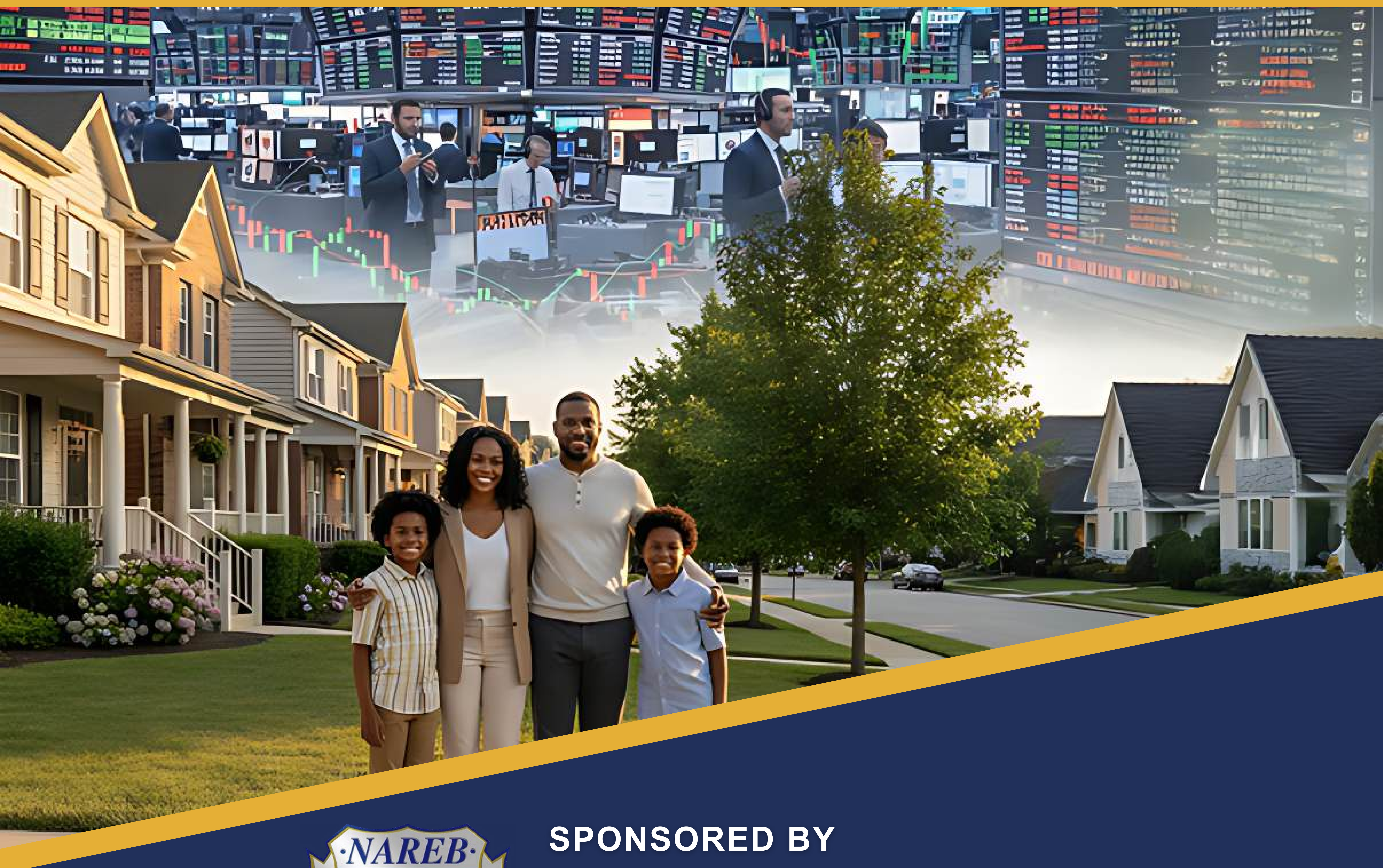
2025 State of Housing in Black America

Increasing Homeownership in an Uncertain Economic Climate

James H. Carr | Michela Zonta



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With Message from Ashley Thomas III, President,
National Association of Real Estate Brokers

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ABOUT THE NATIONAL ASSOCIATION OF REAL ESTATE BROKERS NAREB

NAREB was founded in Tampa, Florida, in 1947 as an equal opportunity and civil rights advocacy organization for African American real estate professionals, consumers, and communities in the United States. Our purpose remains the same today, but we are more focused on economic opportunity than civil rights. Although primarily comprised of African Americans, the REALTIST® organization welcomes all qualified real estate practitioners who are committed to achieving our vision, which is "Democracy in Housing."

DISCLAIMERS

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Message from the President

2025 State of Housing in Black America (SHIBA) Report

Ashley Thomas III, President

National Association of
Real Estate Brokers, Inc.

The 2025 State of Housing in Black America (SHIBA) report reinforces what we have long known, the path to Black homeownership remains obstructed by systemic inequities, policy neglect, and market practices that continue to leave too many of our families behind. Yet, it also marks a pivotal moment for action. As the nation's oldest and largest Black real estate trade organization, the National Association of Real Estate Brokers (NAREB) stands at the forefront of advocacy, not only identifying disparities, but also mobilizing solutions that advance "Democracy in Housing" and the building of Black wealth.

As interest rates begin to decline from near-term highs, home affordability remains out of reach for too millions of Americans. Fifty-seven years after the passage of the Fair Housing Act, the more than 30 percentage-point homeownership rate gap between White and Black households persists and remains unacceptable.Black households continue to face discriminatory lending practices, undervalued appraisals, and limited access to affordable credit. These barriers are not just data points; they are roadblocks to the economic freedom and generational stability our communities deserve.

This year, NAREB renews its call to action. Advocacy is no longer an option; it is our obligation. From city halls to Capitol Hill, NAREB is leading efforts to influence housing policy, promote fair lending, expand down payment assistance, and challenge institutional investors who strip opportunities from first-time buyers. Through our *Closing the Gap: Advocacy, Affordability, and Access* campaign, NAREB stands shoulder to shoulder with the community, fighting for policies, resources, and the restoration of hope in neighborhoods too often left behind.

The 2025 SHIBA report is both a mirror and a map. It reflects the realities we face; it also points us toward the future we must build. A future where every Black family has a fair chance at homeownership and the wealth that accompanies it. Together, with courage and commitment, NAREB will continue to stand as the voice, the advocate, and the movement for equitable housing in America.

Black Homeownership is the Foundation of Black Wealth. Our advocacy ensures its future.

Introduction and Executive Summary

The housing market continued to struggle in 2024, marking the third consecutive year of declining loan applications and originations. Although the economy remains relatively strong, with stable inflation and the Federal Reserve's expectation of rate cuts, hopes for a rebound in 2025 have largely faded.

Instead, the broader U.S. economy has entered uncharted territory. Steep tariffs imposed on trading partners worldwide are expected to lead to higher prices for consumers and businesses through the end of this year and into the next. Deficit spending has risen to levels never seen before, raising concerns about long-term fiscal sustainability.

The stock market has reached new highs repeatedly this year. However, because nearly half of the market's gains are concentrated in the seven fastest growing technology and streaming firms,the so-called Magnificent Seven, many analysts are increasingly worried about a stock market bubble. Inflation remains stubbornly above the Federal Reserve's 2 percent target, even though signs of slowing growth and potential unemployment increases suggest a need for rate cuts, risking stagflation if easier credit conflicts with rising tariffs.

The bond market has experienced instability, with yields fluctuating sharply as deficits rise. The dollar, which has been declining for years, has fallen another 10 percent since January, putting additional upward pressure on Treasury yields and increasing deficits. Meanwhile, the dollar's global influence continues to wane as countries shift toward increasing gold reserves and adopting alternative settlement systems. An unexpected response by some key U.S. policymakers to address the declining dollar is the use of dollar-backed stablecoins to restore confidence.

At the same time, corporate debt carries its own risks, with nearly $2 trillion in bonds issued at near-zero rates approaching refinancing at today's higher yields.

Taken together, these overlapping pressures—tariffs, deficits, stock market concentration, inflation risks, bond market volatility, dollar weakness, and evolving crypto policy—highlight how unusual and uncertain today's economic environment has become. This situation creates challenges in understanding the outlook for the home mortgage market that are greater than any in recent memory.

With so many moving parts in the economy, accurately estimating economic growth, home construction costs, inflation, unemployment, and Federal Reserve actions is nearly impossible. Consequently, predicting market conditions for the next year—such as home prices, mortgage interest rates, loan demand, lending channels, and the availability of federally backed mortgage credit—is currently not feasible.

References: Full citations for all references accessed or mentioned in the Introduction and Executive Summary are listed as endnotes in the full sections of the reports below.

As a result, this year's report explores a broader range of specific issues affecting the economy in greater detail than previous reports, aiming to serve as a guide to key topics to better understand potential future market trends.

Other issues highlighted in this report includethe prospects for the privatization of Fannie Mae and Freddie Mac;ongoing appraisal bias against Black homeowners and within Black communities;the disproportionate negative impact of rising unemployment on Black women; the growing influence of institutional investors in the single-family housing market and their effect on housing affordability, particularly in Black communities; and the rising challenges to access affordable homeowners' insurance and the potential impact on future homeownership.

OUR NEW HOME 2025

As always, however, the principal focus of this report remains the analysis of the latest Home Mortgage Disclosure Act (HMDA) data, specifically for the previous calendar year (herein, 2024). The report uses HMDA data because it is the most comprehensive and detailed publicly available dataset on mortgage lending in the U.S.

To provide context for 2024 data, this analysis reviews the overall housing market conditions through 2024 and the first half of 2025, focusing on trends in home prices, interest costs, and mortgage availability.

Disclaimer: The writing of the economic analysis in this report began in July 2025. Therefore, the sharp and unexpected second-quarter GDP revision of 3.8 percent, released in September, is not reflected in this analysis. That strong performance was probably a distortion of economic output caused by importers front-loading purchases to avoid new, higher tariffs. As a result, the absence of more recent GDP estimates does not fundamentally alter the overall trends in the U.S. economy or the cautious outlooks outlined below.

Economic Growth and Inflation

Growth has decelerated significantly: gross domestic product increased by 2.4 percent in 2023, fell to 2.0 percent in 2024, and is expected to be just 1. 5 percent in 2025 (CBO, 2025). Inflation remains persistently high. The Consumer Price Index has remained near 3 percent, while the Producer Price Index surged above expectations in mid-2025 (Bureau of Labor Statistics, 2025). Analysts pointed out that many new tariffs took effect in August, are likely to put additional pressure on the economy (Associated Press, 2025).

Labor Market Performance

After appearing solid early in the year, labor conditions weakened sharply by mid-2025. Job growth slowed to just 73,000 in July, well below forecasts, and earlier months were revised downward (Reuters, 2025). The unemployment rate nudged higher, long-term unemployment increased, and labor force participation declined. Income disparities remain: White households report nearly $89,050 in median income, while Black households earn about $56,490 and Hispanic households $65,540 (U.S. Census Bureau, 2024).

Disproportionate Economic Impact on Black Women

Black women are experiencing sharper economic setbacks during the current labor slowdown compared to most other groups. The U.S. Bureau of Labor Statistics reported that, while overall unemployment remained relatively low through mid-2025, joblessness among Black women increased more quickly. At the same time, pay inequality persists: the Economic Policy Institute found that in 2024, median wages for Black women were about seventy percent of those for White men, amounting to nearly nineteen thousand dollars less each year.

The Institute for Women's Policy Research has shown that in some states, the gap is even wider, with Black women earning as little as sixty-five cents for every dollar earned by White men. Media outlets are also highlighting this trend. Essence noted that Black women's unemployment returned to pandemic-era levels in summer 2025, while Forbes and Axios noted that wage gaps and federal workforce cuts are worsening the crisis for this group.

Ballooning Stock Market Markets

All three major U.S. stock market indices reached record highs in mid-2025, driven by solid technology earnings. However, there are significant underlying risks. Margin debt (i.e., borrowing to buy stocks, exceeded $1 trillion—higher than levels before the 2000 dot-com crash and the 2008 financial crisis (The Wall Street Journal, 2025). The "Magnificent Seven" tech firms now make up more than one-third of the S&P 500, a concentration identified by the European Central Bank (2024) as a potential threat to global financial stability. The stock market has hit new highs, and the concentration of holdings in a small group of stocks has persisted into fall 2025.

Tariffs and Trade Policy

Tariffs are the primary source of uncertainty for the near-term U.S. economy. On April 6, 2025, dubbed "Liberation Day," the administration imposed broad duties, with some rates reaching up to 60 percent. India, which supplies about 40 percent of U.S. generic medicines and is now the largest iPhone exporter to America, has been heavily impacted (U.S. Food and Drug Administration, 2024; Bloomberg, 2024). Meanwhile, Japan, Korea, and Brazil also face higher tariffs on autos, electronics, and agricultural products (Office of the U.S. Trade Representative, 2025).

Ironically, while China was initially the main focus of U.S. trade concerns, its current effective tariffs are lower than those of some of its allies. According to reports from Reuters and the Financial Times in August 2025, some Chinese goods are imported at pre-Liberation Day tariffs, and some key imports are exempt from tariffs. Since China remains a major U.S. trading partner, this partial exemption has likely reduced inflationary impacts, helping explain why consumer prices haven't risen even more.

Corporate Earnings

Earnings have remained fairly steady, but sector differences are evident. Technology and services continue to perform well, while energy profits declined by 19 percent and materials by 12 percent year-over-year in Q2 2025 (Investing.com, 2025). Automakers and electronics companies have lowered their forecasts due to higher input costs from tariffs and weaker global demand.

Debt, Fiscal Strain, and Evolving Significance of Cryptocurrencies

U.S. deficits are increasing. The CBO projects deficits near 7 percent of GDP by 2035, with net interest costs already surpassing defense outlays (CBO, 2025; Committee for a Responsible Federal Budget, 2025). Credit rating agencies have downgraded U.S. debt three times since 2011, most recently Fitch in August 2025. Bond markets have reflected this unease through volatile yield swings (Reuters, 2025).

China has reduced its Treasury holdings to $756 billion, the lowest since 2009, while Japan and the U.K. have increased their relative holdings (U.S. Treasury, 2025). Further, U.S. corporations also face a $1.8 trillion "maturity wall" in bonds due by 2026 (S&P Global, 2025).

Dollar dominance, long a cornerstone of U.S. global power, is showing signs of weakening. The IMF reports the U.S. dollar's share of world reserves has fallen below 58 percent, down from 65 percent in 2010. Factors include the use of sanctions, China's efforts to internationalize the yuan, and diversification by central banks into gold. Bloomberg (2025) reported that the dollar index declined nearly 10 percent in the first half of 2025.

Most public debate about digital money has centered on Bitcoin, but the real story might be "stablecoins." Each token is intended to represent one U.S. dollar, and at least one key federal officialhas suggested they could be a means to support demand for the dollar. But stablecoins have already shown to be less than stable: the collapse of TerraUSD in 2022 wiped out over $40 billion, and even reserve-backed USD Coin briefly lost its peg during the Silicon Valley Bank failure in 2023. Relying on them to support the world's most trusted currency could create more vulnerability than strength.

Housing Market and Mortgage Rates

Housing affordability is at record lows. Harvard University's Joint Center for Housing Studies (2025) reports prices up 60 percent since 2019, with mortgage rates near 7–8 percent. Treasury yields, rather than Fed rate cuts, are now driving mortgage costs, pushing the average monthly payment to $2,570. First-time buyers accounted for just 24 percent of the market, with the average age rising to 38 in 2024.

Wealth and Economic Inequality

Inequality remains deeply embedded. Data from the Federal Reserve reveal that the top 1 percent owns 31 percent of U.S. wealth, exceeding what the bottom 90 percent collectively hold. The top 0.1 percent alone control 14 percent, while the bottom half owns only 2.5 percent (Federal Reserve, 2024). The Institute for Policy Studies (2023) found that the three wealthiest Americans have more wealth than the combined total of the bottom 50 percent. Racial wealth disparities are still significant: median White household wealth is ten times that of Black households (Federal Reserve, 2023; Darity, 2023).

Mortgage Credit Availability

In 2024, mortgage credit availability remained tight due to higher home prices and increased interest rates. The Mortgage Bankers Association's credit availability index ended the year at 96.6, well below its 2019 peak of 189.8 and still under its benchmark level of 100 in 2012. Lending standards became stricter across the market, with the median FICO score at origination for purchase loans rising from 741 in 2019 to 748 in 2024. For first-time homebuyers, agency loans required a median score of 724 in 2024, up from 712 in 2019.

These stricter standards reflect both regulatory caution and lender risk aversion in a market still adjusting to pandemic-era volatility and inflation-driven rate hikes. Despite a modest increase late in the year, credit access remained significantly more limited than in the years preceding the pandemic, constraining opportunities for lower-wealth and first-time borrowers, especially households of color, who were disproportionately affected by higher borrowing costs.

Credit Scoring and Related Risk Assessment Modifications

Credit scoring remains a key barrier to mortgage access, with both FICO and VantageScore systems significantly influencing eligibility and pricing. Traditional FICO models focus heavily on payment history and debt utilization, while newer versions like FICO 10T and VantageScore 4.0 include trend data and rental payments. FHFA approved the use of these updated models in 2022, with implementation timelines extended into 2024 to align with bi-merge reporting requirements.

Early assessments indicate a minimal impact on overall eligibility, although borrowers with shorter credit histories may see slight improvements. Despite these adjustments, racial disparities continue: the median VantageScore for Black consumers in 2022 was 643, compared to 729 for White consumers, with 39 percent of Black consumers classified as subprime. Since traditional loans often require scores of at least 620, many Black households remain excluded from affordable financing, perpetuating structural inequities that modernized scoring systems have yet to fully resolve.

Racial Disparities in Credit Scores and Banking Access

Credit scoring inequities reflect deeper racial wealth and income gaps. FHFA data show that from 2013 to 2021, Black borrowers had a median mortgage credit score of 691 compared to 740 for White borrowers. In 2023, the median FICO score for Black mortgage borrowers was 698, trailing White borrowers by 56 points. This divide is compounded by unequal access to financial services: in 2024, 13 percent of Black households were unbanked versus 3 percent of Whites.

Bank branch closures have disproportionately impacted Black neighborhoods, with majority-Black tracts losing 6.6 percent of their branches between 2020 and 2023. These “bank deserts” force many households to rely on alternative financial products like payday or pawn loans, which are costly and not included in credit reports, perpetuating cycles of debt. Additionally, 14 percent of Black consumers remain credit invisible, compared to 9 percent of Whites, limiting access to mainstream mortgages and worsening generational disadvantages.

Automated Underwriting Systems (AUS)

Automated underwriting systems (AUS), designed to offer race-neutral credit assessments, still produce unequal results for Black borrowers. Systems like Fannie Mae’s Desktop Underwriter, Freddie Mac’s Loan Product Advisor, and FHA’s TOTAL Scorecard depend on debt-to-income ratios, credit history, and loan-to-value ratios—factors that subtly reflect deep-rooted structural inequalities.

In 2024, only 70 percent of Black applications assessed through AUS were approved, with 68 percent resulting in closed loans, compared to 81 percent for White applicants. Recent efforts by FHA, Fannie, and Freddie to include positive rental payment history and cash flow data into their models have improved outcomes for some first-time buyers. However, these changes remain modest: as of August 2024, only about 6,000 applications had been accepted based on rental history data. While AUS innovations show promise, the ongoing reliance on traditional financial metrics continues to sustain the racial disparities observed in mortgage results.

Fannie Mae and Freddie Mac Pricing

The guarantee fees and loan-level pricing adjustments (LLPAs) charged by Fannie Mae and Freddie Mac continue to be a significant obstacle for borrowers with lower wealth and credit scores, disproportionately affecting Black households. In 2024, average G-fees ranged from 64 to 65 basis points, much higher than in 2011–2012, which increased Enterprise earnings despite lower loan volumes.

Recent FHFA reforms removed some fees for low-income, first-time homebuyers while increasing them for riskier categories like high-balance or cash-out loans. However, risk-based LLPAs still penalize small down payments and lower credit scores, conditions more common among Black borrowers. In 2024, 71 percent of GSE loans to Black borrowers had loan-to-value ratios above 80 percent, compared to 47 percent for White borrowers, significantly raising costs. Median closing costs as a percentage of loan balances were also higher for Black than White borrowers. Although pricing grids are officially race-neutral, their design perpetuates systemic disadvantages in wealth, credit history, and savings.

Unwinding Conservatorship: The Future of Fannie Mae and Freddie Mac

Fannie Mae and Freddie Mac, the government-sponsored enterprises (GSEs) responsible for backing nearly half of U.S. residential mortgages, remain under federal conservatorship more than 15 years after the 2008 financial crisis. Though they drew a combined $187.5 billion in emergency support, they have since repaid over $340 billion to the U.S. Treasury in the form of dividends. Despite this surplus, the Net Worth Sweep—an arrangement instituted in 2012 that redirects nearly all GSE profits to the federal government—has prevented them from building capital or exiting conservatorship.

Investor pressure to "recap and release" the GSEs has intensified. Hedge funds such as Pershing Square and advocacy groups like Investors United for GSE Reform argue that the GSEs should return to private control through a phased public offering. In 2025, the Trump campaign renewed plans for a GSE IPO, with reports from The Wall Street Journal and Bloomberg indicating an initial sale of 5%–15% equity is under consideration.

However, housing advocates and financial analysts continue to raise significant concerns. Experts from institutions like Stanford's SIEPR and PIMCO warn that privatization could raise mortgage costs by increasing guarantee fees, widening MBS spreads, and shifting risk to borrowers. Groups such as the National Urban League and OurFinancialSecurity.org argue that transitioning GSEs to fully private entities could erode access to credit for low-income and minority borrowers.
A recurring theme from the Urban Institute's 2013 housing finance reform series remains relevant: privatization introduces a profit motive that could conflict with the GSEs' public mission. As of mid-2025, the GSEs are undercapitalized relative to FHFA benchmarks, and IPO plans remain speculative. Without codified affordability mandates and structural protections, reform may serve investors but undercut the original purpose of a national housing finance infrastructure: broad, stable access to homeownership.

Appraisal Bias Against Black Homebuyers and Communities

The National Association of Real Estate Brokers' 2024 report, Home Appraisals in Black and White: Disparities in Estimated Valuations of Homes by Neighborhood Racial Composition, highlights how appraisal bias continues to suppress home values in Black communities. This bias originated from federal housing policies of the 1930s, when the FHA and HOLC mandated discounts for properties in Black neighborhoods, embedding racial devaluation into appraisal standards. Decades of research, starting with Dean Rusk's work at the Brookings Institution, have consistently demonstrated undervaluation of comparable Black homes.

NAREB’s study resents a groundbreaking finding: as the proportion of Black buyers rises in any neighborhood, appraised values tend to decrease—regardless of whether the neighborhood is predominantly Black or White. The report also explores contract price underestimates, where appraisals come in below the agreed sale prices, leading to higher down payments, increased interest rates, or failed transactions. These findings collectively confirm that appraisal bias is systemic, persistent, and continues to hinder Black wealth-building and access to homeownership.

Investor Participation in the Single-Family Housing Market

Institutional investors have quickly increased their presence in the U.S. single-family rental (SFR) market, accounting for about thirty percent of all SFR home purchases by early 2025, up from just nineteen percent in 2019. Although they still hold a relatively small share of the total single-family rental stock—around five percent—their significant influence is most evident in competitive price tiers and rapidly growing metro areas. Using bulk purchases, cash offers, and vertically integrated business models, these companies are transforming the country's housing landscape.

Investor activity has been focused on lower-income and majority-Black neighborhoods, especially in Southern and Sun Belt cities like Atlanta, Memphis, and Charlotte. Studies from the Philadelphia Federal Reserve and Brookings Institution confirm that institutional ownership is associated with steeper rent hikes and higher eviction rates in these communities. These patterns mirror historical redlining and leverage racial wealth gaps, replacing exclusionary credit denial with targeted rental extraction.

Perhaps the most concerning consequence is the crowding out of first-time buyers. Institutional investors often outbid individual households with cash offers and waived contingencies, especially in the sub-$300,000 market. According to Harvard and NAR data, homeownership rates among young and minority buyers are decreasing, while renter burdens are increasing. The result is a transfer of wealth from aspiring homeowners to financial firms—posing serious risks for economic mobility, equity, and the future of homeownership in America.

Homeowner Insurance and the Future of Mortgage Affordability

Homeowners insurance, once a routine cost of ownership, has become a major hurdle for U.S. housing affordability. All key federal programs — including Fannie Mae, Freddie Mac, FHA, VA, and USDA — require ongoing hazard insurance, and private lenders have similar standards. Without coverage, homes can't be financed, and lapses can lead to expensive “force-placed” insurance.

Premiums have risen across the country. The National Association of Insurance Commissioners reported increases of over 10 percent in 2022, and Bankrate found that by 2025, the average annual premium had reached $2,397 — more than 50 percent higher than five years earlier. In high-risk states like Louisiana, Nebraska, and Florida, the average yearly cost surpasses $5,700, or over $500 per month. Meanwhile, major insurers including State Farm, Allstate, and Farmers have reduced or exited some markets, leaving state-run insurers of last resort to step in.

The causes are complex: increasing climate disasters, higher reinsurance costs, rising construction expenses, and, in states like Florida, litigation pressures. States have responded in different ways: Florida with litigation reform and mitigation grants, California with catastrophe modeling and expansion of the FAIR Plan, and Louisiana with incentives and roof fortification programs. Colorado has recently introduced its own FAIR Plan. At the federal level, FEMA provides disaster relief but lacks an affordability policy. Without coordinated efforts, homeowners' insurance could become a major barrier to homeownership.

NAREB Policy Priorities and Recommendations

1. Limit Institutional Investor Dominance in the Single-Family Housing Market

While investors have long been involved in multifamily housing finance, their recent shift into single-family properties after the 2008 foreclosure crisis has changed the market. Supported by Wall Street capital, institutional buyers use stronger cash offers that push out mortgage-dependent families, especially in low- and moderate-income and Black communities. NAREB advocates for limits on bulk purchases, transparent reporting of investor transactions, and expanded financing options—such as rehabilitation and single-time construction loans—to help families compete.

2. Modernize Lending Guidelines to Promote Fair Access

Outdated underwriting rules unfairly impact Black borrowers in community property states. FHA requires lenders to include a spouse’s debt when qualifying, but not their income, a practice that is inconsistent with conventional lending. NAREB urges FHA to align its guidelines with those of the conventional market so that spousal obligations are handled uniformly across federal agencies and states to improve access to credit.

3. End Appraisal Bias

For decades, research has shown that homes in Black neighborhoods are undervalued compared to similar properties in White neighborhoods. NAREB’s 2024 Home Appraisals in Black and White report reveals a deeper bias: appraisals decline most sharply in neighborhoods with large numbers of Black borrowers in both Black and White neighborhoods. NAREB urges federal agencies to continue scrutinizing ways to improve the accuracy of home appraisals, increase transparency in automated valuation models, and adopt standardized fair valuation frameworks to ensure property values truly reflect market conditions rather than racial bias.

HMDA Market Data Highlights

Loan Applications and Originations by Race and Ethnicity

- U.S. mortgage applications declined from 5.9 million in 2021 to approximately 4.0 million in 2024, with originations falling from 4.4 million to 2.9 million. Applications decreased by 1 percent from 2023 to 2024, continuing a nationwide slowdown.

- Applications from Black borrowers declined by 6 percent in 2024 to 318,602 — their lowest point since before 2017. Originations to Black borrowers decreased 4 percent, compared to a tiny 0.1 percent drop for White borrowers.

- Blacks received 7.3 percent of all mortgages in 2024, down from 7.6 percent in 2023, and significantly below their 12 percent share of U.S. households. White borrowers obtained 52.4 percent of all loans.

Conventional vs. Non-Conventional Loans

- Black applications for conventional mortgages fell by 7 percent in 2024, while FHA and other non-conventional applications fell by 6 percent. Despite declines, non-conventional loans still dominated: 59 percent of originations to Black borrowers were non-conventional.

- In contrast, 73 percent of White applicants applied for conventional loans in 2024. Whites made up 57 percent of all conventional loan originations and 44 percent of non-conventional originations.

FHA and GSE Patterns

- In 2024, 71 percent of non-conventional applications by Blacks were FHA-insured, even though FHA volume decreased by 5 percent from 2023.

- Applications from Black borrowers were roughly evenly split: about 132,000 for FHA-insured loans versus about 132,000 for conventional loans.

- Only 19 percent of Black loans were acquired by Fannie Mae and Freddie Mac in 2024, compared to 35 percent for Whites. Conversely, 41 percent of Black loans were FHA-insured, while 15 percent of White loans received FHA insurance.

Loan Denial Rates

- Black denial rates in 2024 were 16.5 percent, which is 2.5 times higher than the 6.6 percent for Whites. Conventional denial rates were 16 percent for Blacks and 6 percent for Whites. Non-conventional denial rates stood at 17 percent compared to 9 percent.

- Thirty-seven percent of Black applicants earned at or below 80 percent of AMI, compared to 26 percent of White applicants. Only 32 percent of Blacks earned at or above 120 percent of AMI versus 48 percent of Whites.

- Debt-to-income ratios accounted for 42 percent of Black denials, compared to 36 percent for Whites. Credit history was the second most common reason for Black denials at 19 percent, while insufficient collateral was the second most common for Whites at 18 percent.

Loan Failure Rates

- NAREB's comprehensive "loan failure rate" shows Blacks at 35 percent in 2024 versus 24 percent for Whites.
- Breakdown: 13 percent of Black applications were denied compared to 6 percent of White applications, and 20 percent of Black applications were withdrawn or incomplete compared to 16 percent of White applications.
- Historical trend: Black failure rates have stayed above 30 percent since 2008, reaching the highest during the foreclosure crisis. Whites have consistently experienced much lower rates.

Lender Channels (Banks vs. Nonbanks)

- Banks' share of originations has decreased from 51 percent in 2008 to 31 percent in 2024. Nonbanks increased to 63 percent.

- In 2024, 66 percent of Black applicants used nonbanks compared to 58 percent of White applicants. White applicants were more likely to apply at banks (37 percent vs. 27 percent for Black applicants).

- Origination rates were higher at nonbanks for all groups, but disparities persisted: Whites (77 percent nonbank, 73 percent bank) versus Blacks (66 percent nonbank, 59 percent bank).

- Denials at banks: 21 percent for Black applicants versus 9 percent for White applicants. At nonbanks: 15 percent versus 5 percent. Disparities persisted even among high-income earners (18 percent denial rate for affluent Blacks at banks versus 7 percent for Whites).

Borrower Costs

- Housing affordability in 2024 hit its lowest point since 2002. Borrowers with a 20 percent downpayment spent 32.3 percent of their income on housing, exceeding the 30.9 percent seen during the 2005 bubble peak.

- Thirty-seven percent of Black homeowners with mortgages were cost-burdened (paying more than 30 percent of income), compared to 25 percent of Whites.

- Black borrowers paid a median of $8,481 in upfront costs in 2024, which is 42 percent higher than Whites at $5,982. For FHA loans, Black borrowers paid $11,394 compared to $10,556 for Whites.

- Five percent of Black borrowers received high-cost loans compared to 2 percent of White borrowers. Among Black households, this share was even higher among borrowers, exceeding 80 percent of AMI.

Geographic and Neighborhood Patterns

- Thirty-fourpercent of Black originations in 2024 occurred in low- and moderate-income neighborhoods, which is twice the White share (16 percent).

- Fifty-five percent of Black loans were in minority neighborhoods, compared to twelve percent for Whites.

- Denial rates in predominantly minority neighborhoods were 17 percent for Blacks compared to 8 percent for Whites.

- High-income Black applicants were more likely to be approved in predominantly white neighborhoods, while low-income Blacks had higher approval rates in mainly Black neighborhoods.

Black Female Applicants

- Applications from Black women declined by 6 percent in 2024. Women still made up the majority of Black applicants (39 percent single female, 34 percent single male, 22 percent joint).

- In contrast, White applicants were most often joint (43 percent), with only 20 percent being single females.

- Black women divide their applications equally between conventional and FHA loans (45 percent each). For White women, 76 percent are for conventional loans, and 17 percent for FHA.

- Origination rate: 63 percent for Black women compared to 74 percent for White women. Denial rates: 17 percent versus 8 percent.

- Black women faced higher high-cost loan exposure: 5 percent compared to 2–3 percent for White women.

Black Millennials

- Homeownership gap remained: 33 percent for Black millennials compared to 65 percent for White millennials in 2024.

- Applications from Black millennials declined by 8 percent in 2024, and originations dropped by 5 percent. For Whites, the decreases were only 2 percent and 0.5 percent.

- Origination rates: 66 percent for Black millennials compared to 78 percent for White millennials. Denials: 15 percent versus 5 percent.

- Forty percent of Black millennial denials were caused by DTI, compared to 32 percent for Whites.

- Five percent of Black millennial borrowers received high-cost loans compared to two percent of White borrowers.

- Black millennials are more likely to purchase properties in LMI neighborhoods (37 percent vs. 18 percent) and minority neighborhoods (56 percent vs. 13 percent).

Homeownership and Wealth Inequality

The recent increase in homeownership in the U.S. has paused, as discussed in "The State of the Nation's Housing 2025" by the Joint Center for Housing Studies of Harvard University. The national homeownership rate, which had steadily risen since 2016, declined for the first time in eight years to 65.6 percent in 2024. High interest rates, ongoing rises in home prices, and a chronic shortage of available homes have contributed to this drop.

As we will discuss below, rising homeowner insurance premiums and the withdrawal of insurance companies from many housing markets over the past few years have also discouraged or blocked access to mortgage credit. Zillow reports that, in 2024, the share of first-time homebuyers fell to 44 percent from its 2023 peak of 50 percent.[1]

Housing affordability is at its weakest in decades. Home prices increased by 4.8 percent from January 2024 to January 2025, according to the Federal Housing Finance Agency (FHFA). Harvard's Joint Center for Housing Studies reported that the rise in home prices pushed the median price of a single-family home to $412,500. Mortgage interest rates remain high at seven to eight percent, the highest sustained level since the early 2000s (Exhibit 1). Instead of decreasing with Fed rate cuts, mortgage rates remain high due to elevated Treasury yields. Consequently, the average mortgage payment is now $2,570, requiring an annual income of $126,670. First-time buyers, who now make up only 24 percent of all homebuyers, had a record-high median age of 38 in 2024.

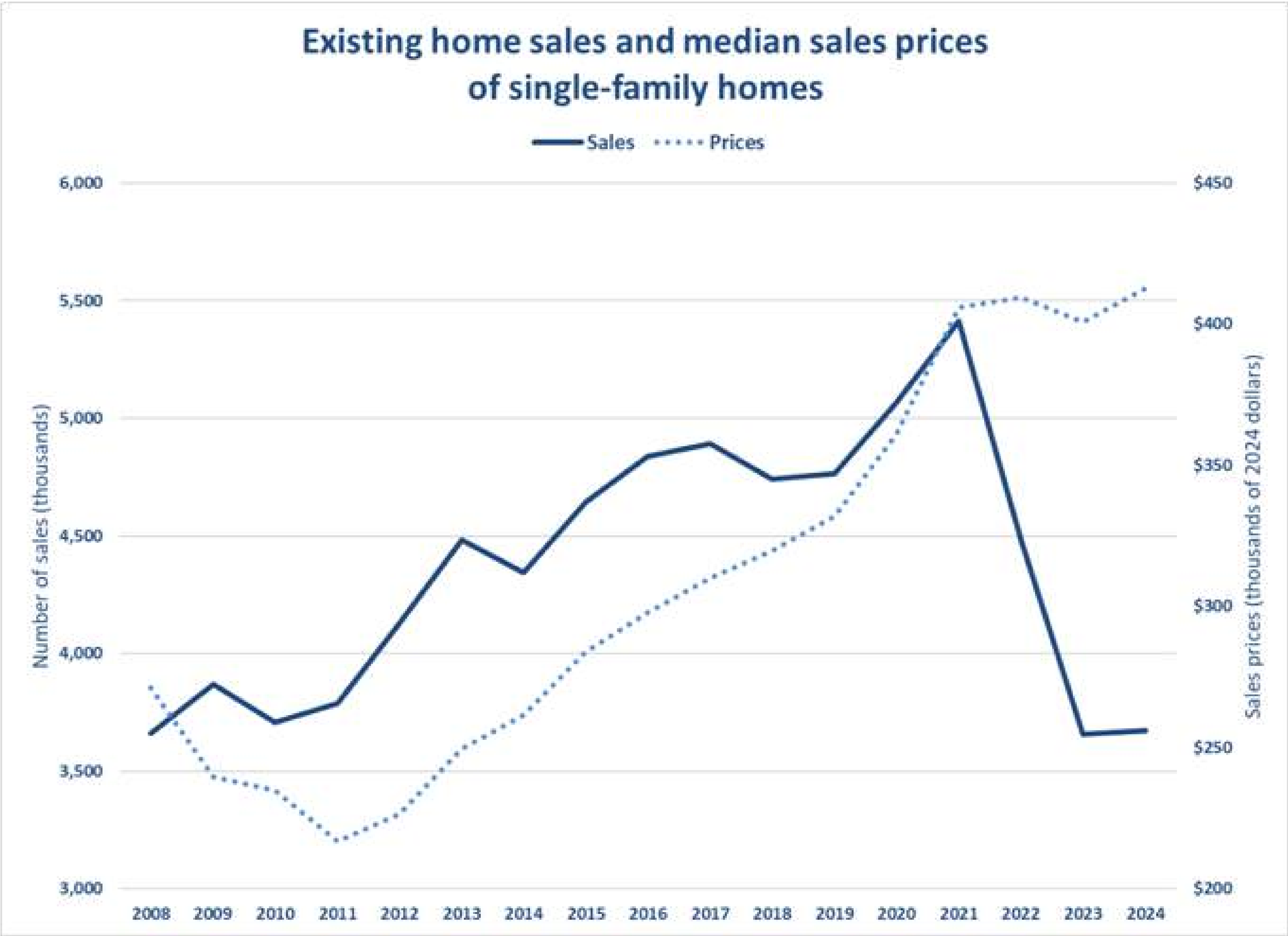
EXHIBIT 1

Source: Data from Freddie Mac. "Primary Mortgage Market Survey®." Available at https://www.freddiemac.com/pmms, accessed July 2025.

Housing supply also lags behind demand. Even though 608,000 rental units were completed in 2024— the most in decades— this fell short of the 849,000 new renter households that year. Home listings remain tight despite a 17 percent increase in inventory in early 2025. The homeowner vacancy rate in the fourth quarter of 2024 was 1.1 percent, still well below the historic norm. The shortage of existing homes, which are typically more affordable than newly built homes and make up most of the housing supply, became especially severe during the pandemic. As mortgage interest rates continue to rise, existing home sales decreased, most likely because many homeowners with much lower interest rates than current rates were not motivated to sell their homes.[2]

In 2024, the sales of existing single-family homes fell 32 percent compared to the peak in 2021, when existing home sales reached 5.41 million (Exhibit 2).

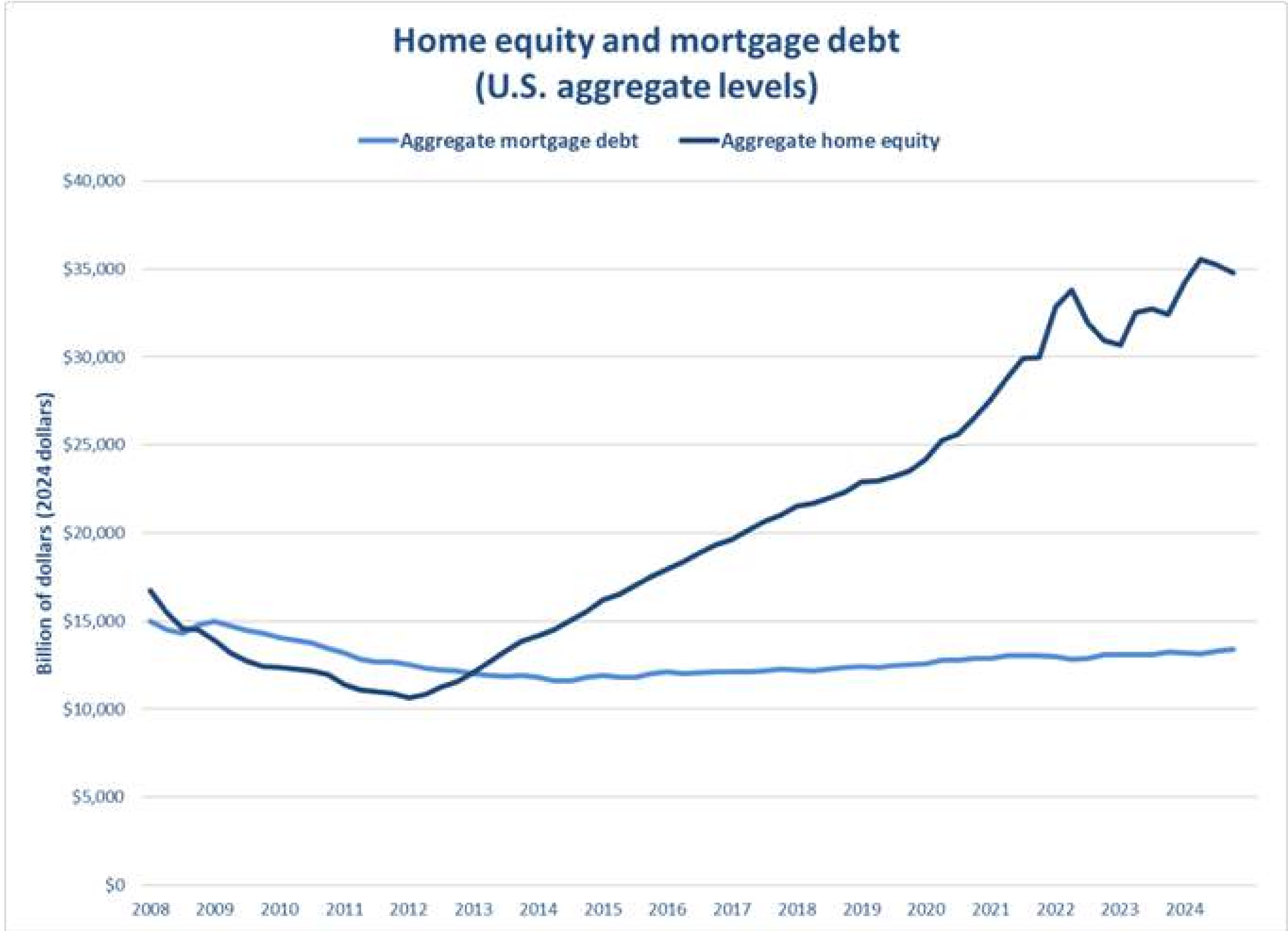
EXHIBIT 2



Source: Compiled with data from National Association of Realtors®, "Median National Sales Price of Existing Single-Family Homes" and "Existing Single-Family Homes." Available in Joint Center for Housing Studies. "The State of the Nation's Housing 2025." Harvard University, 2025, https://www.jchs.harvard.edu/state-nations-housing-2025

Although more homeowners are experiencing financial stress, rising property values have allowed many others to build a considerable amount ofhome home equity. Home equity levels remain near record highs, even with a slowdown in 2024 compared to the previous three years (Exhibit 3).[3]

EXHIBIT 3



Source: Compiled with data from Board of Governors of the Federal Reserve System (US), Households and Nonprofit Organizations; One-to-Four-Family Residential Mortgages; Liability, Level [HHMSDODNS], retrieved from FRED, Federal Reserve Bank of St. Louis, https://fred.stlouisfed.org/series/HHMSDODNS, October2025; Board of Governors of the Federal Reserve System (US), Households; Owners' Equity in Real Estate [OEHRENWBSHNO], retrieved from FRED, Federal Reserve Bank of St. Louis,

In the fourth quarter of 2024, the aggregate homeowner equity was 2.6 times the total mortgage debt of $13.4 trillion nationwide.

CoreLogic indicates that U.S. homeowners holding mortgages represent about 61 percent of all properties nationwide.[4] Additionally, CoreLogic indicates that borrower equity nationwide increased by $281.9 billion in 2024, representing a 1.7 percent increase since the fourth quarter of 2023. At the end of 2024, the average borrower had $303,000 in home equity.[5]

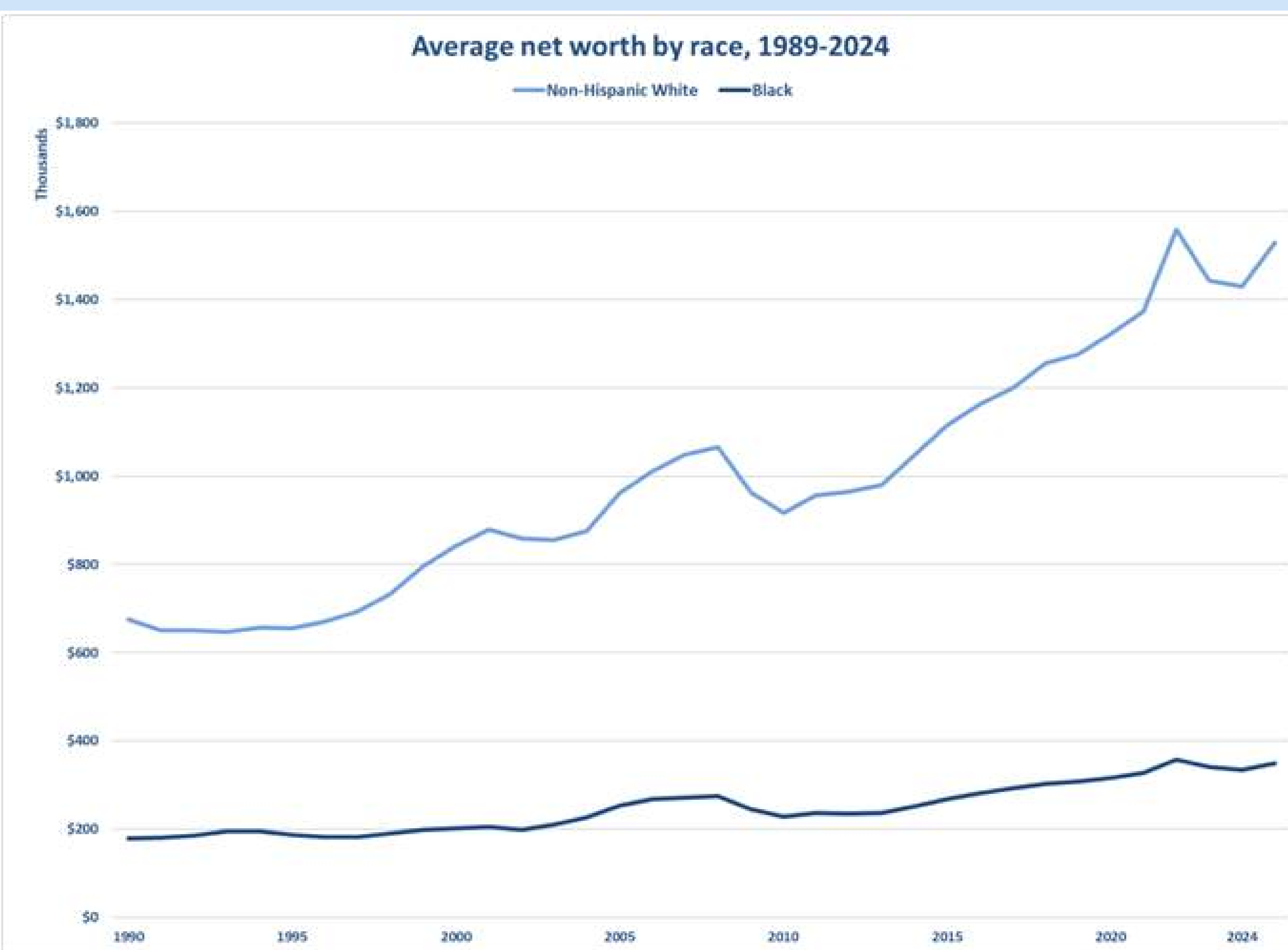
Despite historically high levels of total home equity, the Black-White racial wealth gap continues to exist. Since the 1980s, small improvements in closing this gap, which initially followed civil rights advancements during the 1960s and 1970s, have diminished (Exhibit 4). The increase in average White household wealth has been much faster than the growth in average Black household wealth since the 2008 housing crash.

The persistent wealth gap results from policies enacted during the 1900s that explicitly excluded Black Americans from participating in economic activities and from receiving various federal benefits, especially those related to homeownership, which were mainly accessible to White families. Structural barriers such as lower incomes, higher chances of mortgage denials, and racial segregation prevented many Black families from accessing this crucial wealth-building opportunity.

Financial exploitation of borrowers through predatory subprime loans in the early to mid-2000s led to increased homeownership loss and higher unemployment rates among Blacks during the Great Recession. Since the economic recovery that began in 2009, Blacks have encountered significant and unnecessary barriers to mortgage credit, such as the implementation of GSE adverse impact fees, risk-based pricing, and outdated credit scores. They have also faced ongoing home appraisal bias, rising levels of student loan debt, and more severe economic impacts from the COVID-19 pandemic.

