

Transparency, Accountability, and Outcomes

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Transparency, Accountability, Outcomes

Formal oversight and accountability mechanisms

Ways to ensure financial and other institutions are responsible to and serving historically excluded communities of color

Evaluations of institutional performance

Need for dashboards or other tools to share information, raise public awareness, or be accountability tools

Home Mortgage Disclosure Act (HMDA)

Congress enacted in 1975

Requires certain financial institutions to collect, record, report, and disclose information about their mortgage lending activity

Applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions

Home Mortgage Disclosure Act (HMDA)

Data used for three primary purposes:

- to help determine whether financial institutions are serving their communities' housing needs;
- to assist public officials in distributing public investment to attract private investment; and
- to assist in identifying potential discriminatory lending patterns and enforcing antidiscrimination statutes

Data Available

Location (state, county, metropolitan statistical area, census tract)

Loan information (amount, term, type, interest rate, and purpose)

Dwelling type (units, occupancy type, and construction method)

Applicant information (age, race, ethnicity, and sex) for applicant, co-applicant(s), and aggregated

Action taken (approval, denial, withdrawn, etc...)

Credit factors (income, credit score, debt-to-income ratio, or loan-to-value ratio)

Pricing information (points and fees, origination charges, lender credits)

Property value

Transaction information, including denial reasons

Notes on Example Figures

Only include loans for single family properties that are primary residences.

Race categories include not-Hispanic and ethnicity not provided. Hispanic category includes Hispanic of any race. Joint category includes joint race or ethnicity. Free text race responses were categorized as not known.

Loan outcomes have been simplified. Originated includes loans purchased. Denied and approved but not accepted include both applications and pre-approval applications.

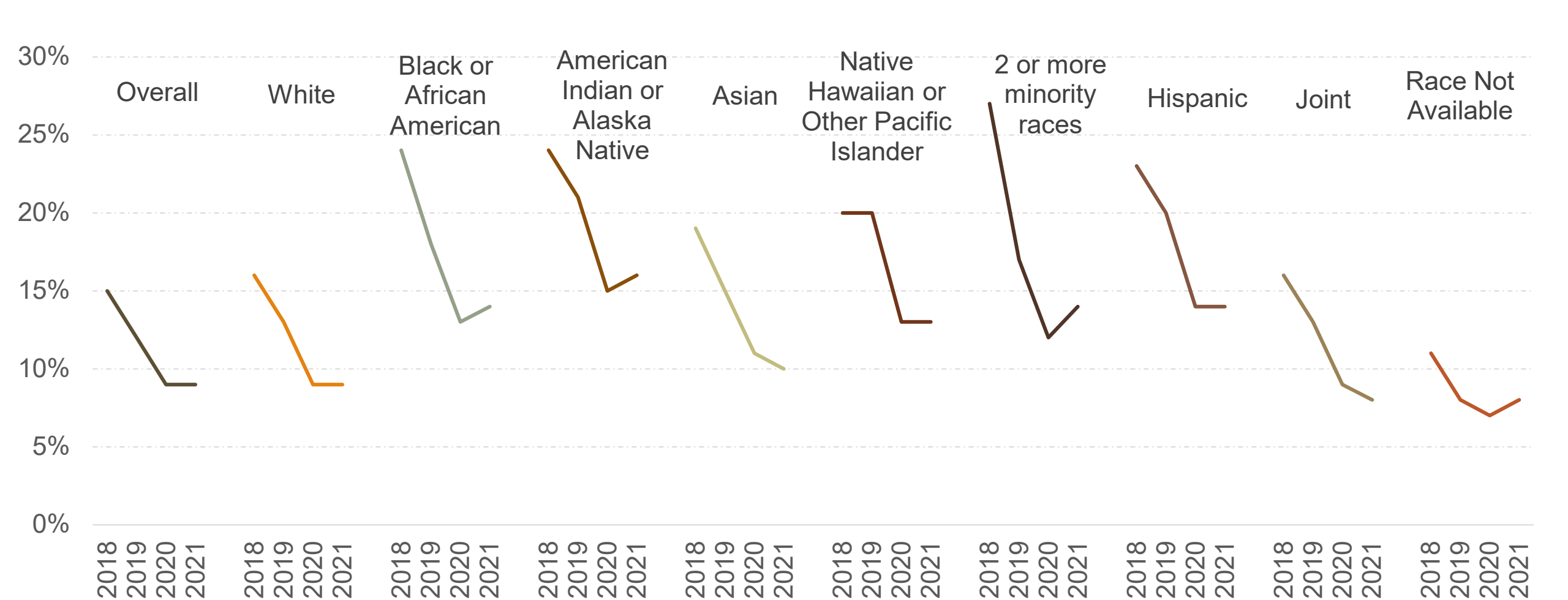
Denial rates are calculated by dividing the denied applications by the total applications.

Analysis based on HDMA 2018 Three Year Data, HDMA 2019 and 2020 One Year Data, and HDMA 2021 Snapshot Data. This can reveal general trends over time but for data to be truly comparable all snapshot data would be needed.

