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Data Point: 2017 Mortgage Market Activity and Trends

A First Look at the 2017 HMDA Data

- Jason Dietrich
- Feng Liu
- Leslie Parrish
- David Roell
- Akaki Skhirtladze

This is the first in a series of Data Points that describe mortgage market activity over time based on data reported under the Home Mortgage Disclosure Act (HMDA).

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1. Introduction

This Data Point provides an overview of residential mortgage lending in 2017 based on data reported under the Home Mortgage Disclosure Act of 1975 (HMDA). HMDA is a data collection, reporting, and disclosure statute that was enacted in 1975. HMDA data are used to assist in determining whether financial institutions are serving the housing needs of their local communities; facilitate public entities' distribution of funds to local communities to attract private investment; and help identify possible discriminatory lending patterns.[1] Institutions covered by HMDA are required to collect and report certain specified information annually about each mortgage application acted upon and mortgage purchased during the prior calendar year.[2] The data include the disposition of each application for mortgage credit; the type, purpose, and characteristics of each home mortgage application or purchased loan during the calendar year; the census-tract designations of the properties; partial loan pricing information for some loans; demographic and other information about loan applicants, including their race, ethnicity, sex and income; and information about loan sales (see the Appendix for a full list of items reported under HMDA for 2017).

HMDA data are the most comprehensive source of publicly-available information on the U.S. mortgage market, and the only source that provides nationwide application-level data on the demand for and supply of mortgage credit. Given that mortgage debt is by far the largest

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[1] For a brief history of HMDA, see Federal Financial Institutions Examination Council, "History of HMDA," available at www.ffiec.gov/hmda/history2.htm.

[2] The 2017 HMDA data, which are the subject of this Data Point, cover mortgage applications acted upon and mortgages purchased during calendar year 2017.

component of household debt in the United States, these data have proven invaluable for research and supervisory work, as well as for public policy deliberations related to the mortgage market.

As part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Congress amended HMDA to, among other things, expand the number of data points required to be collected and reported, and it directed the Bureau of Consumer Financial Protection (the Bureau) to implement these changes by regulation. The Bureau finalized a rule implementing these and other changes in October 2015.[3] Although most of the rule's provisions took effect on January 1, 2018 and affect data to be collected in 2018 and later, two changes took effect on January 1, 2017. First, depository institutions (DIs) that originated fewer than 25 covered closed-end mortgages in either of the preceding two years are now no longer required to report.[4]

Second, financial institutions are relieved of the obligation to make a version of their Loan Application Registers (LARs), modified to protect applicant and borrower privacy, available to members of the public on request. Instead, financial institutions must provide only a notice advising members of the public seeking "modified" LARs that they may be obtained on the Bureau's website. Accordingly, the Bureau has collected and made available on its website the modified LAR file for each institution that has filed 2017 HMDA data. The modified LAR files include each financial institution's loan-level HMDA data, as modified by the Bureau to protect the privacy of applicants and borrowers. Unlike in past years, the modified HMDA loan-level data made available to the public in the modified LAR files for each individual reporter will not

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[3] On July 21, 2011, rulemaking responsibility for HMDA was transferred from the Federal Reserve Board to the newly established Bureau of Consumer Financial Protection. The federal HMDA agencies agreed that, beginning January 1, 2018, HMDA reporters would file their HMDA data with the Bureau, which would process it and facilitate public access on behalf of the agencies and the Federal Financial Institutions Examination Council (FFIEC; www.ffiec.gov).

[4] See https://files.consumerfinance.gov/f/201510_cfpb_2017-hmda-institutional-coverage.pdf for additional details about all reporting requirements for 2017 data. In September 2017, the Bureau published in the Federal Register a rule making a number of technical corrections and clarifying certain requirements to the rule implementing HMDA, and it increased the threshold for collecting and reporting data about open-end lines of credit for a period of two years. See 82 FR 43088 (Sep. 13, 2017).

remain static but will be updated, on an ongoing basis, to reflect resubmissions and late submissions.[5]

The Bureau has also created a static loan-level 2017 HMDA data file which consolidates data from individual reporters. That file and this Data Point reflect the data as of April 18, 2018. Though this consolidated static loan-level file will be not be changed, similar to the modified LAR data, the Bureau will provide updates to the consolidated dataset to reflect any later resubmissions or late submissions. Thus, results of analyses using updated consolidated datasets may not be identical to the results reported in this Data Point. However, we expect that the consolidated dataset with any future updates would produce substantially similar results.