Federal Reserve data on wealth distribution since 1989 indicate that, in the fourth quarter of 2024, the average net worth—the total value of assets minus liabilities—was $1,544,000 for White households, compared to $352,000 for Black households.[6]

EXHIBIT 4

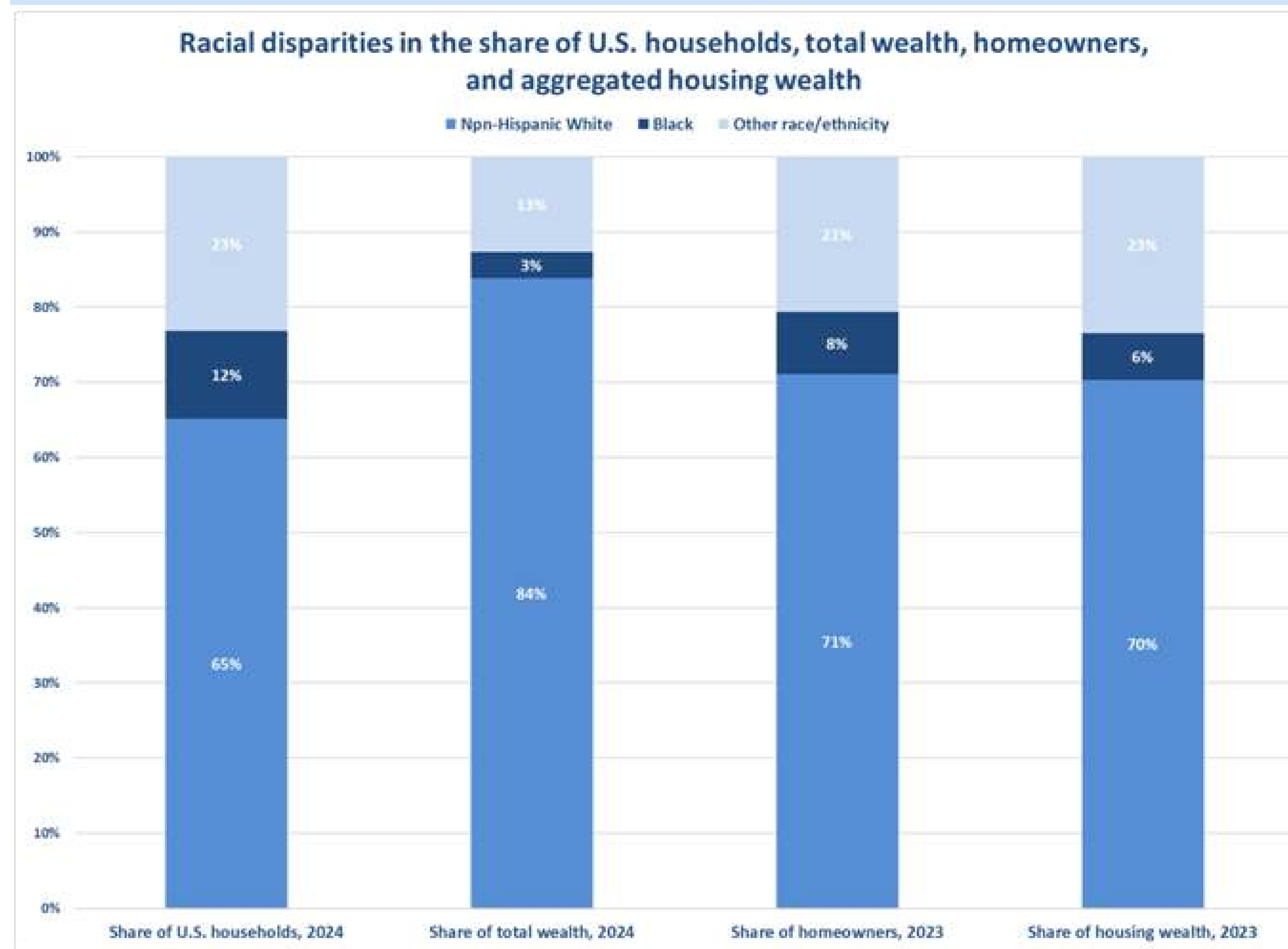


Source: Board of Governors of the Federal Reserve System. "DFA: Distributional Financial Accounts. Distribution of Household Wealth in the U.S. since 1989." https://www.federalreserve.gov/releases/z1/dataviz/dfa/distribute/table/#quarter:138;series:Net%20worth;demographic:race;population:1,3;units:levels;range:2009.1,2023.4. Accessed July 2025.

In 2024, White households held 84 percent of the total U.S. household wealth, even though they made up only 65 percent of U.S. households. Meanwhile, Black households represented just 3 percent of U.S. household wealth but 12 percent of U.S. households (Exhibit 5).

Disparities in household wealth along racial lines are evident in differences in homeownership and housing wealth. According to the 2023 American Community Survey, Black households accounted for 8 percent of homeowners and 6 percent of the total housing wealth in the U.S., despite making up 12 percent of all U.S. households. In contrast, Non-Hispanic White households represented 71 percent of homeowners and held 70 percent of the nation's housing wealth.

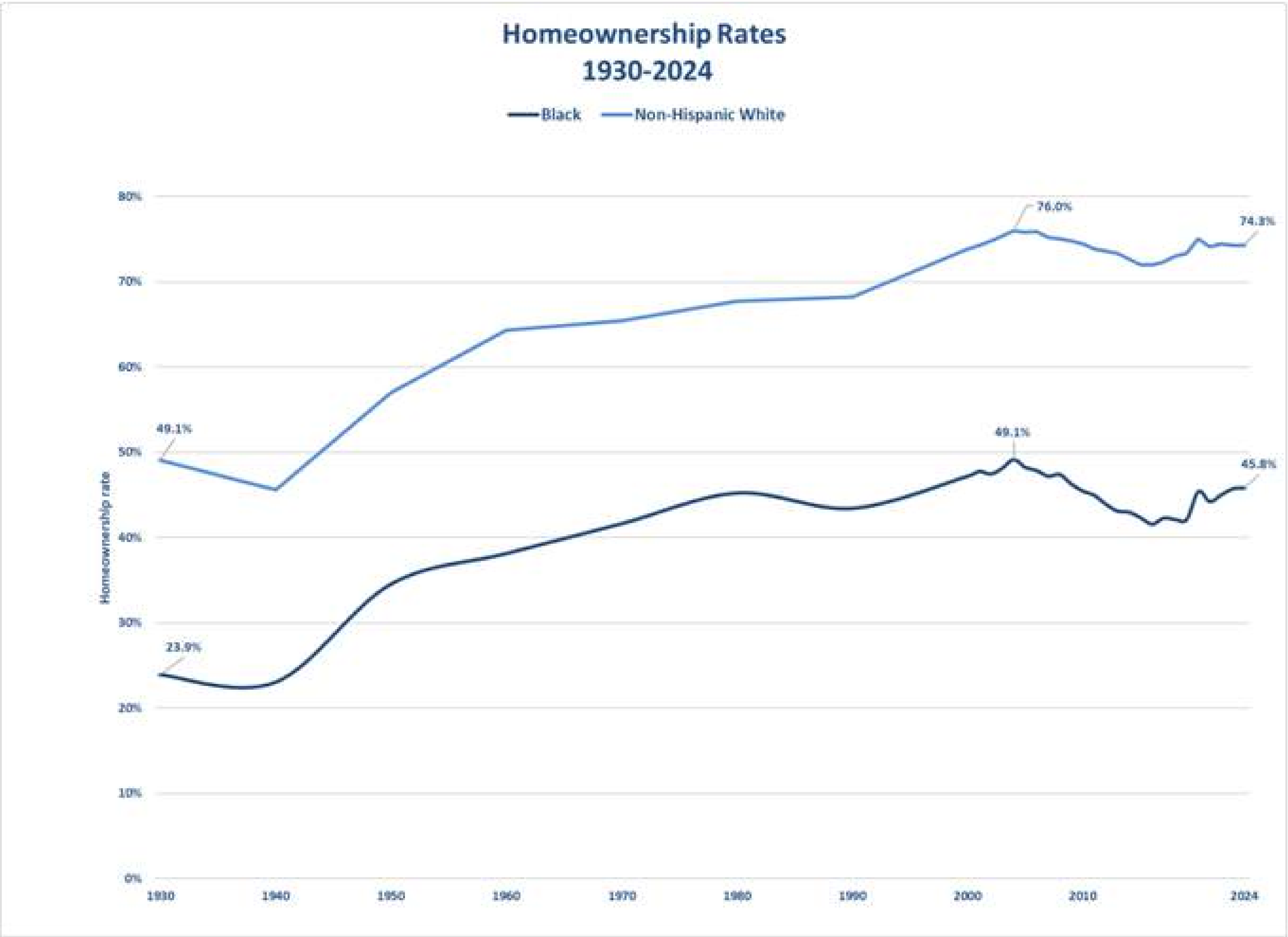
EXHIBIT 5



Source: Compiled with data from Board of Governors of the Federal Reserve System. "DFA: Distributional Financial Accounts. Distribution of Household Wealth in the U.S. since 1989." https://www.federalreserve.gov/releases/z1/dataviz/dfa/distribute/table/#quarter:138;series:Net%20worth;demographic:race;population:1,3;units:levels;range:2009.1,2023.4, accessed July 2025. Steven Ruggles, Sarah Flood, Matthew Sobek, Daniel Backman, Grace Cooper, Julia A. Rivera Drew, Stephanie Richards, Renae Rodgers, Jonathan Schroeder, and Kari C.W. Williams. IPUMS USA: Version 16.0 [dataset]. Minneapolis, MN: IPUMS, 2025, https://doi.org/10.18128/D010.V16.0, accessed July 2025.

Racial disparities in homeownership continue, driven by systemic biases in today's housing finance system. As of 2024, the homeownership rate for Black households was only 45.8 percent, compared to 74.3 percent for White households. Additionally, the Black homeownership rate remains significantly lower than its peak in 2004, when it was above 49 percent (Exhibit 6).

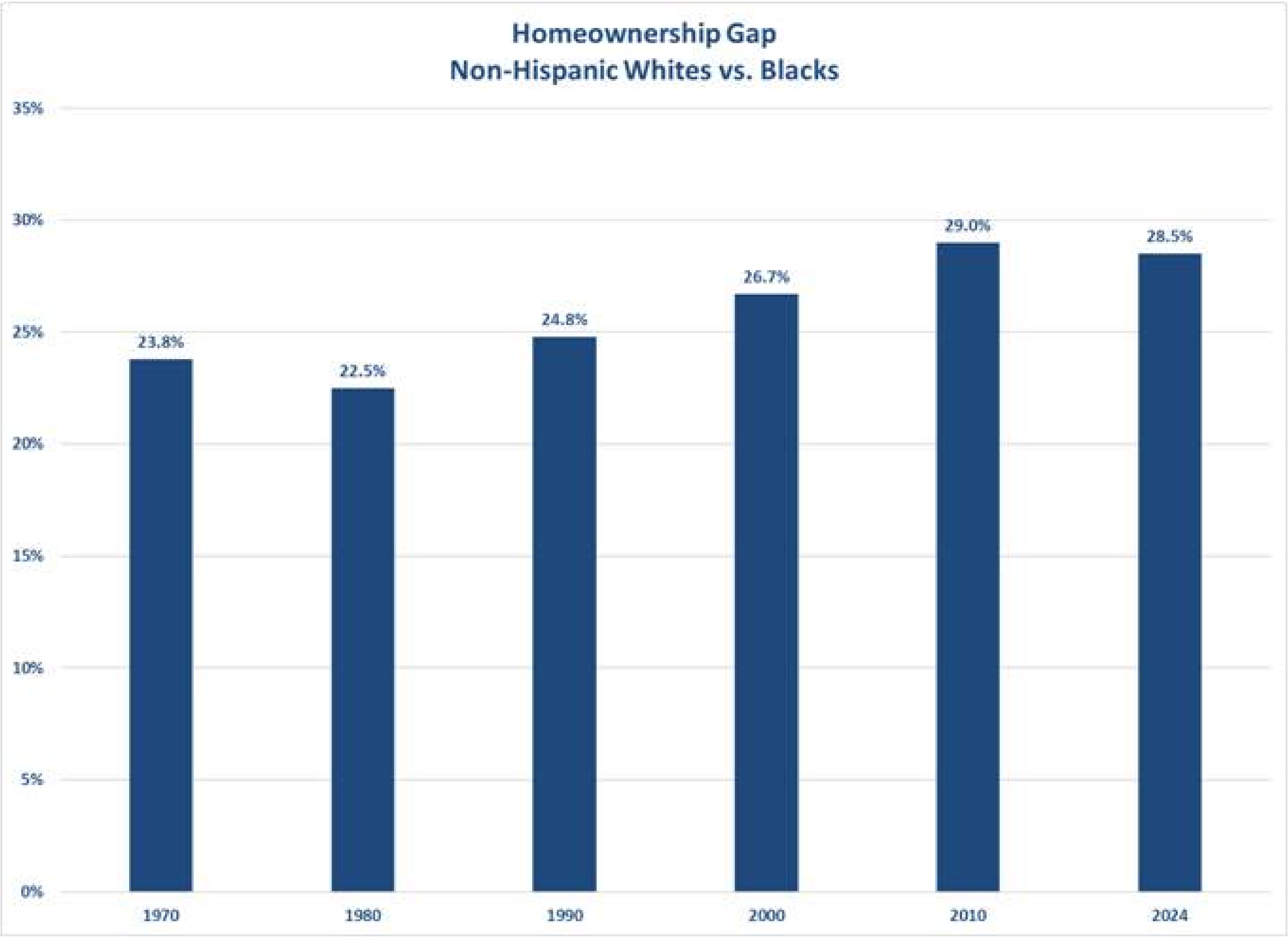
EXHIBIT 6



Source: U.S. Census Bureau. "Housing Vacancies and Homeownership (CPS/HVS)." https://www.census.gov/housing/hvs/data/prevann.html. Accessed July 2025.

Although Black homeownership has gradually increased since the Fair Housing Act of 1968, the gap in ownership rates between Black and White families is now wider than it was over fifty years ago. In 1970, the homeownership gap was 23.8 percentage points, and by 2024, it grew to 28.5 percentage points (Exhibit 7).

EXHIBIT 7



Source: Authors' calculations of data from U.S. Census Bureau. Housing Vacancies and Homeownership (CPS/HVS),https://www.census.gov/housing/hvs/data/histtabs.html. Accessed July 2025.

Research by Myers et al. shows that Black households accumulate less wealth than White households even when they start with the same initial wealth.[7] The gap widens as initial wealth increases. The same study reports that 72 percent of Black households leave a bequest compared to 92 percent of White households, and only 9 percent of Black older households receive inheritances compared to 19 percent of White older households, highlighting ongoing challenges with intergenerational wealth transfers.

As discussed in the 2024 NAREB report "Home Appraisals in Black and White," the undervaluation of homes in Black communities deepens the racial wealth gap. Appraisal bias leads to lower homeownership rates for Black residents and results in smaller returns on their home investments compared to White households.

Furthermore, while homeownership is the primary source of wealth for most households in the U.S., home equity accounts for a larger share of wealth for many Black families, as discussed in last year's SHIBA report. About 65 percent of the median net worth of Black families is invested in home equity, compared to 61 percent for White families. This indicates that White families have a higher level of asset diversification than Black households, even though, on average, White households own significantly more home equity than typical Black households.

White Americans tend to invest a larger share of their wealth in the stock market compared to Black Americans. According to the Survey of Consumer Finances, there is a 20-percentage point gap in stock market participation, and Black households hold 10 percentage points less in equity within their financial portfolios. As a result, they have gained considerably less from stock market growth over the past 40 years. Additionally, Black Americans have faced higher unemployment risks than White Americans since 1980, which limits their ability to invest in higher-risk assets.

White households possess more valuable assets and have access to a wider variety of investments compared to Black households, so the wealth gap between these two groups will likely continue to widen in the foreseeable future.

Review of 2023 HMDA Data

Loan Applications and Originations by Race and Ethnicity

There has been a steady decline in home mortgage applications and originations across the U.S. since 2021, driven by rising mortgage interest rates. The number of applications fell from 5.9 million in 2021 to around 4 million in 2024, while originations decreased from 4.4 million to 2.9 million (Table 1). Additionally, U.S. home mortgage applications and loan originations for purchasing single-family homes declined by 1 percent from 2023 to 2024 (Table 1). In 2024, there were 3.9 million applications and 2.8 million mortgage originations.

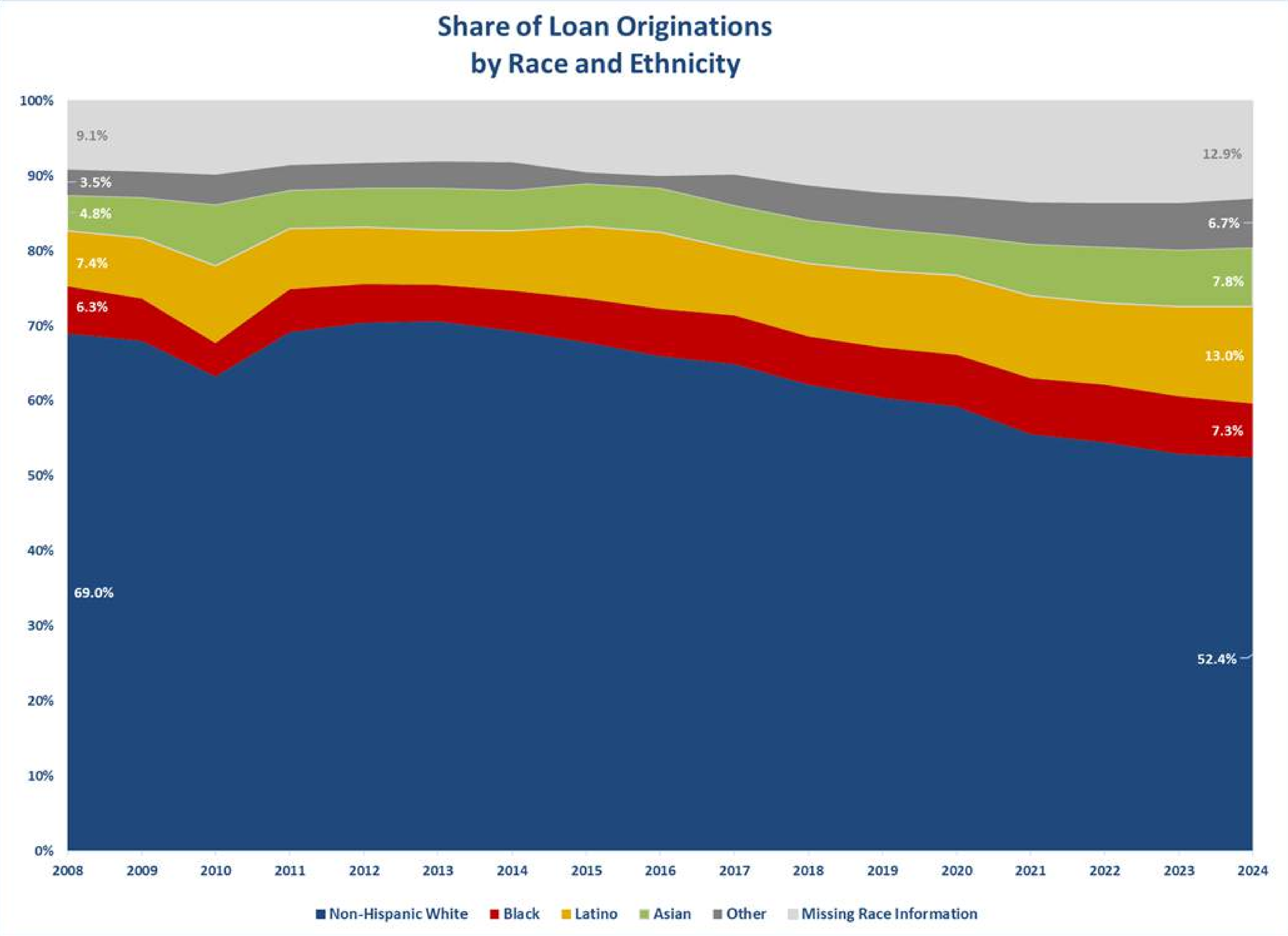
While applications from White and Black applicants declined by 2 percent and 6 percent, respectively, there was an increase in applications from other racial and ethnic groups compared to 2023. The number of applications from Black applicants—318,602—was lower than the totals from 2017 to 2023. Loan originations to Black applicants decreased by 4 percent, while the decline for White applicants was only 0.1 percent. Meanwhile, loan originations increased for all other racial and ethnic groups. Additionally, applications with missing race information dropped by 7 percent, along with a 3 percent decrease in approved loans in this category.

The share of mortgage loans issued to Black borrowers declined from 7.6 percent in 2023 to 7.3 percent in 2024. That figure is only one percentage point higher than during the peak of the 2008 housing crisis, when Black households bore the brunt of the national foreclosure crisis. It also remains significantly lower than the 12 percent of U.S. households that are Black, indicating that Black Americans continue to be underrepresented in the borrowing population.

In 2024, White households received 52.4 percent of all mortgage loans. While this amount is the largest among all racial and ethnic groups, it shows a gradual decline in their overall share of loans. This trend matches the increasing diversity[10] in loan distribution across different racial and ethnic categories, as shown in Exhibit 8.

For more detailed housing data from 2004 to 2007, please consult earlier SHIBA reports that analyze HMDA data.

EXHIBIT 8

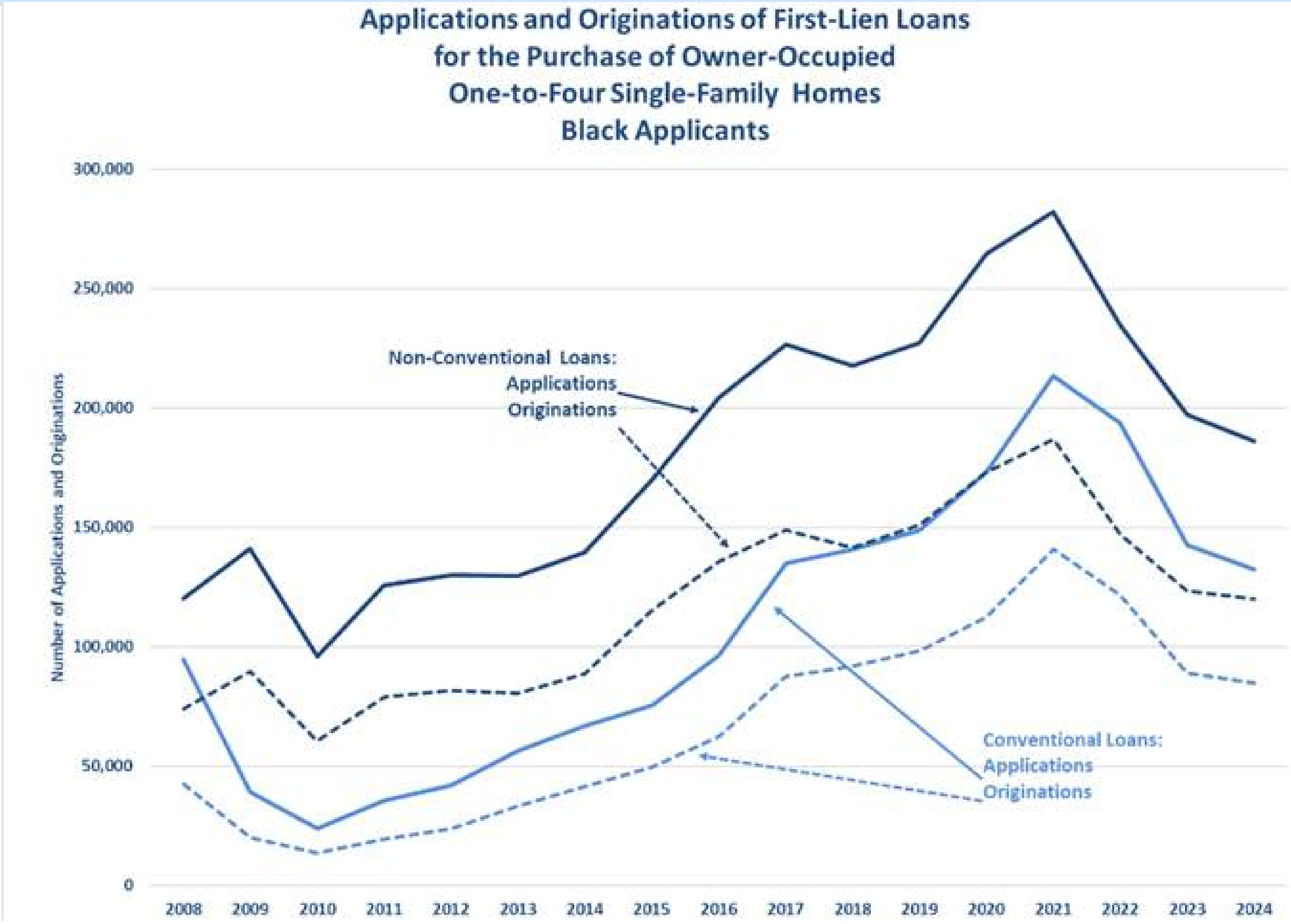


Source: Authors' calculations of HMDA data (2008-2024)

Loan Applications and Originations by Race and Ethnicity

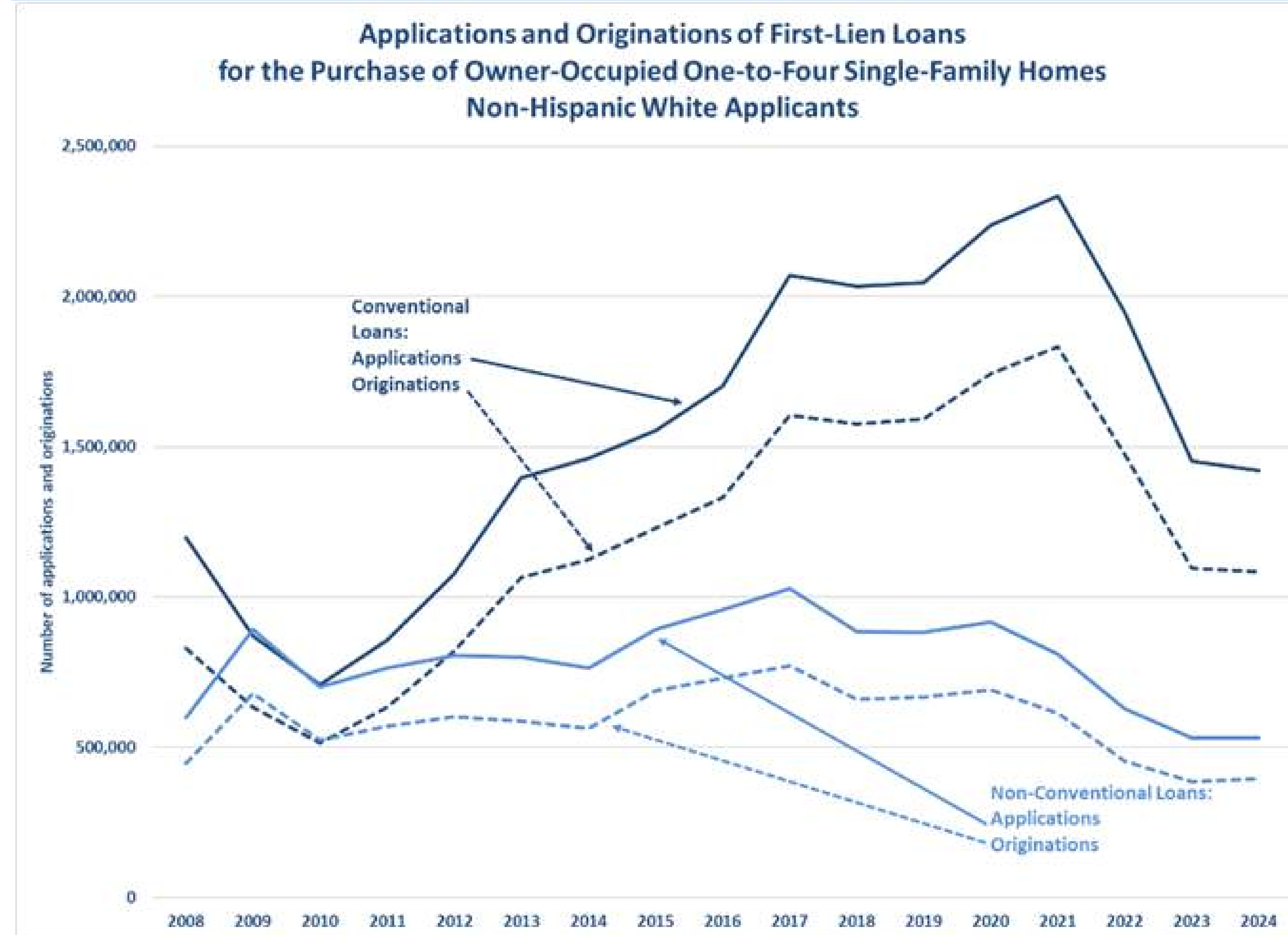
Applications for conventional loans from Black applicants dropped from 142,516 in 2023 to 132,502 in 2024, a 7 percent decrease. This decline continues a downward trend that began in 2022 (Exhibit 9). Similarly, applications for non-conventional loans decreased by 6 percent. Nevertheless, applications for non-conventional loans still outnumber those for conventional products.

EXHIBIT 9



Source: Authors' calculations of HMDA data (2008-2024)

EXHIBIT 10



Source: Authors' calculations of HMDA data (2008-2024)

Similar to the trends seen in applications, loan originations to Black borrowers decreased in 2024 compared to the previous year. Conventional loan originations fell by 5 percent, while non-conventional loan originations to Black borrowers declined by 3 percent.

In 2024, 59 percent of loan originations to Black borrowers were non-conventional products, although Black borrowers accounted for only 13 percent of all recipients of non-conventional loans. The gap between conventional and non-conventional loans to Black borrowers continued to grow between 2023 and 2024 (See Exhibit 9 and Tables 2 and 3 for more detail).

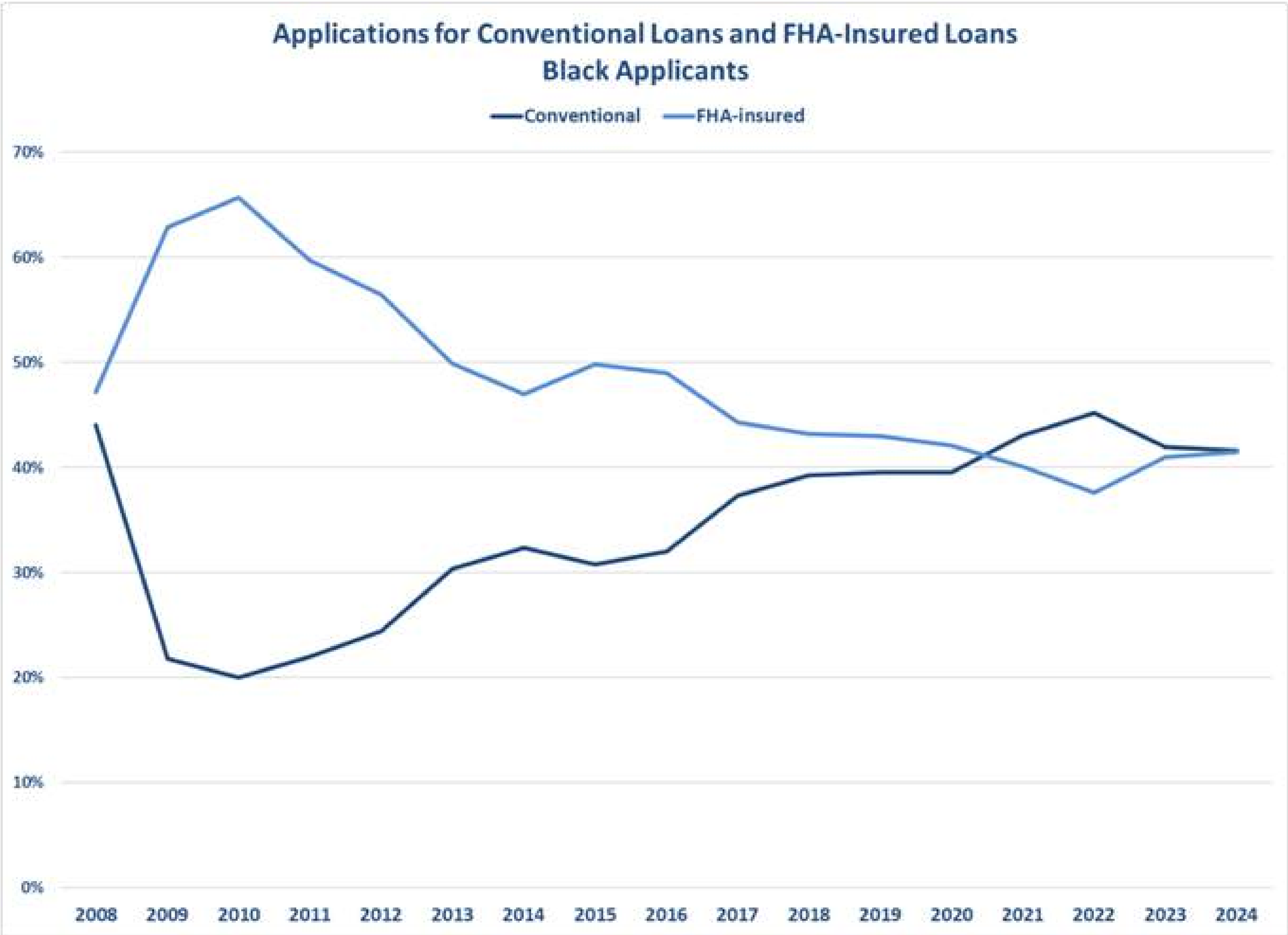
In 2024, as in previous years, most loan applications from White homebuyers were for conventional loans, making up 73 percent of all applications. White applicants accounted for 57 percent of all conventional loan originations and 44 percent of non-conventional loan originations during that year. The gap between conventional and non-conventional loans for White applicants has grown wider since the 2008 housing crisis, as shown in Exhibit 10. However, 2024 also saw a continued decline in loan originations for White borrowers across both loan types, with a smaller difference between conventional and non-conventional loans for this group.

FHA-insured and GSE loans

As discussed in last year's NAREB report, from 2021 to 2023, applications for conventional loans submitted by Black applicants exceeded those for FHA-insured loans. The decline in applications for FHA-insured loans was related to several factors, including the reduced share of FHA loans issued by major banks due to stricter enforcement of the False Claims Act, concerns about liability in FHA servicing, and the availability of conventional loans requiring only a 3 percent down payment through Fannie Mae and Freddie Mac. The migration of borrowers from FHA to the conventional market was also driven by higher mortgage insurance costs for FHA-insured loans following the financial crisis, when the FHA increased its mortgage insurance premiums to improve its financial stability.[8]

In 2024, 71 percent of loan applications from Black applicants for nonconventional loans were for FHA-insured loans. The total number of applications for these loans declined by 5 percent compared to 2023, but the gap between FHA-insured and conventional loan applications nearly disappeared, reversing the trend from the previous three years. The volume of applications from Black applicants for both conventional and FHA-insured loans in 2024 was approximately 132,000 each (Exhibit 11).

EXHIBIT 11



Source: Authors' calculations of HMDA data (2008-2024)

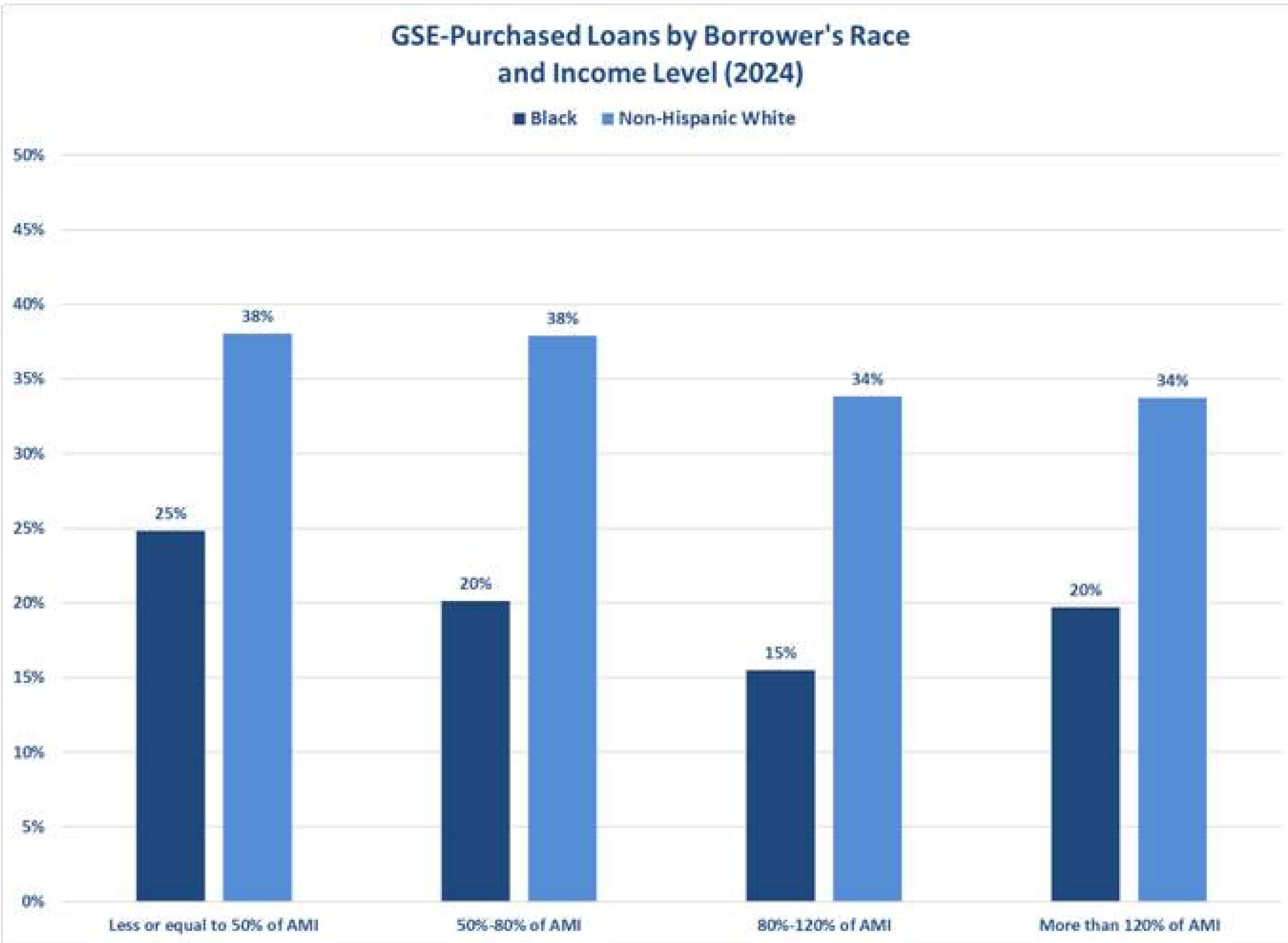
Revisions to the GSEs' loan-level pricing adjustments introduced in 2023 aimed to enhance the pricing support for many qualified first-time homebuyers with limited funds for a downpayment, potentially making GSE loans even more attractive than FHA-insured loans. However, the 35 percent reduction in the FHA's Mortgage Insurance Premium (MIP) that took effect in March 2023 likely helped reverse the trend seen over the previous three years. Applications for FHA-insured loans as a share of all loan applications from Black applicants increased from 37 percent in 2022 to 41 percent in 2024.

FHA, which has traditionally concentrated more on first-time homebuyers than conventional loan agencies, is the main source of low-down-payment financing. This is especially crucial for underserved first-time homebuyers who lack significant savings or assets for large down payments. In 2024, over 80 percent of borrowers with FHA-insured loans were first-time homebuyers. In contrast, only about half of loan originations in the rest of the market involved first-time buyers. Zillow reports that 62 percent of all Black homebuyers in 2024 were first-time buyers, representing a 27-percentage point rise since 2021.

According to Zillow research, Black renters were 29 percent more likely than other renters to potentially be able to move and buy their first home, thanks to the increase in remote work. Many Black first-time homebuyers may have taken advantage of FHA's lower mortgage insurance costs and low down payment options, contributing to a shift back from conventional loans to FHA-insured loans.

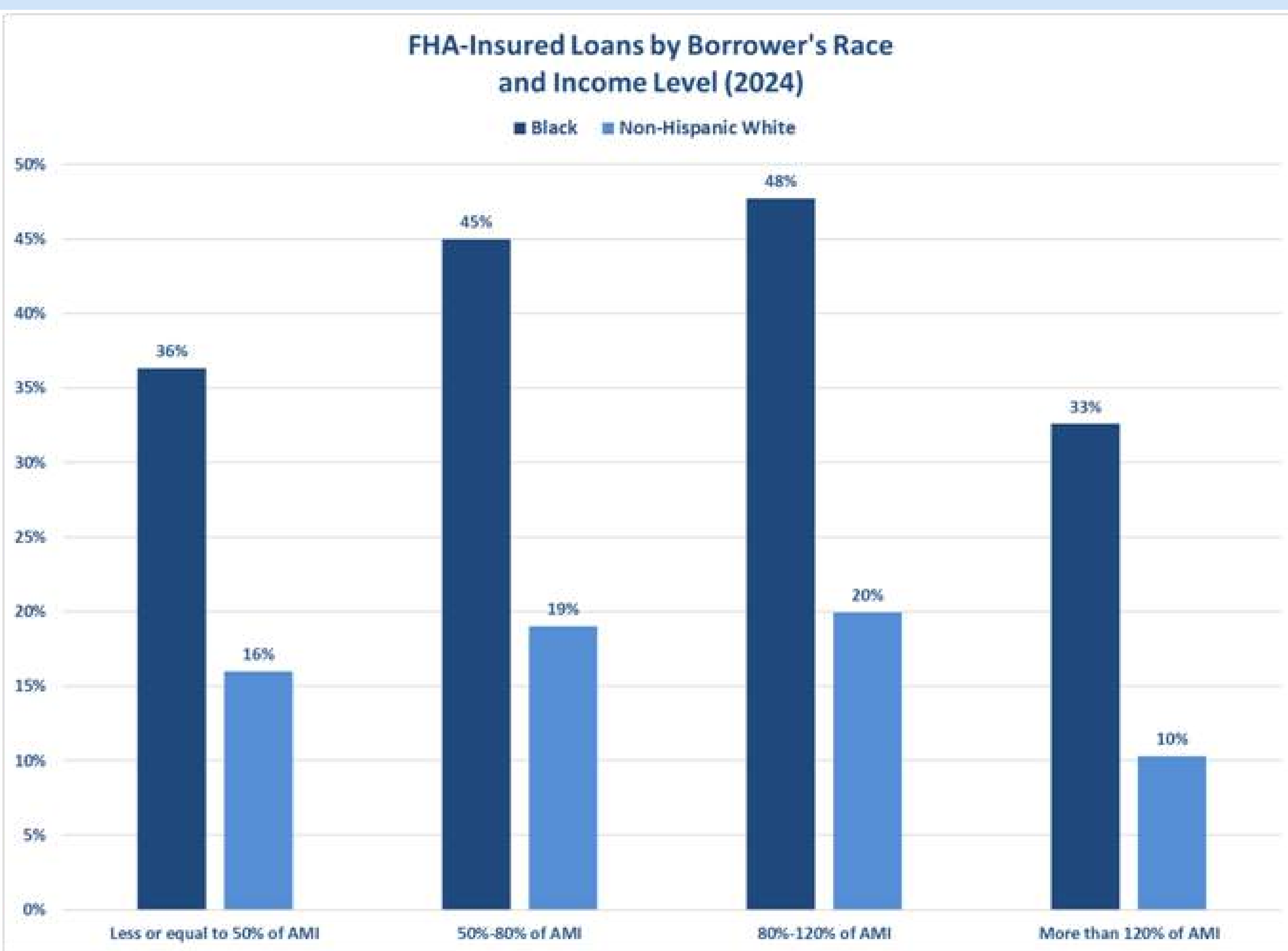
In 2024, Black borrowers continued to encounter significant disparities in obtaining loans from Fannie Mae and Freddie Mac. Like in previous years, only 19 percent of loans to Black borrowers were acquired by these government-sponsored enterprises (GSEs), compared to 35 percent for White borrowers. Conversely, 41 percent of loans granted to Black borrowers were FHA-insured, whereas only 15 percent of loans to White borrowers fell into that category (see Table 4). The differences in loan types between Black and White borrowers persisted across various income levels, as shown in Exhibits 12 and 13. These patterns were also observed in different regions (refer to Table 6).

EXHIBIT 12



Source: Authors' calculations of 2024 HMDA data

EXHIBIT 13

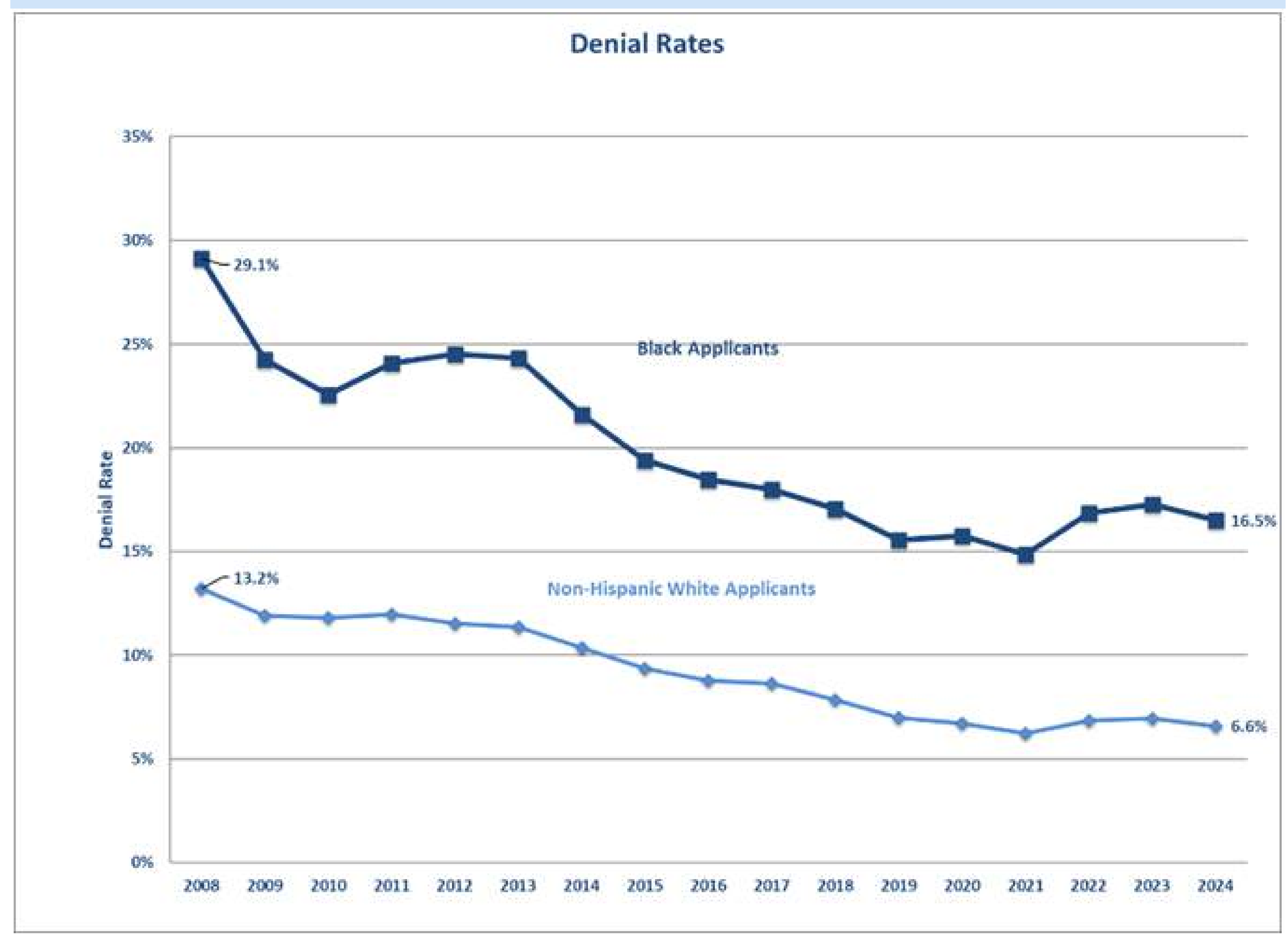


Source: Authors' calculations of 2024 HMDA data

Loan Denial Rates by Race and Ethnicity

In 2024, a review of loan denial rates shows that Black applicants still face more obstacles than their White counterparts, with Black denial rates remaining almost the same as in 2022. However, these rates are still lower than those recorded in 2008. Specifically, Black applicants are denied mortgages at a rate 2.5 times higher than White applicants, with denials at 16.5 percent for Blacks compared to 6.6 percent for Whites, as shown in Exhibit 14.

EXHIBIT 14



Source: Authors' calculations of HMDA data (2008-2024)

For conventional loans, Black applicants faced a denial rate that was 10 percentage points higher than that of White applicants, at 16 percent versus 6 percent, as shown in Table 2. The difference was smaller for non-conventional loans, with Black applicants experiencing a 17 percent denial rate compared to 9 percent for White applicants (Table 3). Although the denial rate for Black borrowers has significantly dropped from its peak of 36 percent during the 2008 foreclosure crisis, it is still the highest among people of color. By 2024, denial rates for conventional loans stood at 12.5 percent for Latino applicants and 8.7 percent for Asian applicants.