Race and Ethnicity	Originated	Withdrawn	Denied	Incomplete	Approved but not Accepted
State Overall	70.0%	13.1%	9.3%	5.1%	2.6%
Race and Ethnicity					
White	70.0%	13.4%	9.4%	4.5%	2.7%
Black or African American	62.0%	15.8%	13.8%	5.7%	2.7%
American Indian or Alaska Native	56.1%	16.3%	16.1%	8.7%	2.8%
Asian	65.1%	16.5%	10.1%	5.4%	2.7%
Native Hawaiian or Other Pacific Islander	62.7%	14.0%	13.1%	7.4%	2.9%
2 or more minority races	63.9%	16.6%	14.0%	4.0%	1.6%
Hispanic	62.6%	14.7%	13.6%	6.0%	3.1%
Joint	71.7%	12.9%	8.4%	4.5%	2.5%
Race Not Available	72.7%	11.0%	7.6%	6.3%	2.4%
Black/White Difference	-8.0%	2.4%	4.4%	1.2%	0.0%
American Indian/White Difference	-14.0%	2.9%	6.7%	4.2%	0.2%
Asian/White Difference	-4.9%	3.1%	0.7%	0.9%	0.1%
Hispanic/White Difference	-7.4%	1.3%	4.2%	1.4%	0.4%

Outcome of Mortgage Loan Applications by Race/Ethnicity, State of Oregon, 2021

N values represent the total number of applications per group (the denominator). White N = 220,429; Black or African American N = 3,409; American Indian or Alaska Native N = 1,932; Asian N = 13,491; Native Hawaiian or Other Pacific Islander N = 766; 2 or more minority races N = 379; Hispanic N = 17,893; Joint N = 17,104; Race Not Available N = 80,557.



Denial Rates by Race/Ethnicity,
State of Oregon, 2018 - 2021

Race/Ethnicity	Denial Rate				Change	
	2018	2019	2020	2021	2020 - 2021	2018 - 2021
Overall	15%	12%	9%	9%	0%	-6%
White	16%	13%	9%	9%	0%	-7%
Black or African American	24%	18%	13%	14%	1%	-10%
American Indian or Alaska Native	24%	21%	15%	16%	1%	-8%
Asian	19%	15%	11%	10%	-1%	-9%
Native Hawaiian or Other Pacific Islander	20%	20%	13%	13%	0%	-7%
2 or more minority races	27%	17%	12%	14%	2%	-13%
Hispanic	23%	20%	14%	14%	0%	-9%
Joint	16%	13%	9%	8%	-1%	-8%
Race Not Available	11%	8%	7%	8%	1%	-3%

Denial Rates by Race/Ethnicity, State of Oregon, 2018 - 2021

	Debt-to-income ratio	Credit history	Credit application incomplete	Collateral	Other	Unverifiable information	Insufficient cash	Employment history	Mortgage insurance denied
Overall	29.0%	20.1%	16.7%	13.1%	12.3%	5.3%	1.7%	1.7%	0.0%
Race and Ethnicity									
White	29.1%	20.6%	15.7%	13.8%	12.6%	5.0%	1.7%	1.5%	0.0%
Black or African American	31.8%	24.5%	12.8%	9.8%	11.1%	4.4%	2.3%	3.3%	0.0%
American Indian or Alaska Native	24.3%	29.4%	12.5%	11.8%	13.1%	4.5%	1.9%	2.6%	0.0%
Asian	36.4%	14.1%	15.1%	9.2%	12.8%	7.7%	2.5%	2.1%	0.0%
Native Hawaiian or Other Pacific Islander	27.0%	21.0%	29.0%	7.0%	11.0%	2.0%	1.0%	2.0%	0.0%
2 or more minority races	34.0%	26.4%	17.0%	7.5%	9.4%	3.8%	0.0%	1.9%	0.0%
Hispanic	31.3%	26.0%	12.2%	10.1%	12.1%	5.0%	1.7%	1.6%	0.1%
Joint	25.0%	25.4%	14.5%	14.6%	12.6%	4.4%	1.4%	2.0%	0.0%
Race Not Available	27.1%	15.7%	22.9%	13.0%	11.4%	6.1%	1.9%	2.0%	0.0%
Black/White Difference	2.7%	3.9%	-2.9%	-4.0%	-1.5%	-0.6%	0.6%	1.8%	0.0%
American Indian/White Difference	-4.8%	8.8%	-3.2%	-2.0%	0.5%	-0.5%	0.2%	1.0%	0.0%
Asian/White Difference	7.4%	-6.4%	-0.6%	-4.7%	0.2%	2.7%	0.8%	0.6%	0.0%
Hispanic/White Difference	2.2%	5.4%	-3.5%	-3.7%	-0.5%	0.0%	0.0%	0.0%	0.1%

Primary Reason for Denial by Race/Ethnicity, State of Oregon, 2021

N values represent the total number of applications per group (the denominator). White N = 21,253; Black or African American N = 478; American Indian or Alaska Native N = 313; Asian N = 1,409; Native Hawaiian or Other Pacific Islander N = 100; 2 or more minority races N = 53; Hispanic N = 2,486; Joint N = 1,466; Race Not Available N = 6,268.

Community Reinvestment Act (CRA)

Enacted in 1977

Requires the Federal Reserve and other federal banking regulators to encourage financial institutions to help meet the credit needs of the communities in which they do business, including low- and moderate-income (LMI) neighborhoods.

CRA Examinations and Enforcement

Banks that have CRA obligations are supervised by one of three federal banking regulators.

- Federal Deposit Insurance Corporation ([FDIC](#))
- Federal Reserve Board ([FRB](#))
- Office of the Comptroller of the Currency ([OCC](#))

Each regulator has a dedicated CRA site that provides information about the banks they oversee and those banks' CRA ratings and Performance Evaluations.

Discussion – Accountability Mechanisms

Oversight and accountability mechanisms for all parts of home purchase process

Ways to ensure financial and other institutions are responsible to and serving historically excluded communities of color

Discussion – Dashboards

Measures of:

- Lending activity or other services
- Language access resources (staff and materials)
- Culturally competent workforce and an inclusive environment
- Community service or performance measures
- Homeownership rates
- Other?