The remainder of this Data Point summarizes the 2017 HMDA data and recent trends in mortgage and housing markets. Some of the key findings are as follows:[6]

- The number of institutions reporting in 2017 fell 13.5 percent from 2016 (from 6,762 to 5,852). This is partly due to the increase of the reporting threshold from one to 25 covered originations for depository institutions. However, we do not believe the threshold change has significant impact on the discussion of the historical trends and cross-year comparisons in the rest of this Data Point.

- For loans secured by one- to four-family properties, home-purchase originations increased from 4.0 million in 2016 to 4.2 million in 2017, while refinance originations showed a significant drop from 3.8 million in 2016 to 2.5 million in 2017. In sum, the number of mortgage originations in 2017 declined 12.4 percent, from 8.4 million in 2016 to 7.3 million in 2017.

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[5] Accordingly, loan-level data downloaded from https://www.consumerfinance.gov/data-research/hmda/ after the publication of this Data Point may be updated to include any such resubmissions or late submissions.

[6] For 2017 mortgage lending activities, this Data Point is based on the analysis of the consolidated static loan-level 2017 HMDA data file made available concurrently to the public. Results for all prior years are based on the amended HMDA data available to the Bureau, and may differ somewhat from numbers calculated from the public release files. This is because some lenders resubmit amended HMDA data over time, which are not reflected in the initial public release of data.

- Home-purchase originations continued on the upward trend which has been underway since 2011. The number of first-lien, owner-occupied home-purchase originations increased to 3.7 million in 2017—the highest level since 2007.

- Black borrowers increased their share of home-purchase loans for one-to-four-family, owner-occupied, site-built properties in 2017, the fourth consecutive annual rise for this group. The HMDA data indicate that 6.4 percent of such loans went to black borrowers, up from 6.0 percent in 2016. In contrast, 8.8 percent went to Hispanic white borrowers, unchanged from 2016. The share of home-purchase loans to low-or-moderate-income (LMI) borrowers increased slightly to 26.3 percent in 2017 from 26.2 percent in 2016.

- Not adjusting for inflation, the average size of first-lien, site-built home-purchase loans secured by one- to four-family, owner-occupied properties rose 3.9 percent in 2017, to $267,000. All racial and ethnic groups experienced increases in average loan amount for home-purchase loans from 2016 to 2017. The average size of these home-purchase loans for Asian, black, and non-Hispanic white borrowers in 2017 were all above their previous peaks during 2006–2007. The average loan amount for Hispanic white borrowers was approaching but still below the 2006 peak.

- The shares of borrowers of all groups using nonconventional loans continued to decrease from the years immediately after the Great Recession. Black and Hispanic white borrowers continued to be much more likely to use nonconventional loans (that is, loans with mortgage insurance from the Federal Housing Administration (FHA) or guarantees from the Department of Veterans Affairs (VA), the Farm Service Agency (FSA), or the Rural Housing Service (RHS)) than conventional loans compared with other racial and ethnic groups. In 2017, among home-purchase borrowers, 64.9 percent of blacks and 55.5 percent of Hispanic whites took out nonconventional loans, whereas about 33.1 percent of non-Hispanic whites and just 13.4 percent of Asians did so.

- The share of mortgages originated by nondepository, independent mortgage companies has increased sharply in recent years. In 2017, this group of lenders accounted for 56.1 percent of first-lien, owner-occupied, site-built home-purchase loans, up from 53.3 percent in 2016. Independent mortgage companies also originated 55.8 percent of first-lien, owner-occupied, site-built refinance loans, an increase from 52.2 percent in 2016, which was the first year in which independent mortgage companies made the majority of such loans since at least 1995.