Regarding income, 37 percent of Black applicants in 2024 reported earnings at or below 80 percent of their local area median income (AMI), compared to 26 percent of White applicants. Conversely, only 32 percent of Black applicants earned above 120 percent of the local AMI, whereas 48 percent of White applicants did, as shown in Table 4.

The distribution of loan application denials in 2024, shown in Table 7, reveals that high debt-to-income (DTI) ratios were the main reason for rejections in both groups. Among Black applicants, 42 percent of denials were due to high DTI compared to 36 percent for White applicants. For Black applicants, credit history was the second most common reason for denials at 19 percent, while for White applicants, insufficient collateral was the second leading cause at 18 percent.

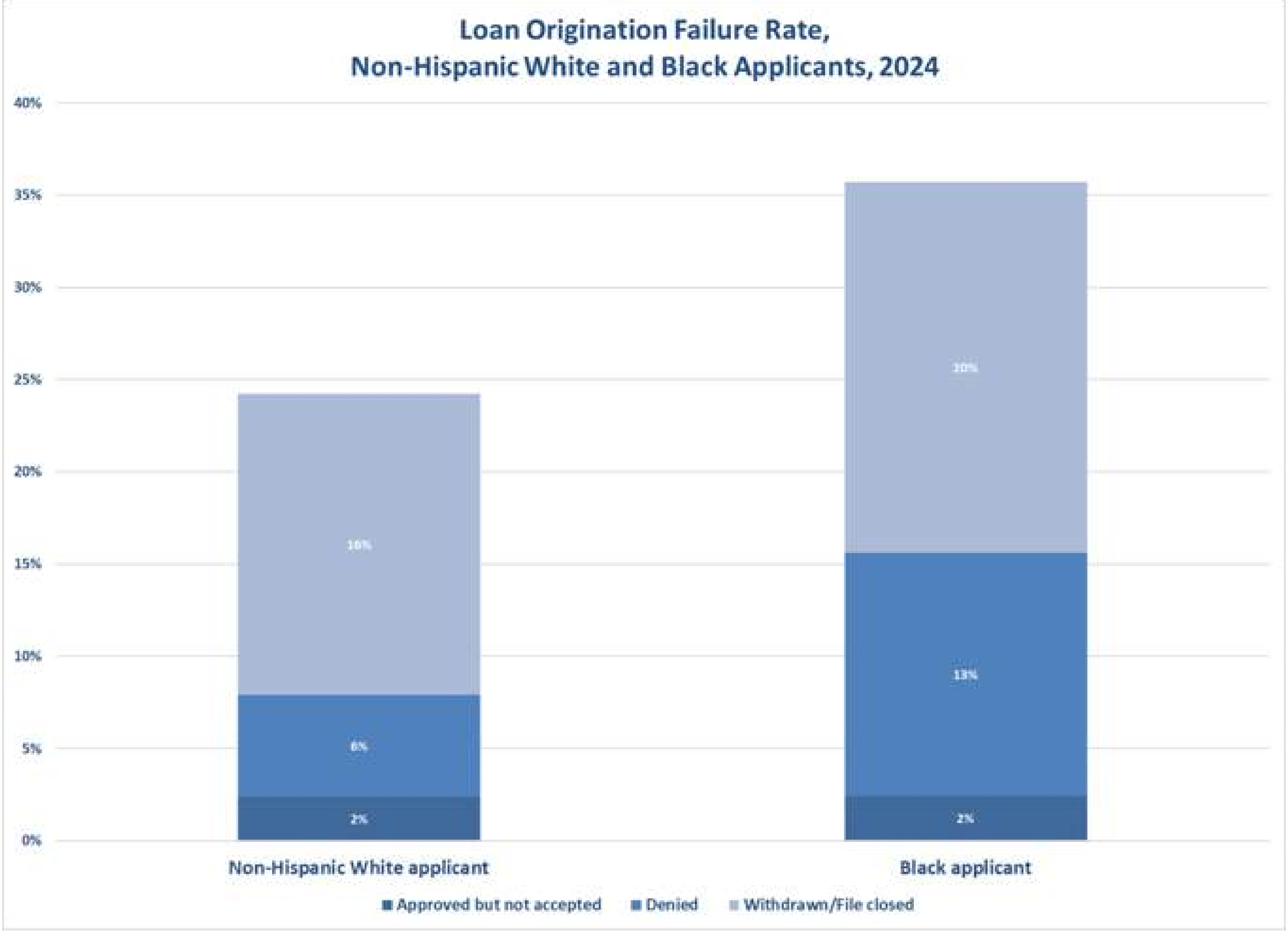
For both racial groups, the percentage of denials caused by high debt-to-income ratios decreased as applicant incomes increased. However, denials due to credit history increased among higher-income Black applicants, a trend less noticeable among White applicants. Among applicants earning over 120 percent of the AMI, 25 percent of denials for Black applicants were due to poor credit history. Denials based on insufficient collateral also rose with income for both groups.

Loan Failure Rates by Race and Ethnicity

The loan failure rate is a comprehensive measure created by NAREB to evaluate the success or failure of loan applications. It sums up the number of loans that were not originated because the applications were (1) denied, (2) withdrawn or closed due to insufficient information, and (3) approved but not accepted by the applicant. This measure allows for a deeper understanding of how successful applicants are in securing a mortgage, since a loan denial is just one reason an application may not result in a loan origination. NAREB has observed that since 2008, decreases in loan denials have often been nearly balanced by increases in withdrawn applications.

In 2024, the failure rate for loan originations among Black applicants decreased slightly compared to 2023. The overall failure rate for Black applicants fell from 38 percent in 2023 to 35 percent in 2024, but it still remained higher than the 24 percent reported for White applicants. This gap is mainly due to higher denial rates, which were 13 percent for Black applicants versus 6 percent for White applicants. Additionally, 20 percent of Black applications were withdrawn or closed because of incomplete information, compared to 16 percent of White applications (Exhibit 15).

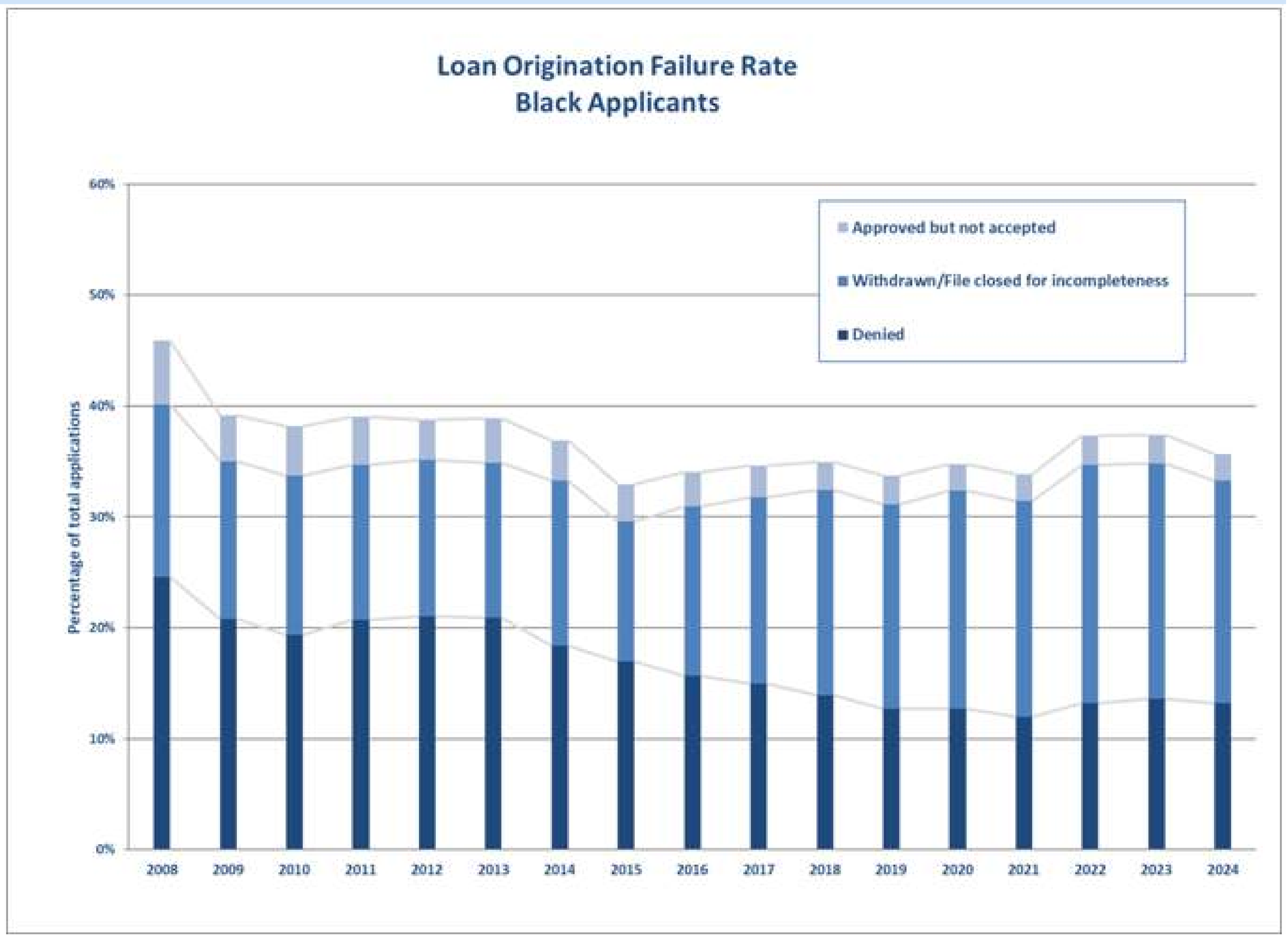
EXHIBIT 15



Source: Authors' calculations of 2024 HMDA data

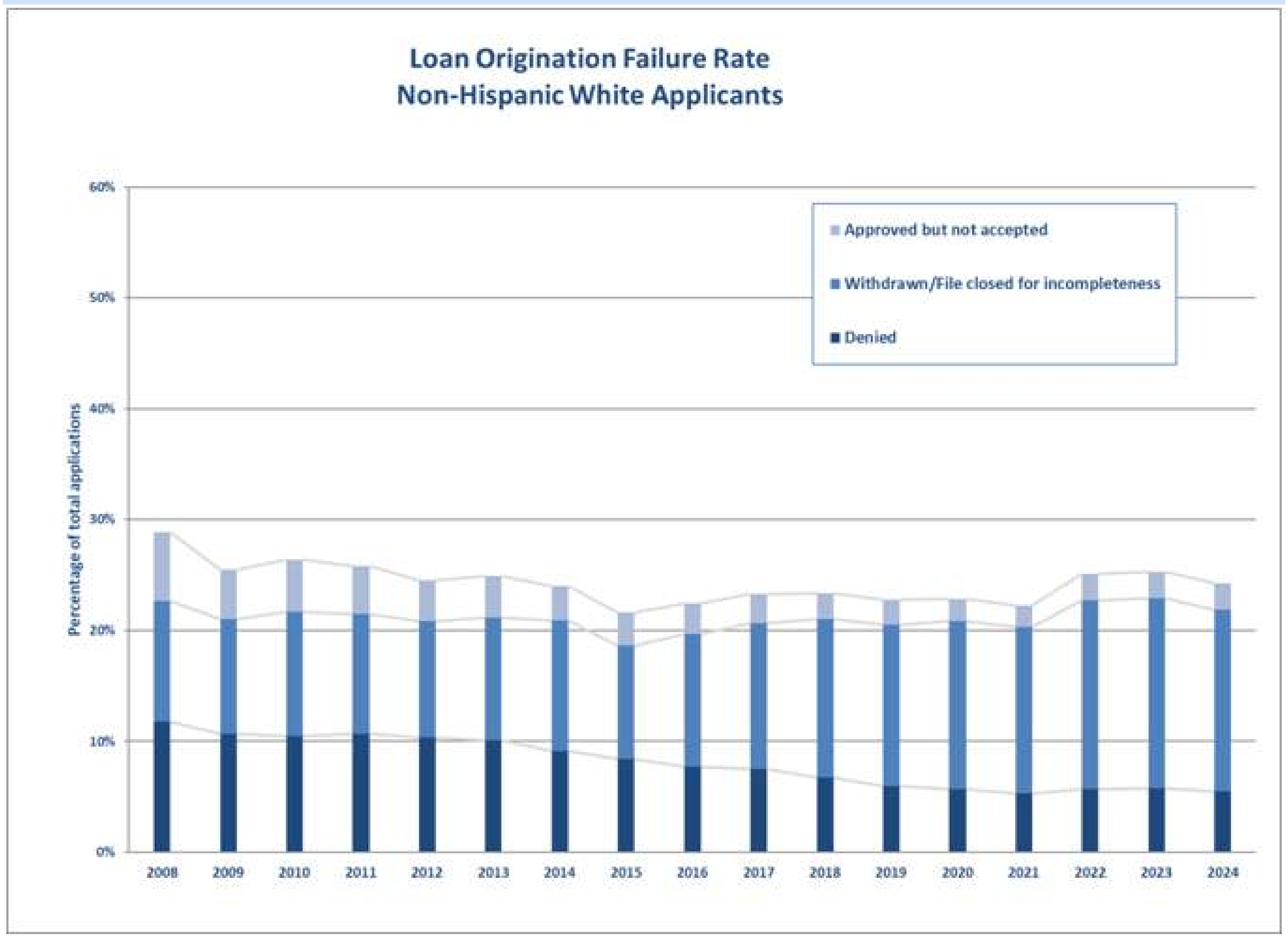
Exhibits 16 and 17, which show loan origination failure rates from 2008 to 2024, reveal a consistent gap between Black and White applicants. The failure rates for Black applicants have remained above 30 percent, peaking during the foreclosure crisis in 2008.

EXHIBIT 16



Source: Authors' calculations of HMDA data (2008-2024)

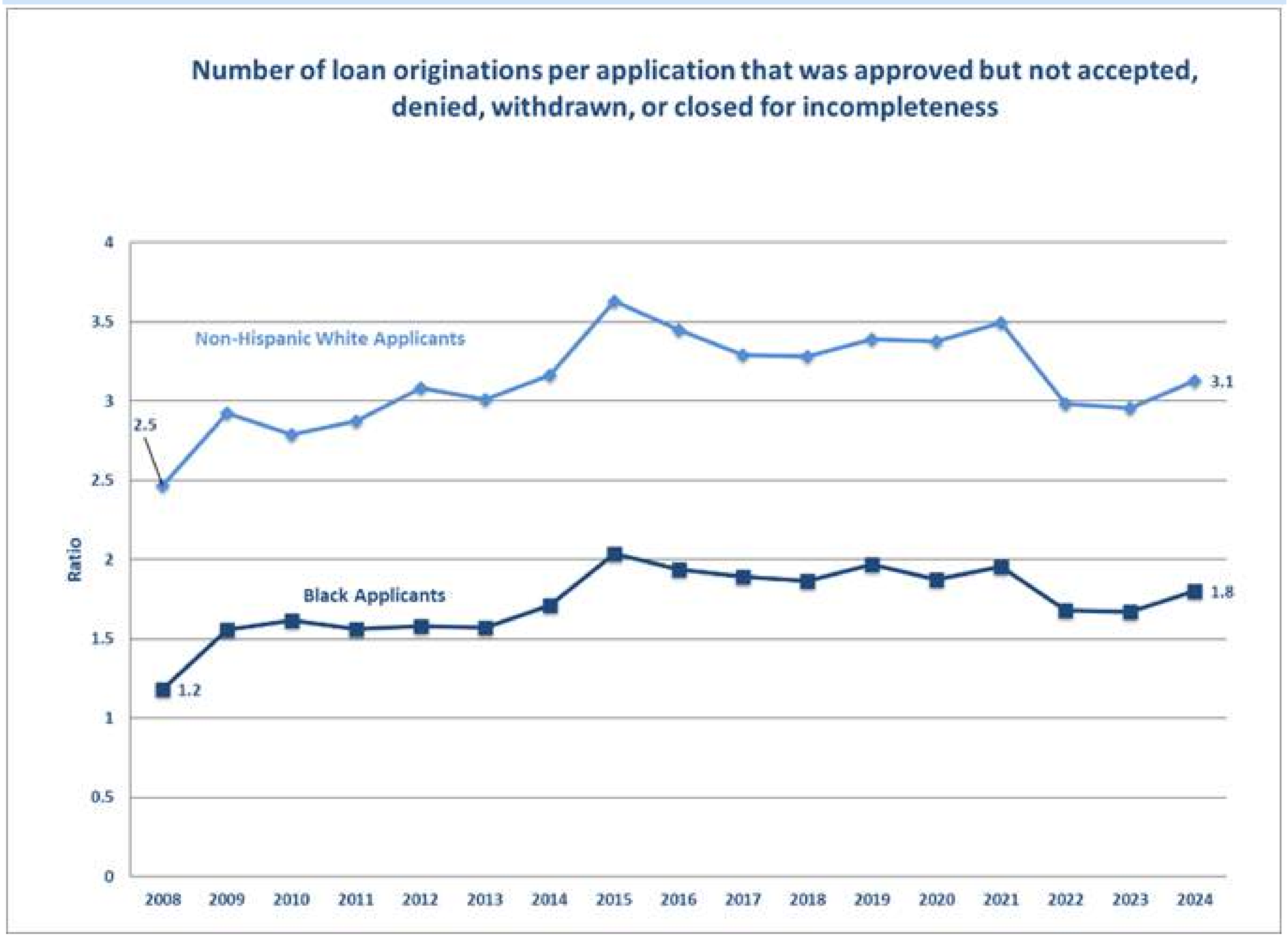
EXHIBIT 17



Source: Authors' calculations of HMDA data (2008-2024)

A comparative analysis of approved loans versus failed applications since 2008, as shown in Exhibit 18, highlights both progress and stagnation in the loan approval rates for Black applicants. The exhibit indicates a slight rise in the ratio of approved loans to failed applications, increasing from 1.2 in 2008 to 1.8 in 2024. However, White applicants consistently maintained a higher approval ratio throughout this period. The exhibit also demonstrates how positive impacts from decreases in application denials are often offset by increases in withdrawn or incomplete applications.

EXHIBIT 18

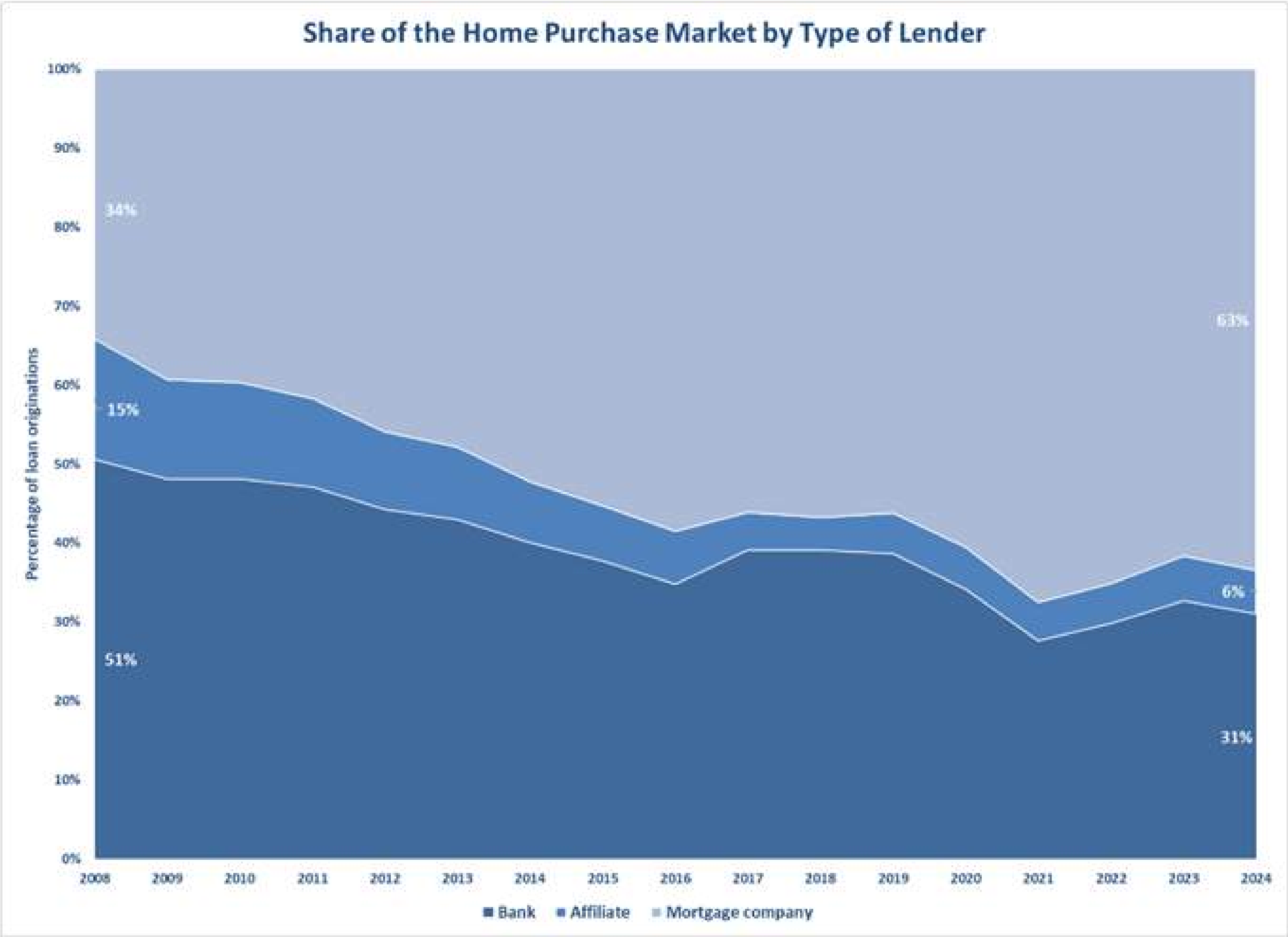


Source: Authors' calculations of HMDA data (2008-2024)

Loan and Lender Channels by Race and Ethnicity

Following the 2008 financial crisis, traditional banks faced increased regulatory oversight, resulting in stricter lending standards. As banks notably reduced their involvement in the mortgage market, independent mortgage companies, also known as nonbank lenders, stepped in to fill the gap. Exhibit 19 shows that banks' share of the mortgage market has decreased substantially since the financial crisis, from 51 percent in 2008 to 31 percent in 2024. Conversely, the market share held by nonbanks increased from 34 percent to 63 percent during the same period.[9]

EXHIBIT 19



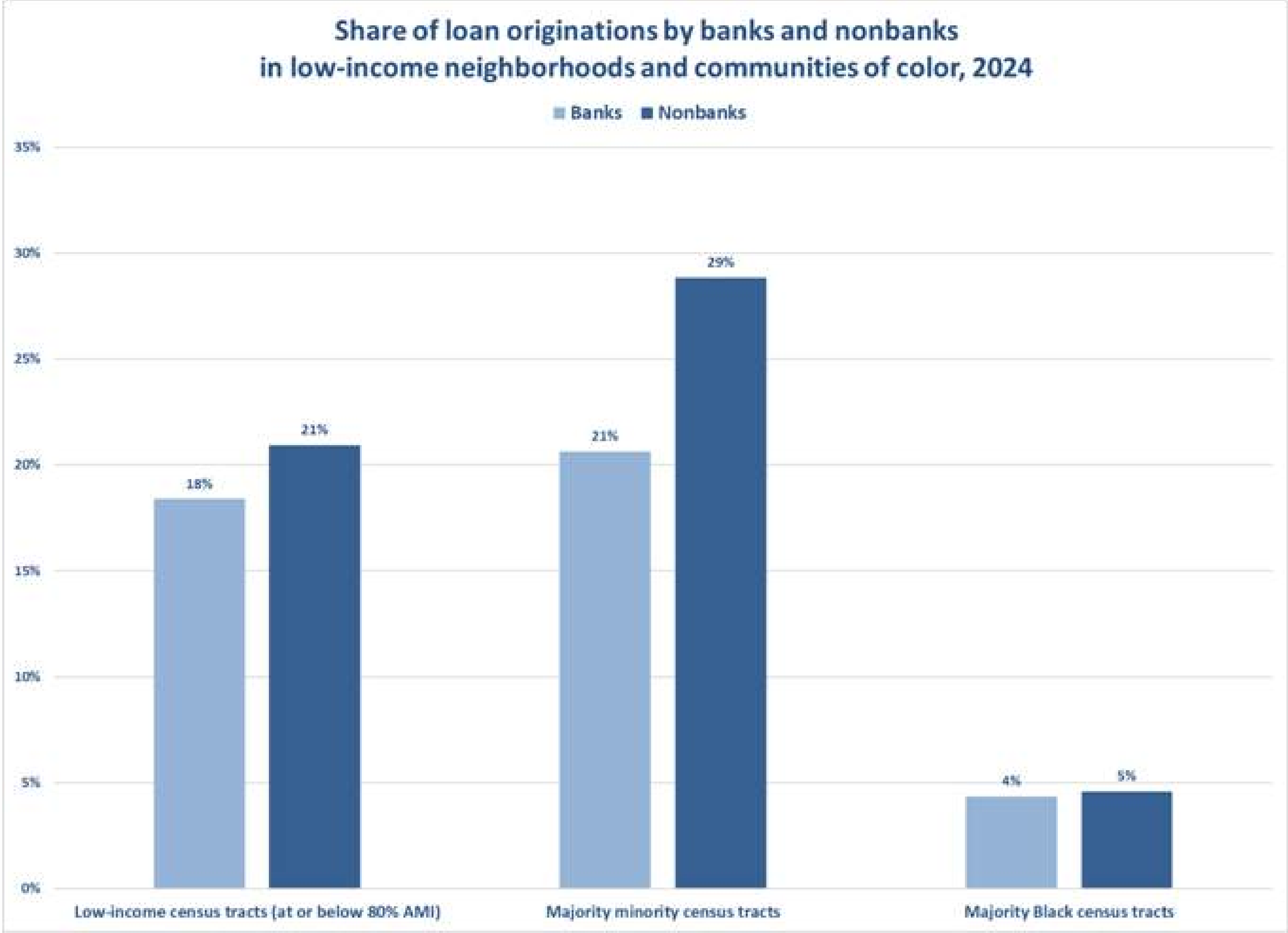
Source: Authors' calculations of HMDA data (2008-2024)

Several factors contributed to the growing share of the mortgage market held by nonbank lenders. While many banks and thrifts operate within specific geographic areas, nonbank lenders often have a broader reach, utilizing retail branches, call centers, and wholesale lending through mortgage brokers and associated institutions.[10] Moreover, nonbank lenders frequently leverage advanced digital capabilities, resulting in a more efficient and effective loan application process that enhances communication between borrowers and lenders. This technological advantage is especially beneficial in regions where traditional banking services are limited.[11] Non-bank lenders also tend to offer innovative financing solutions that help borrowers navigate competitive real estate markets.[12]This was particularly critical after the 2008 financial collapse, as many potential borrowers, especially first-time homebuyers, needed assistance in navigating the changing financial landscape.[13]

Nonbank lenders do not accept traditional demand deposits, such as those in checking or savings accounts, which exempt them from the usual oversight by federal financial regulators. As a result, they are not subject to the same regulatory rules as banks, including the Community Reinvestment Act (CRA), which requires banks to serve the credit needs of lower-income and underserved communities. Without CRA obligations, nonbank lenders are not held to specific standards for addressing the financial needs of disadvantaged neighborhoods. However, given their significant role in mortgage lending, there has been a recent increase in state-level initiatives aimed at creating CRA-like frameworks to regulate nonbank mortgage lenders.[14]

Despite the lack of CRA requirements for nonbank lenders, HMDA data shows that in 2024, nonbank lending in low-income areas and neighborhoods of color surpassed bank lending shares (Exhibit 20). Specifically, 21 percent of nonbank originations occurred in low-income neighborhoods, compared to 18 percent by banks. Additionally, 29 percent of loans approved by nonbanks were in majority-minority census tracts, versus 21 percent for banks. Only a small percentage of loans from both banks and nonbanks were in census tracts where more than 50 percent of the population is Black—4 percent and 5 percent, respectively.

EXHIBIT 20



Source: Authors' calculations of 2024 HMDA data

Nonbank lenders continue to be major originators of Ginnie Mae-insured mortgages, which provide guarantees that lower the financial risks for nonbanks if a borrower defaults. Since the financial crisis, nonbanks have greatly increased their share of government-backed mortgages, growing from 13 percent in 2009 to 93.4 percent as of November 2024. This change has made them an essential source of mortgage financing for first-time homebuyers, low- and moderate-income individuals, veterans, and communities of color. Meanwhile, as of November 2024, Fannie Mae and Freddie Mac held nonbank origination shares of purchase loans at 73.4 percent and 75.3 percent, respectively.

Despite their growing share of loan originations, the number of originations at independent non-depository mortgage lenders has dropped significantly in post-pandemic years – a 36 percent decrease since 2021 (Exhibit 21). This falloff reflects the overall decline in mortgage lending that occurred during that period. Furthermore, the decline in loan originations and rising interest rates have constrained the profitability and liquidity of many small originators, leading to an increase in consolidation and the exit of some non-banks from the mortgage market. As of February 2025, non-bank mortgage employment stood at just 64 percent of its peak in April 2021, according to data from the Bureau of Labor Statistics.[15]

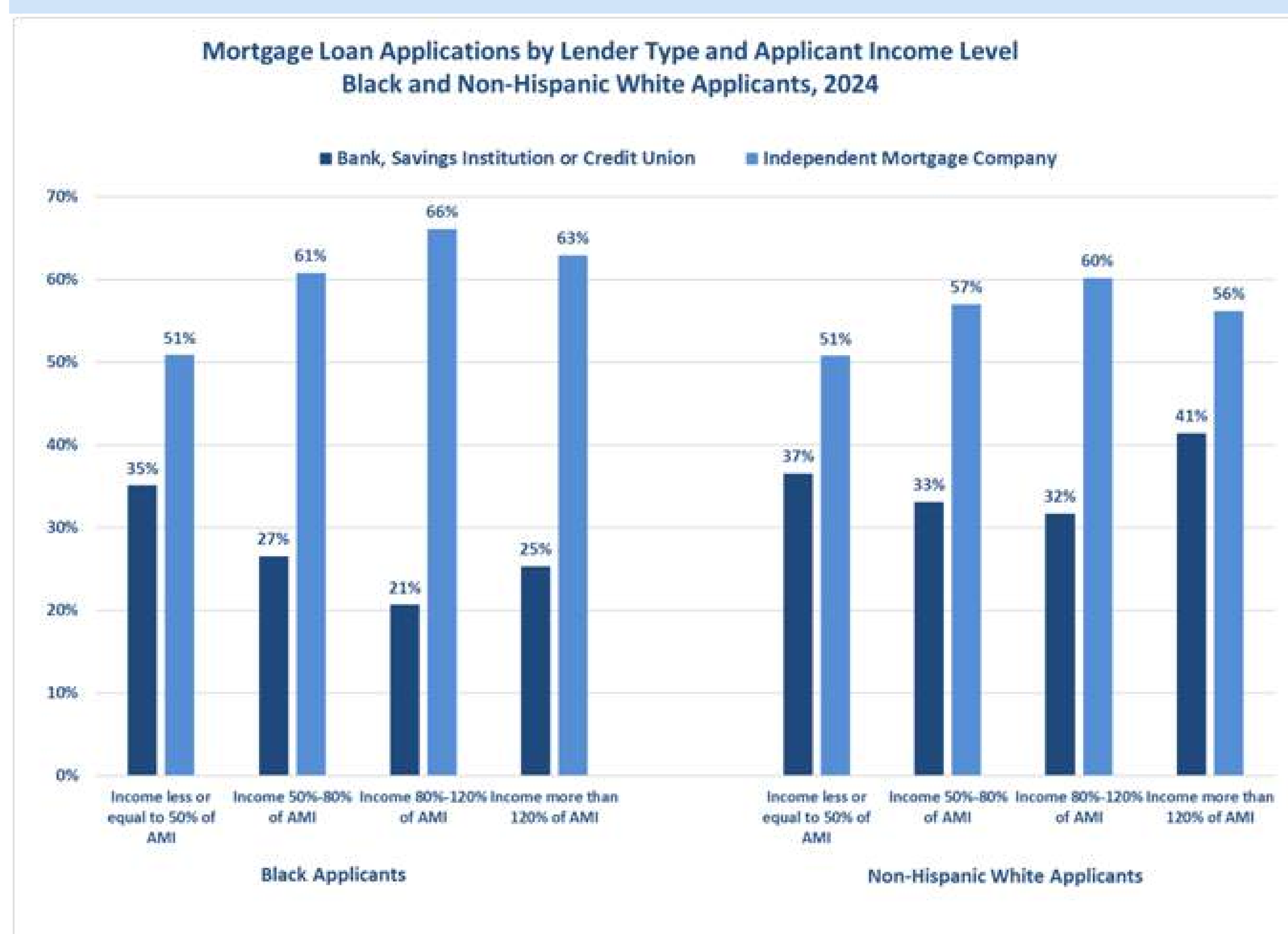
EXHIBIT 21

Source: Authors' calculations of HMDA data (2008-2024)

Data from 2024 show that 66 percent of Black applicants and 58 percent of White applicants sought loans through independent mortgage companies, regardless of their income levels (Exhibit 22). In contrast, banks remained more attractive to White applicants, with 37 percent choosing banks compared to 27 percent of Black applicants. A larger proportion of middle-income borrowers from both racial groups applied to independent mortgage companies compared to those in the lowest or highest income categories.

Applications to banks, savings institutions, and credit unions were more common among applicants from both demographics who were very low-income and very high-income. The tendency of the lowest-income applicants to prefer banks may be related to banks' efforts to meet CRA standards and improve their ratings in low-income lending. The higher percentage of very high-income applicants choosing banks could be due to these institutions trying to reduce risk after the housing market crash and the Great Recession.

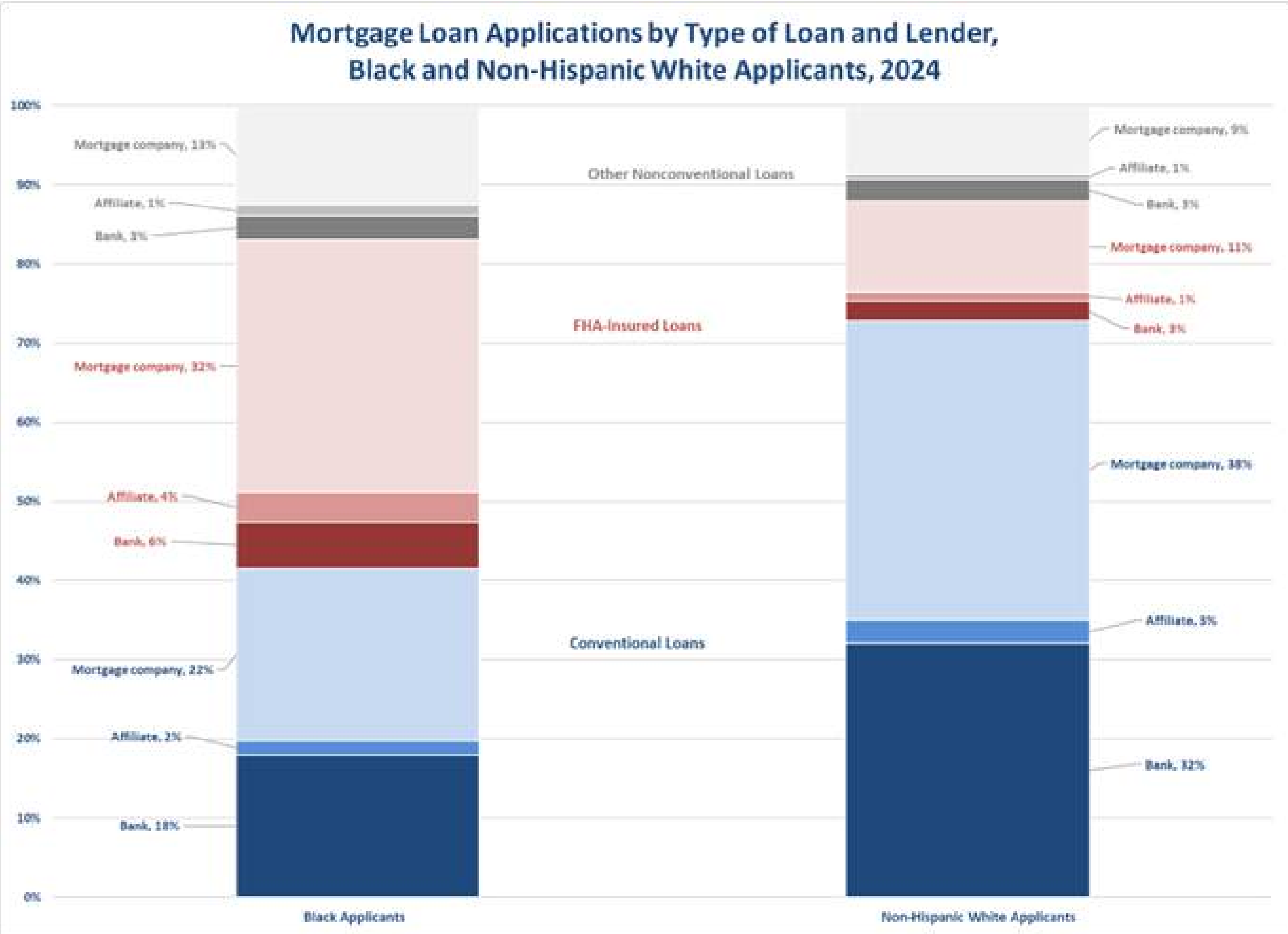
EXHIBIT 22



Source: Authors' calculations of 2024 HMDA data

Exhibit 23 indicates that Black applicants are more likely to apply for FHA-insured loans through independent mortgage companies, with 32 percent doing so. In contrast, 38 percent of White applicants pursue and secure conventional loans with these firms.

EXHIBIT 23



Source: Authors' calculations of 2024 HMDA data

Overall, loan origination rates at independent mortgage companies surpass those at banks for all racial groups. However, a consistent gap in origination rates between Black and White applicants persists across all institutions (Table 8). In 2024, White applicants experienced significantly higher origination rates, with 77 percent at independent mortgage companies and 73 percent at banks, compared to Black applicants, who had rates of 66 percent and 59 percent, respectively.

Denial rates at banks have fallen for both racial groups since 2023, with significant improvement especially helping Black applicants. However, for very low-income White applicants, denial rates slightly increased from 23 percent in 2023 to 24 percent in 2024. For independent mortgage companies, denial rates stayed mostly the same year over year for both racial groups, except for a small rise in denials for very low-income Black applicants and a slight decrease for middle-income Black applicants.

In 2024, independent mortgage companies showed lower denial rates compared to banks. The variation in denial rates also highlighted different loan origination rates, with Black applicants consistently facing higher denial rates than their White counterparts across all lender categories. Banks denied 21 percent of Black applicants compared to only 9 percent of White applicants (Table 8). The difference was slightly smaller at independent mortgage firms, which had denial rates of 15 percent for Black applicants and 5 percent for White applicants.

This disparity in denial rates was present across different income levels and types of lenders. For example, high-income Black applicants at banks faced a denial rate of 18 percent, compared to only 7 percent for White applicants—an 11-percentage point gap. Among very low-income applicants, the difference was even larger—13 percentage points (37 percent for Black applicants versus 24 percent for White applicants).

Overall, Black applicants with lower incomes face more difficulties in obtaining mortgage credit approval than similarly situated White applicants, with the largest disparities seen among very low-income applicants from both racial groups.

Borrowers' Costs

As mortgage rates and home prices hit record highs, housing affordability has declined for many homeowners recently. Mortgage affordability is approaching its lowest level since this data series started in 2002. By December 2024, a borrower making a 20 percent down payment would need to spend 32.3 percent of their median income on the median monthly mortgage payment, exceeding the 30.9 percent seen at the peak of the housing bubble in November 2005.

For a 3.5 percent down payment, the housing cost burden increases to 37.5 percent, surpassing the previous peak of 35.8 percent recorded in November 2005. In 2023, 37 percent of Black homeowners with a mortgage paid over 30 percent of their income on housing costs, compared to 25 percent of their White counterparts. Rising insurance premiums also contributed to the escalating costs of homeownership. According to Freddie Mac, home insurance premiums increased by 56 percent from 2019 to 2024, rising from an average of $1,125 to $1,761.

The decline in homeownership affordability and rising mortgage costs have made it harder for less wealthy families, including families of color, to enter the housing market. In 2024, only 7 percent of Black renters (600,000 households) could afford payments on a median-priced home, compared to 15 percent of White renters (3.3 million households). From 2021 to 2024, income-eligible Black renters decreased by 65 percent, while the decline was 55 percent for White renters.

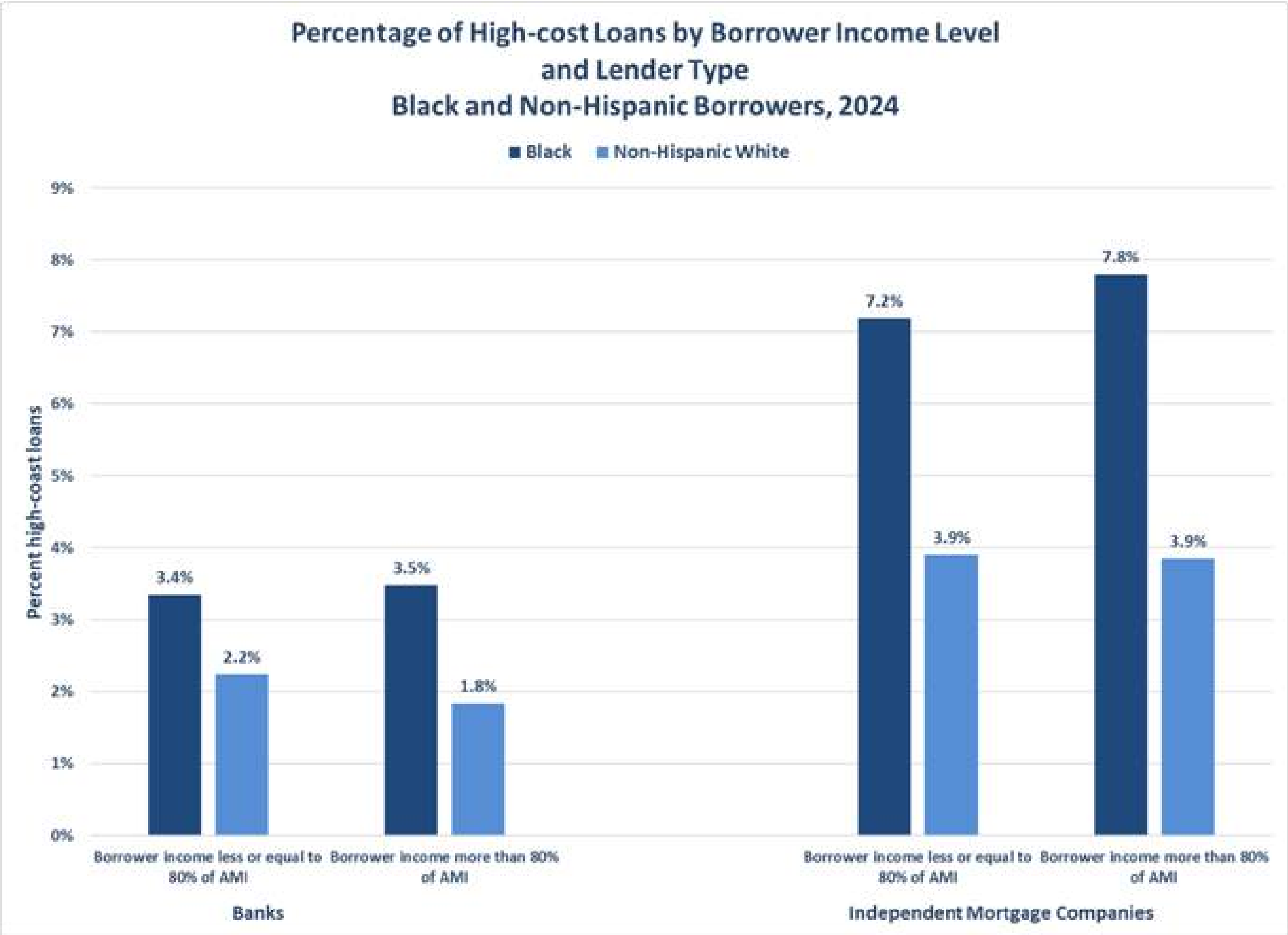
Furthermore, Redfin reports that the average Black household would need to spend 41 percent of its income to afford the median-priced starter home in most major metropolitan areas. According to Zillow, the typical Black household could afford only 18 percent of homes for sale in 2024, compared to 38 percent of White households.[16]

In 2024, the median income for Black and White applicants was $95,000 and $112,000, respectively. However, Black borrowers still faced significantly higher costs when obtaining mortgage loans. Black homeowners were more frequently burdened with high-cost loans, which diminished the financial benefits of homeownership. In 2024, 5 percent of Black borrowers received high-cost loans, more than twice the rate for White borrowers at 2 percent, as shown in Table 14. The incidence of high-cost loans was higher in lower-income neighborhoods for both groups.

Additionally, nonbank lenders, known for their more flexible underwriting practices compared to traditional lenders, generally charge higher rates and fees. These lenders depend more on fee income than banks and often work with independent service providers, including mortgage brokers, which can raise costs for borrowers. Consequently, homebuyers with fewer financial resources face higher fees. This has resulted in a larger share of high-cost loans among nonbank lenders, especially affecting Black borrowers, as shown in Exhibit 24. Nonetheless, the share of high-cost loans across all lender types has stayed consistent since 2023 for both Black and White borrowers.

Like the previous year, a higher percentage of high-cost loans was issued to Black borrowers earning over 80 percent of the Area Median Income (AMI) compared to those from lower-income backgrounds. This pattern has remained consistent among both banks and independent mortgage companies.

EXHIBIT 24



Source: Authors' calculations of 2024 HMDA data

Since 2018, the Home Mortgage Disclosure Act (HMDA) has collected and published data on total loan costs. These costs include origination fees charged by lenders, mandatory fees for services that borrowers can't shop for (such as appraisal and credit report fees), and fees for services that borrowers can compare, like those from settlement agents or title insurance. HMDA reporting applies to loan originations that meet specific criteria detailed in Regulation Z. Additionally, if discount points are paid, they are included in the total loan costs reported under HMDA.

In 2024, Black borrowers faced a median upfront cost of $8,481. In contrast, White borrowers had a median upfront cost of $5,982 for home purchase loans— a 42 percent difference (Exhibit 25). FHA loans had the highest median upfront costs, with Black borrowers paying $11,394 compared to $10,556 for White borrowers, although median interest rates were lower for FHA-insured loans than for conventional conforming loans. The difference in upfront payment is likely due to the mandatory mortgage insurance premium, which can significantly impact the overall loan costs for FHA loans. Compared to White borrowers, Black borrowers more often tend to utilize FHA-insured loans, which typically require lower down payments and allow wider parameters related to credit scores and credit history. The higher upfront loan costs associated with FHA loans could be a key factor behind the greater median costs experienced by Black borrowers.

