,300
Worcester MSA (Worcester County) .....	\$82,500
Non-Metro part of Massachusetts (Dukes/Nantucket Counties) .....	\$88,300

\* For 2011, the FFIEC does not seem to have provided estimates of the MFIs for MSAs that are subdivided into MDs. Therefore, the 2011 MFI for the Boston MSA was calculated for this report as the weighted sum of the MFIs of its three MDs, using each MD's share of the total MSA population of the MDs as the weights.

**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 they wish (up to all five). This report uses this information to place each borrower into one of six categories: “Asian” is shorthand for non-Latino Asian; “black” is shorthand for non-Latino black; “Latino” includes all applicants with Latino ethnicity; “white” is shorthand for non-Latino white; “other” is shorthand for non-Latino American Indian, Alaska Native, Native Hawaiian, or Other Pacific Islander; and “no information” includes borrowers with no information on race and either no information or Not Latino for ethnicity. Other analysts, including the Federal Reserve researchers who write an annual analysis of HMDA data for the *Federal Reserve Bulletin*, have grouped black Latinos with other blacks rather than with other Latinos. Which of these two ways of classifying black Latinos is adopted makes relatively little difference because the number of such borrowers is relatively small. Of all 170,628 first-lien loans for owner-occupied homes in Massachusetts in 2011, a total of 3,013 are identified in the HMDA data as going to black borrowers and a total of 3,959 are identified as going to Latinos; only 136 are identified as going to borrowers who were both black and Latino.

This report classifies borrowers on the basis of the ethnicity and first race of the applicant—that is, information about second or additional races of the applicant is ignored, as is all information about co-applicants. This provides considerable simplification to the analysis with very small impact: For example, of all first-lien loans for owner-occupied homes in Massachusetts in 2011 with information on the race of the borrower, only 0.3% of borrowers specified more than one race and only 1.6% of borrowers had co-borrowers of a different race; only 1.0% of borrowers had co-borrowers with different ethnicity.

**Denial rates** are calculated simply as the number of applications denied divided by the total number of applications. Not all loan applications result in either a loan or a denial. Appendix Table 6 provides data on how the actions taken on mortgage loan applications were distributed among the five possible outcomes. This information is provided for four racial/ethnic categories as well as overall—for Boston, Greater Boston, and Massachusetts.

**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 VI and in the notes to Tables 20–29.

**Big Boston Banks** 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%. In 2011, this group includes only Bank of America, RBS Citizens, and Sovereign. Bank of America includes Bank of America and Fleet loans for 2004, but only Fleet loans for earlier years. Five former banks were included in this grouping while they still existed: Bank of New England (1990–91), Boston Five Cents Savings Bank (1990–92), BayBanks (1990–96), Shawmut (1990–96), and BankBoston (1990–99). A sixth bank, Boston Safe Deposit (now Mellon New England), was included in this category until it exited the mortgage lending business in 2002.

**Subprime lenders** were identified, from 1998 through 2003, on the basis of annual lists published by the U.S. Department of Housing and Urban Development [HUD]. HUD’s lists include lenders who specialized in subprime loans or for whom subprime loans constituted a majority of loans originated. Information on how the lists were compiled, and the lists themselves through 2005, are available at: [www.huduser.org/datasets/manu.html](http://www.huduser.org/datasets/manu.html). Between 2004 and 2009, lenders were classified as *subprime lenders*—for the purposes of this series of reports—on the basis of the percentage of their total Massachusetts loans that consisted of high-APR loans (HALs). Minimum

percentages for specifying subprime lenders were chosen to include known subprime lenders, including those identified as subprime lenders on HUD’s annual lists. A lender was classified as a “subprime lender” for 2004 if it made at least five first-lien, owner-occupied, home-purchase HALs in Massachusetts, and if these HALs constituted more than 15% of its total loans in the state. A lender was classified as a “subprime lender” for 2005 if HALs constituted more than one-third (33.3%) of its total loans in the state. A lender was classified as a “subprime lender” for 2006 if HALs constituted more than 40% of its total loans in the state. A lender was classified as a “subprime lender” for 2007 if HALs constituted more than 40% of its total loans in the state in 2007 or more than 40% of its loans in 2006 and at least 25% of its loans in 2007. A lender was classified as a “subprime lender” for 2008 or 2009 if HALs constituted at least 40% of its total (home-purchase plus refinance) first-lien loans for owner-occupied homes in the state in that year.

**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 2010 edition of *A Guide to HMDA Reporting: Getting It Right!*, Appendix D, pages D1–D2 [[www.ffiec.gov/hmda/guide.htm](http://www.ffiec.gov/hmda/guide.htm)]).

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## Data from the Census

**Population and income data for census tracts** are from the 2000 Census. Data used to classify census tracts have been available only from the decennial census and Census 2000 tract definitions and data were used in HMDA data through 2011. Note that this differs from the way that *borrowers* are assigned to income categories on the basis of annually updated data on median family incomes (MFIs) for metropolitan areas. Beginning next year, however, the FFIEC will use census tract data from the Census Bureau’s five-year American Community Survey (ACS). For analysis of HMDA data for 2012 through 2016, the FFIEC will use 2006–2010 ACS data; going forward it will update these data every five years (e.g., 2011–2015 ACS data will be used beginning with 2017 HMDA data). 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** (the state’s 33 largest municipalities and Boston’s 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)). Table 3 uses data from Table P9 of the 2010 Census; in Table 3, “White” refers to non-Hispanic whites who reported no other race; “Black” refers to non-Hispanic blacks who reported black alone or with any other race; and “Asian” refers to non-Hispanic Asians who reported Asian alone or with any other race except black. The household shares in Chart A-3 and in the first two bullets of Section III 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.

**Racial/ethnic composition of geographic areas** may be defined in a number of ways as a result of the fact that the 2000 Census allowed individuals to choose two or more racial categories for themselves, in addition to classifying themselves as either Hispanic/Latino or not (the 2000 and 2010 Censuses regard the terms “Latino” and “Hispanic” as equivalent; this report uses the term “Latino”). The percentage for Latinos consists of all those who classified themselves as Latino, regardless of the race or races that they selected. The terms “Asian,” “black,” and “white” are

used in this report as shorthand for “non-Latino Asian,” “non-Latino black,” and “non-Latino white,” respectively. In order to classify census tracts for this report, the percentage for a single race is calculated as the average of (1) the percentage that chose that race alone and (2) the percentage that chose that race alone or together with one or more other races. One advantage of this method is that the sum of the percentages for all of the races is very close to 100% (the sum of all percentages based on each race alone is less than 100%, while the sum of all percentages based on each race alone or together with one or more other races is greater than 100%).

**Racial/ethnic composition may be reported either as percentage of the entire population or as percentage of households**, where a household is defined as one or more persons living in a single housing unit. (In many cases, a household consists of a family, but there are also many non-family households consisting of a single individual or a set of unrelated individuals.) The race/ethnicity of a household is determined by the race/ethnicity of the individual identified as the householder. The headings and notes for individual tables indicate whether population or household data are being used in that table.