2. HMDA data coverage of the mortgage market

While HMDA is the most extensive source of loan level data on residential mortgage lending in the United States, it does not cover the entire mortgage market. Among DIs, the smallest institutions, institutions without any branches in a metropolitan statistical area (MSA), and institutions that are not federally insured or regulated, or that do not make loans insured by a Federal agency or intended for sale to Fannie Mae or Freddie Mac, do not have to report HMDA data. The recent changes which raised the reporting threshold for reporting from one covered origination to 25 for DIs further increased the number of DIs that do not have to report. Among nondepository institutions, smaller institutions, institutions that make relatively few mortgage loan originations, and those that operate entirely outside of an MSA also do not have to report data.[7]

[7] This section describes HMDA coverage applicable at the time the data discussed here was reported. Some of the Regulation C reporting criteria have changed in rules applicable to data collected in 2018 and to be reported in 2019. At the time the data discussed here was reported, depositories with less than $44 million in assets and nondepositories that had less than $10 million in assets that originated fewer than 100 home-purchase and refinance loans in the previous year were not required to report. For additional details, see Federal Financial Institutions Examination Council (2017), "A Guide to HMDA Reporting: Getting It Right!" available at https://www.ffiec.gov/hmda/guide.htm.

To assess the impact of these reporting criteria on market coverage, we first estimate the universe of mortgage lenders and the number of mortgage originations[8] by all lenders regardless of whether they are HMDA reporters using data from HMDA, the Bank/Thrift and Credit Union Call Reports, the Nationwide Mortgage Licensing System (NMLS), and other data sources. More specifically, for financial institutions that did not file HMDA data in a given year but reported relevant mortgage activity to one of these alternative sources, we took the following estimation approaches. For credit unions that did not file HMDA data, we examined their year-to-date loan origination volumes reported at the end of the year to Credit Union Call Reports. In doing so, we only used the categories of mortgage loans under the Credit Union Call Reports that line up with the transactional coverage requirements governing the 2017 HMDA data.[9] Similarly for nondepository institutions licensed under the NMLS that did not report HMDA data, we took the loan origination volumes under the NMLS data, all the while keeping the definitions aligned with the HMDA transactional requirements.

For banks and thrifts that did not report under HMDA, the Call Reports only contain information on the end-of-period balance of the mortgages on their books, but not the origination volumes within the reporting period. For those institutions, we developed a set of econometrics models, first estimating the relationships between annual originations and the end-of-year balances. These models control for an array of institutional characteristics, such as assets, institution type, number of employees, number of branches in MSAs, etc. Then we apply

[8] Note for the discussion in this section, we are defining the universe of mortgages in line with the transactional coverage criteria under HMDA applicable at the time the data discussed here were reported. That is because lenders do not report mortgages for a purpose other than purchasing a residential dwelling, refinancing an outstanding mortgage, or making home improvements. Thus, a home equity loan taken out solely to finance education expenses, even though secured by a residential dwelling, for example, would not be reported. In addition, home equity lines of credit (HELOCs), regardless of their purpose, are not required to be reported under rules applicable at the time the data discussed here were reported. Hence, the mortgage universe we tried to estimate does not include home equity lines of credit and most home equity loans.

[9] For instance, these estimates include mortgage loans regardless of lien status but do not include open-end HELOCs. They also do not differentiate whether borrowers are natural persons or not.

this estimated relation to those non-HMDA reporters to project their likely mortgage origination volumes.[10]

Based on this analysis, approximately 12,000 institutions originated at least one closed-end mortgage loan in 2017, with a total origination volume of approximately 7.9 million loans.[11] A total of 5,852 of these institutions, or about 49 percent, reported HMDA data for 2017. These reporters originated about 7.3 million loans or about 92 percent of the estimated number of originations in the U.S.

For 2016, we estimated that approximately 12,300 institutions originated at least one closed-end mortgage loan, with a total origination volume of about 8.9 million loans. A total of 6,762 of these institutions, or about 55 percent reported HMDA data for 2016. These reporters originated about 8.4 million loans or about 94 percent of the estimated number of originations in the U.S.

This decline in HMDA's coverage of mortgage lenders from 2016 to 2017 is partly driven by the increased reporting threshold for DIs discussed above. Holding constant all other reporting criteria for asset size, volume, and type, we estimated that increasing the reporting threshold for DIs from one to 25 covered originations reduced the number of DIs required to report in 2017 by 1,611 institutions. However, 648 of these institutions still chose to voluntarily report 2017 HMDA data, meaning that 963 institutions were excluded from the 2017 HMDA data solely due to the threshold change. The other forces driving the decline of the number of HMDA reporters may include the overall decline of the market volume and consolidation among mortgage originators.