EXHIBIT 25

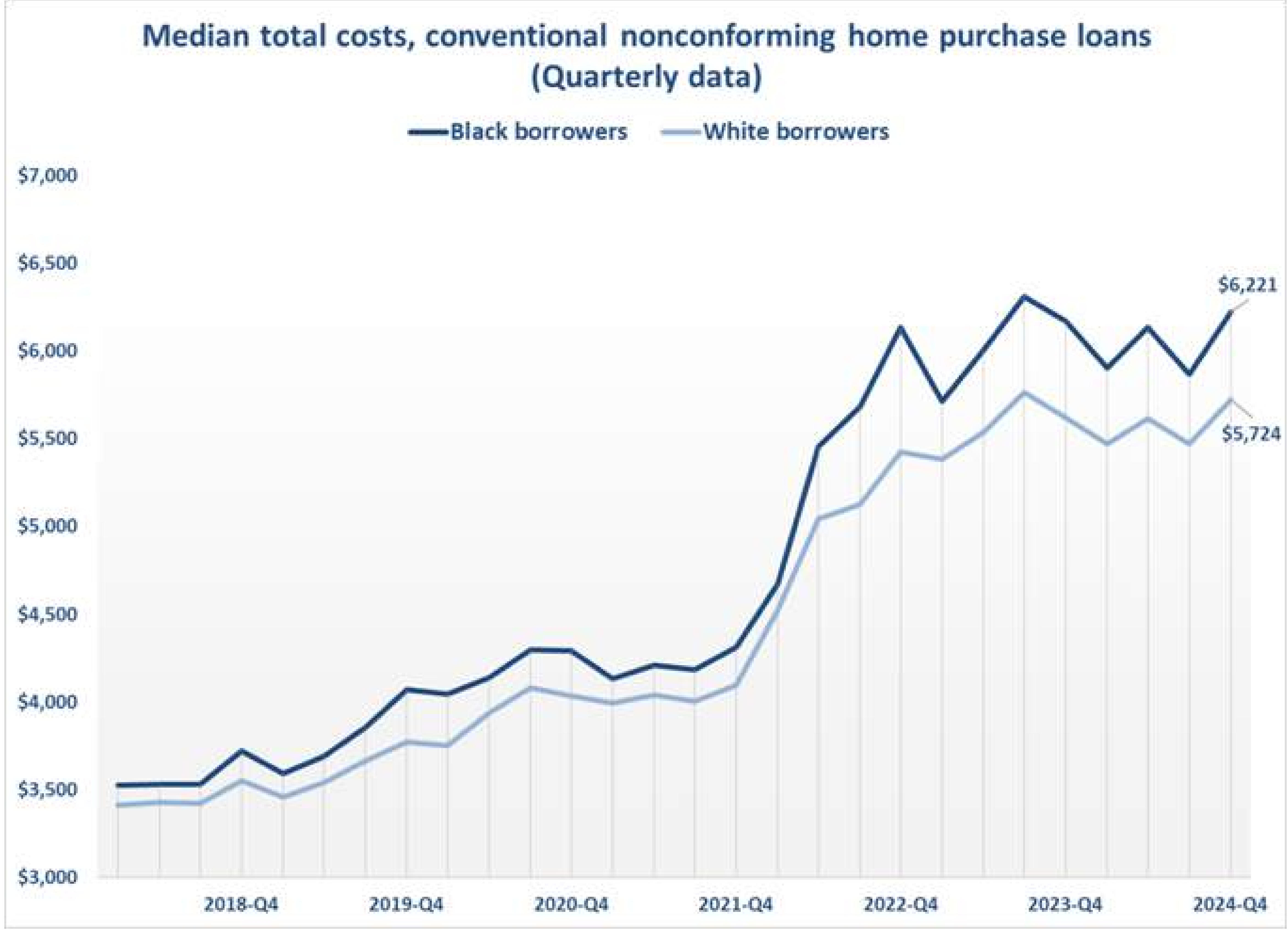
Originated loan characteristics by borrower's race and type of loan, 2024 (medians)

	All loans		Conventional conforming loans		FHA-insured loans	
	White borrowers	Black borrowers	White borrowers	Black borrowers	White borrowers	Black borrowers
Total costs	$5,982	$8,481	$5,062	$5,758	$10,556	$11,394
Discount points (dollar amount)	$2,419	$3,447	$2,225	$3,167	$2,794	$3,657
Interest rate	6.63	6.50	6.63	6.63	6.49	6.25
Loan-to-value ratio (LTV)	89	96	80	95	96	96
Debt-to-income ratio (DTI)	43	44	43	44	43	44

Source: Authors' calculations of 2024 HMDA data

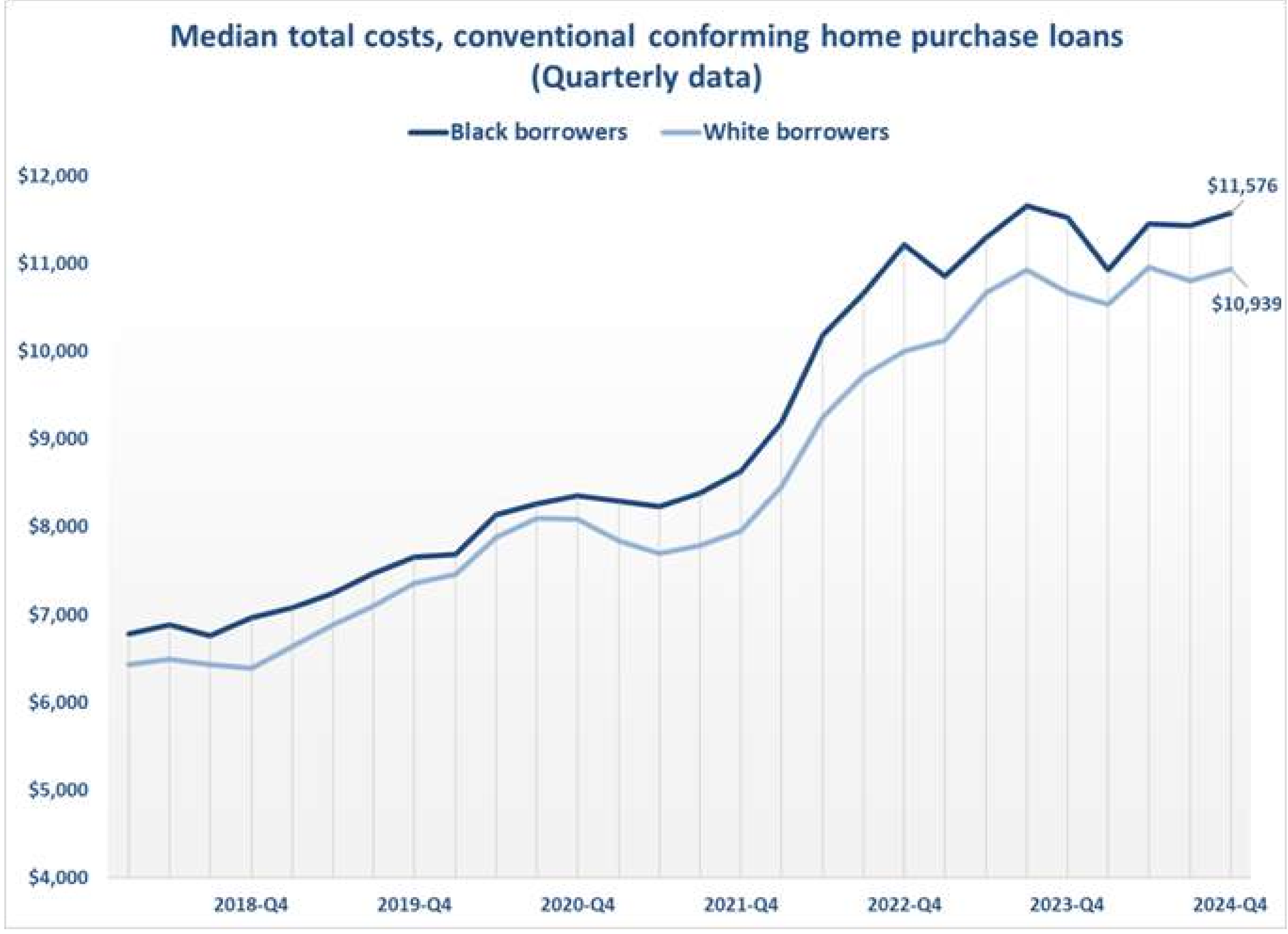
Borrowers' upfront costs have increased over time. Exhibits 26 and 27 illustrate quarterly trends in total costs borne by Black and White borrowers for conventional conforming and FHA-insured home purchase loans from 2018 to 2024.[17] The quarterly data are available for a subset of financial institutions that are required to report quarterly HMDA data if they reported a combined total of at least 60,000 applications and covered loans, excluding purchased covered loans, for the preceding calendar year.[18]

EXHIBIT 26



Source: FFIEC. "HMDA Quarterly Graphs." https://ffiec.cfpb.gov/data-browser/graphs/quarterly/applications?periodLow=2018-Q1&periodHigh=2024-Q4&visibleSeries=Conventional%20Conforming,Conventional%20Non-Conforming,FHA,HELOC,RHS/FSA,VA. Accessed July 2025.

EXHIBIT 27



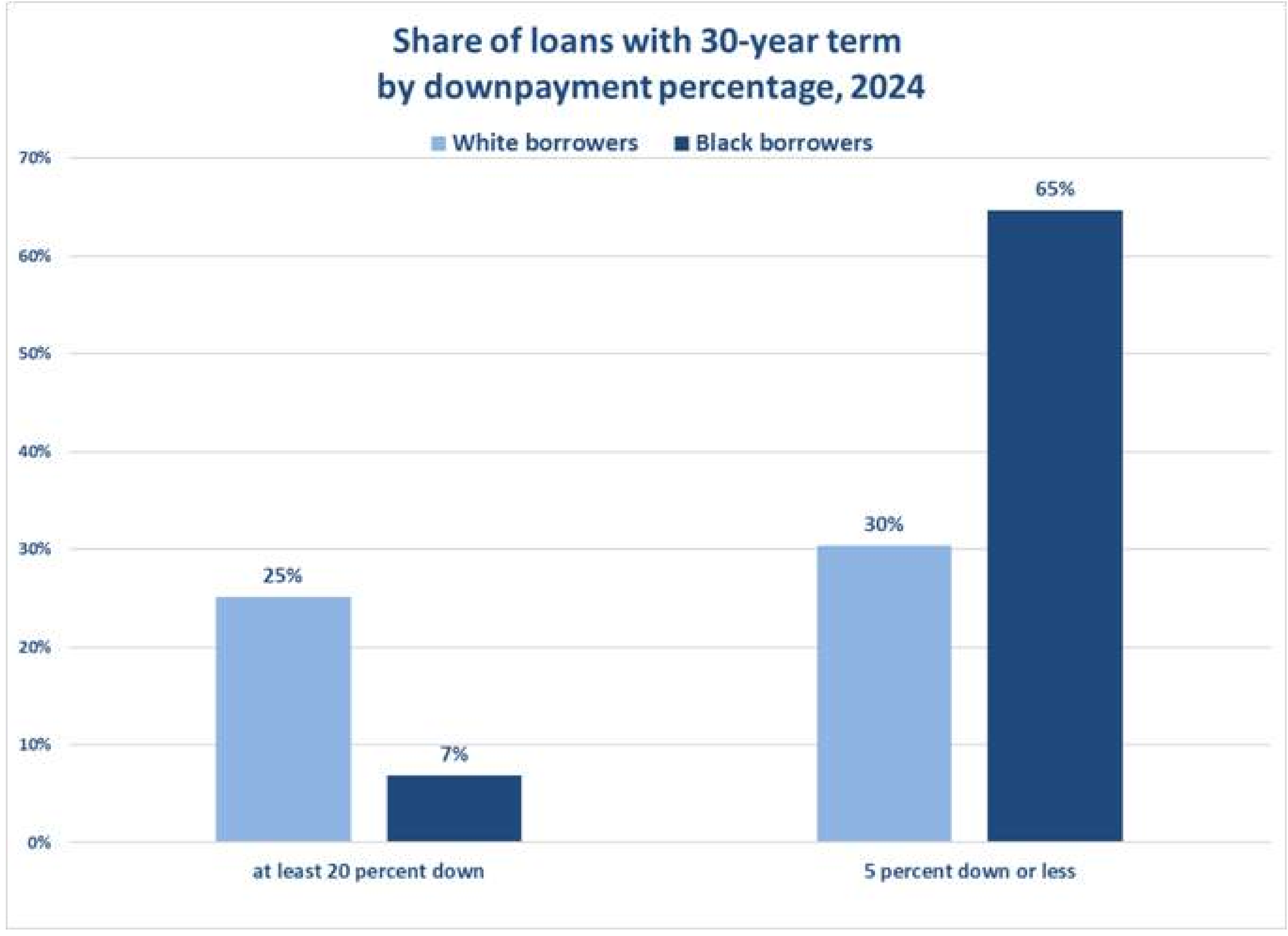
Source: FFIEC. "HMDA Quarterly Graphs." https://ffiec.cfpb.gov/data-browser/graphs/quarterly/applications?periodLow=2018-Q1&periodHigh=2024-Q4&visibleSeries=Conventional%20Conforming,Conventional%20Non-Conforming,FHA,HELOC,RHS/FSA,VA. Accessed July 2025.

Both types of loans have seen a significant increase in upfront costs since 2021, reflecting the corresponding rise in interest rates during the same period. For conforming loans, the average 30-year fixed interest rate jumped from 3.14 percent in 2021 to 6.72 percent by the end of 2024. Meanwhile, average 30-year fixed interest rates for FHA-insured loans increased from 3.20 percent to 6.48 percent.[19]

Discount points typically allow borrowers to make a tradeoff between upfront costs and monthly payments. By paying discount points, borrowers may pay more up front but then receive lower interest rates and pay less overtime. About 55 percent of borrowers nationwide paid some discount points in 2024, compared to 32.7 percent in 2021.[20] A larger proportion of Black borrowers (63 percent) paid discount points in 2024, compared to 53 percent of White borrowers. Black borrowers also paid larger amounts in discount points compared to White borrowers, and those with FHA-insured loans paid the largest amounts.

Redfin reports that, as of December 2024, the typical homebuyer's downpayment was $63,188 – 7.5 percent more than a year earlier.[21] Higher downpayments can usually lower monthly mortgage payments but rising home prices and interest rates have made this increasingly difficult, particularly for Black households.[22] In 2024, Black borrowers tended to make smaller downpayments than their White counterparts, likely reflecting the higher reliance of Black borrowers on FHA-insured loans (Exhibit 27).

EXHIBIT 28



Source: Authors' calculations of 2024 HMDA data

Zillow indicates that securing at least one type of downpayment assistance – such as grants, low-interest loans, and forgivable loans – was more common among Black borrowers than among White borrowers. In 2024, 63 percent of Black buyers reported at least one type of downpayment assistance, compared to 49 percent of White homebuyers.[23]

As mentioned above, a large majority of Black borrowers were first-time homebuyers in 2024. Being a first-time homebuyer is often necessary to qualify for certain down payment assistance programs. For instance, the FHA permits down payments to be financed by approved sources beyond the borrower. In 2024, 39.83 percent of FHA-insured home purchase loans involved loans that used down payment assistance. Gift funds from qualified family members were the main source of down payment assistance for borrowers with FHA-insured mortgages, making up 21.58 percent of FHA's total home purchase volume during the fiscal year.[24]

Loan Type, Geographic Patterns, and Race

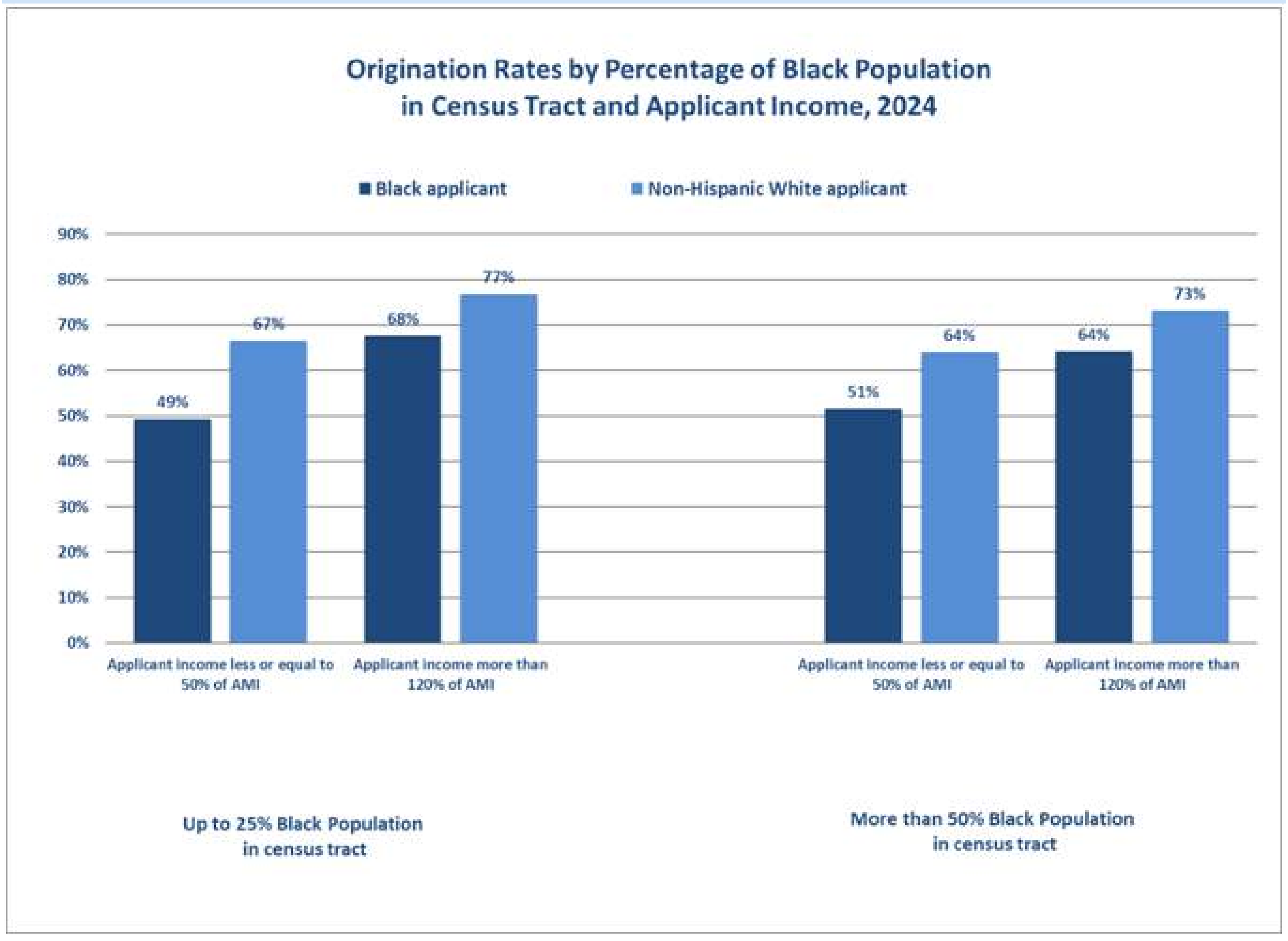
In 2024, similar to the previous year, 34 percent of loan originations for Black applicants were for properties located in low- and moderate-income census tracts. In contrast, only 16 percent of loans for White applicants went toward homes in these neighborhoods.

Additionally, 55 percent of Black applicants received loans for properties in predominantly minority areas, consistent with data from the previous year, 2023. The percentage of loans for White borrowers in minority neighborhoods remained steady at 12 percent since 2023. It is important to note that Black applicants in majority-minority neighborhoods faced denial rates that were more than twice as high (17 percent) compared to White applicants in similar areas (8 percent), with denial rates varying based on different income levels.

Data presented in Exhibit 29 show that loan approval rates for both Black and White applicants vary depending on the racial makeup of neighborhoods and the income levels of the applicants. On average, loans were more likely to be approved in areas with smaller Black populations, regardless of the applicant's race. Notably, low-income Black applicants were the only group that experienced higher approval rates in majority-minority neighborhoods. Across all income levels and neighborhood racial compositions, loan approval rates for White applicants consistently exceeded those for Black applicants.

Interestingly, high-income Black applicants received higher approval rates in neighborhoods with fewer Black residents, while low-income Black applicants saw increased approval rates in mostly Black neighborhoods.

EXHIBIT 29



Source: Authors' calculations of 2024 HMDA data

With few exceptions, the patterns in loan issuances are mostly similar across both conventional and FHA-insured loans, regardless of lender types, borrower income levels, or neighborhood racial demographics (see Tables 9 and 10).

In 2024, 93 percent of conventional loans and 90 percent of FHA-insured loans issued to White applicants were for properties in census tracts where Black residents made up 25 percent or less of the population. In contrast, the distribution of conventional and FHA-insured loans for Black applicants varied more depending on the racial composition of the areas, with a notable rise in FHA-insured loans in neighborhoods where Black residents accounted for more than 25 percent of the population.

Table 4 shows that in 2024, 65 percent of loan applications from Black individuals came from the South—much higher than the 41 percent from White applicants in the same region. Conversely, 28 percent of applications from White applicants originated in the Midwest, while only 17 percent from the West. In contrast, just 7 percent of Black applicants' loan applications were submitted from the West. In contrast, just 7 percent of Black applicants' loan applications were submitted from the West. Overall, the regional spread of loan originations for both groups matches the percentages of applications submitted.

Cities with the Largest Black Populations and High Levels of Segregation

This section reviews the mortgage market performance in the ten largest U.S. cities with the biggest Black populations. According to Exhibit 30, the Black population in these cities ranges from about 302,000 in Dallas to 1.9 million in New York.

In the other selected cities, the percentage of the Black population in 2023 was equal to or exceeded the percentage in 1990. Memphis experienced a significant increase in its Black population, reaching 63 percent in 2023, up from 51 percent in 1990.

As highlighted in the 2023 and 2024 State of Housing in Black America reports, Black households have been relocating over the past decade from high-cost, gentrifying cities like Washington, D.C., and New York to more affordable areas, especially in the South. Cities such as Baltimore, Memphis, and Detroit remain predominantly Black.

EXHIBIT 30

Ten Cities with the Largest Black Populations (2023)

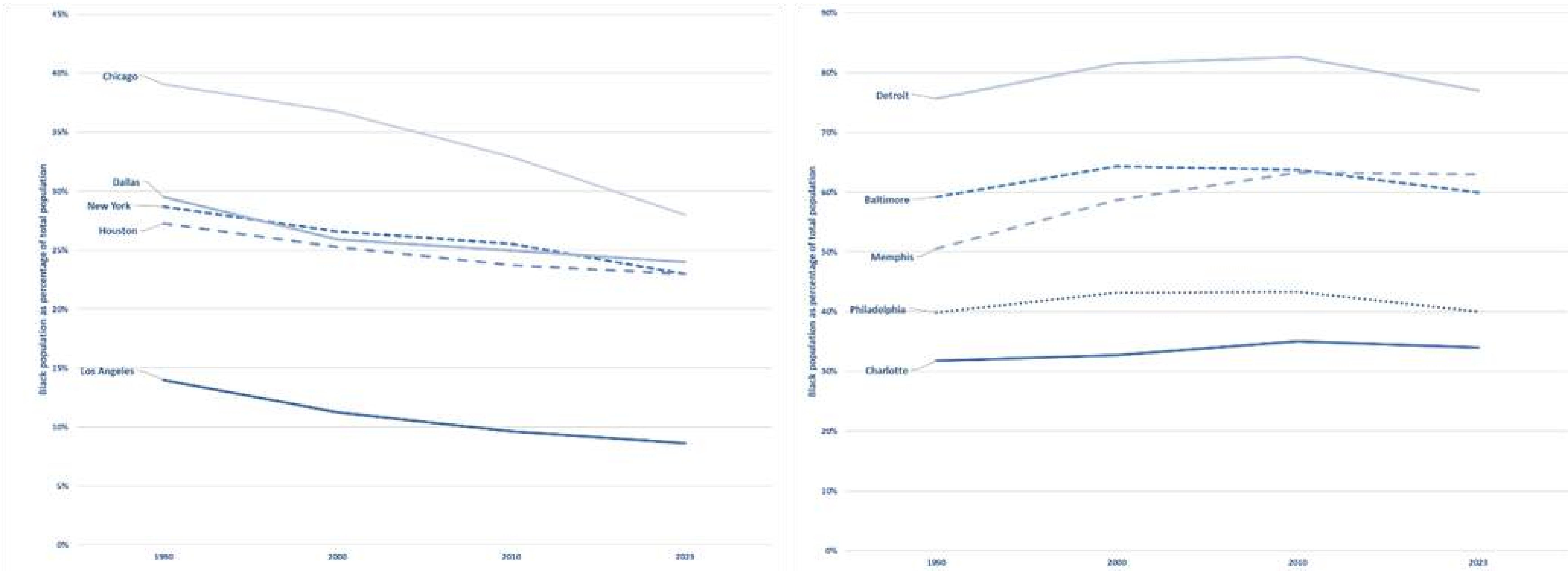
City	Black Population	Percent of Total Population	Dissimilarity Index
New York city, New York	**1,933,195**	**23%**	**0.77**
Chicago city, Illinois	769,381	28%	0.80
Philadelphia city, Pennsylvania	**631,361**	**40%**	0.70
Houston city, Texas	527,115	23%	0.66
Detroit city, Michigan	**488,886**	**77%**	0.59
Memphis city, Tennessee	395,742	63%	0.66
Baltimore city, Maryland	**346,535**	**60%**	0.66
Los Angeles city, California	328,445	9%	0.62
Dallas city, TX	**308,576**	**24%**	**0.65**
Charlotte city, NC	302,226	34%	0.55

Source: Authors' calculations of data from the U.S. Census Bureau. American Community Survey, 1-year dataset, 2023. Retrieved from Schroeder, Jonathan et al. IPUMS National Historical Geographic Information System: Version 20.0 [dataset]. Minneapolis, MN: IPUMS, 2025, http://doi.org/10.18128/D050.V20.0. Accessed July 2025.

In large cities like New York, Los Angeles, Chicago, Houston, and Dallas—where the Black population was less than 40 percent of the total population in 1990—there has been a significant decline in the percentage of Black residents over the years (Exhibit 31). Specifically, in Los Angeles, the Black population dropped from 14 percent in 1990 to just 9 percent of the city's overall population by 2023.

EXHIBIT 31

Black share of the total population since 1990



Source: Authors' calculations of data U.S. Census Bureau. Decennial censuses 1990, 2000, 2010, and 2020, and 2023 American Community Survey. Retrieved from Schroeder, Jonathan et al. IPUMS National Historical Geographic Information System: Version 20.0 [dataset]. Minneapolis, MN: IPUMS, 2025, http://doi.org/10.18128/D050.V20.0. Accessed July 2025.

The dissimilarity index is a common measure used to evaluate residential segregation levels. It indicates the share of Black individuals who would need to move between different census tracts to have an even distribution across the city, compared to White individuals. An index score above 0.6 is generally considered high.

As illustrated in Exhibit 30, all cities listed, except Detroit and Charlotte, display significant levels of segregation between Black and White residents, with index values ranging from 0.62 in Los Angeles to 0.80 in Chicago.

In the ten cities analyzed, the percentage of loan applications submitted by Black individuals and the loans granted to them is significantly lower than their representation in the local populations. This finding indicates that having a higher proportion of Black residents in these areas does not necessarily improve access to mortgage financing for this group. For example, in Detroit, where Black residents make up 77 percent of the population, only 53 percent of mortgage applicants are Black.

In New York, although Black individuals make up 23 percent of the population, they account for only 9 percent of all loan applicants (see Exhibits 30 and 32). Both Detroit and Baltimore are among the ten most affordable cities for Black homeowners and report the highest percentages of loan originations to Black applicants, with 52 percent in Detroit and 36 percent in Baltimore.

Furthermore, there are distinct differences in the types of loans sought by Black applicants across these cities. Although the overall patterns of Black applicants for FHA-insured and conventional loans align with national trends, variations exist in specific areas. For instance, in cities like Baltimore and Detroit, most loan applications were for FHA-insured loans. In contrast, in other cities, Black borrowers mainly applied for conventional loans.

Even in cities with sizable Black populations that relied more on conventional loans, the share of Black applicants in conventional loan originations stayed low. For instance, in Los Angeles, where 77 percent of Black applications were for conventional loans, only 3 percent of all conventional loan originations went to Black individuals (see Exhibit 32). In other words, the percentage of conventional loans extended to Black applicants in Los Angeles was only one-third of the Black population's share in the city, at 3 percent compared to 9 percent.

EXHIBIT 32

Selected Characteristics of Loan Applications from Black Applicants in the 10 U.S. Cities with the Largest Black Populations, 2024

	Loan Applications from Black Applicants				Loan Originations to Black Applicants			
City	Total	Share of all applications	Percent applications for conventional loans	Percent applications for FHA-insured loans	Total	Share of all originations	Share of all conventional loans	Share of all FHA-insured loans
Baltimore	2,650	38%	39%	52%	1,706	36%	23%	63%
Charlotte	2,063	16%	56%	35%	1,358	14%	10%	34%
Chicago	4,229	16%	54%	40%	2,351	13%	9%	42%
Dallas	1,166	10%	51%	38%	667	9%	6%	19%
Detroit	2,653	53%	46%	50%	1,532	52%	43%	66%
Houston	2,583	13%	49%	40%	1,536	11%	8%	22%
Los Angeles	759	4%	77%	19%	415	4%	3%	7%
Memphis	1,680	37%	39%	49%	1,066	34%	22%	53%
New York	2,990	9%	64%	34%	1,765	8%	6%	43%
Philadelphia	3,196	22%	52%	43%	2,086	20%	15%	40%

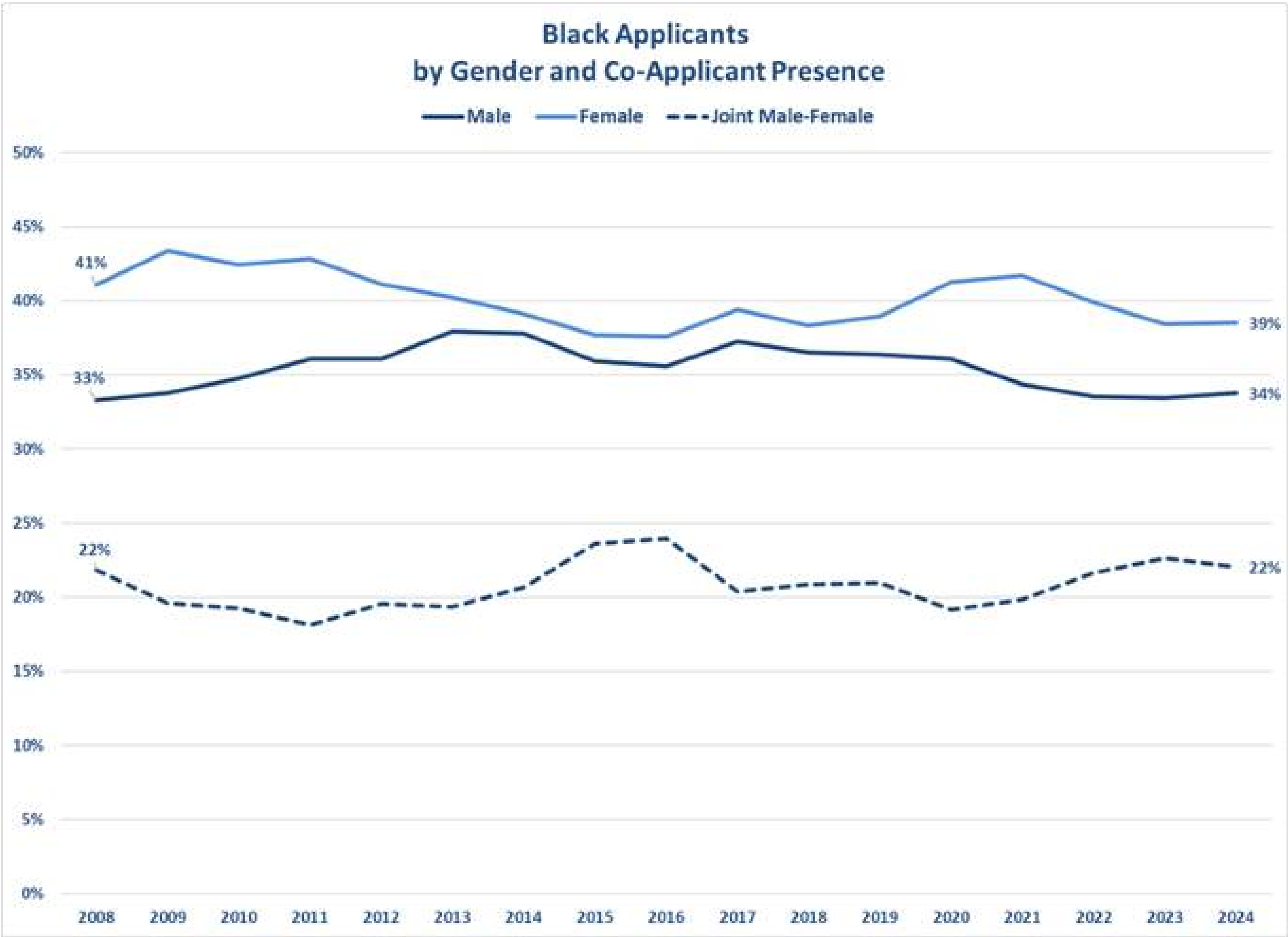
Source: Authors' calculations of 2024 HMDA data

Mortgage Lending to Black Female Applicants

The number of mortgage loan applications from Black women has been steadily declining since reaching its peak in 2021. In 2024, applications from Black women dropped by 6 percent compared to the previous year (Table 15). Additionally, a significant gender gap remains among Black loan applicants compared to White applicants (Exhibits 33 and 34).

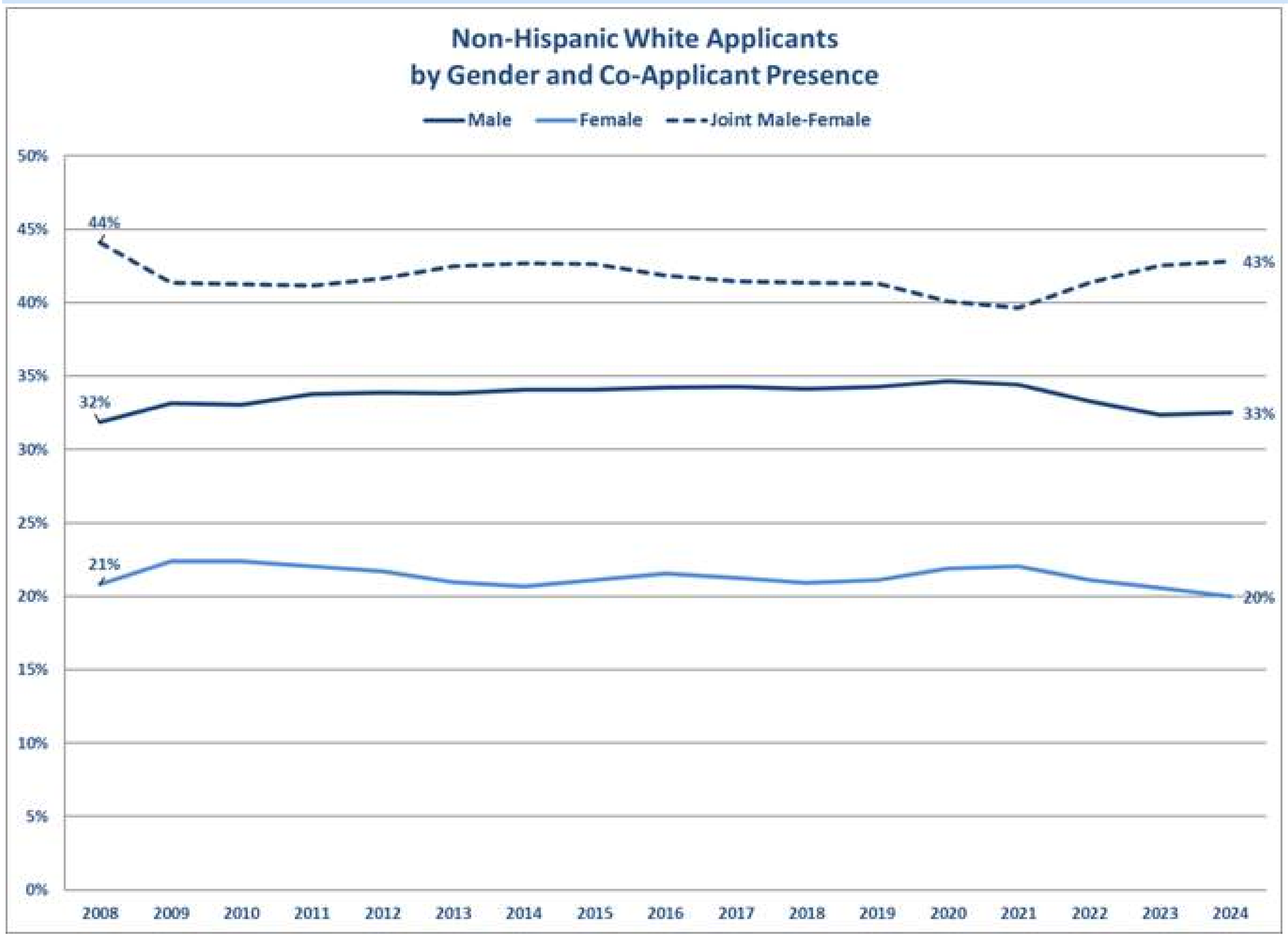
In 2024, women comprised the majority of Black mortgage loan applicants. Specifically, 39 percent of Black applicants were women applying independently without a co-applicant, while 34 percent were men applying alone, and 22 percent were joint applications from both male and female applicants. In comparison, women made up a smaller percentage of the overall White applicant group at 20 percent in 2024. The largest segment of White applicants consisted of those submitting joint applications at 43 percent, with male applicants comprising 33 percent.

EXHIBIT 33



Source: Authors' calculations of HMDA data (2008-2024)

EXHIBIT 34

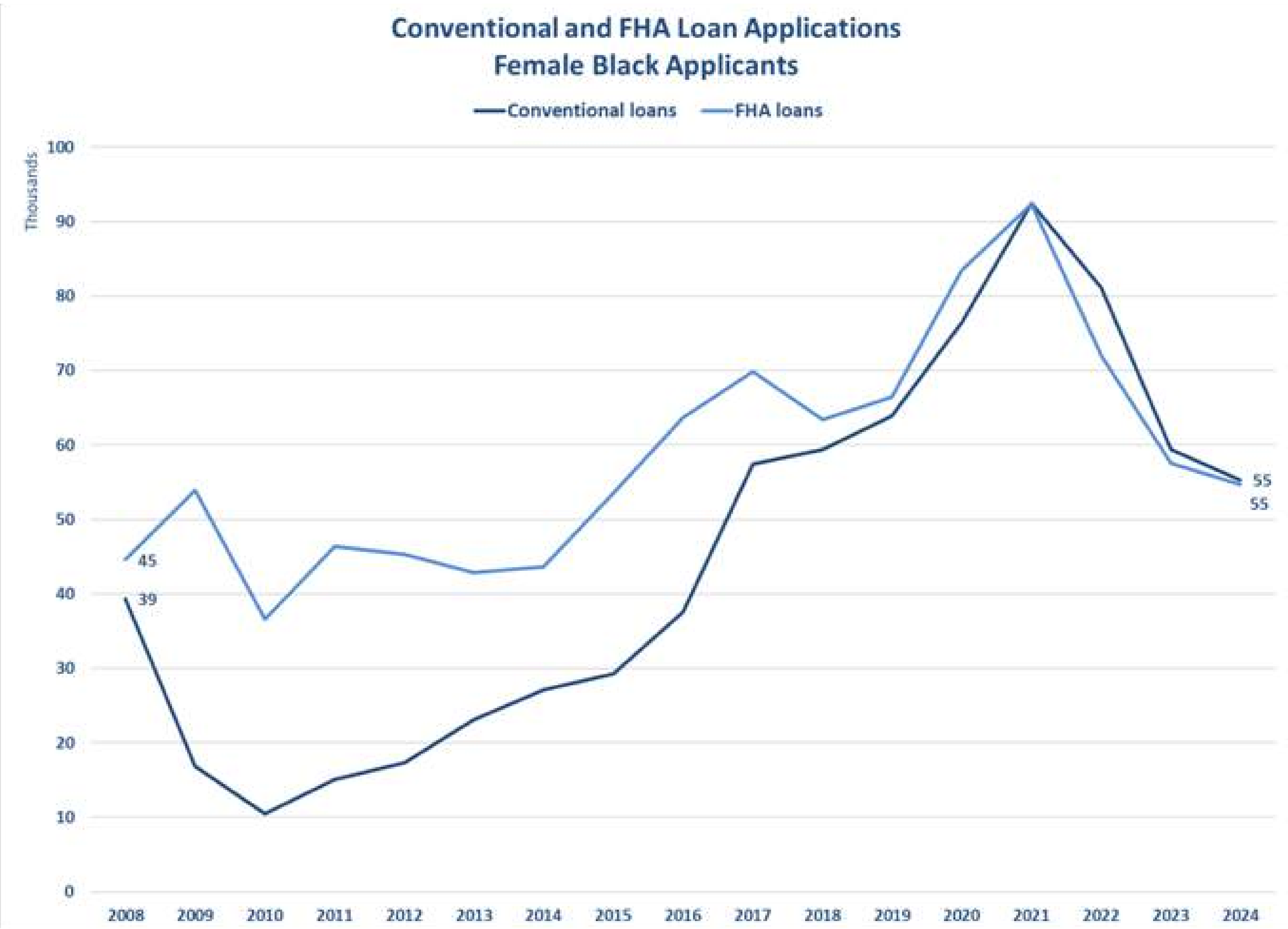


Source: Authors' calculations of HMDA data (2008-2024)

The number of loan applications from Black women applying independently for both conventional and FHA-insured mortgages continued to decline in 2024, though at a slower pace than the decrease seen between 2022 and 2023. FHA loan applications dropped by 5 percent, while conventional loan applications fell by 7 percent from the previous year. Notably, in 2023, applications for conventional loans by Black female applicants edged out those for FHA loans by a small margin (Exhibit 35).

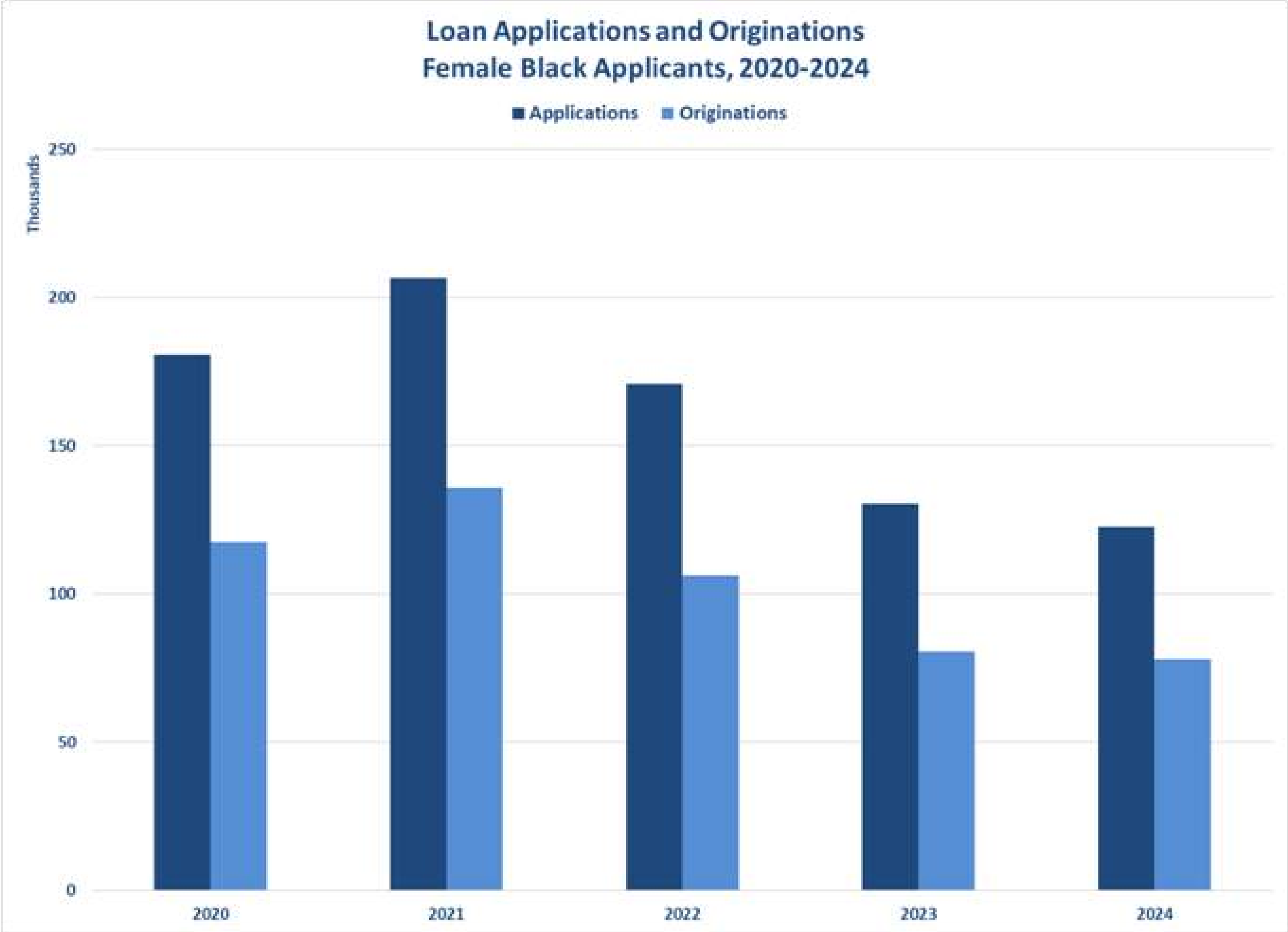
By 2024, 45 percent of loan applications from Black women were for conventional loans, a considerable rise from 21 percent in 2010, as illustrated in Table 16. In contrast, the share of conventional loan applications among white female applicants increased from 48 percent in 2010 to 76 percent in 2024. Additionally, FHA-insured loans represented 45 percent of applications submitted by Black women, a sharp contrast to the 17 percent experienced for White female applicants (Table 17).

EXHIBIT 35



Source: Authors' calculations of HMDA data (2008-2024)

EXHIBIT 36



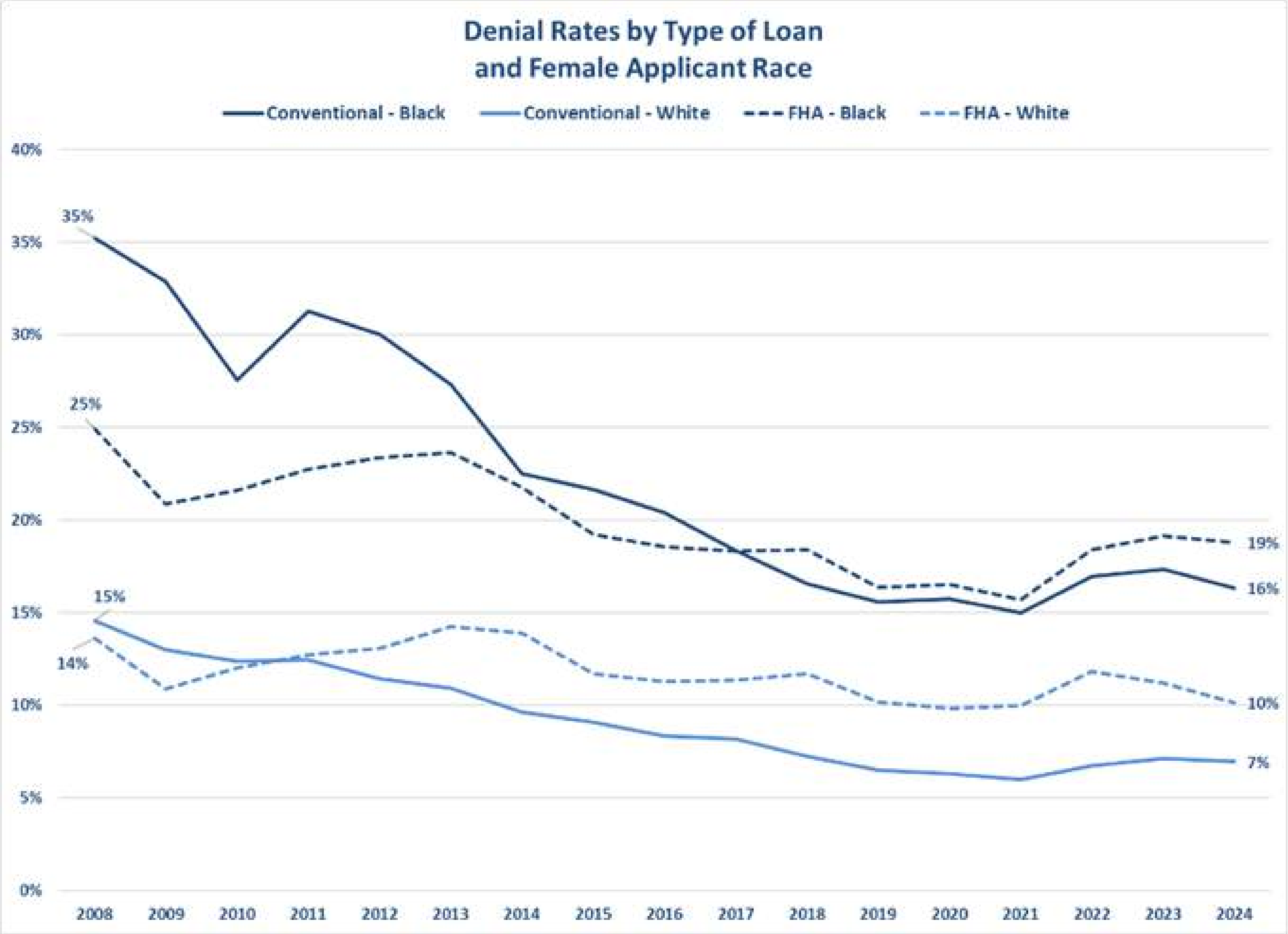
Source: Authors' calculations of HMDA data (2020-2024)

The success rate for loan applications from Black female borrowers was lower than that of White female borrowers. In 2024, the number of loans approved for Black women decreased by 4 percent from the previous year, resulting in a 63 percent origination rate (Exhibit 36). Meanwhile, White female borrowers had a 74 percent approval rate, despite a decline in applications from this demographic, as shown in Table 15. Although the gap in approval rates between Black and White female applicants has narrowed since 2008, significant differences still exist. Additionally, applicants from both Black and White demographics who applied jointly generally had higher approval rates than those applying alone.

Since the housing market collapse over a decade ago, denial rates for mortgage applications from both Black and White women have noticeably decreased. However, a significant gap still exists. As of 2024, the rejection rate for Black women applying for mortgage loans was 17 percent, more than twice the 8 percent rate for their White female counterparts.

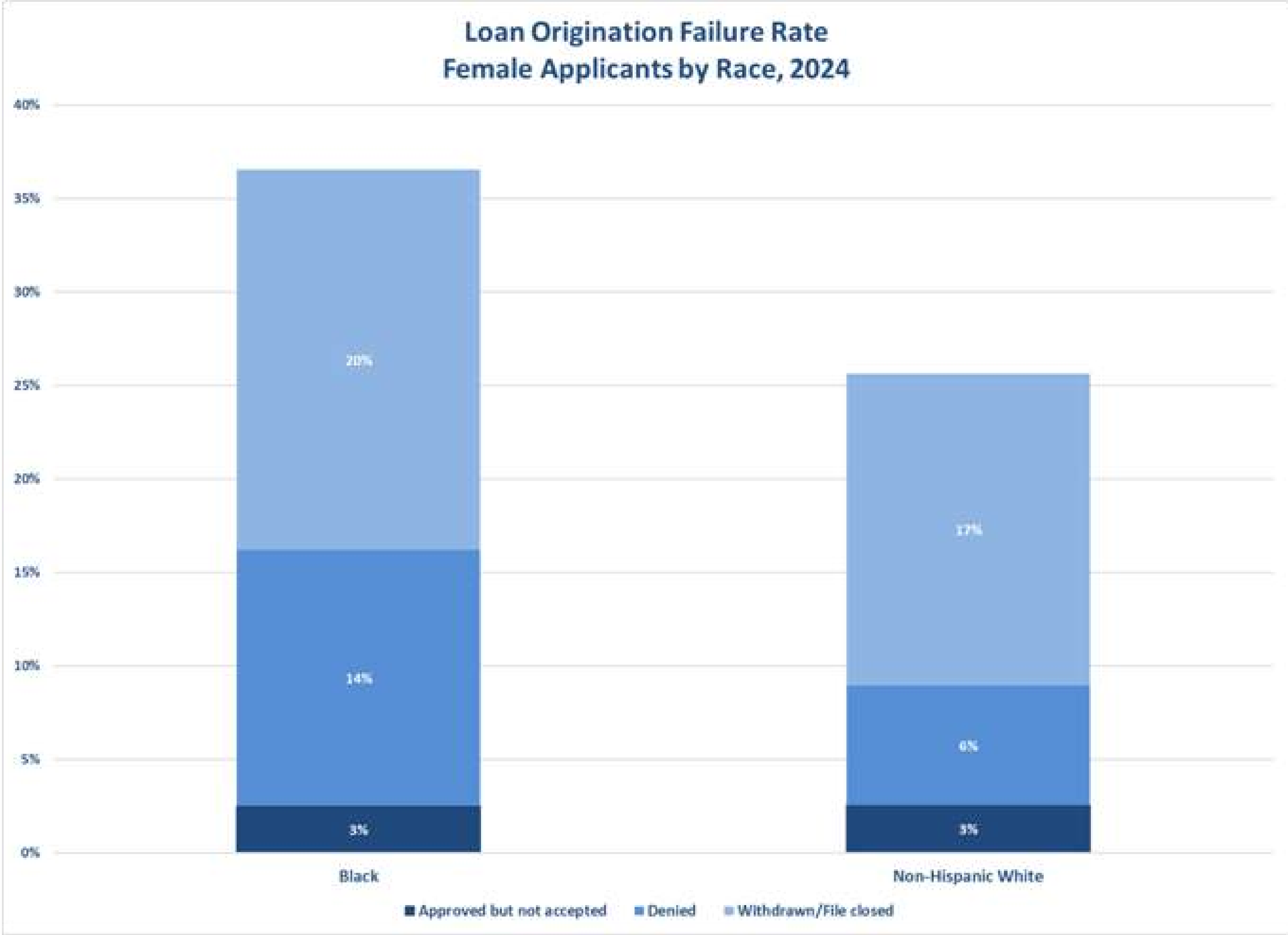
Historically, denial rates for FHA-insured loans have been higher than those for conventional loans among White women, especially after the foreclosure crisis. However, a different pattern has emerged for Black female applicants. Since 2017, Black women have experienced higher denial rates for FHA loans compared to conventional loans. In 2024, the denial rates for FHA-insured loans and conventional loans among Black applicants were 19 percent and 16 percent, respectively (Exhibit 37).

EXHIBIT 37



Source: Authors' calculations of HMDA data (2008-2024)

EXHIBIT 38



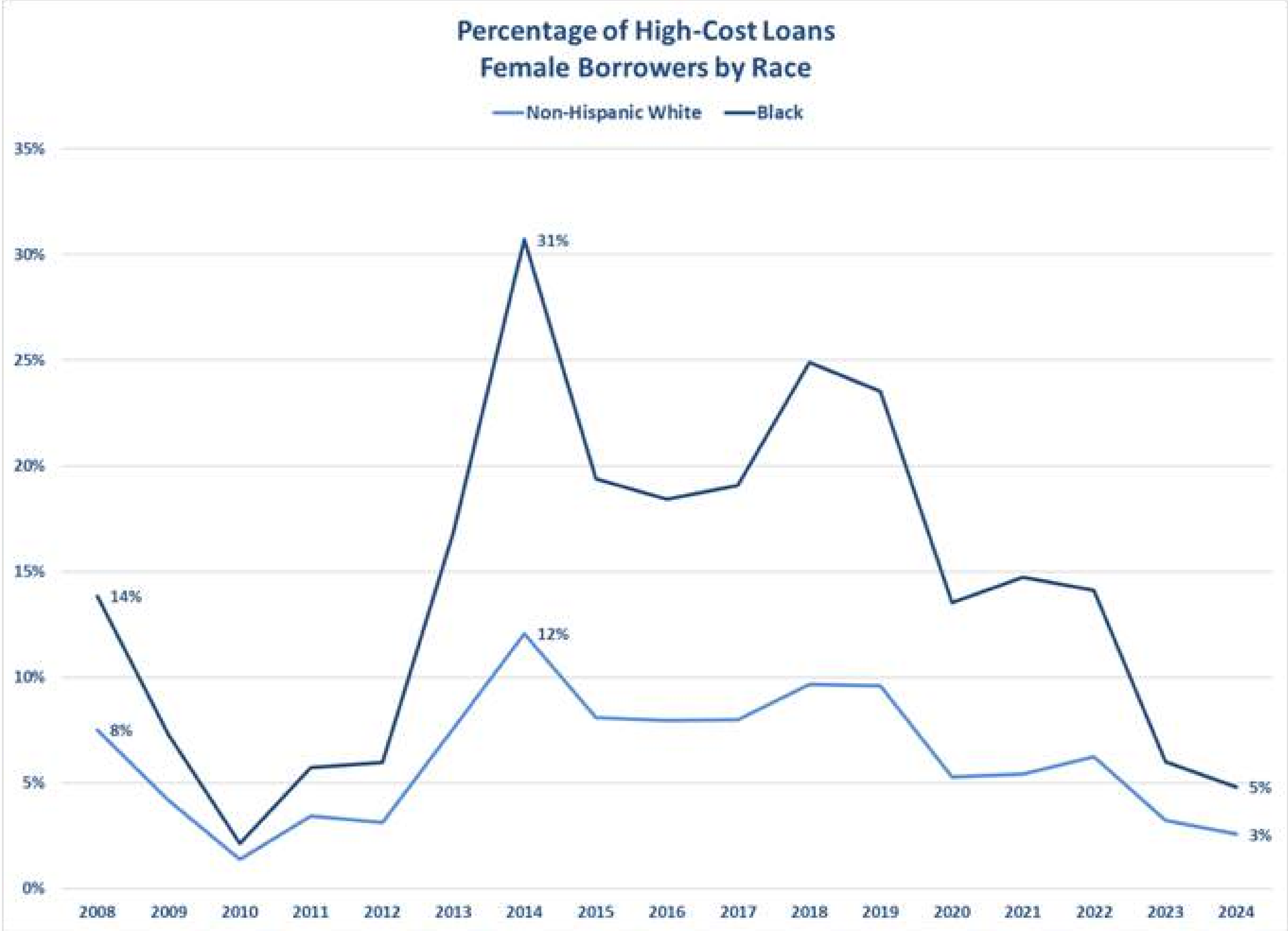
Source: Authors' calculations of 2024 HMDA data

There are also differences in the reasons given for loan denials between Black and White female applicants. The main reason for rejection among female applicants is their debt-to-income ratio. For Black applicants, 43 percent of denials were due to the DTI ratio, while it accounted for 37 percent of denials among White applicants. Credit history was the leading cause of denial in 18 percent of cases for Black applicants, compared to 13 percent for White applicants. Collateral was cited as a reason for denial more often among White applicants (20 percent) than among Black applicants (13 percent).

Over the years, the rate at which Black female applicants secure loans has improved. Their loan failure rate was 46 percent in 2008, dropping to 37 percent in 2024. However, this still exceeds the failure rate of White female applicants, which was 26 percent. Additionally, in 2024, about 20 percent of loan applications from Black female applicants were either withdrawn or closed due to incompleteness, a higher percentage than the 17 percent recorded for applications from White female applicants (Exhibit 38).

As of 2024, Black female borrowers continue to face a higher risk of receiving high-cost loans than White female borrowers. The share of high-cost loans among Black women has dropped significantly from 31 percent in 2014 to 5 percent. However, Black female borrowers still experience a higher proportion of high-cost loans compared to their White counterparts (see Table 19 and Exhibit 39).

EXHIBIT 39



Source: Authors' calculations of HMDA data (2008-2024)

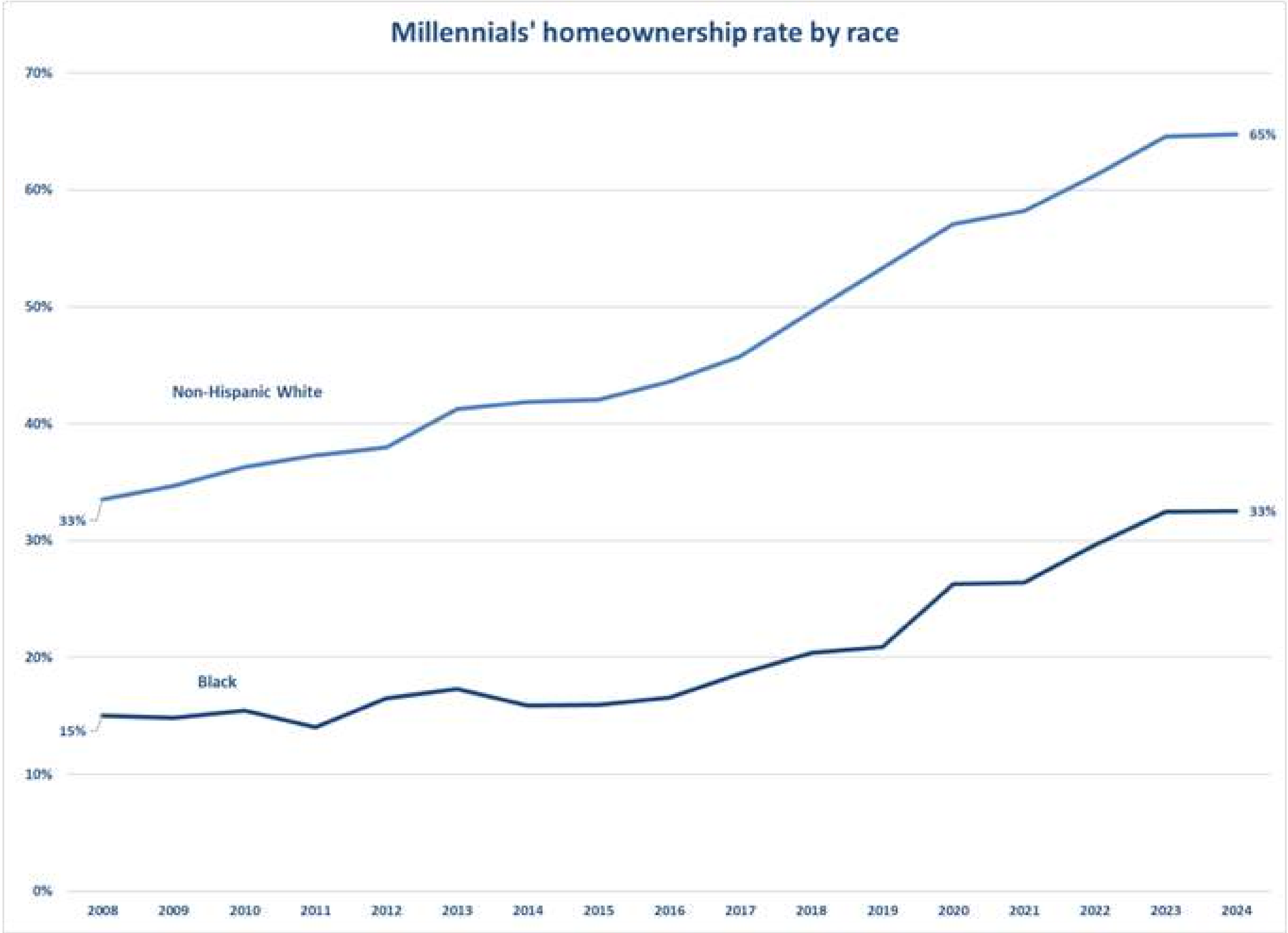
Homeownership Among Black Millennials

The homeownership gap between Black and White millennials remained in 2024, with Black millennials still less likely to own their homes than their White counterparts. In 2024, 33 percent of Black millennials owned homes, compared to 65 percent of White millennials. While there has been a notable rise in homeownership rates among Black millennials, their levels of ownership are still significantly lower than those of their White counterparts. Moreover, the gap in homeownership between these groups has widened in recent years (Exhibit 40).

This gap highlights the ongoing challenges that Blacks face in becoming homeowners: financial disadvantages stemming from the country's history of racial discrimination in housing. As Redfin Chief Economist Daryl Fairweather explains, "Black millennials have borne the brunt of those challenges because they're at an unfair financial disadvantage due to the country's history of racial discrimination.

Young Black Americans started out behind largely because they're less likely to have property and money passed down from their parents or grandparents, who faced racial discrimination themselves, and they have stayed behind because they're still facing discrimination and unfair economic circumstances." Additionally, high interest rates, record-high inflation, persistently high housing prices, and the limited availability of homes continue to keep Black millennials out of the competitive housing market.

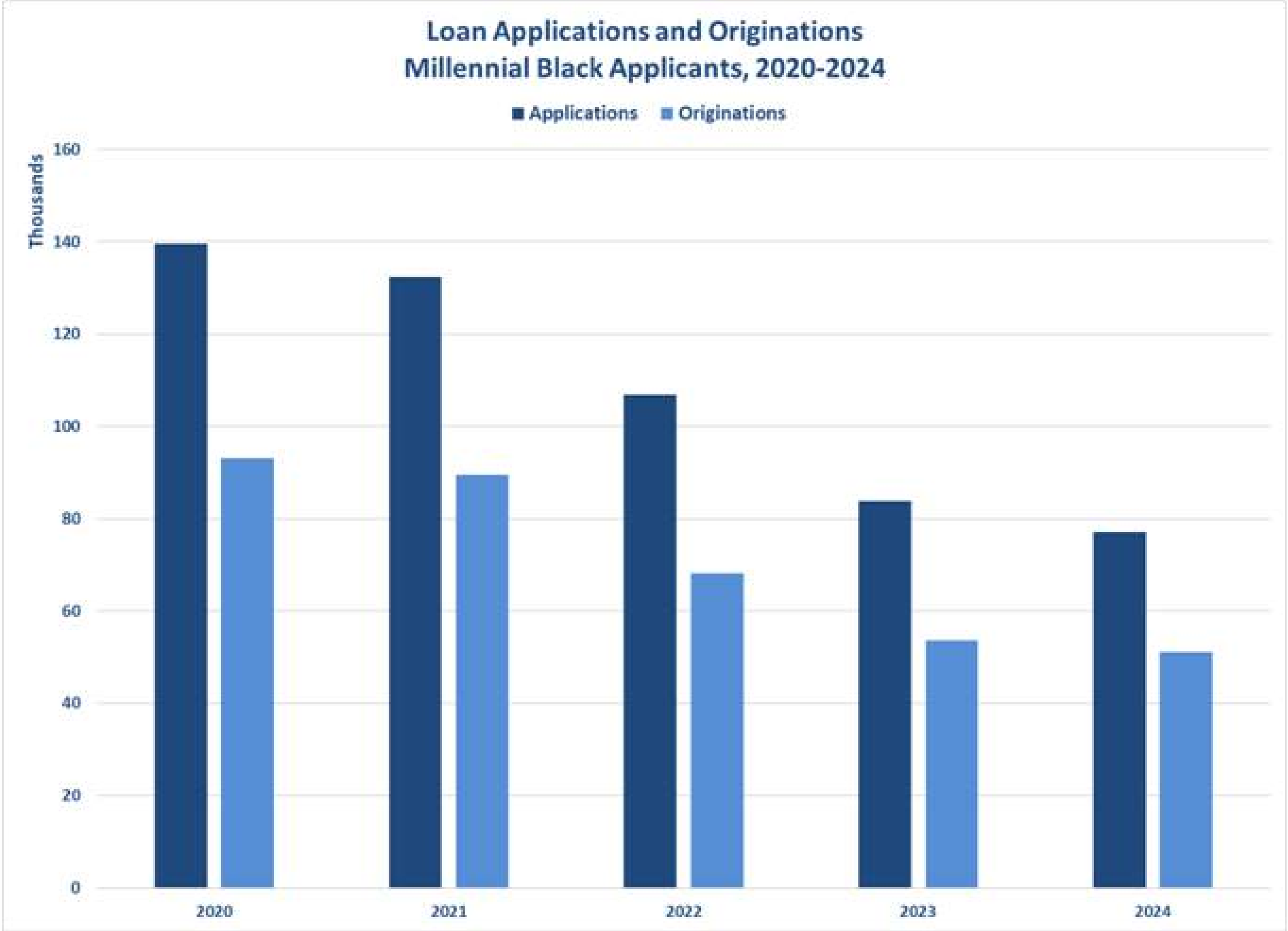
EXHIBIT 40



Source: Authors' calculations of data from U.S. Census Bureau and U.S. Bureau of Labor Statistics. Current Population Survey. Annual Social and Economic Supplements from 2008 to 2024. Retrieved from Flood, Sarah, et al. IPUMS CPS: Version 12.0 [dataset]. Minneapolis, MN: IPUMS, 2024,https://doi.org/10.18128/D030.V12.0. Accessed July 2025.

HMDA data show that the number of applications from Black millennials has continued to decline in the post-pandemic years (Exhibit 41). From 2023 to 2024, applications from Black millennials decreased by approximately 8 percent, and loan originations dropped by 5 percent. For White millennial applicants, applications fell by just 2 percent, with loan originations decreasing slightly by 0.5 percent.

EXHIBIT 41



Source: Authors' calculations of HMDA data (2020-2024)

In 2024, millennials accounted for 33 percent of the White applicant pool, while Black millennials made up 24 percent (see Table 20). The loan origination rate was 78 percent for White millennials and significantly lower at 66 percent for Black millennials. Additionally, Black millennials experienced loan denials at three times the rate of their White counterparts—15 percent compared to 5 percent.

Debt-to-income ratios were identified as the leading cause of 40 percent of loan denials for Black millennials, compared to 32 percent for White millennials. Credit history was the next most common reason for denial among Black applicants, with 19 percent of rejections due to this factor, versus 13 percent for White millennials (refer to Table 21).

In 2024, 5 percent of Black millennial borrowers received high-cost loans, compared to just 2 percent of White millennial borrowers (see Table 22). Additionally, 43 percent of White millennial borrowers had incomes above 120 percent of the area median income (AMI), while only 27 percent of Black millennial borrowers reached this income level.

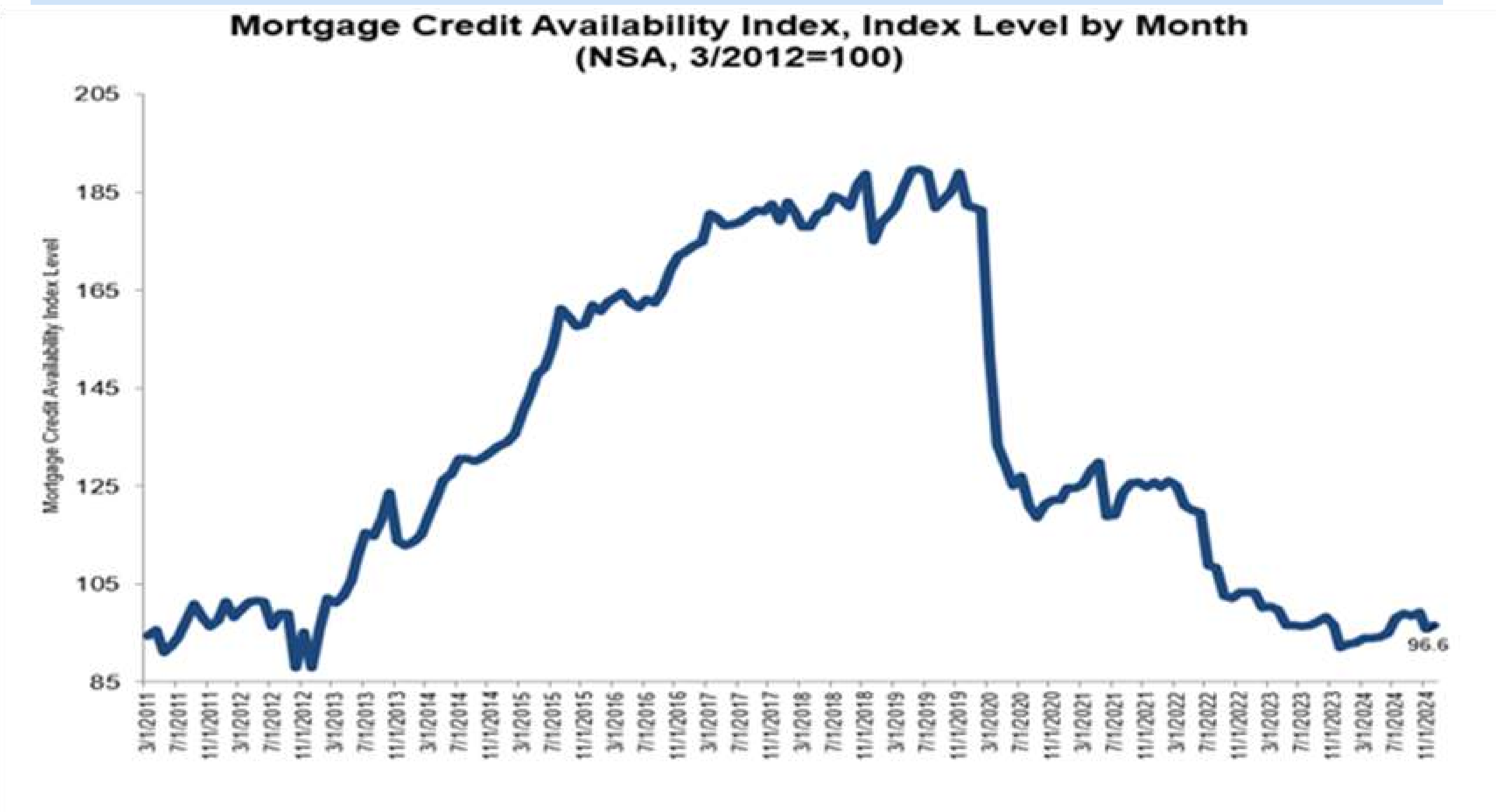
Regarding home financing, 71 percent of White millennial homebuyers secured conventional loans in 2024, whereas only 38 percent of Black millennial borrowers did the same.

Lastly, a higher percentage of Black millennial borrowers bought homes in low- and moderate-income neighborhoods (37 percent versus 18 percent) and in majority-minority neighborhoods (56 percent compared to 13 percent) than their White counterparts.

Mortgage Credit Availability

Lending standards remained tight in 2024. In December 2024, the mortgage credit availability index reported by the Mortgage Bankers Association (MBA)—a measure of mortgage credit availability benchmarked to 100 in March 2012—was 96.6, significantly below the peak of 189.8 recorded in July 2019. This decline is likely due to rising home prices and increased mortgage rates in recent years (Exhibit 42).

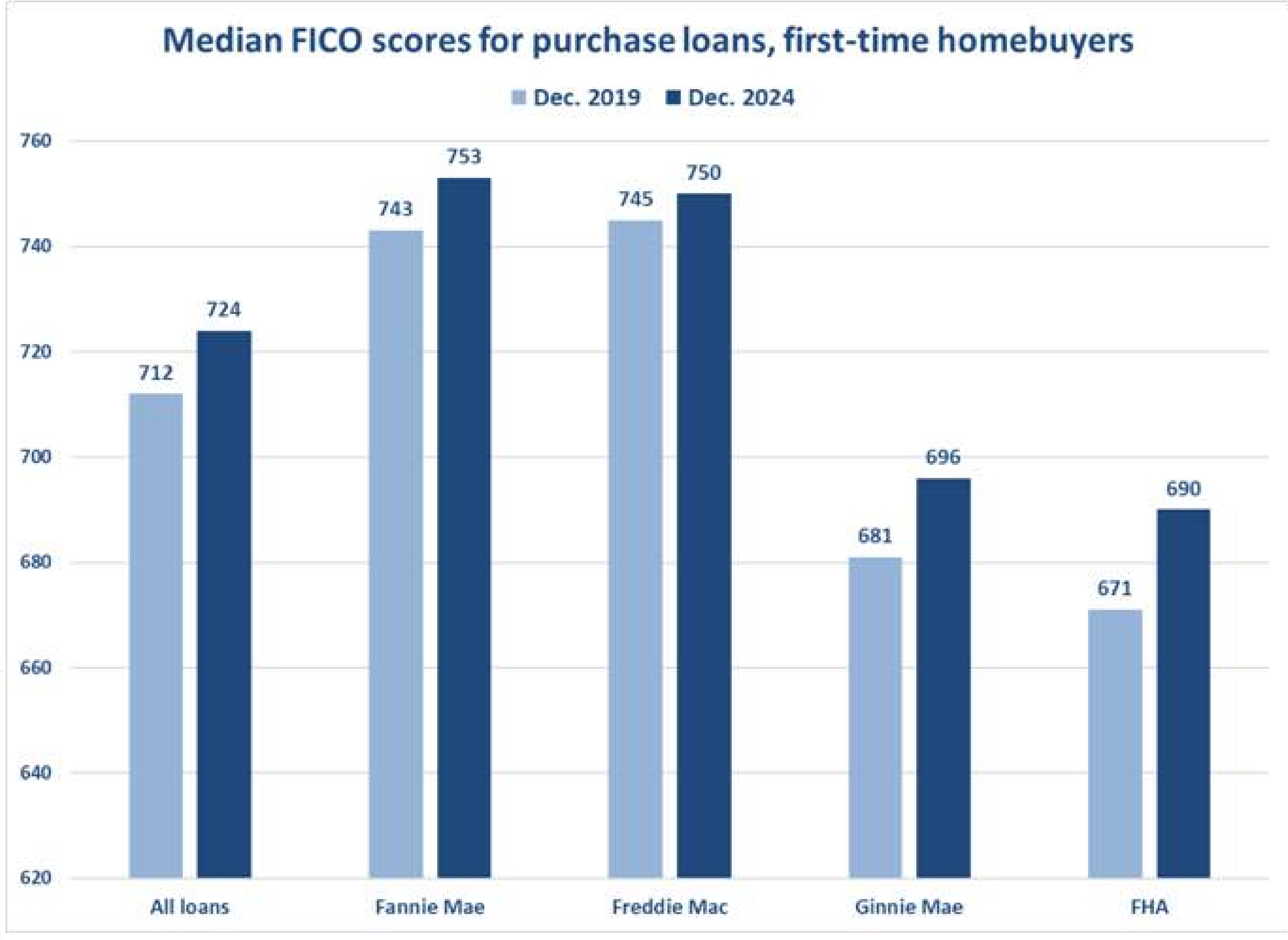
EXHIBIT 42



Source: Retrieved from Prophete, Brittney. "Mortgage Credit Availability Increased in December." Mortgage Bankers Association, 9 Jan. 2025, https://www.mba.org/news-and-research/research-and-economics/single-family-research/mortgage-credit-availability-index-x241340/2025/01/09/mortgage-credit-availability-increased-in-december.

The tightening of lending standards is reflected in increasing FICO scores. The median FICO score at origination for purchase loans increased from 741 in December 2019 to 748 in December 2024. After the foreclosure crisis, the mix of loans purchased by Fannie Mae and Freddie Mac shifted toward borrowers with higher FICO scores. For first-time homebuyers, median agency FICO scores for purchase loans increased from 712 in 2019 to 724 in 2024 (Exhibit 43). The rise in borrowers' FICO scores is seen across all agencies.

EXHIBIT 43



Source: Ginnie Mae. "Global Markets Analysis Report." Jan. 2025, https://www.ginniemae.gov/data_and_reports/reporting/Documents/global_market_analysis_jan25.pdf. Ginnie Mae. "Global Markets Analysis Report." Feb. 2020, "https://www.ginniemae.gov/data_and_reports/reporting/Documents/global_market_analysis_feb20.pdf

Credit Scoring and Related Risk Assessment Modifications

Credit scores are tools used to evaluate a consumer's creditworthiness by estimating the chance of future defaults based on their credit history found in credit reports from the three main credit bureaus: Equifax, Experian, and TransUnion. Factors considered in calculating credit scores include a consumer's payment history, amount owed, credit utilization, length of credit history, credit mix, and new credit.

Credit scores are commonly used in mortgage underwriting and pricing. They influence access to loans and the terms offered; borrowers with lower scores, when approved, typically face higher interest rates and have to dedicate a larger part of their income to fees and interest. This situation makes it harder for them to pay off debt and save effectively.

FICO, developed by the Fair Isaac Corporation, has been the leading credit scoring model since it was first introduced. Classic FICO scores, which are widely used by lenders and required for loans bought or securitized by Fannie Mae and Freddie Mac, range from 300 to 850. The most recent FICO model uses five types of information from credit reports, each assigned a specific weight: 35 percent for payment history, 30 percent for amounts owed or credit utilization, 15 percent for credit history length, 10 percent for credit mix, and 10 percent for new credit accounts.

VantageScore is a newer credit scoring model developed through a partnership of the three main credit bureaus. Like to FICO scores, VantageScore ranges from 300 to 850. This model considers six categories of information, with the first two matching those used in FICO scores: payment history (41 percent), credit utilization (20 percent), length and mix of credit (20 percent), recent credit activity (11 percent), total balances (6 percent), and available credit (3 percent).

VantageScore can assign a score to consumers with just one month of credit history and a single account reported within the past two years, making it more accessible for those new to credit or who use it infrequently. Additionally, it considers other types of credit data, such as rental payment history, when available.[25]

In October 2022, the FHFA issued new guidelines for the credit scoring models that Fannie Mae and Freddie Mac can use in the mortgage loan securitization process. Under these guidelines, lenders will have the option to evaluate borrowers using the FICO 10T model, which analyzes at least 24 months of a borrower's credit history, rather than relying on a single point in time when the credit report was pulled. Additionally, lenders will be allowed to use VantageScore, which typically requires a less extensive credit history than FICO scores.

In February 2024, the FHFA announced updates on implementing the new Enterprise credit score requirements. After collecting feedback from various stakeholders, FHFA adjusted the original timeline to align the rollout of the bi-merge credit reporting requirement with the transition from the Classic FICO model.

On July 11, 2024, the FHFA announced that the Enterprises had published historical credit scores linked to the VantageScore 4.0 model for tens of millions of loans acquired from April 2013 to March 2023, marking the earliest point where trended consumer credit data can be reliably obtained from all three major consumer reporting agencies.[26]

Preliminary data assessments suggest the transition will likely have a minimal impact on mortgage eligibility and overall default rates. While some borrowers might see their scores improve with VantageScore 4.0, first-time homebuyers may not notice a significant difference. The GSEs are expected to adjust their pricing grids accordingly, since scores from these models are not interchangeable.[27]

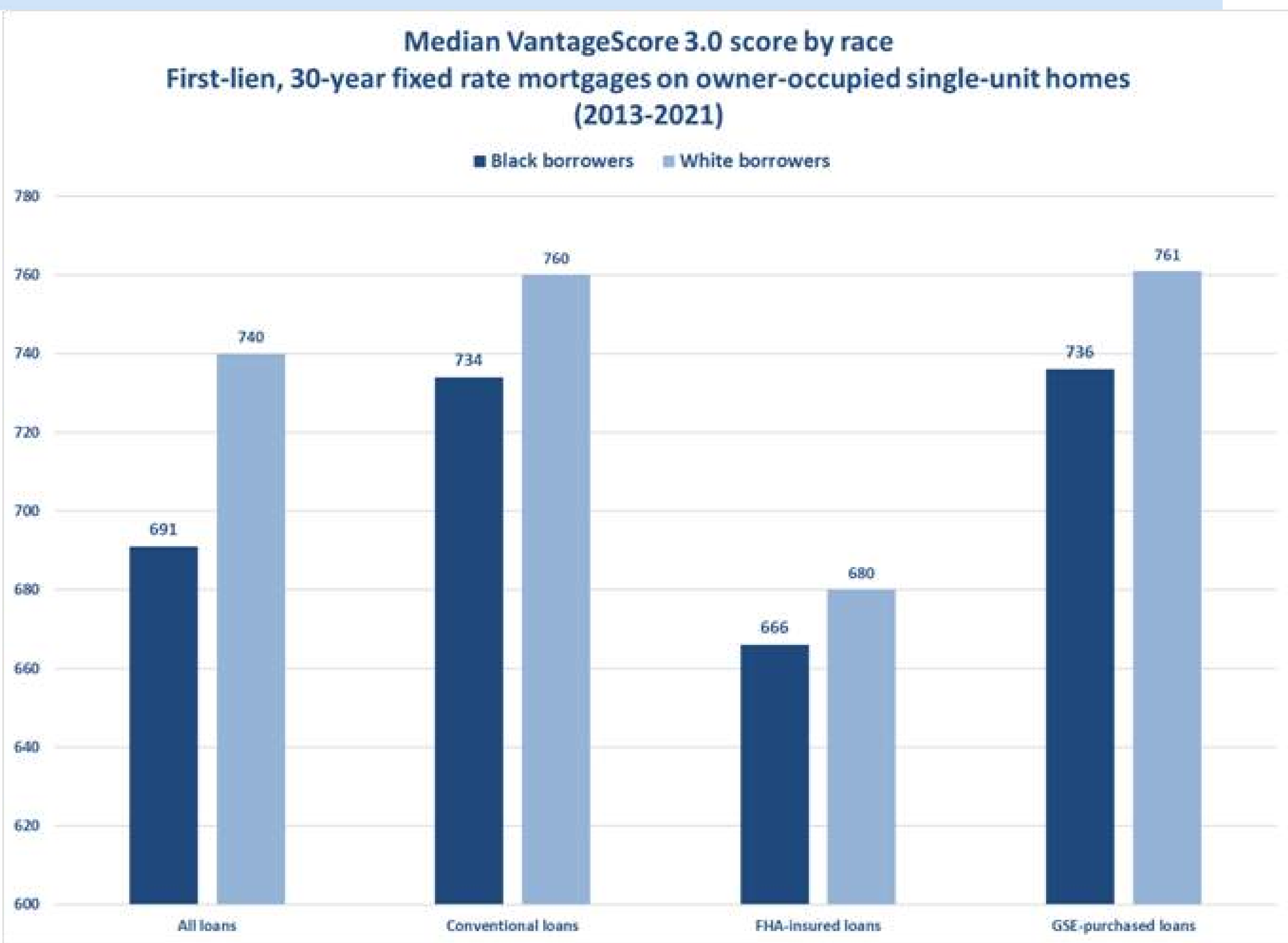
Racial Disparities in Credit Scores

Many studies have highlighted significant racial disparities in credit scores, which reflect broader racial gaps in other areas of household finances, such as income and wealth. For example, a recent study by the Financial Health Network analyzing the Financial Health Pulse 2022 survey data found that Black consumers have an average VantageScore 4.0 of 643, compared to an average score of 729 among White consumers. The analysis also revealed that 39 percent of Black consumers had credit scores in the subprime range—300 to 600.

Conventional mortgages usually require a minimum credit score of 620, which is 20 points above the highest score in the subprime category as defined by VantageScore. While some non-conventional loan options, like FHA-insured loans, permit lower credit scores, Black borrowers generally have lower median credit scores across all types of mortgage products.

Our analysis of publicly available National Survey of Mortgage Originations (NSMO) data shows that the median VantageScore 3.0 of Black borrowers who obtained first-lien, 30-year fixed-rate mortgages on owner-occupied single-family homes from 2013 to 2021 was 691, compared to 740 for White borrowers (Exhibit 44). Gaps in median scores remain consistent across different types of loans, including FHA-insured loans.

EXHIBIT 44



Source: Author's calculations of data from Federal Housing Finance Agency. "National Survey of Mortgage Originations (NSMO) Public Use File." https://www.fhfa.gov/data/national-survey-mortgage-originations-nsmo-public-use-file, accessed July 2024.

Furthermore, the CFPB's examination of 2023 HMDA datareveals ongoing disparities in FICO scores across different racial and ethnic groups, despite a general upward trend in credit scores since 2018. As of 2023, the median FICO score for closed-end home purchase mortgage loans for Black borrowers was 698, which is 56 points below that of White borrowers, who had a median FICO score of 754.[28]

Generally, credit scores should not be influenced by race. However, since they reflect a person's financial history, they can be indirectly impacted by factors like race. Deep-rooted racial biases in housing and employment have hindered economic progress and wealth building for many generations of Black families, leading to typically lower credit scores for this group compared to others.

Because of lower credit scores, Blacks are more often excluded from traditional financial services compared to White individuals. Research from the Federal Reserve shows that in 2024, 13 percent of Black households were unbanked, while only 3 percent of White households had no access to banking services (Exhibit 45). This problem is worsened by the lack of bank branches in predominantly Black neighborhoods compared to White neighborhoods.

In 2023, Black neighborhoods had an average of two banking offices per 10,000 Black residents, while White neighborhoods had four offices for the same population. From the start of the pandemic until 2023, majority-Black census tracts lost bank offices at a higher rate than majority-White census tracts—6.6 percent versus 5.5 percent—and the increase in bank deserts in majority-Black areas outpaced the national average—10.1 percent compared to a 6.4 percent growth nationally.

Consumers who lack access to banks and traditional credit options often turn to alternative lending methods, which are frequently predatory and not included in conventional credit scoring models. For example, payday loans are used more frequently by Black consumers than White consumers. These loans do not appear on credit reports and are usually more expensive than traditional loans, making repayment harder and potentially creating a cycle of debt. In 2024, 13 percent of Black households used payday, pawn, auto title, and refund anticipation loans compared to 3 percent of White households. Additionally, 30 percent of Black households used nonbank check cashing or money orders, versus 8 percent of White households.

EXHIBIT 45

Selected economic characteristics of Black and White households, 2024

	Black	White
Unbanked rate	13%	3%
Use of nonbank check cashing or money order	30%	8%
Use of payday, pawn, auto title, and refund anticipation loans	13%	3%
Denied credit or approved for less than was requested	51%	26%
Behind on student loan payments	26%	13%
Have savings to cover three months of expenses	41%	60%
Retirement preparedness among non-retirees		
Tax-preferred retirement accounts	52%	68%
Defined benefit pension	22%	22%
Retirement savings on track	26%	41%

Source: Compiled with data from Board of Governors of the Federal Reserve System. "Economic Well-Being of U.S. Households in 2024." May 2025, https://www.federalreserve.gov/publications/files/2024-report-economic-well-being-us-households-202505.pdf

Black adults are more likely than White adults to lack conventional credit scores, which means they are credit invisible, making it hard, if not impossible, to get loans. Fourteen percent of Black consumers have no credit history, rendering them invisible to credit reporting agencies, while an additional 13 percent are considered unscorable because their credit files lack enough information for a standard credit score calculation. In contrast, only 9 percent of White consumers are credit invisible, and 7 percent are unscorable. This means that Black individuals are 1.8 times more likely than White individuals to fall into these categories. [29]

In conclusion, Black applicants often encounter lower approval rates when evaluated by race-neutral automated underwriting systems (AUS), even though these systems aim to adhere to fair lending laws. Notable examples of such AUS include Fannie Mae's Desktop Underwriter (DU), Freddie Mac's Loan Product Advisor (LPA), and the FHA's TOTAL credit risk scorecard.

These systems assess creditworthiness using various criteria, including credit history, loan-to-value, and debt-to-income ratios, as well as self-employment status. Recently, however, FHA and the GSEs have incorporated alternative information into their systems to help renters, especially those in underserved communities, achieve homeownership.

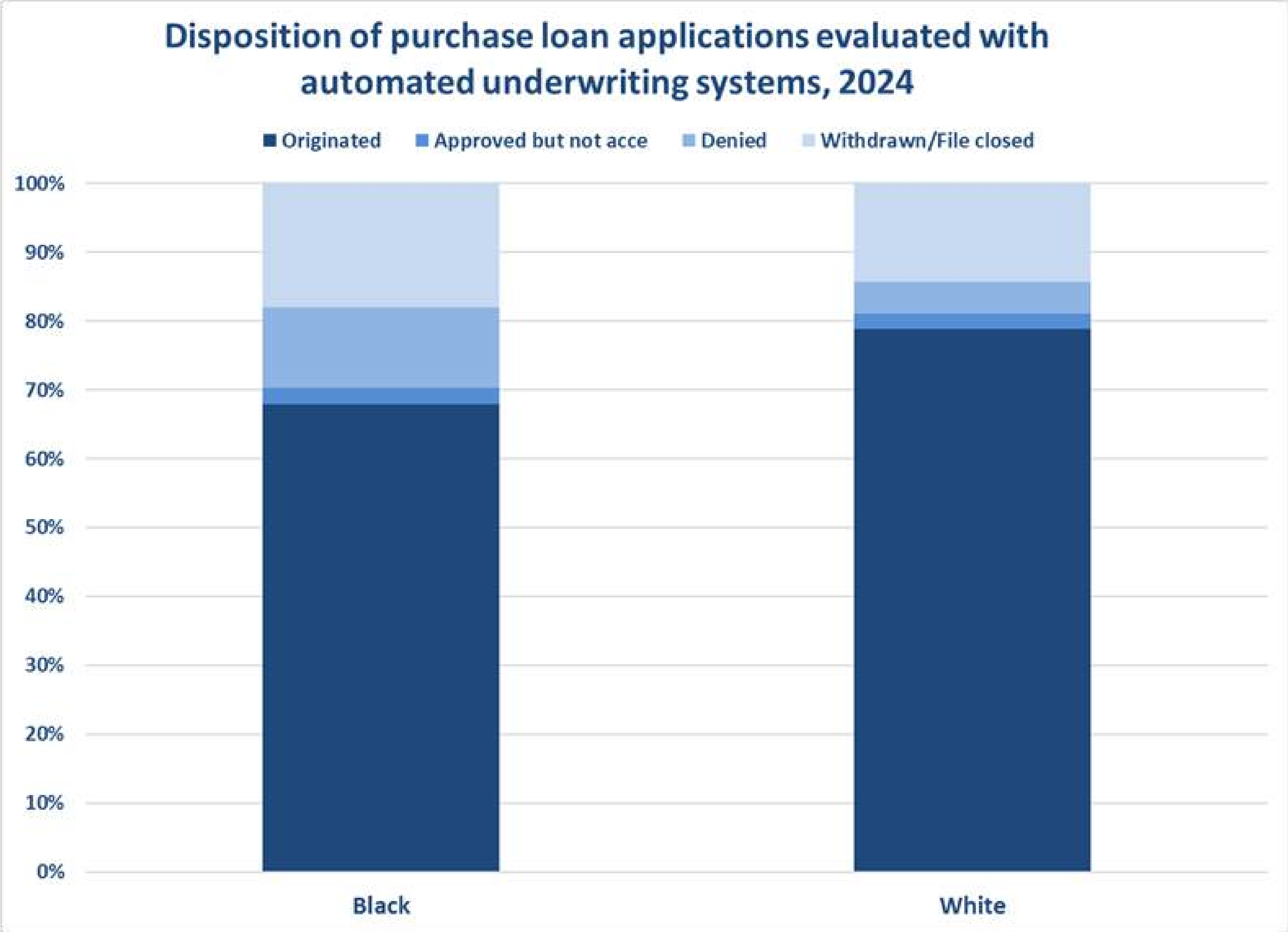
Since March 2023, the FHA has required lenders to include positive rental payment history when assessing mortgage applications through its TOTAL Mortgage Scorecard. By August 2024, approximately 6,060 applications had been approved using this data point. A study by the US Department of Housing and Urban Development found that these applicants generally have lower FICO scores, fewer assets, and lower incomes. However, they demonstrate lower delinquency rates compared to those with lower scores who were not evaluated with rental data.

The study also found that borrowers approved because of positive rental history (PRH) included a higher percentage of Black borrowers (18.6 percent) compared to all total-approved borrowers (12.4 percent).

Since 2022, Freddie Mac's Loan Product Advisor has included on-time rent payments in its loan purchase evaluations. With the borrower's consent, lenders and brokers can submit bank account information to Freddie Mac's LPA, enabling it to assess up to 12 months of on-time rent payments as part of the eligibility review. Similarly, in 2022, Fannie Mae updated its automated underwriting system to improve eligibility and streamline the loan process for homebuyers without a credit score. One of the improvements in Fannie Mae's DU is the consideration of borrowers' monthly cash flow over a 12-month period to potentially enhance their credit evaluation.[30]

Despite ongoing updates to automated underwriting systems, in 2024, only 70 percent of loan applications from Black applicants processed through AUS received approval, with 68 percent ultimately resulting in loan issuance. Conversely, applications from White individuals had an approval rate of 81 percent when assessed by AUS, as shown in Exhibit 46. The disparities in approval rates, despite the use of race-neutral AUS, mainly stem from differences in credit scores and likely reflect deeper systemic racial biases.[31]

EXHIBIT 46



Source: Authors' calculations of 2024 HMDA data

Fannie Mae and Freddie Mac Pricing

Fannie Mae and Freddie Mac are key players in the U.S. mortgage market because they guarantee most of the nation's mortgages. They buy single-family loans from different lenders and package them into mortgage-backed securities (MBS), either holding them as investments or selling them on the secondary market. By taking on the credit risk of these loans, the Government-Sponsored Enterprises (GSEs) ensure that investors receive both principal and interest payments. To cover this guarantee and manage their operational and capital costs, the GSEs charge a guarantee fee (G-fee).

G-fees are categorized into two types: ongoing and upfront. Both types are ultimately paid by the borrower, as lenders include these fees in the loan's interest rate. Ongoing fees are paid monthly for the duration of the loan, while upfront fees are paid as a one-time charge by sellers to the GSEs when the loan is delivered. These upfront costs, known as loan-level price adjustments (LLPAs), were introduced in 2008 after the financial crisis to ensure borrowers are charged based on their specific risk levels.

Factors influencing a loan's upfront fee include the loan-to-value (LTV) ratio, the borrower's credit score, the type of property, and occupancy status. Loans with higher risk characteristics usually have higher upfront fees compared to those with lower risk features. In the past, a flat fee was charged to all borrowers within a loan pool, regardless of their different risk profiles.

In 2022 and 2023, the FHFA revised the pricing framework for the Enterprises' single-family loans following a comprehensive review that began after the finalization of the Enterprise Regulatory Capital Framework (ERCF) in December 2020. This review aimed to improve pricing support for creditworthy homebuyers with limited income or wealth, ensure fairness for both small and large sellers, promote capital accumulation by the Enterprises, and achieve appropriate returns on capital (Exhibit 47).

EXHIBIT 47

Event Date	Change
March 2008	The Enterprises increased ongoing fees and added two new upfront fees: a fee based on the borrower's LTV ratio and credit score, and a 25-basis point adverse market charge.
Late 2008 through 2011	The Enterprises gradually raised fees and refined their upfront fee schedules.
December 2011	Pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011, FHFA directed the Enterprises to increase the ongoing fee for all loans by 10 basis points. The Enterprises pay this fee to the U.S. Department of the Treasury. This fee increase was effective with April 2012 deliveries and will expire after 10 years.
August 2012	FHFA directed the Enterprises to raise fees by an additional 10 basis points on average to better compensate for credit risk exposure. FHFA raised fees more on loans with terms longer than 15 years than on shorter-term loans to better align the gaps and made fees more uniform across sellers with varying loan delivery volumes. These changes were effective with December 2012 MBS deliveries.
December 2013	FHFA directed the Enterprises to increase ongoing fees by 10 basis points, change upfront fees to better align pricing with credit risk characteristics, and remove the 25-basis point adverse market charge for all but four states. However, in January 2014, FHFA suspended the implementation of these changes pending review.
April 2015	FHFA completed its fee review and directed the Enterprises to eliminate the adverse market charge in all markets and add targeted increases for specific loan groups effective with September 2015 deliveries. These changes were approximately revenue-neutral with little or no impact for most borrowers.
July 2016	Based on findings from FHFA's quarterly guarantee fee reviews, the Agency directed the Enterprises to set minimum ongoing guarantee fees by product type, effective in November 2016, consistent with FHFA's resporsibility to ensure the safety and soundness of the Enterprises.
September 2018 & March 2019	The Enterprises implemented a 25- basis point upfront fee for loans on second homes where LTV exceeds 85 percent.
April 2020	FHFA allowed the Enterprises to purchase loans in forbearance, with an upfront fee add-on of 500 basis points for first-time home buyers and 700 basis points for all others, effective for loans closed through December 31, 2020, following multiple extensions.
August 2020	FHFA directed the Enterprises to introduce a 50-basis point upfront Adverse Market Refinance Fee, effective December 1,2020, for cash-out and rate-term refinances. The Enterprises excluded loans with principal balance less than or equal to $125,000, those associated with Home Ready/Home Possible, and construction-to-permanent loans meeting certain criteria.
July 2021	FHFA announced that the Enterprises would eliminate the Adverse Market Refinance Fee for loan deliveries effective August 1, 2021.
November 2021	The Infrastructure Investment and Jobs Act extended to 2032 the existing 10-basis point ongoing fee arising from the Temporary Payroll Tax Cut Continuation Act of 2011, which was due to expire in 2022. The Enterprises remit the proceeds from this fee to the U.S. Department of the Treasury.
January 2022	FHFA announced targeted increases to upfrontfees for certain high balance loans and second home loans, effective April 1, 2022.
October 2022	FHFA announced the elimination of upfront fees for certain homebuyers and affordable products. Upfront fees were eliminated for first-time homebuyers at or below 100 percent of area median income, and below 120 percent in high-cost areas; HomeReady and Home Possible loans; HFA Advantage and HFA Preferred loans; and single-family loans supporting the Duty to Serve program. Targeted increases to upfront fees for cash-out refinances were announced, effective February 1, 2023.
January 2023	FHFA announced recalibrated upfront fee grids for purchase, rate-term refinance, and cash-out refinance loans, effective May 1, 2023

Source: Fannie Mae and Freddie Mac Single-Family Guarantee Fees in 2023. Federal Housing Finance Agency, January 2025.https://www.fhfa.gov/document/gfee-report-2023.pdf.