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[10] We assume the dependent variable (the number of mortgage originations for each institution) follows a Poisson distribution, and the logarithm of its expected value can be modeled by a linear combination of unknown parameters. In other words, we adopted the Poisson regression.

[11] To assess the overall impact of our approach in applying econometrics estimates, we report that, of the approximately 12,000 institutions that originated at least one closed-end mortgage loan in 2017, around 2,600 institutions are banks and thrifts that did not report HMDA data and for which we applied our econometrics models. In total, we estimated their origination volume in 2017 was around 190,000.

Not surprisingly, the DIs excluded by the increased reporting threshold were disproportionately small institutions. In total, these institutions originated only about 20,000 loans in 2016 and 11,400 in 2017. Given the relatively small reduction in the total volume of originations at these newly exempted institutions, the threshold change likely has only a small impact on the discussion of the historical trends and cross-year comparisons in this report despite the relatively large drop in the number of the reporters due to the DI threshold change.[12]

[12] Alternatively one might compare the number of loans reported under HMDA with the number of loans reported in consumer credit files maintained by nationwide consumer credit reporting agencies (NCRAs); such was the case in Bhutta, Neil, Steven Laufer, and Daniel R. Ringo, Residential Mortgage Lending in 2016: Evidence from the Home Mortgage Disclosure Act Data, Federal Reserve Bulletin Vol. 103, No. 6 (Nov 2016), available at https://www.federalreserve.gov/publications/files/2016_HMDA.pdf. However, there are certain disadvantages in using NCRA data to estimate the total universe of mortgage originations including a lag between the time when a mortgage is originated and when the information on the mortgage trade line is first reported to the credit bureaus and potential duplication and transactional coverage issues. For our purposes, the estimates reported from NCRAs do not allow the breakdown of the origination volumes by the origination entities, hence unlike the methodology we developed and presented in this section we cannot use them to estimate the impact of the regulation change at the institution level.

3. Mortgage applications and originations

In 2017, 5,852 financial institutions—banks, savings associations, credit unions, and nondepository mortgage lenders—reported data under HMDA on about 12.1 million home mortgage applications. This total includes approximately 2.3 million applications that were closed by the lender as incomplete or were withdrawn by the applicant before a decision was made. In total, lenders reported approximately 7.3 million originations, down from 8.4 million originations in 2016 (Table 1A).

Refinance loans for one- to four-family properties declined by approximately 1.2 million, or 33.1 percent from 2016 to 2017. Applications for refinance mortgages showed similar declines falling from 7.2 million in 2016 to 4.9 million in 2017. Increasing interest rates were likely a main driver of these declines. Although still low by historical standards, the average interest rates were substantially higher in 2017 than 2016. The average rate on 30-year fixed rate conventional conforming mortgage loans made to prime borrowers[13] started at 3.97 percent at the beginning of 2016 and ended at 4.32 percent at the end of that year, averaging about 3.65 percent in 2016. In contrast, it started at 4.20 percent at the beginning of 2017, fell to 3.78 percent during the first nine months of 2017, and then began rising steadily again, ending the year at 3.99 percent,

[13] This measure comes from Freddie Mac's Primary Mortgage Market Survey and is available from the Federal Reserve Bank of St. Louis' Federal Reserve Economic Database (FRED) at https://fred.stlouisfed.org/series/MORTGAGE30US.

averaging 3.99 percent for the entire year of 2017. Rates for 15-year mortgages followed similar patterns.

Unlike refinance mortgages, one- to four-family home-purchase originations grew by approximately 191,000 or 4.7 percent, from 2016. This is a continuation of an upward trend since 2011 and was the highest level of originations since 2008. However, the increase in home-purchase originations did not offset the decline in refinance originations, resulting in an overall reduction in total originations reported under HMDA for the year.[14]

Most one- to-four-family home-purchase loans are first liens for owner-occupied properties. In the past six years, the number of such loans grew by 77.8 percent, from a low of approximately 2.1 million in 2011 to 3.7 million in 2017, and reached its highest level since 2007 when approximately 3.5 million of these loans were made. However, the number of first-lien, owner-occupied home-purchase originations remained well below its peak in 2005 and below the volume during the years preceding the housing boom (Figure 1).[15] The number of first-lien home-purchase loans for non-owner-occupied properties—which are primarily used as rental properties and second homes—increased by 7.9 percent, from 435,000 in 2016 to 470,000 in 2017.

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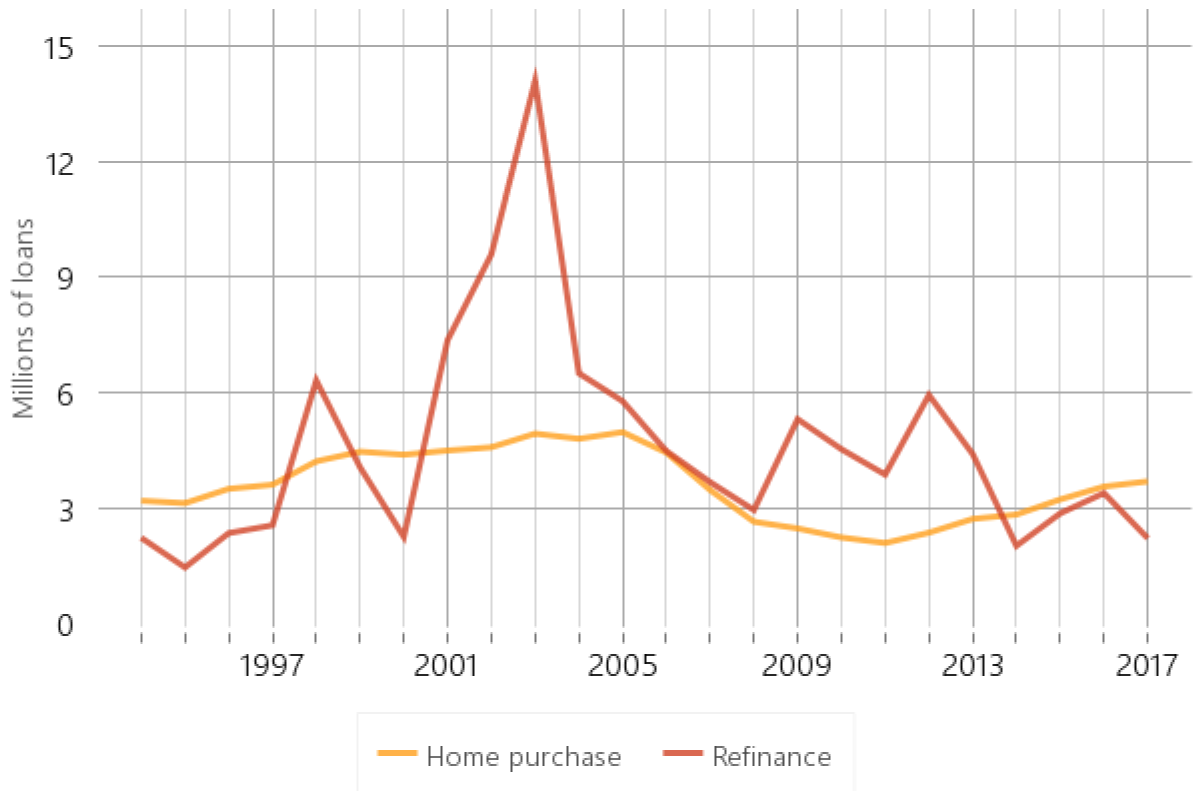
[14] This overall decline in total origination volume reported under HMDA could be driven in a small part by fewer DIs reporting following the change in reporting requirements from one to 25 covered originations. However, as discussed in the previous section, we do not believe the impact of the threshold change on the reported volume is significant enough to alter our conclusion on the historical trends.

[15] The HMDA data prior to 2004 did not provide lien status for loans, and thus the number of loans prior to 2004 includes both first- and junior-lien loans. That said, including junior-lien home-purchase loans in 2017 does not change the conclusion that home-purchase lending in 2017 was similar to that in the mid-1990s.

FIGURE 1: NUMBER OF HOME-PURCHASE AND REFINANCE MORTGAGE ORIGINATIONS, 1994-2017



Note: The data are annual. Mortgage originations for one- to four-family owner-occupied properties, with junior-lien loans excluded in 2004 and later, as reported under the Home Mortgage Disclosure Act.