The updates were announced in three stages. In January 2022, FHFA introduced targeted upfront fee increases for specific high-balance and second-home loans. By October 2022, upfront fees were waived for many creditworthy low- and moderate-income first-time homebuyers and loans from the Enterprises' affordable housing programs. This update also included higher upfront fees for certain cash-out refinances.

In January 2023, FHFA recalibrated upfront fees for most purchase and rate-term refinance loans to better reflect risk factors in the ERCF. The new fee structures introduced separate grids for purchase loans, rate-term refinances, and cash-out refinances, with more detailed categories based on borrower credit scores (Exhibit 48). Specifically, the ERCF lowered the risk-based capital requirements for loans with LTV ratios over 80 percent. Loans with LTV ratios above 80 percent now cost 1.875 percent more for borrowers with a credit score under 640, compared to those with a credit score of 740 or higher. This is a reduction from the previous 3 percentage point gap before these adjustments were put in place.

In the fourth quarter of 2024, the average G-fees charged on new acquisitions by Fannie Mae were 64.1 basis points, and those charged by Freddie Mac were 65 basis points. Current guarantee fees are significantly higher than those from 2011 and 2012, which has helped boost the GSEs' earnings despite a substantial decline in acquisition volume.

Evaluating risk at the individual borrower level is essential, but applying charges at this stage can lead to discrimination. Loan-level price adjustments overlook the fact that the financial struggles faced by borrowers of color are mainly due to discriminatory practices in the labor and housing finance industries, supported by federal policies for much of the past century. The way guarantee fees and loan-level pricing adjustments (LLPAs) are structured creates barriers for borrowers of color, making it difficult and costly for them to access affordable credit, thereby perpetuating the racial gap in homeownership.

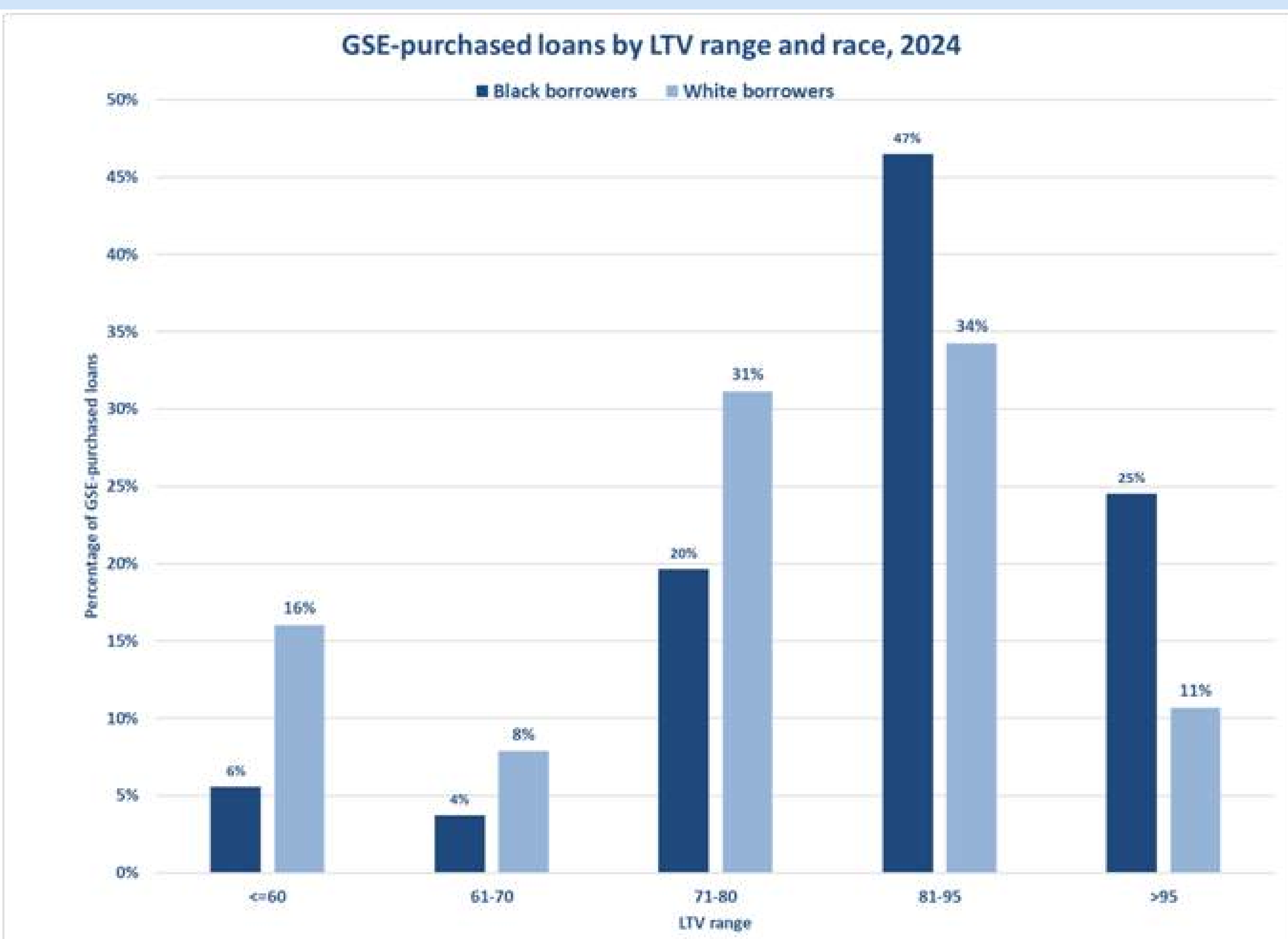
EXHIBIT 48

Credit Score	LTV Range									
	Applicable for all loans with terms greater than 15 years									
	≤ 30.00%	30.01 – 60.00%	60.01 – 70.00%	70.01 – 75.00%	75.01 – 80.00%	80.01 – 85.00%	85.01 – 90.00%	90.01 – 95.00%	>95.00%	SFC
≥ = 780	0.000%	0.000%	0.000%	0.000%	0.375%	0.375%	0.250%	0.250%	0.125%	N/A
760 – 779	0.000%	0.000%	0.000%	0.250%	0.625%	0.625%	0.500%	0.500%	0.250%	N/A
740 – 759	0.000%	0.000%	0.125%	0.375%	0.875%	1.000%	0.750%	0.625%	0.500%	N/A
720 – 739	0.000%	0.000%	0.250%	0.750%	1.250%	1.250%	1.000%	0.875%	0.750%	N/A
700 – 719	0.000%	0.000%	0.375%	0.875%	1.375%	1.500%	1.250%	1.125%	0.875%	N/A
680 – 699	0.000%	0.000%	0.625%	1.125%	1.750%	1.875%	1.500%	1.375%	1.125%	N/A
660 – 679	0.000%	0.000%	0.750%	1.375%	1.875%	2.125%	1.750%	1.625%	1.250%	N/A
640 - 659	0.000%	0.000%	1.125%	1.500%	2.250%	2.500%	2.000%	1.875%	1.500%	N/A
≤ 639	0.000%	0.125%	1.500%	2.125%	2.750%	2.875%	2.625%	2.250%	1.750%	N/A

Source: Fannie Mae. Originating & Underwriting Eligibility & Pricing

For example, guarantee fees are usually higher for mortgages that require smaller down payments, which especially affects borrowers with limited savings—often Black individuals. As mentioned earlier, borrowers of color, particularly Blacks, often face financial challenges that prevent them from making large down payments and tend to have lower credit scores due to the long-term impacts of discrimination in housing and employment across generations. Exhibit 49 offers a visual showing the distribution of GSE-purchased loans by loan-to-value (LTV) ratio and race in 2024.

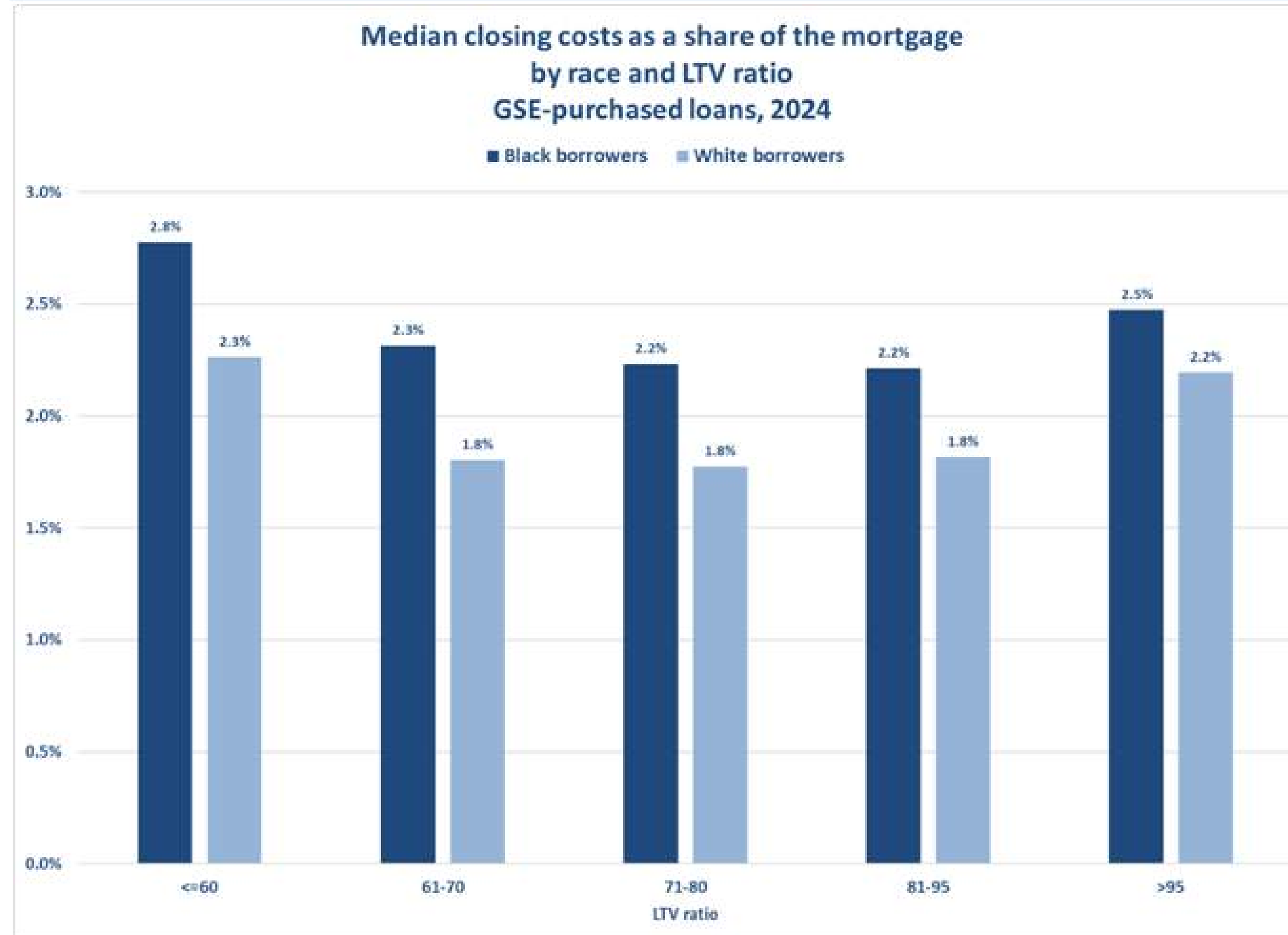
EXHIBIT 49



Source: Authors' calculations of 2024 HMDA data

Loan-Level Price Adjustments (LLPAs) reveal existing racial disparities in credit scores and loan-to-value (LTV) ratios, resulting in higher costs for Black borrowers compared to White borrowers. From 2023 to 2024, the share of GSE-purchased loans to Black borrowers with LTV ratios above 80 increased from 69 percent to 71 percent. Meanwhile, the share of GSE-purchased loans to White borrowers with LTV ratios over 80 decreased slightly from 46 percent in 2023 to 47 percent in 2024. In 2024, median closing costs for GSE-purchased loans to Black borrowers accounted for a larger portion of the mortgage than for White borrowers across all LTV ratios (Exhibit 50).

EXHIBIT 50



Source: Author's calculations of 2024 HMDA data

Unwinding Conservatorship: The Future of Fannie Mae and Freddie Mac

Fannie Mae and Freddie Mac, the two government-sponsored enterprises (GSEs) central to U.S. housing finance, have remained under federal conservatorship since 2008. Originally chartered to enhance liquidity and access in the mortgage market, they became state-backed pillars during the financial crisis. Over fifteen years later, despite having remitted far more to Treasury than they initially received, they still operate under FHFA oversight. The question now is whether they might finally exit via privatization, and what that would mean for taxpayers, investors, and especially borrowers.

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Origins of the Conservatorship Structure

In 2008, the collapse of housing markets exposed the fragility in Fannie Mae's and Freddie Mac's capital held against defaults from subprime, Alt-A, and adjustable-rate mortgage portfolios. Falling home values and rising delinquencies eroded their capital buffers, prompting concerns that they would fail or require fire sales of assets. The Housing and Economic Recovery Act (HERA) of 2008 empowered the Federal Housing Finance Agency (FHFA) to place the GSEs into conservatorship—on September 6, 2008, Treasury and FHFA acted to stabilize them. Conservatorship (as opposed to receivership) allowed the GSEs to continue operations, guaranteeing new mortgages and servicing existing ones, while FHFA assumed control of management and governance.[1]

The Financial Rescue: Terms of the PSPA and Net Worth Sweep

To shore up the GSEs, Treasury entered into Preferred Stock Purchase Agreements (PSPAs). Treasury pledged up to $200 billion in capital in exchange for senior preferred stock and warrants to purchase 79.9percent of each enterprise's common equity. The GSEs drew $187.5 billion in the immediate years of stress. They were obliged to pay a 10percent dividend and abide by significant operational constraints. Subsequently, in 2012, Treasury and FHFA amended the PSPA to impose a "Net Worth Sweep," requiring the GSEs to remit nearly all retained earnings above a minimal capital threshold to Treasury as dividends, effectively preventing them from rebuilding equity and making exit structurally difficult.[2]

Critiques of the Structure: An Exit Locked In

Critics contended that the Net Worth Sweep converted a temporary conservatorship into a de facto perpetual control mechanism. Shareholders such as Fairholme Funds and Perry Capital mounted litigation, alleging that the sweep breached contractual terms and dispossessed private equity holders without compensation. Scholars like Joseph Grundfest argued the sweep forestalled any realistic exit by denying the GSEs any retained earnings buffer.[3] Observers such as the Cato Institute framed it as overreach of government power. The result: capital markets perceived that these firms could never free themselves without explicit political assent.[4]

The Turnaround: Profits, Payments, and Surplus

In a surprising turn, the GSEs returned to robust profitability. By end-2024, they had remitted over $300 billion in dividends to Treasury, surpassing the original $187.5 billion drawn under the PSPA. Fannie Mae is estimated to have drawn about $120 billion and paid more than $180 billion; Freddie Mac drew about $71 billion and returned nearly $120 billion. Together, the two GSEs generated roughly $110 billion in surplus above their draws.[5] These remittances, however, were treated as dividends—not as principal repayment —allowing Treasury to retain its senior preferred equity position and maintain conservatorship.[6]

Where the Money Went: Profits as General Revenue

The dividends collected under the Net Worth Sweep were funneled into the federal government's general revenues and deficit reduction, rather than being earmarked for housing or capital replacement. Housing policy scholars such as Laurie Goodman (Urban Institute) have criticized this structure for diverting billions from potential reinvestment in housing affordability or GSE capital buffers.[7] The FHFA Inspector General has also questioned whether this treatment aligns with the original mission of conservatorship to stabilize and preserve the enterprises.[8]

Push for Recapitalization & Release

Investor advocates have pushed for a "recap and release" strategy. Bill Ackman (Pershing Square) publicly proposed converting Treasury's senior preferred into equity and launching a large IPO, arguing that the GSEs' consistent profitability should support a market return.[9] Groups like Investors United for GSE Reform contend that reinstating private governance would restore investor confidence and enforce market discipline. Their proposals often envision a regulatory regime that preserves mission constraints—e.g., maintaining affordable housing mandates and oversight of guarantee pricing.[10]

Trump-Era Initiatives and the Politics of Exit

During Trump's first term, Mark Calabria was appointed FHFA Director and advanced a multi-step reform blueprint to build capital and transition the GSEs toward private status. But the process stalled due to legal challenges and political resistance. In 2025, the Trump campaign revived the privatization agenda, signaling plans for an IPO or series of offerings. The Supreme Court's ruling in Collins v. Yellen affirmed presidential removal power over the FHFA director, reinforcing executive control over GSE policy.[11]

What Privatization Could Look Like

Privatization pathways vary. One scenario would unveil an IPO—offering 5percent–15percent of equity initially—while retaining government influence in oversight. Some models propose merging Fannie and Freddie to gain scale and operational efficiencies under one unified entity. Regulatory regimes might adopt a "utility model": constrained returns, strict capital requirements, and affordability mandates. Investment banks, mortgage insurers, and large financial institutions may be natural candidates to invest or partner in the restructured entities. Still, critics warn that privatization without a strong public mission guardrail may lead to credit rationing or higher costs for underserved borrowers.[12]

IX. Impact on Borrowers & Housing Affordability

The GSEs now stand closer than ever to a potential IPO exit—but the pathway remains uncertain. The surplus payments, consistent profitability, and investor pressure favor release. Yet the specter of higher mortgage costs, public backlash, structural uncertainty, and regulatory gaps means any move must be deliberate and mission sensitive. For privatization to succeed, it must preserve access, manage risk, and respect the policy priorities and equity imperatives underlying these institutions. Without that, reform may wrongly turn a tool of access into a vehicle for exclusion.

Chart: Risks to Borrowers from Privatization of the GSEs

Source	Concern	Mechanism
OurFinancialSecurity.org	Housing more expensive, increased macro risk	Higher returns required, no federal backstop
Mortgage Underwriters Council	Mortgage rates up by 1 percentage point	Risk premium passed to borrowers
Stanford SIEPR	Guarantee fees likely to increase	Return-on-equity pricing
PIMCO	Affordability could worsen	Exit removes liquidity guarantees
Multi-Housing News	Tighter credit standards, more volatility	Market cyclicality increases
Inside Mortgage Finance	Market structure unresolved	MBS volatility and pricing risks
National Mortgage Professional	Increased borrower exposure	5percent IPO may test cost impacts
Furman Center (NYU)	Rollback of affordability mandates	Profit-maximizing pressures

Sources for Chart[14]

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In addition to higher costs, critics caution about stricter underwriting standards and risk aversion. Private guarantors may retreat from higher-risk segments—moderate-income buyers, small or rural markets, or credit-challenged borrowers—favoring safer credit profiles. Such narrowing of scope would roll back the inclusionary goals that have been a central purpose of the GSEs under public oversight.

The cumulative effect: lower homeownership rates, especially for first-time or moderate-income families, and increased inequality in mortgage access. Unless structural guardrails (legislated affordability mandates, strong risk-sharing, and codified mission constraints) accompany privatization, the result could be a housing finance system that is more efficient—but less fair.

Market Risks and Equity Concerns

Rapid or poorly designed exit could destabilize the mortgage market: reduced liquidity, increased volatility in MBS spreads, and credit tightening especially in smaller or non-urban markets. Institutions like PIMCO caution against unmoored reform.[15] Civil rights organizations and low-income housing coalitions argue that scaling back duty-to-serve obligations or rolling back GSE affordable housing requirements could exacerbate disparities. In April 2025, reports surfaced that FHFA risked staff cuts and weakening of regulatory mandates—raising alarm among housing advocates.[16]

Recent IPO Developments and Public Backlash

Starting in mid-2025, momentum began building for a potential GSE IPO. The Wall Street Journal reported that major investment banks were vying for underwriting roles and that the administration was considering selling 5percent–15percent of combined equity, valuing Fannie and Freddie at upwards of $500 billion.[17] Bloomberg and Reuters reported the White House may greenlight a $30 billion offering before year's end.[18] The New York Times confirmed that Senate Democrats and civil rights organizations, including the National Urban League, have warned such a move could raise mortgage rates and reduce access for underserved communities.[19]

Skeptics—including analysts at Morgan Stanley—note that exit hurdles remain: unclear regulatory mandates, uncertain pricing structures, and possible litigation.[20] Some investor proposals, notably from Bill Ackman, suggest merging the two GSEs as part of a streamlined IPO strategy.[21] Despite these uncertainties, the IPO proposal has elevated GSE reform to national attention once again.

Status of the Process

In January 2025, Treasury and FHFA amended the PSPA to restore Treasury's consent rights over any exit strategy and to require public comment on the impact of GSE reform. The GSEs currently hold about $150 billion in combined capital, still short of FHFA's estimated $280 billion requirement under its Enterprise Capital Framework. Credit rating agencies remain cautious, citing unresolved governance, litigation risk, and unknown investor demand. Though strong political interest exists, any actual share sale likely faces delay into 2026 or beyond.[22]

Momentum Meets Risk

The GSEs now stand closer than ever to a potential IPO exit—but the pathway remains uncertain. The surplus payments, consistent profitability, and investor pressure favor release. Yet the specter of higher mortgage costs, public backlash, structural uncertainty, and regulatory gaps means any move must be deliberate and mission sensitive. For privatization to succeed, it must preserve access, manage risk, and respect the policy priorities and equity imperatives underlying these institutions. Without that, reform may wrongly turn a tool of access into a vehicle for exclusion.

Appraisal Bias Against Black Homeowners and Communities

In 2024, the National Association of Real Estate Brokers (NAREB) published *Home Appraisals in Black and White: Disparities in Estimated Valuations of Homes by Neighborhood Racial Composition.* That research builds on more than three decades of scholarship to examine how appraisal bias systematically suppresses the value of homes in Black neighborhoods and, more uniquely, how the presence of Black buyers themselves influences appraised values across neighborhoods.[1] It is both a continuation of a long-standing academic thread and a path-breaking contribution that reframes how we understand discrimination in housing markets.

Historical Origins of Appraisal Bias

The roots of appraisal bias lie not in individual prejudice alone, but in the explicit policies of the federal government during the twentieth century. Beginning in the 1930s, federal housing programs such as those administered by the Home Owners' Loan Corporation (HOLC) and the Federal Housing Administration (FHA) required appraisers to factor in the racial composition of neighborhoods when estimating value.[2] Black neighborhoods—or even those adjacent to them—were automatically marked down in value regardless of housing quality or residents' financial stability. Race itself became a discount factor, enshrined in underwriting manuals and appraisal guidelines.[3] These practices, commonly known as redlining, created durable patterns of disinvestment and depreciation that still shape markets today. NAREB's 2024 study situates itself squarely in this lineage, underscoring that what we now call "appraisal bias" is not an accidental oversight but a structural feature of American housing finance.

Academic Foundations: Thirty Years of Evidence

The persistence of this problem has been documented for more than thirty years. One early landmark was DavidRusk's work for the Brookings Institution, which systematically demonstrated that comparable homes in Black neighborhoods were consistently valued below those in White neighborhoods.[4] Rusk's findings have since been replicated in dozens of studies—including newer Brookings analyses—using different datasets and methodologies. These results have become more visible in policy debates as the racial wealth gap widens. NAREB explicitly positions its report within this scholarly tradition while addressing questions that earlier studies left unresolved.

Persistence and Growth of the Gap

Disparities in appraised values between homes in predominantly White and predominantly Black neighborhoods have proven remarkably consistent over time.[5] Although magnitudes vary by method and geography, the existence of bias is undisputed. Recent evidence indicates the gaps are not narrowing but widening. Because homeownership is the primary avenue of wealth accumulation for most American families, the persistence of undervaluation erodes Black households' ability to build equity and transfer wealth intergenerationally.

Variation in the estimated size of appraisal gaps stems from methodological differences. Earlier studies emphasized the neighborhood's racial composition but overlooked the buyer's race. NAREB's 2024 research corrects this by incorporating the racial identity of buyers and finds that as the proportion of Black buyers in a neighborhood rises, median appraised values decline—even when neighborhood characteristics remain constant.[6] This refinement helps explain why prior studies reported divergent magnitudes of bias.

The Novel Contribution: The Role of Black Buyers

The report's most distinctive contribution is its focus on how buyer race influences appraisal outcomes regardless of neighborhood composition. Using standardized comparisons, NAREB shows that as the share of Black buyers increases, the median appraised value of homes declines.[7] This pattern holds in both majority-Black and majority-White neighborhoods. In gentrifying areas, property values rise faster when new buyers are predominantly White; when buyers are predominantly White; when buyers are Black—even in largely White neighborhoods—values tend to fall.[8] The data suggest discrimination operates simultaneously against communities and against individual Black households seeking to cross racial boundaries.

As with previous statistical analyses,NAREB's analysis controlled for a wide range of structural and neighborhood attributes, such as housing structure type, square footage, location, and other relevant factors, to ensure genuine "like-for-like" comparisons.[9] For example, a three-bedroom home of equivalent size and quality in a Black neighborhood with similar neighborhood locational attributes and community amenities was compared to a similar home in a White neighborhood. The remaining valuation gaps cannot be explained by structural or locational differences; they reflect biases within the appraisal process itself.

Appraised Undervaluation and Contract Price Underestimate

NAREB introduces the term appraised-price undervaluation to describe the systematic underestimation of home values in Black neighborhoods relative to similar White neighborhoods.[10] The concept highlights that these disparities arise not from market fundamentals but from enduring racial bias embedded in valuation practices, producing direct financial losses for Black homeowners and cumulative erosion of community wealth.

The report also documents contract-price underestimation—when appraisers value homes below their agreed contract price.[11] Black buyers encounter this problem more often, forcing them to provide larger cash differentials or forfeit financing. The result is reduced access to mortgages, suppressed investment, and perpetuated disinvestment in historically Black neighborhoods.

Expanding the Understanding of Appraisal Bias

NAREB's Home Appraisals in Black and White deepens understanding of appraisal bias in two critical ways. First, it demonstrates that disparities hinge on buyer race as well as neighborhood composition. Second, it formalizes two mechanisms—appraised-undervaluation gap and contract-price underestimate—that define the dual structure of bias confronting Black homeowners.[12] Grounded in a century of discriminatory policy and decades of research, NAREB confirms that appraisal bias is not a relic of the past but an evolving barrier to racial equity in housing, requiring federal oversight, improved appraiser training, and reform of automated valuation models that risk embedding historic prejudice into digital systems.

Economic Performance and Policy Outlook

The U.S. economy in 2025 shows both surface-level stability and underlying fragility. Real gross domestic product grew strongly in 2023, increasing by about 2.4 percent, then slowed to approximately 2.0 percent in 2024.[1] As 2025 begins, the Congressional Budget Office forecasted growth of only 1.4 percent, indicating a significant slowdown.[2] Inflation has been more persistent than policymakers anticipated. Recent data released just before completing this report show unexpectedly strong growth in the revised second-quarter 2025 figures. As noted in the introduction, this report was not updated to include that data because the underlying economic fundamentals discussed here remain unchanged.

The Consumer Price Index (CPI) stayed just below 3 percent through mid-2025.[3] More worrisome, the Producer Price Index (PPI) increased by 0.9 percent in July and showed a 3.3 percent year-over-year rise, a surprising figure that many analysts see as evidence that tariffs are starting to impact supply chains.[4] Financial markets responded quickly: Markets showed volatility, with some investors shifting toward safe assets. At the same time, stocks declined due to concerns that persistent inflation would hinder the Federal Reserve's ability to lower interest rates.[5] Technology and services sectors have led profits, but industries reliant on goods, like energy and materials, have weakened notably, reflecting higher input costs from tariffs and softer global demand.[6]

Economic Growth and Inflation

Real gross domestic product increased by 2.4 percent in 2023, fell to 2.0 percent in 2024, and is forecasted at 1.4 percent in 2025.[7] Forward purchasing of goods to avoid higher tariffs by corporations and lower imports for the second half of the year may distort GDP estimates upward. However, unless significant changes in economic policy occur, real growth is likely to be constrained into next year by high interest rates, declining consumer spending, and trade disruptions.

Inflation, as measured by the Consumer Price Index (CPI), has remained just below 3 percent, while the Producer Price Index (PPI) surged to 3.3 percent annually in July 2025. Analysts see this as a warning that tariffs are now included in production costs and could keep inflation elevated for a longer period. Politico reported that these signals bolstered expectations that the Federal Reserve would need to consider rate cuts carefully despite signs of slowing growth.[8]

Lowering borrowing costs could also worsen inflation in the current environment. The Federal Reserve has noted that rate cuts, which are meant to encourage more lending, would increase demand.[9] Greater demand, combined with higher tariffs, could lead to higher prices.

Under normal circumstances, increased borrowing from lower interest rates encourages demand and supports growth. However, with supply constraints from tariffs across the economy and housing shortages in real estate, lower rates might result in higher prices with limited expansion.

Labor Market: Jobs, Participation, and Wages

The labor market started 2025 seemingly strong, but by mid-year, signs of weakness appeared. In July, the economy added only 73,000 jobs—well below the expected 110,000 to 115,000.[10] At the same time, the Bureau of Labor Statistics revised downward the payroll figures for May and June by a combined 258,000 jobs, resulting in a three-month average of just 35,000 per month—far below the 100,000 typically needed to match population growth.[11]

The labor force participation rate fell to approximately 62.5–62.6 percent in July, down from 62.6 percent earlier in the year.[12] Among prime-age workers (25–54), participation remained higher at 83.4 percent, though slightly below prior highs.[13] Declines reflect both a labor market approaching "full employment" and growing discouragement among job seekers.

The median duration of unemployment rose to 10.2 weeks in July 2025, up from under nine weeks a year earlier, and the number of long-term unemployed (27 weeks or more) reached 1.8 million people—about 25 percent of the total jobless population.[14] Roughly four million workers are employed part-time because they cannot find full-time jobs.[15]

Immigration policy also shapes the outlook: foreign-born workers made up approximately 18.6 percent of the labor force in 2024.[16] Research from the Brookings Institution finds that immigration has supported labor force growth since the pandemic. Current deportations and visa restrictions may artificially lower the unemployment rate by reducing measured workforce size but could constrain growth over time.[17]

Wage inequality persists. The U.S. Census Bureau reports median household income at $80,610 in 2023. White households earned $89,050 on average, compared to $56,490 for Black households and $65,540 for Hispanic households.[18] These figures underscore persistent racial income gaps that remain embedded within the broader labor recovery.

Stock Market Performance

U.S. equity markets reached record highs in early 2025: the S&P 500 exceeded 5,500, the Dow surpassed 42,000, and the Nasdaq broke 18,000.[19] Margin debt has surpassed $1 trillion—exceeding the peaks of 2000 and 2008—raising concerns about leverage.[20] Concentration compounds these risks: the “Magnificent Seven”—Apple, Microsoft, Amazon, Alphabet, Meta, Nvidia, and Tesla—now account for more than one-third of S&P 500 capitalization.[21] The European Central Bank has similarly warned that such narrow leadership increases systemic fragility.[22]

Tariffs and Trade Policy

The tariff blitz declared by President Trump on April 6, 2025—branded “Liberation Day”—triggered the largest one-day stock-market drop in U.S. history.[23] Markets rebounded after partial pauses were announced, but enforcement remains inconsistent. While intended to reshore manufacturing, tariffs often raise production costs more than they protect domestic output. Studies by the Peterson Institute and the Congressional Research Service show that tariffs on steel and aluminum inputs increased prices for downstream industries.[24]

Apple’s global supply chain illustrates these limits. Analysts note that domestic production remains infeasible for many high-tech components because of material and labor constraints abroad.[25] As of August 2025, India has surpassed China as the top exporter of iPhones to the U.S., following Apple’s strategic production shift.[26]

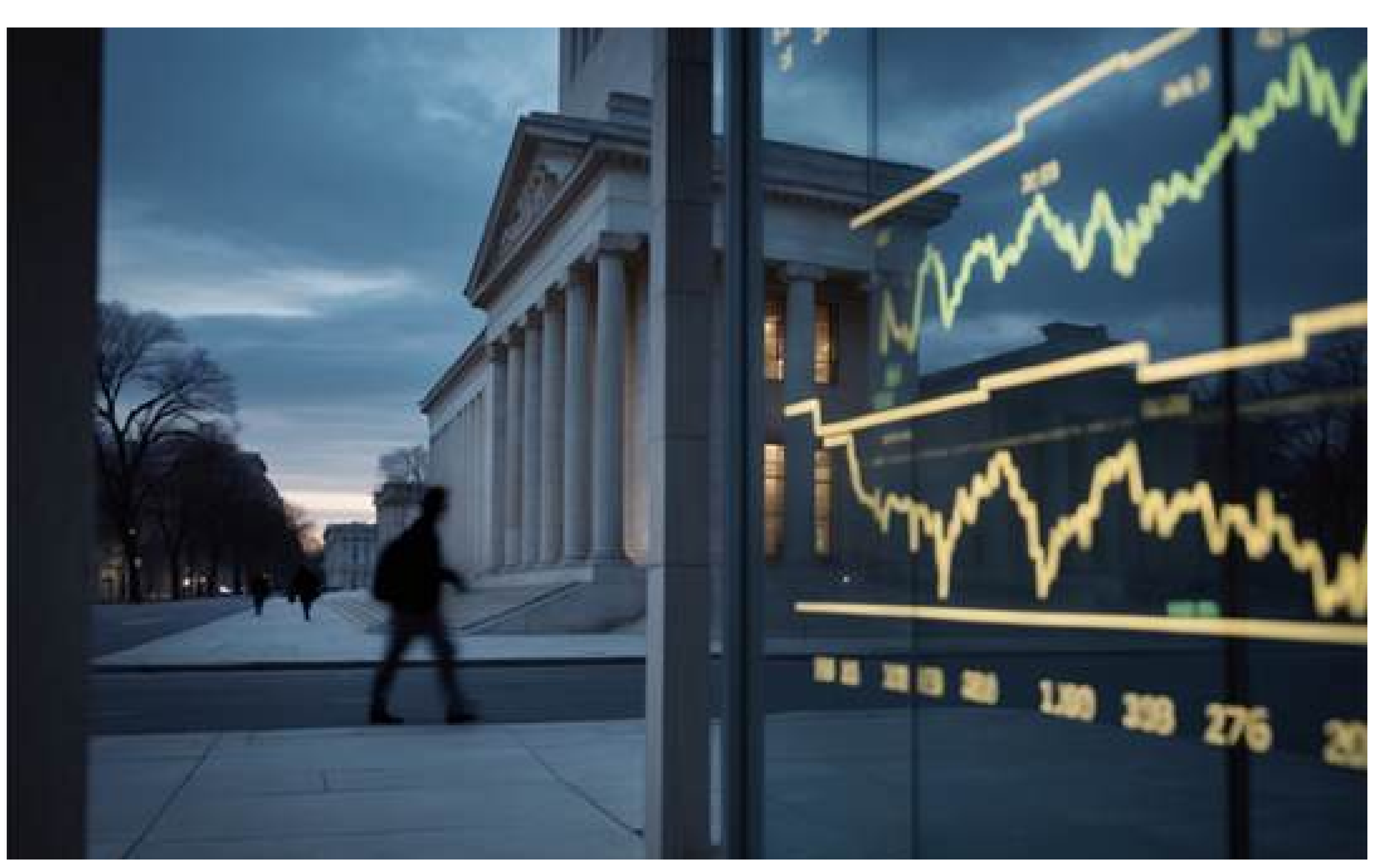
Other U.S. trading partners—Japan, Korea, and Brazil—face new tariffs on autos, electronics, and agricultural goods.[27] Because many of these measures only recently took effect, the full inflationary impact has not yet appeared in consumer data. Ironically, although China was once the main target of U.S. tariffs—with headline rates above 145 percent during the 2018–2019 trade war—its current effective tariff rates are lower than those on India or Brazil, reflecting China’s leverage over rare-earth minerals and other key inputs.[28]

Fiscal Strain and Credit Ratings

Fiscal pressures have intensified in 2025. The Congressional Budget Office estimates that the new tax-and-spending package—popularly known as the "Big Beautiful Bill"—will add $3.4 trillion to the federal deficit over ten years.[29] Deficits have risen from 2.9 percent of GDP in 2015 to over 6 percent in 2024 and are projected to reach 7 percent by 2035—nearly double the 50-year historical average.[30] Interest payments now exceed defense spending in absolute terms.[31]

Credit-rating agencies have responded. In 2011, Standard & Poor's downgraded the U.S. credit rating from AAA amid debt-ceiling gridlock.[32] Moody's revised its outlook to negative in 2023, and Fitch downgraded U.S. credit to AA+ in 2025, citing rising borrowing needs and the lack of a credible fiscal plan.[33] These downgrades increase borrowing costs by signaling elevated sovereign risk.

Bond-market volatility has persisted throughout 2025 as investors react to tariffs, deficits, and political instability. China's Treasury holdings have fallen to about $756 billion—the lowest level in 14 years—while Japan has overtaken China as the largest foreign holder.[34] Corporations face parallel pressure: roughly $1.8 trillion in U.S. corporate bonds will mature by 2026, much of it issued during near-zero interest-rate periods. Refinancing at current yields has sharply raised costs, particularly for high-yield firms.[35]



The Federal Reserve remains under political pressure to lower rates despite persistent inflation. In January 2025, President Trump publicly threatened to fire Chair Jerome Powell for delaying rate cuts—a move that rattled financial markets.[36] Analysts at the Brookings Institution warn that undermining Federal Reserve independence would erode confidence in U.S. monetary credibility.[37]

Dollar Dominance and Emergence of Stablecoins

The dollar's share of global foreign exchange reserves has fallen from over 65percent in 2010 to below 58percent by 2024, as central banks diversify into gold, the euro, and the Chinese yuan.[38] China's promotion of the renminbi through its Cross-Border Interbank Payment System (CIPS) and bilateral trade agreements has expanded non-dollar settlement options for emerging market economies.[39] In response, Treasury Secretary Scott Bessent has suggested that dollar-backed "stablecoins"—digital tokens pegged 1:1 to the U.S. dollar—could counteract this erosion by creating new digital demand for U.S. Treasuries.[40] According to Bloomberg, Bessent has called a $2 trillion stablecoin market "reasonable" and strategically aligned with U.S. monetary leadership.[41]

However, stablecoins also present systemic risk. The 2022 collapse of TerraUSD erased over $40 billion in value when its algorithmic peg failed.[42] Even reserve-backed coins have proven fragile: in March 2023, USD Coin (USDC) temporarily lost parity after $3.3 billion in reserves were trapped during the failure of Silicon Valley Bank, regaining its peg only after federal intervention.[43] The Federal Reserve's 2023 report on digital assets warned that poorly regulated stablecoins could become transmission channels for financial stress if their failure undermines confidence in dollar-denominated assets or disrupts payment networks.[44]

Stablecoins have since received substantial regulatory support from U.S. policymakers through the GENIUS Act *(Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025).* The law provides the first federal framework to govern stablecoin issuance, requiring full 1:1 reserve backing in safe assets like cash or Treasuries, regular audits, bankruptcy protection for token holders, and strict separation between customer funds and company operations.[45] Only licensed banks or state-approved institutions are allowed to issue stablecoins under this law. These provisions address many of the risks cited by the Fed and aim to ensure that stablecoins reinforce, rather than destabilize, the role of the dollar in global payments.[46]

The GENIUS Act also clarifies that compliant stablecoins are not securities or insured deposits, removing legal ambiguity and allowing them to integrate more seamlessly into payment networks.[47] While critics note that the law raises compliance costs and may tilt the market toward larger issuers, it also deepens demand for U.S. sovereign debt by requiring Treasuries as backing collateral. In doing so, it transforms stablecoins into a regulatory bridge between the crypto ecosystem and the traditional dollar-based financial system—strengthening the Treasury market and reinforcing American monetary influence abroad.[48]

Black Women Experiencing the Brunt of Employment and Wage Losses

Federal jobs data show that Black women are being hit harder by the recent slowdown than most other groups. While the overall unemployment rate stayed relatively low through mid-2025, Black women experienced sharper increases in joblessness. At the same time, they continue to earn far less than White men for the same work. Research from the Economic Policy Institute (EPI) shows that in 2024, the median wages for Black women were about seventy percent of White men's wages. That translates to nearly $19,000 less each year for a typical full-time worker.[1] The gap has widened further in 2025.

The Paycheck Penalty

Federal wage data and independent research consistently show that Black women earn considerably less than White men for the same hours worked. The Institute for Women's Policy Research reports that in some states, Black women earn as little as sixty-five cents for every dollar earned by White men.[4] When job loss occurs, this existing pay gap makes the income loss even more harmful, and reemployment often results in lower pay.

Why the Gap Persists

Experts highlight several reasons why Black women are more vulnerable during downturns. They are concentrated in sectors like health support, administrative work, and public service jobs, which are often the first to face cutbacks. Discrimination in hiring and promotions also contributes, as does the fact that many Black women bear disproportionate caregiving responsibilities, making it more difficult to reenter the workforce after a layoff. Researchers at the Brookings Institution note that although women overall helped drive the post-pandemic recovery, women of color experience sharper setbacks when the economy slows.[5]

The disproportionate impact on Black women is becoming headline news. Essence has published multiple pieces highlighting the rising unemployment among Black women, with headlines comparing today's job losses to those during the pandemic.[6] Forbes has emphasized how hundreds of thousands of Black women have left the workforce in recent years and how the wage gap continues to widen.[7] Axios has linked the recent increase in Black women's unemployment to federal workforce cuts.[8]

Why This Matters

Unemployment and wage loss affect Black women more severely because they start from a lower baseline. Losing a job when their paycheck is already nearly twenty thousand dollars less than that of their White counterparts means families struggle more to afford housing, healthcare, and childcare. When reemployment occurs, it is often at lower pay, which sustains long-term disadvantages. Federal wage data and independent research both demonstrate that this problem worsens over time, deepening racial and gender wealth gaps with each economic slowdown cycle.[9]

Employment equality is crucial to Black homeownership gains; Black women make up the largest single applicant pool for mortgage loans. Weakening the economic power of Black women will directly lead to fewer mortgage applications and lower homeownership rates for Black households.

Institutional Investors in the Single-Family Housing Market

Research by Holland & Knight indicates that institutional investors now account for approximately 30 percent of recent single-family rental (SFR) home purchases. However, they still own only 5 percent of the total stock.[1] Their increasing presence is changing access to homeownership, rental prices, and neighborhood stability in many markets already strained by affordable-housing crises.

From Mom-and-Pop to Wall Street

Following the 2008 foreclosure crisis, firms such as Invitation Homes and American Homes 4 Rent began acquiring thousands of distressed homes in bulk, benefiting from federal programs and auction pipelines.[2] This marked the emergence of Wall Street-backed ownership in the single-family-rental space. By mid-2025, institutional investors accounted for about 30 percent of SFR home purchases, yet they owned only around five percent of the total SFR housing stock.[3] Their influence, however, is more pronounced in starter-home markets and fast-growing metropolitan areas, where their buying strategies target highly competitive price segments.

Business Models and Investor Types

Institutional landlords operate with vertically integrated models, combining acquisition, renovation, leasing, and management under a single system.[4] Real estate investment trusts (REITs) often focus on long-term yield and shareholder dividends. Meanwhile, private-equity firms may flip homes, securitize rental cash flows, or rapidly expand portfolios for later sale. In early 2025, Pretium Partners issued a $778.5 million securitization backed by rental income from its single-family homes — illustrating the financialization of housing as institutional investors turn rents into tradable securities.[5]

Geographic and Demographic Targeting

Investor activity is not evenly spread across cities or neighborhoods. A 2025 report by the Federal Reserve Bank of Philadelphia found that neighborhoods with higher levels of corporate SFR ownership — especially in majority-Black or Hispanic areas — experienced much sharper rent increases than those dominated by small landlords.[6] During the pandemic, Philadelphia data showed a positive, statistically significant relationship between corporate ownership and rent escalation.[7]

Across metros such as Atlanta, Charlotte, and Memphis, institutional buyers disproportionately target low-income ZIP codes with rising property values, low homeownership rates, and weak tenant protections.[8] In Atlanta, investor ownership exceeds 40 percent in some majority-Black neighborhoods.[9] In Memphis, investor acquisitions in majority-Black areas more than doubled between 2020 and 2022.[10] These patterns echo historical redlining, while corporate buyers avoid affluent White neighborhoods with restrictive zoning and strong civic resistance.[11]

Effects on Renters

Tenants in investor-owned homes often face higher rent increases, hidden fees, and slower service response. A 2022 Congressional investigation found that large SFR landlords raised rents 10–30 percent annually — well above local wage growth.[12] Other issues include automated payment portals with “convenience” fees, excessive service charges, and expedited eviction processes. Renters in properties managed through centralized systems have reported threats of eviction over delinquencies as small as $50.[13]

Impact on Homebuyers and “Crowding Out”

One clear consequence of institutional expansion is the crowding out of first-time buyers. In Q1 2025, institutional investors comprised 31 percent of all single-family home purchases, up from 19 percent in 2019.[14] These buyers typically pursue homes under $300,000 — the most affordable tier for working-class families.[15] Cash offers, waived inspections, and fast closings give them decisive leverage. Many sellers accept slightly lower investor bids in exchange for certainty.[16] This dynamic disproportionately disadvantages younger and non-White buyers. Harvard Joint Center data show that homeownership among Black and Hispanic households under 40 has declined since 2022.[17] In highly competitive markets, mortgage-dependent buyers lose repeatedly, creating discouragement and exit from the market.[18]

Evictions and Displacement

Institutional landlords file evictions more often than small-scale owners. The Private Equity Stakeholder Project documented thousands of pandemic-era eviction filings despite participation by those firms in the Emergency Rental Assistance Program.[19] Such landlords rely on centralized legal teams and automated filings, leaving tenants little room for resolution — especially in lower-income areas lacking legal-aid access.

Policy and Regulatory Responses

Government responses have been uneven and mostly reactive. Federally, Fannie Mae and Freddie Mac have piloted “first-look” programs giving nonprofits and owner-occupants priority to purchase REO properties.[20] Local governments have attempted rent-stabilization ordinances, bulk-sale caps, and right-to-purchase laws, yet industry lobbying has diluted reforms. In Texas, Senate Bill 433 (which would have fined landlords owning more than ten homes) failed despite corporate ownership exceeding 10 percent in Houston’s SFR market.[21] Transparency remains limited, as layered LLC structures obscure true ownership.

Racial Equity and the Wealth Gap

The racial implications are profound. The Harvard Joint Center for Housing Studies reports that Black and Hispanic households are over-represented among renters and under-represented among buyers.[22] They are also more likely to live in ZIP codes targeted by institutional acquisitions. Between 2023 and 2024, renter households grew by 1.25 million while national homeownership declined.[23] Half of renters are now cost-burdened (spending >30 percent of income on housing) and 27 percent are severely cost-burdened.[24] As formerly owner-occupied neighborhoods convert to investor rentals, household wealth shifts from residents to private-equity portfolios, widening the racial wealth gap.[25]

Transparency, Data, and Accountability

Tracking institutional activity is difficult. Many investors purchase through nested LLCs and shell companies that conceal ultimate ownership. Without disclosure mandates, regulators and tenants lack visibility. The Philadelphia Fed’s parcel-level linkage of ownership, rents, and eviction data provides a replicable model.[26] The Terner Center for Housing Innovation at UC Berkeley urges creation of a national rental registry requiring disclosure of beneficial ownership, eviction history, and maintenance standards.[27] Absent such a database, policymakers and researchers remain largely blind to concentration and abuse.