In Table 1A, applications and originations are disaggregated by property type and loan purpose.[16] Table 1B details nonconventional purchase and refinance loans, that is, loans with

[16] Manufactured-home lending differs from lending for site-built homes, in part because many manufactured home loans are financed as chattel-secured lending, which typically carries higher interest rates and shorter terms to maturity than those on loans to purchase site-built homes (for pricing information on manufactured home loans, see Tables 8A, 8B, and 9B). This Data Point focuses almost entirely on site-built mortgage originations, which constitute the vast majority of originations (as shown in Table 1A). That said, it is important to keep in mind that, because manufactured homes typically are generally less expensive than site-built homes in total and on a price per

mortgage insurance or other guarantees from federal government agencies, including the Federal Housing Administration (FHA), Department of Veterans Affairs (VA), and the U.S. Department of Agriculture's Farm Service Agency and Rural Housing Service (FSA/RHS. (Versions of Tables 1A, 1B, and 1C containing loan counts and total dollar volume by month are available in the Excel file posted online with this Data Point.[17]) Conventional lending encompasses all other loans, including those held in banks' portfolios and those sold to Government-Sponsored Enterprises (or GSEs, such as Fannie Mae and Freddie Mac). Nonconventional loans usually involve higher loan-to-value (LTV) ratios—that is, the borrowers provide relatively smaller down payments.

For site-built properties, nonconventional home-purchase loans decreased from 1.34 million in 2016 to 1.30 million in 2017 or about 2.7 percent, while conventional home-purchase loans rose from 2.12 million to 2.29 million or about 7.9 percent. The nonconventional share of first-lien home-purchase loans for one- to four-family, owner-occupied, site-built properties stood at about 36 percent in 2017, down slightly from 2016 and down from a peak of 54 percent in 2009 (Figure 2).

Figure 2 shows that the marked decline in the nonconventional share since 2009 reflects a decrease in the FHA share of loans, while the VA and FSA/RHS shares have been steadier. Fluctuations in the FHA share appear to be driven in part by changes in the up-front and annual mortgage insurance premiums (MIPs) that the FHA charges borrowers. For example, between October 2010 and April 2013, the annual MIP for a typical home-purchase loan more than doubled, from 0.55 percent of the loan amount to 1.35 percent.[18] FHA's market share tends to be lower in periods when relatively higher premiums are charged.

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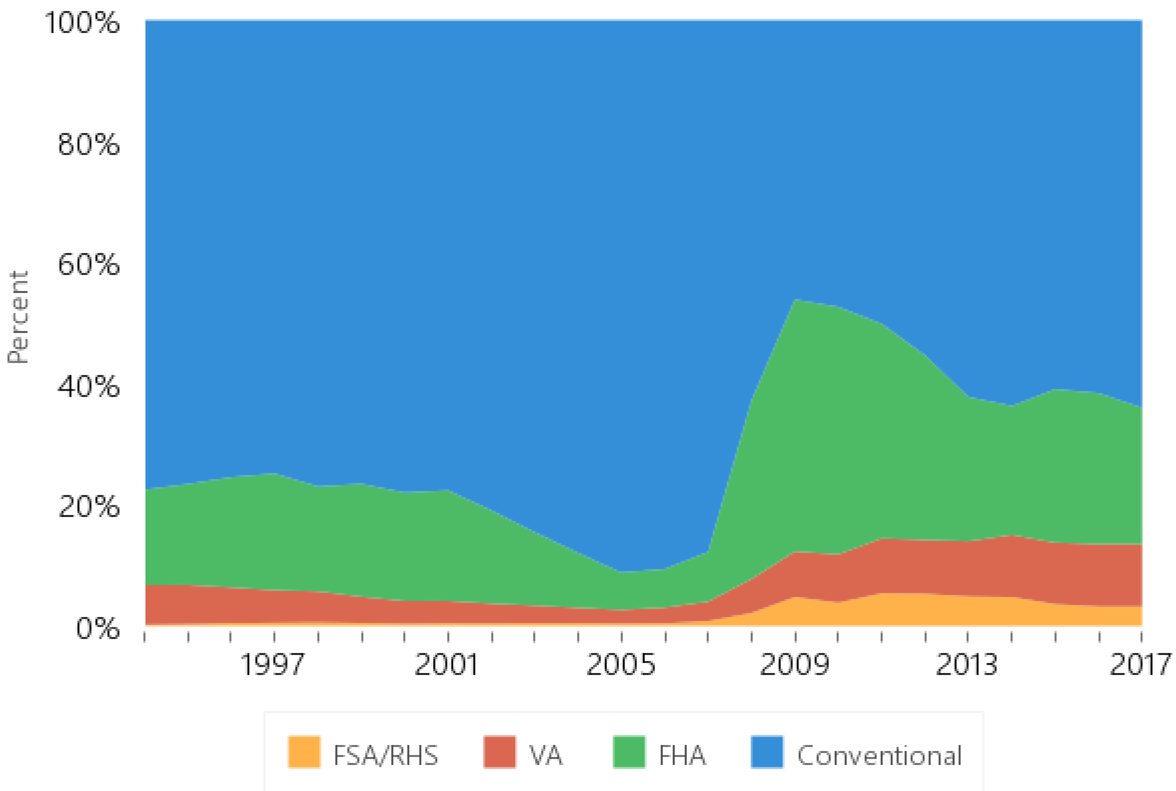
square foot basis, they provide a low-cost housing option for households with more moderate incomes.