The Future of Single-Family Rental Housing

Build-to-rent (BTR) construction has become a long-term expansion strategy. In Q1 2025 alone, developers began nearly 19,000 BTR homes — more than double pre-pandemic averages.[28] These subdivisions feature newly built single-family homes intended for permanent rental occupancy. According to Harvard Joint Center data, 31 percent of renters now live in single-family homes, and construction of those homes has more than doubled since 2019.[29] Institutional influence, though still limited in total stock, is expanding rapidly. Whether this improves access or concentrates wealth depends on land-use reform, tenant protection, and federal oversight.[30]

Homeowners Insurance and the Future of Mortgage Affordability

Homeowners insurance is a basic requirement for federal government mortgage lenders. According to Fannie Mae's *Selling Guide* and Freddie Mac's *Single-Family Seller/Servicer Guide*, hazard insurance must be in place at closing and remain active throughout the loan's term, with the lender or servicer listed as the mortgagee.[1]

The Federal Housing Administration also requires hazard insurance for every FHA-insured mortgage, with coverage sufficient to protect the lesser of the insurable value or the unpaid principal balance.[2] The Department of Veterans Affairs states in its Lenders Handbook that all VA-backed loans must have homeowners' insurance covering either the replacement cost of the home or the loan balance.[3] Similarly, USDA's Rural Development program mandates continuous hazard insurance on all guaranteed loans.[4]

In practice, this standard extends beyond federally backed programs. Private lenders that hold mortgages in their own portfolios (rather than selling them to Fannie Mae, Freddie Mac, or FHA/VA/USDA) also require hazard insurance because the same reasoning applies: the house acts as collateral for the loan, and an uninsured loss could threaten both the borrower and the lender. This nearly universal requirement underscores the vital role homeowners' insurance plays in maintaining the stability of U.S. mortgage lending.

If a borrower lets insurance lapse, servicers must impose "force-placed" coverage, which the Consumer Financial Protection Bureau has found to be two to three times more expensive than voluntary coverage.[5] This provides collateral protection but at a steep cost to the homeowner.

Rising Costs Nationwide

The National Association of Insurance Commissioners reported that homeowners' premiums increased by 7.6 percent in 2021 and by 10.5 percent in 2022, marking the steepest consecutive hikes in over ten years.[6] By 2022, the average annual premium was $1,544. In 2025, Bankrate estimated that the national average for a policy covering a $300,000 dwelling had risen to $2,397 per year, or about $200 monthly.[7] This represents more than a 50 percent increase in less than five years.

The increase in premiums is clear at the household level. Comparing the 2022 average of $1,544 with the projected 2025 average of $2,397, borrowers will be paying nearly $70 more each month.[8] For families just on the edge of mortgage eligibility, this rise alone could prevent them from qualifying for financing.

Higher interest rates have made mortgage affordability even more difficult. Freddie Mac's *Primary Mortgage Market Survey* shows that the average 30-year fixed mortgage rate doubled from below 3 percent in 2021 to over 6.5 percent by late 2023.[9] Mortgage loan rates remain high as of August 2025. Along with insurance hikes and rising property taxes, the monthly cost of owning a home has increased at a pace not seen since the late 1970s.

Regional Hotspots and Market Withdrawals

Premium increases have been especially sharp in certain states. According to Bankrate, average annual premiums in 2025 were $6,366 in Nebraska, $6,184 in Louisiana, and $5,728 in Florida.[10] Oklahoma averaged $4,623, and Texas $4,085.[11] For households in these states, monthly insurance costs range from $340 to over $530 — significantly higher than the national average.

The issue goes beyond cost; it also involves availability. In March 2024, the Los Angeles Times reported that State Farm would not renew 72,000 homeowners' policies in California because of wildfire risk.[12] Allstate had previously paused issuing new homeowners' policies in the state.[13] In Florida, the Associated Press noted in July 2023 that Farmers Insurance withdrew from certain lines of coverage.[14]

These withdrawals force many homeowners into "insurers of last resort." In Florida, Citizens Property Insurance Corporation now insures more than one million policies, making it the largest insurer in the state.[15] California's FAIR Plan has similarly expanded, providing coverage where the private market has pulled back.[16] While these state-backed insurers maintain access, they often offer limited coverage at higher prices, reducing affordability.

Reasons for the Dramatic Cost Increases

Four primary factors drive the steep rise in insurance costs:

1. Climate Disasters. NOAA reported 28 distinct U.S. weather and climate events in 2023, each causing at least $1 billion in damage (combined losses of $92.9 billion) and 27 such events in 2024 (combined losses of $182.7 billion, the fourth-highest annual total on record). NOAA's "billion-dollar disaster" database counts only those individual events whose inflation-adjusted damages exceed $1 billion. In parallel, Climate Central — an independent nonprofit research organization that analyzes and communicates climate science to the public — has found that the five-year average frequency of these billion-dollar disasters is now nearly three times higher than during the 1980s, underscoring the intensification of weather-related risks.[17]

2. Reinsurance Costs. According to Insurance Journal (2024), reinsurance rates rose sharply in 2023, with many regions experiencing increases of up to 30 percent and only slightly stabilized by 2025.[18] Since insurers rely on reinsurance to cover catastrophic losses, those costs are passed on to homeowners.

3. Construction Costs. The Bureau of Labor Statistics' Producer Price Index shows that the cost of building materials, especially lumber and roofing, remains about 25 percent above pre-pandemic levels, while labor costs have also increased.[19]

4. Legal Environment. Florida's insurance market was heavily strained by litigation. The Florida Office of Insurance Regulation reported that while the state accounted for only 8 percent of U.S. property claims in 2021, it generated nearly 79 percent of insurance-related lawsuits. This imbalance drove up costs until reforms were enacted in 2022 and 2023.[20]

Policy Responses and Relief Efforts

Florida has implemented some of the most aggressive reforms. Senate Bill 2-A (2022) banned assignment-of-benefits contracts, created state-supported reinsurance backstops, and capped attorney-fee multipliers.[21] The state also revived the My Safe Florida Home program, offering grants up to $10,000 for roof and window reinforcement.[22] These reforms reduced new insurance lawsuits by 23 percent in 2024.[23]

California has updated its pricing methods. In 2025, the California Department of Insurance approved the use of forward-looking wildfire models in rate filings and expanded the state's FAIR Plan to encourage insurers to re-enter high-risk markets.[24]

Louisiana combined incentives and penalties. The Insure Louisiana Incentive Program offers $45 million in grants to insurers returning to the state, while the Fortify Homes Program provides up to $10,000 per roof upgrade.[25] Colorado created its own FAIR Plan in 2024 to cover wildfire-prone areas.[26]

At the federal level, efforts remain limited. FEMA continues to provide disaster-relief assistance, but no comprehensive national strategy exists to address insurance affordability.[27] Congressional hearings have acknowledged the issue but produced no legislation.[28]

Implications for Housing Policy

Rising homeowners' insurance costs have redefined affordability. The Urban Institute finds that insurance premiums are now a major barrier for first-time buyers, compounding high interest rates and tight supply.[29] Harvard's Joint Center for Housing Studies (2025) reports that insurance availability now affects market liquidity, particularly in disaster-prone states.[30]
Policy responses remain fragmented, and without federal coordination, homeowners face a patchwork of protection depending on geography. Without intervention, rising premiums and insurer withdrawals risk turning homeowners' insurance from a routine requirement into a serious barrier to ownership.[31]

For policymakers, the top priority should be to treat homeowners' insurance as a core element of housing affordability. Stabilizing the insurance market, promoting mitigation strategies, and considering coordinated federal support are essential to maintaining access to sustainable homeownership.[32]

NAREB Policy Priorities

Limit Institutional Investor Presence in the Single-Family Housing Market

Investors have historically been involved in the housing market and will continue to play a significant role. Traditionally, institutional investors provided crucial financing in the multifamily sector, helping to expand affordable and workforce rental housing. Until recently, they avoided the single-family rental (SFR) market, perceiving it as too fragmented and inefficient for large-scale management. That changed after the 2008 foreclosure crisis, when federal agencies sold large volumes of distressed and defaulted mortgages in bulk. Private equity firms and Wall Street-backed platforms purchased thousands of foreclosed homes at steep discounts, laying the foundation for today's national single-family rental companies. By leveraging technology and financial engineering, they transformed SFR into a profitable and scalable asset class.

Although institutional investors own a small share of the total single-family housing stock, their acquisitions have steadily increased and are disproportionately concentrated in certain metropolitan areas. Research by Harvard's Joint Center for Housing Studies[1] and the Urban Institute[2] shows that investors are increasingly targeting low- and moderate-income neighborhoods, which are predominantly Black. What makes their presence disruptive is not just the volume of homes purchased but also their superior cash offers and ability to waive inspections or appraisals, which crowd out mortgage-dependent buyers. These practices weaken the competitiveness of lower-income and Black households, limiting their access to homeownership and opportunities to build intergenerational wealth.

Recommendations:

- Restrict bulk purchases of single-family homes by institutional buyers in markets with documented affordability pressures.
- Require transparent reporting of investor acquisitions by geography, income level, and racial composition to track concentration.
- Expand rehabilitation loan programs and one-time construction financing so individual buyers can compete with investors and create new housing supply where private builders are absent.
- Offer targeted down-payment assistance or first-generation homebuyer credits to level the playing field against cash-rich investors.

Modernize FHA Lending Guidelines to Promote Parity and Fair Access

Outdated underwriting rules continue to limit mortgage access for Black households. One clear example is the Federal Housing Administration’s (FHA) policies in community property states. Currently, FHA requires that a borrower’s debt-to-income ratio include the debts of a non-borrowing spouse, even if that spouse is not on the mortgage application. Importantly, the spouse’s income is not counted toward qualification. This creates a punitive double standard across states that unfairly excludes otherwise creditworthy households. This practice is also inconsistent with the manner in which borrowers are treated on this issue between FHA and the government-sponsored agencies Fannie Mae and Freddie Mac.

This inequality is particularly noticeable in community-property states like Texas, Arizona, California, and Nevada, which have some of the largest Black populations in the country. In these states, Black borrowers encounter higher loan-denial rates and smaller approved mortgage amounts compared to White borrowers. Moreover, differences in how lenders handle common-law marriages and spousal obligations can lead to inconsistencies in mortgage qualification, leaving many households unsure about their eligibility.

Recommendation:

- Eliminate the FHA requirement to count non-borrowing spouses’ debts without also counting their income to standardize how spousal obligations are managed across community-property and common-law states. This update would align FHA rules with those of the GSEs and promote fair access to credit for Black households.

End Appraisal Bias in the Home Mortgage Market

For over 30 years, research has documented systemic appraisal bias that consistently undervalues homes in Black neighborhoods compared to similar homes in White neighborhoods. This pattern—often called the undervaluation gap—has appeared in numerous studies, costing Black households billions in lost equity. A second form of bias, known as the contract underestimate, occurs when appraised values fall below the agreed-upon contract or listing price, especially in transactions involving Black buyers. Both gaps limit mortgage credit, hinder purchase agreements, and contribute to widening the racial wealth gap.

The National Association of Real Estate Brokers[3] expanded this research with its landmark report Home Appraisals in Black and White. Previous studies only asked whether a neighborhood was majority-Black or majority-White. NAREB adds an important new aspect: whether Black buyers are originating mortgages in the neighborhood. The study finds that in Black neighborhoods with high shares of Black borrower originations, appraised values were significantly lower than in Black neighborhoods with no Black borrowers but high shares of White borrower originations.

In other words, bias follows the buyer as well as the neighborhood—a new finding that had never been quantified before. Some majority-Black neighborhoods without Black borrowers actually saw higher appraised values than White neighborhoods with notable Black borrower activity. The findings illustrate how deeply prejudice permeates valuation practices.

Previous research by the Brookings Institution[4] showed that homes in predominantly-Black neighborhoods were undervalued by 21–23 percent compared to similar homes in White neighborhoods, reducing an estimated $156 billion in Black household wealth. Freddie Mac[5] also found that appraisals in minority neighborhoods were below contract more than twice as often as in predominantly White neighborhoods. Without intervention, emerging automated valuation models (AVMs) risk perpetuating these biases on digital platforms, thereby continuing discrimination on a larger scale.

Recommendations:

- Enhance federal oversight and enforcement of appraisal standards.
- ·Ensure greater transparency and accountability in the design and deployment of AVMs.
- Adopt standardized fair-valuation frameworks to ensure appraisals reflect actual market value, not racial bias.

Conclusion

America's housing system stands at a crossroads. Decades of uneven policy enforcement, widening racial wealth gaps, and structural inequities in credit, insurance, and valuation have left millions of families unable to participate fully in the promise of homeownership. The barriers facing Black households today—whether through appraisal bias, investor dominance, lending disparities, or unaffordable insurance—are not isolated market anomalies. They are the cumulative results of systems designed without equity at their core.

Institutional investors continue to accumulate housing stock in communities where affordability was already fragile, driving up rents and pricing out first-time buyers. Appraisal practices, even when modernized with technology, still mirror the legacy of racial bias embedded in earlier federal and private valuation standards. Homeowners' insurance, once a predictable and affordable cost of ownership, has become a destabilizing factor for millions, especially in climate-vulnerable regions. Meanwhile, outdated lending rules persist, creating uneven access to credit for Black borrowers and eroding trust in federal institutions that were originally created to expand opportunity.

Yet, the path forward is clear. Ensuring that Black Americans—and all historically excluded communities—can achieve stable and sustainable homeownership requires comprehensive action. This includes limiting speculative investment in starter homes, enforcing transparency in property and lending markets, modernizing credit standards, eliminating racial bias from valuation systems, and stabilizing homeowners' insurance markets through coordinated federal and state reform.

NAREB's 2025 policy agenda emphasizes that homeownership is not merely an economic outcome; it is a civil rights imperative. Housing equity strengthens families, builds wealth, revitalizes neighborhoods, and underpins the broader stability of the U.S. economy. Policymakers should view this moment not as a crisis of affordability alone, but as an opportunity to rebuild a fairer and more resilient housing system—one that ensures the benefits of homeownership are accessible, affordable, and attainable for all.

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Appendix

Detailed Tabulations

Table 1. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by year and race/ethnicity (2008 to 2024)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
								FIRST LIEN									
Total Applications	2,812,503	2,732,911	2,349,050	2,456,376	2,790,926	3,245,843	3,338,594	3,734,982	4,192,391	4,969,634	4,897,108	5,037,176	5,575,499	5,934,319	5,002,454	3,959,414	3,909,596
Originated	1,852,961	1,932,806	1,640,719	1,737,117	2,018,430	2,335,643	2,434,100	2,828,680	3,125,888	3,659,909	3,600,410	3,739,532	4,108,148	4,400,889	3,536,575	2,797,674	2,824,257
Approved but not accepted	190,510	130,090	120,223	112,962	109,986	130,686	112,300	116,596	122,152	135,376	116,302	117,382	117,610	122,162	123,869	96,314	92,830
Denied	414,166	346,998	293,292	309,925	337,726	385,097	360,287	374,084	390,124	448,457	400,923	369,464	403,369	400,439	371,979	303,300	286,837
Withdrawn/File closed	354,866	323,017	294,816	296,372	324,784	394,417	431,907	415,622	554,227	725,892	779,473	810,798	946,372	1,010,829	970,031	762,126	705,672
Non Hispanic White Applicant																	
Applications	1,795,895	1,762,663	1,408,965	1,619,842	1,881,341	2,197,862	2,223,063	2,446,232	2,659,182	3,097,797	2,918,506	2,926,713	3,152,438	3,145,282	2,575,166	1,983,108	1,953,035
Originated	1,277,775	1,313,583	1,037,184	1,201,921	1,420,633	1,649,943	1,689,184	1,917,607	2,061,488	2,375,851	2,236,728	2,260,266	2,432,039	2,445,167	1,928,597	1,481,805	1,479,801
Approved but not accepted	111,326	77,924	66,477	69,580	69,213	82,392	69,699	72,251	73,874	81,697	67,432	65,897	63,382	61,895	61,523	47,058	46,396
Denied	211,554	188,224	147,521	173,079	194,194	221,936	203,313	205,316	205,571	232,497	196,111	174,583	179,591	166,548	145,942	114,399	107,575
Withdrawn/File closed	195,240	182,932	157,783	175,262	197,301	243,591	260,867	251,058	318,249	407,752	418,235	425,967	477,426	471,672	439,104	339,846	319,263
Black Applicant																	
Applications	214,892	180,219	119,818	161,319	172,061	186,074	206,182	245,425	300,503	361,457	358,433	376,037	437,680	495,503	428,532	339,673	318,602
Originated	116,371	109,728	74,055	98,416	105,379	113,723	130,176	164,585	198,217	236,419	233,269	249,367	285,468	327,927	268,597	212,592	204,915
Approved but not accepted	12,363	7,361	5,407	6,958	6,176	7,417	7,407	8,289	9,318	10,130	8,983	9,683	10,507	11,858	11,385	8,896	7,694
Denied	52,903	37,458	23,173	33,441	36,219	38,956	37,898	41,653	47,032	54,126	49,783	47,687	55,407	59,246	56,694	46,237	42,024
Withdrawn/File closed	33,255	25,672	17,183	22,504	24,287	25,978	30,701	30,898	45,936	60,782	66,398	69,300	86,298	96,472	91,856	71,948	63,969
Latino Applicant																	
Applications	250,023	246,316	266,711	214,872	229,359	255,496	284,984	380,455	453,381	458,463	497,079	535,084	619,807	674,860	567,285	492,968	521,948
Originated	137,877	155,587	168,788	140,712	153,239	169,493	193,892	272,525	319,710	324,269	348,237	382,392	433,420	484,483	386,515	335,954	365,906
Approved but not accepted	19,483	13,429	14,887	10,517	9,736	10,404	10,015	12,340	13,862	13,330	12,397	12,707	13,695	14,596	14,126	11,556	11,675
Denied	56,267	43,920	45,851	35,449	37,433	41,986	41,016	49,893	54,036	50,164	55,206	52,946	61,242	59,597	56,551	52,319	54,091
Withdrawn/File closed	36,396	33,380	37,185	28,194	28,951	33,613	40,061	45,697	65,773	70,700	81,239	87,039	111,450	116,184	110,093	93,139	90,276
Asian Applicant																	
Applications	148,098	157,965	198,249	133,389	152,881	189,503	187,777	220,991	257,327	297,790	300,457	295,989	318,293	430,286	405,052	318,148	320,612
Originated	88,755	105,677	133,862	89,722	105,700	130,781	131,352	162,198	184,921	213,022	212,017	209,806	222,255	305,331	262,965	210,477	220,129
Approved but not accepted	14,082	9,822	13,650	8,127	7,969	10,064	8,051	8,483	8,913	9,499	8,206	7,880	7,208	8,526	10,869	8,029	7,899
Denied	22,639	20,833	24,805	17,872	19,979	23,586	20,987	22,955	23,961	26,496	25,749	22,585	24,231	27,103	29,786	23,764	23,165
Withdrawn/File closed	22,622	21,633	25,932	17,668	19,233	25,072	27,387	27,355	39,532	48,773	54,485	55,718	64,599	89,326	101,432	75,878	69,419
Other Race/Ethnicity Applicant																	
Applications	31,066	30,601	33,451	22,525	24,045	27,426	29,482	29,603	36,155	48,972	28,617	30,843	39,097	45,666	39,471	33,343	36,080
Originated	17,868	19,337	20,865	14,917	16,115	17,894	19,974	21,436	25,533	33,733	19,179	21,063	26,744	31,161	25,574	21,517	24,046
Approved but not accepted	2,244	1,487	1,749	1,122	1,058	1,195	1,074	968	1,118	1,265	677	730	826	940	999	763	769
Denied	6,531	5,182	5,454	3,685	3,970	4,715	4,398	3,664	4,178	5,871	3,504	3,399	4,133	4,608	4,380	3,827	4,044
Withdrawn/File closed	4,423	4,595	5,383	2,801	2,902	3,622	4,036	3,535	5,326	8,103	5,257	5,651	7,394	8,957	8,518	7,236	7,221
Joint Applicants																	
Applications	66,665	66,226	63,597	58,814	69,835	88,051	96,062	29,518	34,589	160,397	199,760	214,189	253,981	283,643	257,667	216,977	221,533
Originated	46,298	48,631	46,595	43,594	52,839	65,910	72,580	22,990	26,214	120,968	148,552	159,704	188,843	214,678	185,717	157,252	164,045
Approved but not accepted	4,679	3,238	3,236	2,793	2,675	3,436	3,098	946	1,058	4,206	4,420	4,745	4,890	5,286	5,910	4,788	4,682
Denied	8,373	7,273	6,884	6,291	7,215	8,974	8,560	2,314	2,644	12,016	14,576	13,891	16,319	16,250	15,665	13,836	13,426
Withdrawn/File closed	7,315	7,084	6,882	6,136	7,106	9,731	11,824	3,268	4,673	23,207	32,212	35,849	43,929	47,429	50,375	41,101	39,380
Missing Race/Ethnicity																	
Applications	305,864	288,921	258,259	245,615	261,404	301,431	311,044	382,758	451,254	544,758	594,256	658,321	754,203	859,079	729,281	575,197	537,786
Originated	168,017	180,263	159,370	147,835	164,525	187,899	196,942	267,339	309,805	355,647	402,428	456,934	519,379	592,142	478,610	378,077	365,415
Approved but not accepted	26,333	16,829	14,817	13,865	13,159	15,778	12,956	13,319	14,009	15,249	14,187	15,740	17,102	19,061	19,057	15,224	13,715
Denied	55,899	44,108	39,604	40,108	38,716	44,944	44,115	48,289	52,702	67,287	55,994	54,373	62,446	67,087	62,961	48,918	42,512
Withdrawn/File closed	55,615	47,721	44,468	43,807	45,004	52,810	57,031	53,811	74,738	106,575	121,647	131,274	155,276	180,789	168,653	132,978	116,144

Table 2. Disposition of applications for conventional first lien purchase loans of occupied 1-to-4 family homes by year, race and ethnicity (2008 to 2024)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Applications for Conventional Loans	1,835,870	1,275,064	1,103,806	1,211,548	1,502,386	1,967,593	2,076,294	2,234,000	2,523,396	3,165,749	3,247,459	3,325,809	3,702,605	4,151,173	3,558,277	2,683,021	2,631,282
Originated	1,166,288	882,687	767,093	857,682	1,100,317	1,441,887	1,542,659	1,713,162	1,907,247	2,363,003	2,421,277	2,498,060	2,766,489	3,117,337	2,551,738	1,920,764	1,917,711
Approved but not accepted	148,332	72,063	65,528	64,055	67,869	87,529	73,998	74,365	79,173	92,996	82,956	82,873	80,125	86,109	91,460	68,923	66,406
Denied	276,063	161,525	129,578	144,957	164,228	204,924	194,942	198,262	205,567	254,707	231,050	212,747	236,309	243,946	229,359	179,437	171,198
Withdrawn/File closed	245,187	158,789	141,607	144,854	169,972	233,253	264,695	248,211	331,409	455,043	512,176	532,129	619,682	703,781	685,720	513,897	475,967
Non Hispanic White Applicant																	
Applications	1,198,088	869,917	707,112	855,007	1,076,496	1,396,825	1,460,484	1,553,704	1,701,123	2,070,346	2,034,599	2,045,273	2,237,078	2,334,357	1,946,447	1,450,922	1,421,289
Originated	830,352	633,529	513,994	633,208	819,077	1,063,103	1,125,471	1,228,571	1,331,315	1,603,613	1,576,220	1,593,015	1,742,103	1,832,330	1,474,734	1,095,251	1,084,736
Approved but not accepted	87,255	45,508	38,264	42,045	45,198	57,556	48,318	48,782	51,025	59,061	50,608	49,129	46,409	46,688	48,239	36,110	34,865
Denied	142,666	94,706	72,620	87,572	101,682	124,763	117,061	116,171	115,667	138,954	118,992	107,351	114,458	109,548	96,629	74,917	71,913
Withdrawn/File closed	137,815	96,174	82,234	92,182	110,539	151,403	169,634	160,180	203,116	268,718	288,779	295,778	334,108	345,791	326,845	244,644	229,775
Black Applicant																	
Applications	94,617	39,307	23,949	35,491	42,036	56,456	66,696	75,466	96,285	134,856	140,593	148,741	173,099	213,449	193,751	142,516	132,502
Originated	42,290	20,148	13,616	19,403	23,801	33,153	41,478	49,482	62,481	87,635	91,902	98,332	112,410	140,935	121,437	89,139	84,795
Approved but not accepted	7,646	2,098	1,265	1,912	1,869	2,738	2,611	2,849	3,204	4,064	3,823	3,980	4,078	5,105	5,389	3,987	3,682
Denied	28,075	11,092	5,649	9,581	10,784	12,966	12,850	13,858	16,097	20,816	19,007	18,780	22,173	25,459	25,061	19,237	16,770
Withdrawn/File closed	16,606	5,969	3,419	4,595	5,582	7,599	9,757	9,277	14,503	22,341	25,861	27,649	34,438	41,950	41,864	30,153	27,255
Latino Applicant																	
Applications	137,842	65,053	57,702	57,009	67,932	94,889	115,133	150,503	189,043	218,062	258,981	279,120	318,715	385,843	338,180	271,936	283,069
Originated	65,765	36,854	34,460	35,223	43,939	62,246	78,024	106,564	132,687	153,475	181,714	199,379	224,130	278,398	231,788	184,956	196,486
Approved but not accepted	14,004	4,564	3,949	3,303	3,454	4,497	4,463	5,393	6,368	6,831	6,999	7,416	7,396	8,464	8,781	6,950	7,181
Denied	36,101	13,951	10,701	11,042	12,204	16,202	16,747	20,618	22,670	24,084	27,761	26,502	30,228	32,423	32,070	28,095	28,992
Withdrawn/File closed	21,972	9,684	8,592	7,441	8,335	11,944	15,899	17,928	27,318	33,672	42,507	45,823	56,961	66,558	65,541	51,935	50,410
Asian Applicant																	
Applications	131,467	116,116	143,833	96,840	116,471	155,968	157,770	177,906	210,334	256,779	262,793	257,319	276,068	388,530	367,432	279,462	279,880
Originated	77,746	77,403	97,567	65,509	81,632	108,926	111,426	131,250	151,913	184,584	185,964	182,873	193,474	276,535	238,734	184,811	192,140
Approved but not accepted	13,217	7,829	10,876	6,429	6,513	8,720	6,937	7,022	7,484	8,422	7,428	7,085	6,398	7,784	10,108	7,340	7,220
Denied	20,031	14,699	16,656	12,079	13,826	17,768	16,373	17,265	18,266	21,669	21,416	18,590	20,061	23,108	25,713	19,553	18,955
Withdrawn/File closed	20,473	16,185	18,734	12,823	14,500	20,554	23,034	22,369	32,671	42,104	47,985	48,771	56,135	81,103	92,877	67,758	61,565
Other Race/Ethnicity Applicant																	
Applications	18,507	11,393	10,595	8,235	9,532	12,438	13,685	14,361	17,636	24,032	14,504	15,431	19,309	24,237	21,588	16,821	18,221
Originated	9,527	6,363	5,867	5,103	6,061	7,956	9,090	10,355	12,482	16,399	9,632	10,416	13,163	16,524	13,948	10,796	11,991
Approved but not accepted	1,639	666	582	453	477	609	552	519	598	711	400	419	436	503	594	423	463
Denied	4,395	2,160	2,053	1,573	1,786	2,217	2,163	1,805	1,932	2,865	1,769	1,738	2,066	2,418	2,360	1,913	2,112
Withdrawn/File closed	2,946	2,204	2,093	1,106	1,208	1,656	1,880	1,682	2,624	4,057	2,703	2,858	3,644	4,792	4,686	3,689	3,655
Joint Applicants																	
Applications	39,231	28,587	28,372	28,411	36,646	52,047	57,724	18,633	21,607	97,193	124,135	133,040	160,900	193,643	175,449	134,590	134,768
Originated	25,770	20,255	20,527	20,768	27,731	39,264	43,923	14,578	16,480	73,694	93,217	99,743	121,164	148,215	128,204	98,007	99,780
Approved but not accepted	3,419	1,702	1,689	1,614	1,689	2,320	1,991	615	718	2,817	3,072	3,289	3,238	3,735	4,196	3,271	3,166
Denied	5,217	3,165	2,890	2,951	3,434	4,689	4,705	1,308	1,446	6,597	8,011	7,689	9,051	9,623	9,281	7,344	7,148
Withdrawn/File closed	4,825	3,465	3,266	3,078	3,792	5,774	7,105	2,132	2,963	14,085	19,835	22,319	27,447	32,070	33,768	25,968	24,674
Missing Race/Ethnicity																	
Applications	216,118	144,691	132,243	130,555	153,273	198,970	204,802	243,427	287,368	364,481	411,854	446,885	517,436	611,114	515,430	386,774	361,553
Originated	114,838	88,135	81,062	78,468	98,076	127,239	133,247	172,362	199,889	243,603	282,628	314,302	360,045	424,400	342,893	257,804	247,783
Approved but not accepted	21,152	9,696	8,903	8,299	8,669	11,089	9,126	9,185	9,776	11,090	10,626	11,555	12,170	13,830	14,153	10,842	9,829
Denied	39,578	21,752	19,009	20,159	20,512	26,319	25,043	27,237	29,489	39,722	34,094	32,097	38,272	41,367	38,245	28,378	25,308
Withdrawn/File closed	40,550	25,108	23,269	23,629	26,016	34,323	37,386	34,643	48,214	70,066	84,506	88,931	106,949	131,517	120,139	89,750	78,633

Table 3. Disposition of applications for nonconventional first lien purchase loans of occupied 1-to-4 family homes by year, race and ethnicity (2008 to 2024)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Applications for Nonconventional Loans	976,633	1,457,847	1,245,244	1,244,828	1,288,540	1,278,250	1,262,300	1,500,982	1,668,995	1,803,885	1,649,649	1,711,367	1,872,894	1,783,146	1,444,177	1,276,393	1,278,314
Originated	686,673	1,050,119	873,626	879,435	918,113	893,756	891,441	1,115,518	1,218,641	1,296,906	1,179,133	1,241,472	1,341,659	1,283,552	984,837	876,910	906,546
Approved but not accepted	42,178	58,027	54,695	48,907	42,117	43,157	38,302	42,231	42,979	42,380	33,346	34,509	37,485	36,053	32,409	27,391	26,424
Denied	138,103	185,473	163,714	164,968	173,498	180,173	165,345	175,822	184,557	193,750	169,873	156,717	167,060	156,493	142,620	123,863	115,639
Withdrawn/File closed	109,679	164,228	153,209	151,518	154,812	161,164	167,212	167,411	222,818	270,849	267,297	278,669	326,690	307,048	284,311	248,229	229,705
Non Hispanic White Applicant																	
Applications	597,807	892,746	701,853	764,835	804,845	801,037	762,579	892,528	958,059	1,027,451	883,907	881,440	915,360	810,925	628,719	532,186	531,746
Originated	447,423	680,054	523,190	568,713	601,556	586,840	563,713	689,036	730,173	772,238	660,508	667,251	689,936	612,837	453,863	386,554	395,065
Approved but not accepted	24,071	32,416	28,213	27,535	24,015	24,836	21,381	23,469	22,849	22,636	16,824	16,768	16,973	15,207	13,284	10,948	11,531
Denied	68,888	93,518	74,901	85,507	92,512	97,173	86,252	89,145	89,904	93,543	77,119	67,232	65,133	57,000	49,313	39,482	35,662
Withdrawn/File closed	57,425	86,758	75,549	83,080	86,762	92,188	91,233	90,878	115,133	139,034	129,456	130,189	143,318	125,881	112,259	95,202	89,488
Black Applicant																	
Applications	120,275	140,912	95,869	125,828	130,025	129,618	139,486	169,959	204,218	226,601	217,840	227,296	264,581	282,054	234,781	197,157	186,100
Originated	74,081	89,580	60,439	79,013	81,578	80,570	88,698	115,103	135,736	148,784	141,367	151,035	173,058	186,992	147,160	123,453	120,120
Approved but not accepted	4,717	5,263	4,142	5,046	4,307	4,679	4,796	5,440	6,114	6,066	5,160	5,703	6,429	6,753	5,996	4,909	4,012
Denied	24,828	26,366	17,524	23,860	25,435	25,990	25,048	27,795	30,935	33,310	30,776	28,907	33,234	33,787	31,633	27,000	25,254
Withdrawn/File closed	16,649	19,703	13,764	17,909	18,705	18,379	20,944	21,621	31,433	38,441	40,537	41,651	51,860	54,522	49,992	41,795	36,714
Latino Applicant																	
Applications	112,181	181,263	209,009	157,863	161,427	160,607	169,851	229,952	264,338	240,401	238,098	255,964	301,092	289,017	229,105	221,032	238,879
Originated	72,112	118,733	134,328	105,489	109,300	107,247	115,868	165,961	187,023	170,794	166,523	183,013	209,290	206,085	154,727	150,998	169,420
Approved but not accepted	5,479	8,865	10,938	7,214	6,282	5,907	5,552	6,947	7,494	6,499	5,398	5,291	6,299	6,132	5,345	4,606	4,494
Denied	20,166	29,969	35,150	24,407	25,229	25,784	24,269	29,275	31,366	26,080	27,445	26,444	31,014	27,174	24,481	24,224	25,099
Withdrawn/File closed	14,424	23,696	28,593	20,753	20,616	21,669	24,162	27,769	38,455	37,028	38,732	41,216	54,489	49,626	44,552	41,204	39,866
Asian Applicant																	
Applications	16,631	41,849	54,416	36,549	36,410	33,535	30,007	43,085	46,993	41,011	37,664	38,670	42,225	41,756	37,620	38,686	40,732
Originated	11,009	28,274	36,295	24,213	24,068	21,855	19,926	30,948	33,008	28,438	26,053	26,933	28,781	28,796	24,231	25,666	27,989
Approved but not accepted	865	1,993	2,774	1,698	1,456	1,344	1,114	1,461	1,429	1,077	778	795	810	742	761	689	679
Denied	2,608	6,134	8,149	5,793	6,153	5,818	4,614	5,690	5,695	4,827	4,333	3,995	4,170	3,995	4,073	4,211	4,210
Withdrawn/File closed	2,149	5,448	7,198	4,845	4,733	4,518	4,353	4,986	6,861	6,669	6,500	6,947	8,464	8,223	8,555	8,120	7,854
Other Race/Ethnicity Applicant																	
Applications	12,559	19,208	22,856	14,290	14,513	14,988	15,797	15,242	18,519	24,940	14,113	15,412	19,788	21,429	17,883	16,522	17,859
Originated	8,341	12,974	14,998	9,814	10,054	9,938	10,884	11,081	13,051	17,334	9,547	10,647	13,581	14,637	11,626	10,721	12,055
Approved but not accepted	605	821	1,167	669	581	586	522	449	520	554	277	311	390	437	405	340	306
Denied	2,136	3,022	3,401	2,112	2,184	2,498	2,235	1,859	2,246	3,006	1,735	1,661	2,067	2,190	2,020	1,914	1,932
Withdrawn/File closed	1,477	2,391	3,290	1,695	1,694	1,966	2,156	1,853	2,702	4,046	2,554	2,793	3,750	4,165	3,832	3,547	3,566
Joint Applicants																	
Applications	27,434	37,639	35,225	30,403	33,189	36,004	38,338	10,885	12,982	63,204	75,625	81,149	93,081	90,000	82,218	82,387	86,765
Originated	20,528	28,376	26,068	22,826	25,108	26,646	28,657	8,412	9,734	47,274	55,335	59,961	67,679	66,463	57,513	59,245	64,265
Approved but not accepted	1,260	1,536	1,547	1,179	986	1,116	1,107	331	340	1,389	1,348	1,456	1,652	1,551	1,714	1,517	1,516
Denied	3,156	4,108	3,994	3,340	3,781	4,285	3,855	1,006	1,198	5,419	6,565	6,202	7,268	6,627	6,384	6,492	6,278
Withdrawn/File closed	2,490	3,619	3,616	3,058	3,314	3,957	4,719	1,136	1,710	9,122	12,377	13,530	16,482	15,359	16,607	15,133	14,706
Missing Race/Ethnicity																	
Applications	89,746	144,230	126,016	115,060	108,131	102,461	106,242	139,331	163,886	180,277	182,402	211,436	236,767	247,965	213,851	188,423	176,233
Originated	53,179	92,128	78,308	69,367	66,449	60,660	63,695	94,977	109,916	112,044	119,800	142,632	159,334	167,742	135,717	120,273	117,632
Approved but not accepted	5,181	7,133	5,914	5,566	4,490	4,689	3,830	4,134	4,233	4,159	3,561	4,185	4,932	5,231	4,904	4,382	3,886
Denied	16,321	22,356	20,595	19,949	18,204	18,625	19,072	21,052	23,213	27,565	21,900	22,276	24,174	25,720	24,716	20,540	17,204
Withdrawn/File closed	15,065	22,613	21,199	20,178	18,988	18,487	19,645	19,168	26,524	36,509	37,141	42,343	48,327	49,272	48,514	43,228	37,511

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Table 4. Distribution of applications for first lien purchase loans of occupied 1-to-4 family homes by disposition and selected applicant and loan characteristics, 2024

	APPLICATIONS	ORIGINATED	APPROVED BUT NOT ACCEPTED	DENIED	WITHDRAWN/FILE CLOSED
BLACK APPLICANTS					
TOTAL APPLICATIONS	318,602	204,915	7,694	42,024	63,969
Applicant income					
Less or equal to 50% of AMI	30,041	15,181	701	8,336	5,823
50% - 80% of AMI	87,433	56,047	2,011	12,410	16,965
80% - 120% of AMI	99,484	67,335	2,327	10,979	18,843
More than 120% of AMI	101,644	66,352	2,655	10,299	22,338
Loan type					
Nonconventional	186,100	120,120	4,012	25,254	36,714
Conventional	132,502	84,795	3,682	16,770	27,255
GSE/FHA					
GSE-purchased*	38,559	38,559			
FHA-insured	132,032	84,503	2,951	19,491	25,087
Loan cost					
High cost*	10,930	10,212	718		
Property location					
Low-moderate income neighborhood	114,026	69,802	3,091	17,296	23,837
Higher income neighborhood	204,576	135,113	4,603	24,728	40,132
Majority minority neighborhood	176,869	112,094	4,479	24,075	36,221
Midwest	54,198	34,962	1,303	7,173	10,760
Northeast	33,657	21,964.00	913.00	4,396.00	6,384
South	205,658	13291600%	4,689	26,772	41,281
West	22,452	1487300%	578	2,466	4,535
NON-HISPANIC WHITE APPLICANTS					
TOTAL APPLICATIONS	1,953,035	1,479,801	46,396	107,575	319,263
Applicant income					
Less or equal to 50% of AMI	123,821	82,228	2,936	19,218	19,439
50% - 80% of AMI	385,605	294,418	8,587	24,760	57,840
80% - 120% of AMI	507,412	393,871	11,379	23,783	78,379
More than 120% of AMI	936,197	709,284	23,494	39,814	163,605
Loan type					
Nonconventional	531,746	395,065	11,531	35,662	89,488
Conventional	1,421,289	1,084,736	34,865	71,913	229,775
GSE/FHA					
GSE-purchased*	515,371	515,371			
FHA-insured	295,185	220,805	6,583	22,093	45,704
Loan cost					
High cost*	38,957	36,897	2,060		
Property location					
Low-moderate income neighborhood	332,618	238,908	9,372	24,175	60,163
Higher income neighborhood	1,620,417	1,240,893	37,024	83,400	259,100
Majority minority neighborhood	239,528	176,403	5,529	15,033	42,563
Midwest	535,389	421,527	10,739	26,634	76,489
Northeast	266,974	206,373	5,280	15,155	40,166
South	803,743	600,090	19,859	45,453	138,341
West	333,333	249,533	8,979	17,064	57,757

*Information applicable only to originated loans

Table 5.1 Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by region and applicant income Conventional loans, Black and Non-Hispanic White applicants, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	TOTAL APPLICATIONS	ORIGINATED	APPROVED BUT NOT ACCEPTED	DENIED	WITHDRAWN/FILE CLOSED	TOTAL APPLICATIONS	ORIGINATED	APPROVED BUT NOT ACCEPTED	DENIED	WITHDRAWN/FILE CLOSED
CONVENTIONAL LOANS	130,676	84,652	3,515	15,939	26,570	1,409,669	1,082,610	33,569	69,302	224,188
Midwest	27,592	18,470	685	3,159	5,278	412,311	329,610	8,491	17,537	56,673
Less or equal to 50% of AMI	5,192	3,104	107	1,092	889	40,622	29,875	947	4,409	5,391
50%-80% of AMI	9,632	6,637	250	980	1,765	102,712	82,657	2,038	4,685	13,332
80%-120% of AMI	6,486	4,470	166	604	1,246	101,100	81,753	2,104	3,648	13,595
More than 120% of AMI	6,282	4,259	162	483	1,378	167,877	135,325	3,402	4,795	24,355
Northeast	19,064	12,658	502	2,371	3,533	224,100	174,294	4,510	11,656	33,640
Less or equal to 50% of AMI	2,208	1,279	63	507	359	14,082	9,526	269	2,279	2,008
50%-80% of AMI	5,236	3,556	119	683	878	43,799	34,481	806	2,691	5,821
80%-120% of AMI	5,382	3,627	151	626	978	55,507	44,198	1,102	2,477	7,730
More than 120% of AMI	6,238	4,196	169	555	1,318	110,712	86,089	2,333	4,209	18,081
South	73,051	46,298	2,014	9,285	15,454	525,438	393,754	13,341	27,953	90,390
Less or equal to 50% of AMI	7,661	3,912	177	2,109	1,463	28,763	18,320	705	4,892	4,846
50%-80% of AMI	18,430	11,797	496	2,548	3,589	83,782	62,740	2,009	5,648	13,385
80%-120% of AMI	18,520	12,252	504	2,015	3,749	114,890	87,244	2,876	5,478	19,292
More than 120% of AMI	28,440	18,337	837	2,613	6,653	298,003	225,450	7,751	11,935	52,867
West	10,969	7,226	314	1,124	2,305	247,820	184,952	7,227	12,156	43,485
Less or equal to 50% of AMI	584	303	18	152	111	9,636	6,075	273	1,668	1,620
50%-80% of AMI	1,844	1,235	41	214	354	33,031	24,702	970	1,923	5,436
80%-120% of AMI	2,785	1,884	67	260	574	55,023	42,090	1,502	2,309	9,122
More than 120% of AMI	5,756	3,804	188	498	1,266	150,130	112,085	4,482	6,256	27,307

Table 5.2 Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by region and applicant income Nonconventional loans, Black and Non-Hispanic White applicants, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	TOTAL APPLICATIONS	ORIGINATED	APPROVED BUT NOT ACCEPTED	DENIED	WITHDRAWN/FILE CLOSED	TOTAL APPLICATIONS	ORIGINATED	APPROVED BUT NOT ACCEPTED	DENIED	WITHDRAWN/FILE CLOSED
NONCONVENTIONAL LOANS	185,289	120,063	3,968	24,868	36,390	529,770	394,913	11,288	35,004	88,565
Midwest	26,606	16,492	618	4,014	5,482	123,078	91,917	2,248	9,097	19,816
Less or equal to 50% of AMI	4,036	1,990	110	1,107	829	12,841	8,138	283	2,116	2,304
50%-80% of AMI	9,999	6,247	212	1,465	2,075	37,893	28,235	692	2,989	5,977
80%-120% of AMI	8,266	5,489	184	969	1,624	40,739	31,538	743	2,278	6,180
More than 120% of AMI	4,305	2,766	112	473	954	31,605	24,006	530	1,714	5,355
Northeast	14,593	9,306	411	2,025	2,851	42,874	32,079	770	3,499	6,526
Less or equal to 50% of AMI	1,187	550	29	366	242	3,255	1,934	66	735	520
50%-80% of AMI	4,075	2,540	105	651	779	11,927	8,939	243	1,036	1,709
80%-120% of AMI	5,512	3,758	156	585	1,013	15,257	11,766	249	1,024	2,218
More than 120% of AMI	3,819	2,458	121	423	817	12,435	9,440	212	704	2,079
South	132,607	86,618	2,675	17,487	25,827	278,305	206,336	6,518	17,500	47,951
Less or equal to 50% of AMI	8,844	3,913	192	2,863	1,876	11,996	6,883	327	2,517	2,269
50%-80% of AMI	36,256	22,800	741	5,558	7,157	57,354	41,591	1,539	4,575	9,649
80%-120% of AMI	48,334	32,996	1,004	5,489	8,845	94,258	71,548	2,160	5,111	15,439
More than 120% of AMI	39,173	26,909	738	3,577	7,949	114,697	86,314	2,492	5,297	20,594
West	11,483	7,647	264	1,342	2,230	85,513	64,581	1,752	4,908	14,272
Less or equal to 50% of AMI	328	129	5	140	54	2,623	1,474	66	602	481
50%-80% of AMI	1,960	1,234	47	311	368	15,094	11,063	289	1,212	2,530
80%-120% of AMI	4,196	2,857	95	431	813	30,595	23,700	640	1,453	4,802
More than 120% of AMI	4,999	3,427	117	460	995	37,201	28,344	757	1,641	6,459

Table 6. Distribution of originations of first lien purchase loans of occupied 1-to-4 family homes by region and applicant income GSE-purchased and FHA-insured, Black and Non-Hispanic White applicants, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	TOTAL	INCOME LESS OR EQUAL TO 50% OF AMI	INCOME 50%-80% OF AMI	INCOME 80%-120% OF AMI	INCOME MORE THAN 120% OF AMI	TOTAL	INCOME LESS OR EQUAL TO 50% OF AMI	INCOME 50%-80% OF AMI	INCOME 80%-120% OF AMI	INCOME MORE THAN 120% OF AMI
Total Loans	204,937	9,286	58,034	69,030	68,587	736,025	44,409	167,578	211,796	312,242
GSE-Purchased	38,553	3,771	11,295	10,434	13,053	515,306	31,271	111,623	133,180	239,232
FHA-Insured	84,464	5,515	25,219	32,148	21,582	220,719	13,138	55,955	78,616	73,010
Midwest										
Total Loans	22,253	3,218	8,542	6,601	3,892	218,694	21,108	63,586	61,287	72,713
GSE-Purchased	9,161	1,508	3,402	2,245	2,006	165,216	15,249	45,940	43,265	60,762
FHA-Insured	13,092	1,710	5,140	4,356	1,886	53,478	5,859	17,646	18,022	11,951
Northeast										
Total Loans	13,388	951	3,676	4,850	3,911	95,428	5,672	22,599	28,694	38,463
GSE-Purchased	5,365	471	1,479	1,579	1,836	75,199	4,237	16,612	21,195	33,155
FHA-Insured	8,023	480	2,197	3,271	2,075	20,229	1,435	5,987	7,499	5,308
South										
Total Loans	78,985	4,880	22,859	28,230	23,016	292,298	13,375	59,800	83,295	135,828
GSE-Purchased	20,464	1,643	5,755	5,596	7,470	181,448	8,514	34,164	44,466	94,304
FHA-Insured	58,521	3,237	17,104	22,634	15,546	110,850	4,861	25,636	38,829	41,524
West										
Total Loans	8,391	237	1,437	2,901	3,816	129,605	4,254	21,593	38,520	65,238
GSE-Purchased	3,563	149	659	1,014	1,741	93,443	3,271	14,907	24,254	51,011
FHA-Insured	4,828	88	778	1,887	2,075	36,162	983	6,686	14,266	14,227

Table 7. Distribution of denial reasons of first lien purchase loans of occupied 1-to-4 family homes by applicant income Conventional and nonconventional loan applications, Black and Non-Hispanic White applicants, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
Type of loan and denial reason	DENIED APPLICATIONS	LESS OR EQUAL TO 50% OF AMI	50%-80% OF AMI	80%-120% OF AMI	MORE THAN 120% OF AMI	DENIED APPLICATIONS	LESS OR EQUAL TO 50% OF AMI	50%-80% OF AMI	80%-120% OF AMI	MORE THAN 120% OF AMI
Total	41,596	8,236	12,293	10,912	10,155	104,462	18,541	24,025	23,174	38,722
Debt-to-income ratio	17,320	4,827	5,652	4,082	2,759	37,608	10,580	9,549	7,448	10,031
Employment history	1,167	316	318	304	229	3,037	870	741	628	798
Credit history	7,930	1,084	2,089	2,202	2,555	14,407	2,068	3,193	3,398	5,748
Collateral	4,855	728	1,608	1,328	1,191	19,096	2,092	4,632	4,441	7,931
Insufficient cash	2,576	296	796	779	705	6,411	615	1,441	1,661	2,694
Unverifiable information	2,376	386	510	678	802	5,258	768	833	1,109	2,548
Credit application incomplete	2,269	251	543	668	807	9,808	741	1,814	2,264	4,989
Mortgage insurance denied	26	2	7	8	9	78	9	10	22	37
Other	3,077	346	770	863	1,098	8,759	798	1,812	2,203	3,946
Conventional	16,456	3,790	4,335	3,449	4,882	69,070	12,609	14,281	13,356	28,824
Debt-to-income ratio	6,506	2,056	1,727	1,248	1,475	25,667	7,241	5,621	4,635	8,170
Employment history	358	128	73	67	90	1,625	498	335	274	518
Credit history	2,842	577	664	522	1,079	8,113	1,356	1,631	1,538	3,588
Collateral	2,824	484	966	708	666	14,478	1,668	3,387	3,022	6,401
Insufficient cash	933	127	253	215	338	3,972	352	769	884	1,967
Unverifiable information	869	136	179	198	356	3,518	522	498	625	1,873
Credit application incomplete	868	104	197	197	370	6,373	464	1,061	1,233	3,615
Mortgage insurance denied	15	2	2	4	7	52	6	4	18	24
Other	1,241	176	274	290	501	5,272	502	975	1,127	2,668
Nonconventional	25,140	4,446	7,958	7,463	5,273	35,392	5,932	9,744	9,818	9,898
Debt-to-income ratio	10,814	2,771	3,925	2,834	1,284	11,941	3,339	3,928	2,813	1,861
Employment history	809	188	245	237	139	1,412	372	406	354	280
Credit history	5,088	507	1,425	1,680	1,476	6,294	712	1,562	1,860	2,160
Collateral	2,031	244	642	620	525	4,618	424	1,245	1,419	1,530
Insufficient cash	1,643	169	543	564	367	2,439	263	672	777	727
Unverifiable information	1,507	250	331	480	446	1,740	246	335	484	675
Credit application incomplete	1,401	147	346	471	437	3,435	277	753	1,031	1,374
Mortgage insurance denied	11	0	5	4	2	26	3	6	4	13
Other	1,836	170	496	573	597	3,487	296	837	1,076	1,278