[17] This file is available at https://www.consumerfinance.gov/data-research/research-reports/cfpb-data-point-mortgage-market-activity-and-trends/.

[18] Changes to the FHA's insurance premium, including up-front and annual MIPs over time have been documented in detail in the FHA's annual Actuarial Review of the Mutual Mortgage Insurance Fund. For the most recent complete list, see FY 2017 Actuarial Review of Forward Portfolio available at

FIGURE 2: NONCONVENTIONAL SHARE OF HOME-PURCHASE MORTGAGE ORIGINATIONS, 1994-2017



Note: The data are annual. Home-purchase mortgage originations for one- to four-family owner-occupied properties, with junior liens excluded in 2004 and later. Nonconventional loans are those insured by the Federal Housing Administration (FHA), or backed by the guarantees from the U.S. Department of Veterans Affairs (VA), the Farm Service Agency (FSA), or the Rural Housing Service (RHS).

In addition to loan applications, the HMDA data include details about preapproval requests for home-purchase loans. As shown in Table 1C, lenders reported approximately 481,000 preapproval requests with 22.2 percent of these requests being denied. In addition,

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https://www.hud.gov/sites/dfiles/Housing/documents/ActuarialMMIFForward2017.pdf. A typical FHA home-purchase loan has an LTV of over 95 percent and a loan term longer than 15 years.

approximately 7.5 percent of these preapproval requests were approved but the applicants did not take further action. This is likely an underestimate, however, as reporters are not required to report preapproval requests that they approve but are not acted on by the potential borrower. HMDA data also include information on loans purchased by reporting institutions during the reporting year, although the purchased loans may have been originated before 2017. Table 1C shows that lenders purchased 2.1 million loans from other institutions in 2017.

TABLE 1A: APPLICATIONS AND ORIGINATIONS, 2004-2017 (IN THOUSANDS)

Purchase loans, 1-4 family	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total applications(1)	9,804	11,685	10,929	7,609	5,060	4,217	3,848	3,650	4,023	4,586	4,679	5,196	5,694	6,018
Total originations	6,437	7,391	6,740	4,663	3,139	2,793	2,547	2,430	2,742	3,139	3,248	3,676	4,046	4,237
First lien, owner occupied	4,789	4,964	4,429	3,454	2,628	2,455	2,219	2,073	2,343	2,703	2,815	3,210	3,544	3,687
Site-built, conventional	4,107	4,425	3,912	2,937	1,581	1,089	1,006	999	1,251	1,630	1,741	1,899	2,123	2,291
Site-built, non-conventional	553	411	386	394	951	1,302	1,152	1,019	1,033	1,007	1,006	1,235	1,340	1,303
Manufactured, conventional	106	100	101	95	68	43	45	40	44	51	51	56	59	67
Manufactured, non-conventional	24	27	30	29	28	21	17	15	14	14	16	20	22	26
First lien, non-owner occupied	857	1,053	880	607	412	292	285	314	355	388	378	406	435	470
Junior lien, owner occupied	738	1,224	1,269	552	93	44	42	41	43	46	53	58	65	79
Junior lien, non-owner occupied	53	150	162	50	6	2	2	1	1	1	2	2	2	2