Table 8. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by type of lender and applicant income Black and Non-Hispanic White applicants, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	TOTAL APPLICATIONS	INCOME LESS OR EQUAL TO 50% OF AMI	INCOME 50%-80% OF AMI	INCOME 80%-120% OF AMI	INCOME MORE THAN 120% OF AMI	TOTAL APPLICATIONS	INCOME LESS OR EQUAL TO 50% OF AMI	INCOME 50%-80% OF AMI	INCOME 80%-120% OF AMI	INCOME MORE THAN 120% OF AMI
TOTAL APPLICATIONS	318,602	30,041	87,433	99,484	101,644	1,953,035	123,821	385,605	507,412	936,197
Bank, Savings Institution, or Credit Union										
Applications	85,517	11,736	24,679	21,722	27,380	730,044	49,701	134,300	165,242	380,801
Originated	50,334	5,770	15,203	13,551	15,810	531,270	30,573	98,988	123,492	278,217
Approved but not accepted	1,862	225	519	436	682	16,717	1,070	2,787	3,421	9,439
Denied	13,929	3,566	3,919	2,860	3,584	51,627	10,187	11,074	10,070	20,296
Withdrawn/File Closed	19,392	2,175	5,038	4,875	7,304	130,430	7,871	21,451	28,259	72,849
Mortgage Companies Affiliated with Depositories										
Applications	21,892	1,292	6,200	8,241	6,159	91,896	5,014	20,084	28,009	38,789
Originated	14,975	540	4,086	5,960	4,389	73,206	3,414	16,021	22,746	31,025
Approved but not accepted	390	23	104	120	143	2,037	110	408	558	961
Denied	2,970	517	1,023	895	535	4,004	775	1,079	1,037	1,113
Withdrawn/File Closed	3,557	212	987	1,266	1,092	12,649	715	2,576	3,668	5,690
Independent Mortgage Companies										
Applications	211,117	17,003	56,537	69,495	68,082	1,130,719	69,081	231,135	314,070	516,433
Originated	139,567	8,869	36,749	47,806	46,143	875,069	48,227	179,346	247,572	399,924
Approved but not accepted	5,442	453	1,388	1,771	1,830	27,620	1,755	5,389	7,394	13,082
Denied	25,106	4,248	7,465	7,222	6,171	51,907	8,250	12,599	12,667	18,391
Withdrawn/File Closed	41,002	3,433	10,935	12,696	13,938	176,123	10,849	33,801	46,437	85,036

Table 9. Disposition of applications for conventional first lien purchase loans of occupied 1-to-4 family homes by lender type, percentage of Black population in census tract and applicant income, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	Applications	Originated	Approved but not accepted	Denied	Withdrawn/File closed	Applications	Originated	Approved but not accepted	Denied	Withdrawn/File closed
TOTAL CONVENTIONAL LOANS	130,475	84,590	3,495	15,871	26,519	1,408,059	1,082,205	33,334	69,096	223,424
Bank, Savings Institution, or Credit Union	55,721	33,858	1,346	8,415	12,102	616,932	458,294	14,376	39,714	104,548
Up to 25% Black census tract	26,026	15,917	607	3,574	5,928	574,630	427,475	13,538	36,741	96,876
Applicant income										
Less or equal to 50% of AMI	2,838	1,426	53	846	513	38,878	24,530	892	7,499	5,957
50% - 80% of AMI	6,274	3,955	147	964	1,208	100,966	75,491	2,278	7,855	15,342
80% - 120% of AMI	5,881	3,661	134	755	1,331	122,484	92,345	2,852	7,164	20,123
More than 120% of AMI	11,033	6,875	273	1,009	2,876	312,302	235,109	7,516	14,223	55,454
26% - 50% Black census tract	11,596	7,107	260	1,817	2,412	31,378	23,081	597	2,119	5,581
Applicant income										
Less or equal to 50% of AMI	1,785	913	33	533	306	3,045	1,919	63	587	476
50% - 80% of AMI	3,693	2,380	80	539	694	7,105	5,287	127	491	1,200
80% - 120% of AMI	2,836	1,753	77	391	615	7,145	5,374	123	392	1,256
More than 120% of AMI	3,282	2,061	70	354	797	14,083	10,501	284	649	2,649
51% - 100% Black census tract	18,099	10,834	479	3,024	3,762	10,924	7,738	241	854	2,091
Applicant income										
Less or equal to 50% of AMI	4,012	2,136	92	1,066	718	1,476	893	37	272	274
50% - 80% of AMI	6,338	3,957	186	949	1,246	2,824	2,040	60	207	517
80% - 120% of AMI	4,241	2,674	109	551	907	2,649	1,901	54	152	542
More than 120% of AMI	3,508	2,067	92	458	891	3,975	2,904	90	223	758
Mortgage Companies Affiliated with Depositories	5,271	3,708	156	444	963	56,439	45,617	1,359	1,697	7,766
Up to 25% Black census tract	3,434	2,447	85	274	628	52,664	42,573	1,245	1,580	7,266
Applicant income										
Less or equal to 50% of AMI	226	124	5	52	45	3,126	2,286	63	339	438
50% - 80% of AMI	812	559	15	81	157	10,672	8,669	206	370	1,427
80% - 120% of AMI	1,056	793	22	68	173	13,847	11,344	313	361	1,829
More than 120% of AMI	1,340	971	43	73	253	25,019	20,274	663	510	3,572
26% - 50% Black census tract	965	680	28	86	171	2,987	2,412	95	96	384
Applicant income										
Less or equal to 50% of AMI	91	54	4	19	14	260	197	10	22	31
50% - 80% of AMI	268	184	9	27	48	759	623	20	27	89
80% - 120% of AMI	299	226	7	17	49	800	675	23	19	83
More than 120% of AMI	307	216	8	23	60	1,168	917	42	28	181
51% - 100% Black census tract	872	581	43	84	164	788	632	19	21	116
Applicant income										
Less or equal to 50% of AMI	119	69	4	23	23	90	69	2	6	13
50% - 80% of AMI	275	189	11	28	47	224	174	8	6	36
80% - 120% of AMI	269	184	16	15	54	216	178	3	4	31
More than 120% of AMI	209	139	12	18	40	258	211	6	5	36
Independent Mortgage Companies	69,483	47,024	1,993	7,012	13,454	734,688	578,294	17,599	27,685	111,110
Up to 25% Black census tract	39,979	27,695	1,080	3,723	7,481	684,004	539,503	16,262	25,468	102,771
Applicant income										
Less or equal to 50% of AMI	2,812	1,674	69	587	482	40,644	29,957	963	3,993	5,731
50% - 80% of AMI	8,725	6,164	218	850	1,493	127,625	102,272	2,720	5,340	17,293
80% - 120% of AMI	10,520	7,526	254	892	1,848	166,070	133,327	3,838	5,315	23,590
More than 120% of AMI	17,922	12,331	539	1,394	3,658	349,665	273,947	8,741	10,820	56,157
26% - 50% Black census tract	13,765	9,208	378	1,418	2,761	39,028	30,155	1,006	1,660	6,207
Applicant income										
Less or equal to 50% of AMI	1,448	874	39	274	261	3,856	2,791	95	346	624
50% - 80% of AMI	3,812	2,592	95	415	710	9,697	7,562	262	447	1,426
80% - 120% of AMI	3,733	2,583	97	334	719	10,012	7,869	223	341	1,579
More than 120% of AMI	4,772	3,159	147	395	1,071	15,463	11,933	426	526	2,578
51% - 100% Black census tract	15,739	10,121	535	1,871	3,212	11,656	8,636	331	557	2,132
Applicant income										
Less or equal to 50% of AMI	2,282	1,326	66	441	449	1,594	1,134	44	130	286
50% - 80% of AMI	4,897	3,229	139	555	974	3,156	2,376	79	161	540
80% - 120% of AMI	4,279	2,811	166	469	833	2,919	2,172	94	118	535
More than 120% of AMI	4,281	2,755	164	406	956	3,987	2,954	114	148	771

Table 10. Disposition of applications for FHA-insured first lien purchase loans of occupied 1-to-4 family homes by lender type, percentage of Black population in census tract and applicant income, 2024

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	Applications	Originated	Approved but not accepted	Denied	Withdrawn/File closed	Applications	Originated	Approved but not accepted	Denied	Withdrawn/File closed
TOTAL FHA-INSURED LOANS	131,240	84,407	2,894	19,138	24,801	293,517	220,649	6,341	21,529	44,998
Bank, Savings Institution, or Credit Union	18,175	10,753	234	3,264	3,924	49,105	35,034	621	4,740	8,710
Up to 25% Black census tract	7,037	4,283	88	1,233	1,433	43,145	30,822	555	4,147	7,621
Applicant income										
Less or equal to 50% of AMI	616	268	9	217	122	3,433	1,874	40	890	629
50% - 80% of AMI	2,132	1,254	20	422	436	11,751	8,305	153	1,243	2,050
80% - 120% of AMI	2,471	1,608	38	365	460	14,411	10,677	182	1,106	2,446
More than 120% of AMI	1,818	1,153	21	229	415	13,550	9,966	180	908	2,496
26% - 50% Black census tract	4,122	2,510	47	665	900	4,344	3,123	43	385	793
Applicant income										
Less or equal to 50% of AMI	509	218	10	187	94	447	259	5	100	83
50% - 80% of AMI	1,463	886	17	231	329	1,294	908	17	133	236
80% - 120% of AMI	1,309	866	14	148	281	1,334	1,014	12	64	244
More than 120% of AMI	841	540	6	99	196	1,269	942	9	88	230
51% - 100% Black census tract	7,016	3,960	99	1,366	1,591	1,616	1,089	23	208	296
Applicant income										
Less or equal to 50% of AMI	1,448	648	21	480	299	240	131	4	66	39
50% - 80% of AMI	2,855	1,664	40	496	655	546	377	11	67	91
80% - 120% of AMI	1,783	1,075	28	281	399	452	314	5	43	90
More than 120% of AMI	930	573	10	109	238	378	267	3	32	76
Mortgage Companies Affiliated with Depositories	12,190	8,077	152	2,037	1,924	22,159	17,149	399	1,594	3,017
Up to 25% Black census tract	7,078	4,687	82	1,218	1,091	20,014	15,508	356	1,430	2,720
Applicant income										
Less or equal to 50% of AMI	389	104	3	219	63	976	529	22	273	152
50% - 80% of AMI	2,061	1,294	17	430	320	5,000	3,823	94	441	642
80% - 120% of AMI	2,868	2,028	33	389	418	7,435	5,921	105	394	1,015
More than 120% of AMI	1,760	1,261	29	180	290	6,603	5,235	135	322	911
26% - 50% Black census tract	2,770	1,837	27	468	438	1,629	1,272	30	125	202
Applicant income										
Less or equal to 50% of AMI	164	58	1	82	23	116	72	2	26	16
50% - 80% of AMI	939	604	10	191	134	475	359	13	45	58
80% - 120% of AMI	1,089	770	9	132	178	576	474	10	31	61
More than 120% of AMI	578	405	7	63	103	462	367	5	23	67
51% - 100% Black census tract	2,342	1,553	43	351	395	516	369	13	39	95
Applicant income										
Less or equal to 50% of AMI	180	77	4	69	30	63	35	1	12	15
50% - 80% of AMI	842	527	24	138	153	149	113	3	9	24
80% - 120% of AMI	898	645	10	100	143	177	128	7	11	31
More than 120% of AMI	422	304	5	44	69	127	93	2	7	25
Independent Mortgage Companies	100,875	65,577	2,508	13,837	18,953	222,253	168,466	5,321	15,195	33,271
Up to 25% Black census tract	47,309	31,513	1,031	6,443	8,322	198,864	151,259	4,570	13,474	29,561
Applicant income										
Less or equal to 50% of AMI	2,904	1,257	54	1,024	569	13,789	8,593	362	2,350	2,484
50% - 80% of AMI	12,156	7,757	252	1,985	2,162	49,449	36,873	1,126	3,990	7,460
80% - 120% of AMI	18,323	12,803	412	2,077	3,031	69,573	54,429	1,540	3,918	9,686
More than 120% of AMI	13,926	9,696	313	1,357	2,560	66,053	51,364	1,542	3,216	9,931
26% - 50% Black census tract	23,149	15,068	575	3,163	4,343	17,259	12,942	506	1,193	2,618
Applicant income										
Less or equal to 50% of AMI	1,904	922	44	534	404	1,692	1,073	46	278	295
50% - 80% of AMI	6,862	4,407	144	1,001	1,310	5,030	3,746	147	360	777
80% - 120% of AMI	8,699	5,942	241	1,012	1,504	5,628	4,342	185	292	809
More than 120% of AMI	5,684	3,797	146	616	1,125	4,909	3,781	128	263	737
51% - 100% Black census tract	30,417	18,996	902	4,231	6,288	6,130	4,265	245	528	1,092
Applicant income										
Less or equal to 50% of AMI	3,959	1,962	144	948	905	937	569	42	129	197
50% - 80% of AMI	10,985	6,809	311	1,531	2,334	2,067	1,427	108	162	370
80% - 120% of AMI	9,641	6,384	272	1,110	1,875	1,778	1,293	59	124	302
More than 120% of AMI	5,832	3,841	175	642	1,174	1,348	976	36	113	223

Table 11. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by city and applicant income, Black applicants, 2024

	BALTIMORE MD	CHARLOTTE NC	CHICAGO IL	DALLAS TX	DETROIT MI	HOUSTON TX	LOS ANGELES CA	MEMPHIS TN	NEW YORK CITY NY	PHILADELPHIA PA
TOTAL APPLICATIONS	2,650	2,063	4,229	1,166	2,653	2,583	759	1,680	2,990	3196
Disposition										
Originated	1,706	1,358	2,351	667	1,532	1,536	415	1,066	1,765	2086
Approved but not accepted	67	57	126	27	74	79	39	51	110	94
Denied	292	250	627	185	514	362	110	233	520	362
Withdrawn/File closed	585	398	1,125	287	533	606	195	330	595	654
INCOME										
Less or equal to 50% of AMI	730	172	535	116	554	204	15	223	113	423
50%-80% of AMI	1,069	577	1,487	395	1,003	591	40	660	313	1148
80%-120% of AMI	592	659	1,213	312	679	717	75	482	630	976
More than 120% of AMI	259	655	994	343	417	1,071	629	315	1,934	649
Income less or equal to 50% of AMI										
Applications	730	172	535	116	554	204	15	223	113	423
Originated	445	88	242	47	256	70	3	110	40	226
Approved but not accepted	20	5	15	1	19	8	0	6	2	10
Denied	110	52	150	39	178	71	12	59	55	96
Withdrawn/File closed	155	27	128	29	101	55	0	48	16	91
Income 50%-80% of AMI										
Applications	1,069	577	1,487	395	1,003	591	40	660	313	1148
Originated	734	375	844	228	595	330	13	426	134	776
Approved but not accepted	23	15	44	9	28	17	0	19	15	29
Denied	79	81	214	70	188	111	8	97	95	124
Withdrawn/File closed	233	106	385	88	192	133	19	118	69	219
Income 80%-120% of AMI										
Applications	592	659	1,213	312	679	717	75	482	630	976
Originated	367	451	690	189	435	452	43	322	358	672
Approved but not accepted	20	14	37	9	14	21	2	12	23	35
Denied	69	66	160	38	88	81	11	48	133	81
Withdrawn/File closed	136	128	326	76	142	163	19	100	116	188
Income more than 120% of AMI										
Applications	259	655	994	343	417	1,071	629	315	1,934	649
Originated	160	444	575	203	246	684	356	208	1,233	412
Approved but not accepted	4	23	30	8	13	33	37	14	70	20
Denied	34	51	103	38	60	99	79	29	237	61
Withdrawn/File closed	61	137	286	94	98	255	157	64	394	156

Table 12. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by city and applicant income, Non-Hispanic White applicants, 2024

	BALTIMORE MD	CHARLOTTE NC	CHICAGO IL	DALLAS TX	DETROIT MI	HOUSTON TX	LOS ANGELES CA	MEMPHIS TN	NEW YORK CITY NY	PHILADELPHIA PA
TOTAL APPLICATIONS	1,977	5,471	9,821	4,425	835	5,818	6,868	1,561	10,077	4,758
Disposition										
Originated	1,514	4,270	7,201	3,236	538	4,161	4,517	1,220	6,677	3,637
Approved but not accepted	32	126	170	107	14	151	228	34	264	67
Denied	73	186	423	219	100	359	573	64	1,089	205
Withdrawn/File closed	358	889	2,027	863	183	1,147	1,550	243	2,047	849
INCOME										
Less or equal to 50% of AMI	202	132	295	122	140	116	109	65	155	135
50%-80% of AMI	590	658	1,356	406	195	479	103	306	557	642
80%-120% of AMI	533	1,149	2,183	666	179	984	300	360	1,398	1,231
More than 120% of AMI	652	3,532	5,987	3,231	321	4,239	6,356	830	7,967	2,750
Income less or equal to 50% of AMI										
Applications	202	132	295	122	140	116	109	65	155	135
Originated	146	77	190	71	76	51	58	39	47	80
Approved but not accepted	1	2	2	1	2	0	0	1	6	1
Denied	17	32	53	26	33	42	35	13	77	26
Withdrawn/File closed	38	21	50	24	29	23	16	12	25	28
Income 50%-80% of AMI										
Applications	590	658	1,356	406	195	479	103	306	557	642
Originated	459	509	1,003	288	120	323	64	231	337	497
Approved but not accepted	13	15	21	10	4	13	1	8	15	7
Denied	24	32	97	32	29	64	19	18	108	51
Withdrawn/File closed	94	102	235	76	42	79	19	49	97	87
Income 80%-120% of AMI										
Applications	533	1,149	2,183	666	179	984	300	360	1,398	1,231
Originated	404	903	1,618	470	122	714	182	289	943	987
Approved but not accepted	7	31	45	16	4	26	7	5	36	16
Denied	12	37	91	41	15	59	36	15	179	37
Withdrawn/File closed	110	178	429	139	38	185	75	51	240	191
Income more than 120% of AMI										
Applications	652	3,532	5,987	3,231	321	4,239	6,356	830	7,967	2,750
Originated	505	2,781	4,390	2,407	220	3,073	4,213	661	5,350	2,073
Approved but not accepted	11	78	102	80	4	112	220	20	207	43
Denied	20	85	182	120	23	194	483	18	725	91
Withdrawn/File closed	116	588	1,313	624	74	860	1,440	131	1,685	543

Table 13. Distribution of applications and originations first lien purchase loans of occupied 1-to-4 family homes by region, 2023-2024

	APPLICATIONS			ORIGINATIONS		
BLACK APPLICANTS	2023	2024	% CHANGE	2023	2024	% CHANGE
TOTAL APPLICATIONS	339,673	315,965	-7%	212,592	204,715	-4%
Midwest	55,535	54,198	-2%	35,127	34,962	0%
Northeast	35,411	33,657	-5%	22,760	21,964	-3%
South	220,772	205,658	-7%	138,413	132,916	-4%
West	24,933	22,452	-10%	16,062	14,873	-7%
NON-HISPANIC WHITE APPLICANTS						
TOTAL APPLICATIONS	1,983,108	1,939,439	-2%	1,481,805	1,477,523	0%
Midwest	532,974	535,389	0%	415,710	421,527	1%
Northeast	268,360	266,974	-1%	205,232	206,373	1%
South	830,028	803,743	-3%	610,143	600,090	-2%
West	336,249	333,333	-1%	248,279	249,533	1%

Table 14. Distribution of high-cost loans by neighborhood income level, 2024

	ORIGINATED	HIGH-COST	%
BLACK APPLICANTS			
TOTAL LOANS	204,915	10,212	5%
Neighborhood income			
Low-moderate income neighborhood	69,802	4,240	6%
Higher income neighborhood	135,113	5,972	4%
NON-HISPANIC WHITE APPLICANTS			
TOTAL LOANS	1,479,801	36,897	2%
Neighborhood income			
Low-moderate income neighborhood	238,908	8,225	3%
Higher income neighborhood	1,240,893	28,672	2%

Table 15. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes by year, gender and coapplicant status, Black and Non-Hispanic White applicants

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Black Applicant																	
Total Applications	214,892	180,219	119,818	161,319	172,061	186,074	206,182	245,425	300,503	361,457	358,433	376,037	437,680	495,503	428,532	339,673	318,602
Originated	116,371	109,728	74,055	98,416	105,379	113,723	130,176	164,585	198,217	236,419	233,269	249,367	285,468	327,927	268,597	212,592	204,915
Approved but not accepted	12,363	7,361	5,407	6,958	6,176	7,417	7,407	8,289	9,318	10,130	8,983	9,683	10,507	11,858	11,385	8,896	7,694
Denied	52,903	37,458	23,173	33,441	36,219	38,956	37,898	41,653	47,032	54,126	49,783	47,687	55,407	59,246	56,694	46,237	42,024
Withdrawn/File closed	33,255	25,672	17,183	22,504	24,287	25,978	30,701	30,898	45,936	60,782	66,398	69,300	86,298	96,472	91,856	71,948	63,969
Male applicants	71,579	60,896	41,647	58,218	62,100	70,633	77,937	88,249	107,002	134,648	130,837	136,768	157,893	170,312	143,805	113,605	107,555
Originated	36,463	36,302	25,421	35,440	37,623	42,863	48,683	58,393	70,038	87,460	84,590	90,228	102,834	112,017	88,958	69,956	68,489
Approved but not accepted	4,322	2,564	1,891	2,443	2,185	2,744	2,788	3,014	3,273	3,759	3,222	3,510	3,802	4,004	3,758	2,999	2,627
Denied	19,267	13,009	8,280	12,277	13,450	15,121	14,777	15,708	17,169	20,612	18,556	17,505	19,810	20,492	19,353	15,705	14,241
Withdrawn/File closed	11,527	9,021	6,055	8,058	8,842	9,905	11,689	11,134	16,522	22,817	24,469	25,525	31,447	33,799	31,736	24,945	22,198
Female applicants	88,291	78,193	50,851	69,126	70,741	74,856	80,649	92,537	113,040	142,419	137,457	146,481	180,593	206,617	170,982	130,482	122,667
Originated	47,988	48,391	31,321	41,893	42,920	45,484	50,672	61,500	73,624	92,689	89,020	96,653	117,555	135,993	106,200	80,705	77,835
Approved but not accepted	5,019	3,170	2,343	3,047	2,703	3,083	2,916	3,128	3,625	4,098	3,509	3,920	4,431	5,097	4,651	3,495	3,095
Denied	21,764	15,776	9,770	14,382	14,953	15,669	14,834	16,015	18,197	21,501	19,384	18,770	22,729	25,036	23,251	18,242	16,782
Withdrawn/File closed	13,520	10,856	7,417	9,804	10,165	10,620	12,227	11,894	17,594	24,131	25,544	27,138	35,878	40,491	36,880	28,040	24,955
Joint male-female applicants	46,949	35,294	23,043	29,277	33,635	36,055	42,615	57,941	71,906	73,583	74,820	78,917	83,779	98,232	92,797	76,903	70,159
Originated	27,711	21,964	14,899	18,470	21,688	22,978	27,995	40,664	49,438	49,788	50,382	53,928	55,845	67,173	60,750	50,430	47,112
Approved but not accepted	2,610	1,384	980	1,234	1,095	1,382	1,520	1,859	2,151	1,997	1,806	1,865	1,866	2,265	2,292	1,876	1,544
Denied	9,768	7,213	4,128	5,702	6,527	6,967	7,107	8,480	9,961	9,979	9,388	9,180	10,364	10,729	10,926	9,389	8,290
Withdrawn/File closed	6,860	4,733	3,036	3,871	4,325	4,728	5,993	6,938	10,356	11,819	13,244	13,944	15,704	18,065	18,829	15,208	13,213
Non Hispanic White Applicant																	
Applications	1,795,895	1,762,663	1,408,965	1,619,842	1,881,341	2,197,862	2,223,063	2,446,232	2,659,182	3,097,797	2,918,506	2,926,713	3,152,438	3,145,282	2,575,166	1,983,108	1,953,035
Originated	1,277,775	1,313,583	1,037,184	1,201,921	1,420,633	1,649,943	1,689,184	1,917,607	2,061,488	2,375,851	2,236,728	2,260,266	2,432,039	2,445,167	1,928,597	1,481,805	1,479,801
Approved but not accepted	111,326	77,924	66,477	69,580	69,213	82,392	69,699	72,251	73,874	81,697	67,432	65,897	63,382	61,895	61,523	47,058	46,396
Denied	211,554	188,224	147,521	173,079	194,194	221,936	203,313	205,316	205,571	232,497	196,111	174,583	179,591	166,548	145,942	114,399	107,575
Withdrawn/File closed	195,240	182,932	157,783	175,262	197,301	243,591	260,867	251,058	318,249	407,752	418,235	425,967	477,426	471,672	439,104	339,846	319,263
Male applicants	572,824	584,343	465,338	547,196	637,080	743,610	757,073	833,812	910,520	1,061,663	996,555	1,003,132	1,092,596	1,082,893	856,956	641,849	635,086
Originated	387,326	423,310	332,152	394,365	466,464	542,406	561,285	639,986	692,413	800,271	750,942	762,219	828,831	826,617	628,491	468,949	472,318
Approved but not accepted	35,537	25,831	22,681	23,773	23,777	28,016	23,837	24,762	25,038	27,227	22,713	22,333	22,215	21,467	20,162	15,426	15,268
Denied	81,385	70,941	54,913	66,477	76,131	86,827	79,626	81,240	81,250	90,347	76,376	68,488	70,362	65,010	56,294	42,980	39,947
Withdrawn/File closed	68,576	64,261	55,592	62,581	70,708	86,361	92,325	87,824	111,819	143,818	146,524	150,092	171,188	169,799	152,009	114,494	107,553
Female applicants	373,646	394,355	315,295	357,239	408,008	461,150	459,779	516,203	573,701	657,963	609,962	617,381	690,520	692,960	543,870	408,074	390,576
Originated	261,579	292,848	230,060	262,105	303,948	341,738	345,546	400,146	439,073	499,339	464,156	472,779	529,338	533,435	402,181	300,215	290,485
Approved but not accepted	23,086	16,945	14,758	15,026	14,867	17,079	14,332	15,120	16,067	17,560	14,110	14,309	13,830	13,972	13,150	9,925	10,020
Denied	47,615	43,467	34,483	40,097	44,601	49,821	44,895	46,757	47,903	52,863	44,162	39,453	41,636	40,147	34,837	27,059	24,887
Withdrawn/File closed	41,366	41,095	35,994	40,011	44,592	52,512	55,006	54,180	70,658	88,201	87,534	90,840	105,716	105,406	93,702	70,875	65,184
Joint male-female applicants	792,322	729,049	581,172	667,127	783,655	933,777	949,233	1,042,442	1,113,162	1,284,675	1,206,462	1,209,003	1,263,085	1,247,687	1,064,697	843,222	836,174
Originated	590,450	558,543	441,033	510,977	612,196	722,977	741,098	836,853	883,584	1,007,214	944,522	952,814	994,940	993,029	817,628	646,530	648,737
Approved but not accepted	49,621	32,961	27,029	28,948	28,733	35,282	29,788	30,789	31,076	34,635	27,721	27,177	25,217	24,190	25,383	19,680	19,108
Denied	73,959	66,135	52,321	60,280	66,969	78,300	72,195	71,664	70,535	80,231	66,814	59,258	59,633	53,421	47,566	38,250	36,915
Withdrawn/File closed	78,292	71,410	60,789	66,922	75,757	97,218	106,152	103,136	127,967	162,595	167,405	169,754	183,295	177,047	174,120	138,762	131,414

Table 16. Disposition of applications for first lien purchase conventional loans of occupied 1-to-4 family homes by year, gender and coapplicant status, Black and Non-Hispanic White applicants

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Black Applicant																	
Total Applications	94,617	39,307	23,949	35,491	42,036	56,456	66,696	75,466	96,285	134,856	140,593	148,741	173,099	213,449	213,449	213,449	213,449
Originated	42,290	20,148	13,616	19,403	23,801	33,153	41,478	49,482	62,481	87,635	91,902	98,332	112,410	140,935	121,437	89,139	84,795
Approved but not accepted	7,646	2,098	1,265	1,912	1,869	2,738	2,611	2,849	3,204	4,064	3,823	3,980	4,078	5,105	5,389	3,987	3,682
Denied	28,075	11,092	5,649	9,581	10,784	12,966	12,850	13,858	16,097	20,816	19,007	18,780	22,173	25,459	25,061	19,237	16,770
Withdrawn/File closed	16,606	5,969	3,419	4,595	5,582	7,599	9,757	9,277	14,503	22,341	25,861	27,649	34,438	41,950	41,864	30,153	27,255
Male applicants	33,880	12,834	7,911	11,789	14,035	19,639	23,226	24,815	32,013	47,395	48,277	50,424	58,743	70,831	63,373	47,272	44,516
Originated	13,857	6,298	4,333	6,258	7,698	11,409	14,024	15,843	20,299	30,387	31,112	32,825	37,680	45,936	38,901	28,858	28,067
Approved but not accepted	2,823	715	443	655	625	952	938	978	1,091	1,494	1,348	1,387	1,401	1,706	1,781	1,354	1,279
Denied	11,003	3,720	1,938	3,297	3,773	4,568	4,687	4,880	5,660	7,558	6,785	6,612	7,589	8,787	8,506	6,707	5,852
Withdrawn/File closed	6,197	2,101	1,197	1,579	1,939	2,710	3,577	3,114	4,963	7,956	9,032	9,600	12,073	14,402	14,185	10,353	9,318
Female applicants	39,341	16,823	10,472	15,055	17,296	23,148	27,162	29,230	37,552	57,425	59,381	63,920	76,427	92,449	81,111	59,418	55,321
Originated	17,982	8,809	5,987	8,250	9,713	13,522	17,007	19,021	24,115	37,471	38,970	42,337	49,851	61,090	50,644	37,177	35,204
Approved but not accepted	3,134	870	527	784	772	1,100	1,017	1,092	1,218	1,680	1,508	1,716	1,828	2,242	2,246	1,674	1,535
Denied	11,491	4,738	2,476	4,114	4,495	5,492	5,231	5,550	6,488	8,797	8,040	8,120	9,665	11,183	10,787	8,146	7,174
Withdrawn/File closed	6,734	2,406	1,482	1,907	2,316	3,034	3,907	3,567	5,731	9,477	10,863	11,747	15,083	17,934	17,434	12,421	11,408
Joint male-female applicants	18,630	8,569	4,960	7,765	9,516	12,351	14,823	19,373	24,159	26,217	27,589	29,342	32,241	41,561	40,583	10,186	8,734
Originated	9,383	4,595	2,997	4,497	5,774	7,570	9,626	13,368	16,570	17,506	18,652	20,023	21,433	28,531	26,589	18,982	17,533
Approved but not accepted	1,482	448	269	420	404	610	596	698	810	802	762	742	716	973	1,093	767	692
Denied	4,600	2,245	1,064	1,872	2,165	2,498	2,541	2,982	3,396	3,700	3,329	3,257	3,953	4,287	4,543	3,349	2,821
Withdrawn/File closed	3,165	1,281	630	976	1,173	1,673	2,060	2,325	3,383	4,209	4,846	5,320	6,139	7,770	8,358	6,070	5,221
Non Hispanic White Applicant																	
Applications	1,198,088	869,917	707,112	855,007	1,076,496	1,396,825	1,460,484	1,553,704	1,701,123	2,070,346	2,034,599	2,045,273	2,237,078	2,334,357	1,946,447	1,450,922	1,421,289
Originated	830,352	633,529	513,994	633,208	819,077	1,063,103	1,125,471	1,228,571	1,331,315	1,603,613	1,576,220	1,593,015	1,742,103	1,832,330	1,474,734	1,095,251	1,084,736
Approved but not accepted	87,255	45,508	38,264	42,045	45,198	57,556	48,318	48,782	51,025	59,061	50,608	49,129	46,409	46,688	48,239	36,110	34,865
Denied	142,666	94,706	72,620	87,572	101,682	124,763	117,061	116,171	115,667	138,954	118,992	107,351	114,458	109,548	96,629	74,917	71,913
Withdrawn/File closed	137,815	96,174	82,234	92,182	110,539	151,403	169,634	160,180	203,116	268,718	288,779	295,778	334,108	345,791	326,845	244,644	229,775
Male applicants	365,766	258,766	207,854	252,771	318,482	418,299	441,252	468,729	519,812	642,227	631,024	634,364	702,314	736,733	596,556	436,312	432,568
Originated	237,094	180,664	144,448	179,475	232,683	307,230	330,006	361,657	397,714	488,061	479,857	484,690	535,678	566,154	441,935	322,070	323,883
Approved but not accepted	27,119	13,695	11,907	12,924	14,006	17,754	14,798	14,940	15,672	18,026	15,689	15,375	14,885	14,944	14,713	11,114	10,875
Denied	54,185	33,439	25,155	30,858	36,311	44,687	42,009	41,655	42,050	49,797	42,710	38,912	41,885	40,236	35,017	26,613	25,540
Withdrawn/File closed	47,368	30,968	26,344	29,514	35,482	48,628	54,439	50,477	64,376	86,343	92,768	95,387	109,866	115,399	104,891	76,515	72,270
Female applicants	251,899	184,412	151,985	177,262	222,648	287,116	300,805	325,458	365,678	445,192	437,323	443,437	498,032	517,105	418,548	311,494	297,665
Originated	172,124	133,610	109,827	129,787	167,184	216,280	230,244	254,997	283,361	342,412	337,287	343,296	385,855	402,551	313,385	232,066	223,627
Approved but not accepted	18,195	9,317	8,041	8,417	9,196	11,572	9,703	9,952	10,838	12,465	10,562	10,523	10,092	10,292	10,211	7,755	7,507
Denied	32,470	21,327	16,619	19,663	22,805	27,892	25,571	26,422	26,827	31,666	27,133	24,632	26,710	26,411	23,391	18,440	17,289
Withdrawn/File closed	29,110	20,158	17,498	19,395	23,463	31,372	35,287	34,087	44,652	58,649	62,341	64,986	75,375	77,851	71,561	53,233	49,242
Joint male-female applicants	548,063	403,568	327,140	402,879	507,420	655,410	681,393	724,958	774,788	918,533	892,233	897,999	958,444	985,787	846,597	637,702	624,832
Originated	400,825	303,375	245,368	308,355	398,821	513,197	537,883	585,554	619,016	725,063	704,281	712,662	761,514	790,967	656,279	492,313	487,228
Approved but not accepted	39,798	21,391	17,320	19,710	20,855	26,913	22,603	22,833	23,358	26,903	22,123	21,649	19,875	19,685	21,143	15,709	14,967
Denied	50,405	36,479	28,401	34,197	39,342	48,362	45,651	44,752	43,349	51,838	43,700	39,185	40,607	37,497	33,416	25,989	25,279
Withdrawn/File closed	57,035	42,323	36,051	40,617	48,402	66,938	75,256	71,819	89,065	114,729	122,129	124,503	136,448	137,638	135,759	103,691	97,358

Table 17. Disposition of applications for first lien purchase FHA loans of occupied 1-to-4 family homes by year, gender and coapplicant status, Black and Non-Hispanic White applicants

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Black Applicant																	
Total Applications	101,361	113,269	78,724	96,221	97,094	92,869	96,906	122,166	147,163	160,071	150,828	156,966	184,556	198,742	161,105	139,304	132,032
Originated	60,849	70,562	48,474	58,560	59,454	56,119	59,887	81,533	96,375	103,703	96,759	103,225	118,550	130,265	99,934	86,375	84,503
Approved but not accepted	4,069	4,426	3,578	4,151	3,407	3,570	3,463	3,938	4,644	4,671	3,849	4,203	4,683	5,090	4,432	3,643	2,951
Denied	21,782	21,477	14,871	18,931	19,545	19,255	18,341	20,787	23,082	24,313	22,424	21,031	24,896	25,633	23,580	20,605	19,491
Withdrawn/File closed	14,661	16,804	11,801	14,579	14,688	13,925	15,215	15,908	23,062	27,384	27,796	28,507	36,427	37,754	33,159	28,681	25,087
Male applicants	29,098	35,074	24,877	31,606	32,252	32,320	33,398	40,367	47,975	53,161	48,523	50,188	58,363	57,902	43,687	37,181	35,203
Originated	16,603	21,135	14,975	18,938	19,423	19,207	20,253	26,470	31,192	34,176	30,917	32,972	37,482	37,796	26,673	22,582	22,177
Approved but not accepted	1,199	1,427	1,164	1,359	1,135	1,253	1,213	1,311	1,507	1,554	1,220	1,360	1,547	1,519	1,198	984	792
Denied	6,906	7,004	4,908	6,463	6,732	6,962	6,623	7,279	7,730	8,274	7,340	6,722	7,769	7,518	6,656	5,600	5,303
Withdrawn/File closed	4,390	5,508	3,830	4,846	4,962	4,898	5,309	5,307	7,546	9,157	9,046	9,134	11,565	11,069	9,160	8,015	6,931
Female applicants	44,583	53,939	36,628	46,426	45,283	42,893	43,658	53,515	63,722	69,878	63,392	66,443	83,492	92,369	71,978	57,571	54,673
Originated	26,955	34,509	22,748	28,442	27,789	26,093	27,153	35,788	41,584	45,065	40,439	43,394	53,577	60,212	44,307	35,005	34,343
Approved but not accepted	1,753	2,103	1,676	2,023	1,685	1,709	1,561	1,717	2,071	2,106	1,676	1,840	2,132	2,371	1,995	1,539	1,304
Denied	9,533	9,662	6,732	8,959	8,993	8,612	7,993	8,914	9,954	10,574	9,483	8,845	11,018	11,666	10,434	8,640	8,247
Withdrawn/File closed	6,342	7,665	5,472	7,002	6,816	6,479	6,951	7,096	10,113	12,133	11,794	12,364	16,765	18,120	15,242	12,387	10,779
Joint male-female applicants	22,716	19,936	14,037	14,818	15,952	14,910	16,948	24,361	30,342	30,960	30,538	32,561	34,239	38,321	34,852	33,945	31,560
Originated	14,374	12,582	8,974	9,238	10,193	9,326	10,817	16,923	20,502	20,799	20,273	22,052	22,464	25,860	22,558	22,261	21,253
Approved but not accepted	922	733	586	608	488	509	589	747	913	835	740	773	765	929	876	822	629
Denied	4,292	3,820	2,485	2,804	3,035	3,005	3,064	3,734	4,414	4,354	4,257	4,196	4,740	4,870	4,774	4,676	4,303
Withdrawn/File closed	3,128	2,801	1,992	2,168	2,236	2,070	2,478	2,957	4,513	4,972	5,268	5,540	6,270	6,662	6,644	6,186	5,375
Non Hispanic White Applicant																	
Applications	472,231	681,331	549,361	532,429	532,898	484,224	424,996	546,820	588,842	586,849	482,836	478,397	481,466	420,887	324,060	294,477	295,185
Originated	351,099	521,020	408,976	392,704	395,370	351,022	308,853	421,832	447,981	439,804	359,678	362,099	359,785	314,444	231,982	214,766	220,805
Approved but not accepted	19,577	25,261	22,232	19,579	16,328	15,161	11,907	13,833	14,034	13,552	9,714	9,550	9,450	8,432	7,530	6,409	6,583
Denied	54,100	67,110	57,799	59,156	61,477	59,984	50,937	55,666	56,778	55,082	45,291	39,557	38,780	34,406	29,821	24,408	22,093
Withdrawn/File closed	47,455	67,940	60,354	60,990	59,723	58,057	53,299	55,489	70,049	78,411	68,153	67,191	73,451	63,605	54,727	48,894	45,704
Male applicants	152,420	231,392	188,759	187,700	194,190	181,161	162,165	207,492	221,134	218,817	180,187	179,451	183,280	158,967	115,453	96,333	94,961
Originated	108,703	172,455	137,022	134,873	140,757	128,975	116,002	157,639	166,047	161,752	132,972	134,616	136,261	117,925	81,473	68,627	69,759
Approved but not accepted	6,407	8,973	7,994	7,174	6,228	5,833	4,743	5,473	5,391	5,158	3,741	3,695	3,727	3,293	2,773	2,208	2,164
Denied	20,506	25,363	21,536	22,871	24,435	24,134	20,675	22,961	22,972	21,865	17,800	15,711	15,209	13,387	11,368	8,903	7,761
Withdrawn/File closed	16,804	24,601	22,207	22,782	22,770	22,219	20,745	21,419	26,724	30,042	25,674	25,429	28,083	24,362	19,839	16,595	15,277
Female applicants	104,835	174,830	142,584	141,561	141,050	125,335	109,529	144,561	158,564	155,399	123,586	124,265	133,010	122,444	88,998	71,282	68,302
Originated	76,780	133,603	105,330	103,677	104,078	90,249	79,199	110,578	119,372	114,758	90,537	92,532	98,354	90,343	62,756	50,362	49,404
Approved but not accepted	4,357	6,475	5,853	5,350	4,372	3,966	3,063	3,804	3,860	3,744	2,562	2,642	2,571	2,530	2,150	1,671	1,819
Denied	12,797	17,096	15,205	15,897	16,341	15,681	13,297	15,144	15,681	15,184	12,360	10,810	10,996	10,280	8,693	6,555	5,783
Withdrawn/File closed	10,901	17,656	16,196	16,637	16,259	15,439	13,970	15,035	19,651	21,713	18,127	18,281	21,089	19,291	15,399	12,694	11,296
Joint male-female applicants	192,047	246,221	194,181	180,671	176,883	158,856	137,743	178,565	191,739	189,909	155,359	153,168	143,790	119,584	101,046	107,875	112,715
Originated	148,835	194,019	149,447	138,000	135,657	118,479	102,783	141,516	149,892	146,855	119,269	119,228	109,929	91,871	74,896	82,237	87,460
Approved but not accepted	7,920	8,823	7,468	6,316	5,134	4,783	3,678	4,134	4,341	4,186	2,906	2,824	2,713	2,234	2,132	2,147	2,226
Denied	18,068	20,833	18,060	17,449	17,934	17,617	14,809	15,621	16,103	15,388	12,584	10,851	10,410	8,723	7,827	7,180	6,912
Withdrawn/File closed	17,224	22,546	19,206	18,906	18,158	17,977	16,473	17,294	21,403	23,480	20,600	20,265	20,738	16,756	16,191	16,311	16,117

Table 18. Distribution of denial reasons of first lien purchase loans of occupied 1-to-4 family homes, Female applicants 2024

	BLACK	WHITE
TOTAL	16,600	24,194
Debt-to-income ratio	7,125	9,049
Employment history	423	671
Credit history	3,019	3,251
Collateral	2,113	4,871
Insufficient cash	1,048	1,455
Unverifiable information	903	1,034
Credit application incomplete	806	1,989
Mortgage insurance denied	8	15
Other	1,155	1,859

Table 19. High-cost loans, purchase loans of occupied 1-to-4 family homes by year, gender and coapplicant status, Black and Non-Hispanic White applicants

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023
Black Applicant																	
Total loans	116,371	109,728	74,055	98,416	105,379	113,723	130,176	164,585	198,217	236,419	233,269	249,367	285,468	327,927	255,908	212,592	204,915
High-cost	16,237	7,773	1,504	5,020	5,629	16,851	34,557	27,139	31,769	41,323	53,622	55,713	36,488	44,858	33,060	13,127	10,212
Male applicants	36,463	36,302	25,421	35,440	37,623	42,863	48,683	58,393	70,038	87,460	84,590	90,228	102,834	112,017	88,958	69,956	68,489
High-cost	5,385	2,422	485	1,631	1,827	5,827	11,614	8,898	10,347	13,551	16,975	17,587	11,652	12,765	9,845	3,843	3,098
Female applicants	47,988	48,391	31,321	41,893	42,920	45,484	50,672	61,500	73,624	92,689	89,020	96,653	117,555	135,993	106,200	80,705	77,835
High-cost	6,643	3,528	666	2,394	2,559	7,670	15,557	11,928	13,578	17,670	22,171	22,737	15,899	20,046	14,985	4,839	3,740
Joint male-female applicants	27,711	21,964	14,899	18,470	21,688	22,978	27,995	40,664	49,438	49,788	50,382	53,928	55,845	67,173	60,750	50,430	47,112
High-cost	3,437	1,498	306	821	1,005	2,882	6,396	5,533	6,793	8,574	11,582	12,669	7,296	9,781	8,230	3,398	2,557
Non Hispanic White Applicant																	
Total loans	1,277,775	1,313,583	1,037,184	1,201,921	1,420,633	1,649,943	1,689,184	1,917,607	2,061,488	2,375,851	2,236,728	2,260,266	2,432,039	2,445,167	1,848,300	1,481,805	1,479,801
High-cost	93,982	58,188	13,606	39,762	42,065	105,197	166,307	124,224	133,628	157,493	183,608	187,052	110,892	111,314	96,912	45,339	36,897
Male applicants	387,326	423,310	332,152	394,365	466,464	542,406	561,285	639,986	692,413	800,271	750,942	762,219	828,831	826,617	628,491	468,949	472,318
High-cost	32,287	18,971	4,406	12,917	14,140	38,484	61,934	47,425	50,094	59,118	68,081	69,412	41,382	40,081	35,232	14,994	12,495
Female applicants	261,579	292,848	230,060	262,105	303,948	341,738	345,546	400,146	439,073	499,339	464,156	472,779	529,338	533,435	402,181	300,215	290,485
High-cost	19,652	12,200	3,182	9,027	9,531	25,865	41,691	32,397	34,949	39,924	44,890	45,291	27,971	28,856	25,120	9,630	7,450
Joint male-female applicants	590,450	558,543	441,033	510,977	612,196	722,977	741,098	836,853	883,584	1,007,214	944,522	952,814	994,940	993,029	817,628	646,530	648,737
High-cost	38,294	24,607	5,485	16,204	16,914	36,907	57,111	41,068	44,622	52,531	61,782	63,938	36,553	37,076	36,560	17,950	14,655

Table 20. Disposition of applications for first lien purchase loans of occupied 1-to-4 family homes, Millennials, Black and Non-Hispanic White applicants (2020-2024)

	BLACK APPLICANT					NON-HISPANIC WHITE APPLICANT				
	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024
Total Applications	437,680	495,503	428,532	339,673	318,602	3,152,438	3,145,282	2,575,166	1,983,108	1,953,035
Originated	285,468	327,927	268,597	212,592	204,915	2,432,039	2,445,167	1,928,597	1,481,805	1,479,801
Approved but not accepted	10,507	11,858	11,385	8,896	7,694	63,382	61,895	61,523	47,058	46,396
Denied	55,407	59,246	56,694	46,237	42,024	179,591	166,548	145,942	114,399	107,575
Withdrawn/File closed	86,298	96,472	91,856	71,948	63,969	477,426	471,672	439,104	339,846	319,263
Millennials	139,634	132,292	106,849	83,790	77,162	1,283,159	1,023,894	845,335	656,984	644,161
Originated	93,113	89,405	68,160	53,683	51,055	1,015,427	818,996	649,885	504,928	502,232
Approved but not accepted	3,048	3,009	2,728	1,970	1,629	22,510	17,639	17,671	13,457	13,445
Denied	16,533	14,954	13,275	10,668	9,427	65,637	46,068	40,899	31,972	29,439
Withdrawn/File closed	26,940	24,924	22,686	17,469	15,051	179,585	141,191	136,880	106,627	99,045

Table 21. Distribution of denial reasons of first lien purchase loans of occupied 1-to-4 family homes, Millennial applicants 2024

	BLACK	WHITE
TOTAL	9,427	29,439
Debt-to-income ratio	3,793	9,436
Employment history	365	983
Credit history	1,780	3,830
Collateral	1,132	5,658
Insufficient cash	574	1,874
Unverifiable information	539	1,374
Credit application incomplete	466	2,868
Mortgage insurance denied	6	25
Other	671	2,513

Table 22. Distribution of first lien purchase loans of occupied 1-to-4 family homes by selected applicant and loan characteristics, Millennials 2024

	BLACK	WHITE
TOTAL LOAN ORIGINATIONS	51,055	502,232
APPLICANT INCOME		
Less or equal to 50% of AMI	3,512	23,189
50% - 80% of AMI	15,703	110,804
80% - 120% of AMI	18,019	153,869
More than 120% of AMI	13,821	214,370
LOAN TYPE		
Nonconventional	31,424	145,981
Conventional	19,631	356,251
GSE/FHA		
GSE-purchased	8,784	174,640
FHA-insured	22,529	87,881
LOAN COST		
High cost*	2,325	11,101
PROPERTY LOCATION		
Low-moderate income neighborhood	18,925	88,133
Higher income neighborhood	32,130	414,099
Majority minority neighborhood	28,529	66,228
Midwest	8,803	154,242
Northeast	5,279	80,932
South	33,567	190,606
West	3,389	75,826

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