Refinance loans, 1-4 family	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total applications(1)	16,085	15,907	14,046	11,566	7,805	9,983	8,437	7,422	10,526	8,564	4,526	5,957	7,187	4,938
Total originations	7,591	7,107	6,091	4,818	3,491	5,772	4,971	4,330	6,668	5,141	2,370	3,234	3,759	2,516
First lien, owner occupied	6,497	5,770	4,469	3,659	2,934	5,301	4,519	3,856	5,930	4,393	2,001	2,847	3,375	2,201
Site-built, conventional	6,115	5,541	4,287	3,407	2,363	4,264	3,837	3,315	4,971	3,634	1,608	2,155	2,529	1,630
Site-built, non-conventional	297	151	110	180	506	979	646	508	917	715	363	661	812	539
Manufactured, conventional	77	70	60	56	42	36	25	25	31	32	22	21	20	19
Manufactured, non-conventional	7	8	12	16	22	22	10	9	11	12	8	10	14	13
First lien, non-owner occupied	618	582	547	474	330	350	359	394	660	673	310	329	329	252
Junior lien, owner occupied	464	729	1,036	661	219	115	88	74	73	70	55	55	52	60
Junior lien, non-owner occupied	13	25	39	23	9	7	6	5	5	5	4	4	3	3

Home improvement loans, 1-4 family	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total applications(1)	2,200	2,544	2,481	2,218	1,413	832	671	675	779	833	846	926	1,005	1,052
Total originations	964	1,096	1,140	958	573	390	342	335	382	425	411	477	536	548

Multifamily loans(2)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total applications(1)	61	58	52	54	43	26	26	35	47	51	46	52	50	48
Total originations	48	45	40	41	31	19	19	27	37	40	35	41	40	38

All loan applications and originations	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total applications[1]	28,151	30,193	27,508	21,448	14,320	15,057	12,981	11,782	15,375	14,034	10,097	12,132	13,937	12,056
Total originations	15,040	15,638	14,011	10,480	7,234	8,974	7,879	7,122	9,828	8,744	6,064	7,428	8,381	7,339

Note: Components may not sum to totals because of rounding.

(1) Applications by year of action, as opposed to year of application submission. Applications include those withdrawn and those closed for incompleteness.

(2) A multifamily property consists of five or more units.

Source: Here and in subsequent tables and figures, except as noted, Federal Financial Institutions Examination Council, data reported under the Home Mortgage Disclosure Act (www.ffiec.gov/hmda).

TABLE 1B: SHARE OF 1-4 FAMILY SITE-BUILT, NONCONVENTIONAL LOAN ORIGINATIONS, 2004-2017 (PERCENT)

Loan purpose and type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Purchase: FHA	74.6	68.6	66.0	65.8	78.9	77.0	77.4	70.9	68.0	62.8	58.3	64.6	64.6	62.2
Purchase: VA	21.6	26.7	29.0	27.1	15.2	13.9	15.2	18.2	19.9	24.2	28.3	26.0	26.9	28.7
Purchase: FSA/RHS	3.9	4.7	5.0	7.1	5.9	9.0	7.4	10.9	12.0	13.1	13.3	9.4	8.5	9.1
Refinance: FHA	68.3	77.3	87.5	91.5	92.2	83.7	79.3	63.2	61.2	61.2	47.6	59.6	49.5	53.3
Refinance: VA	31.4	22.4	12.3	8.3	7.6	15.9	20.3	35.9	37.8	37.6	51.9	40.2	50.1	46.0
Refinance: FSA/RHS	0.2	0.3	0.2	0.1	0.2	0.4	0.4	0.9	0.9	1.2	0.5	0.3	0.4	0.8

Note: FHA is Federal Housing Administration; VA is U.S. Department of Veterans Affairs; FSA is Farm Service Agency; RHS is Rural Housing Service.

TABLE 1C: PRE-APPROVALS AND LOAN PURCHASES, 2004-2017 (IN THOUSANDS)

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Purchased loans	5,142	5,868	6,236	4,821	2,935	4,301	3,231	2,939	3,163	2,788	1,800	2,126	2,232	2,087
Requests for preapproval(1)	1,068	1,260	1,175	1,065	735	559	440	429	474	474	496	531	514	481
Requests for preapproval that were approved but not acted on	167	166	189	197	99	61	53	55	64	69	64	63	60	36
Requests for preapproval that were denied	171	231	222	235	177	155	117	130	149	123	125	115	115	107

(1) Consists of all requests for preapproval. Preapprovals are not related to a specific property and thus are distinct from applications.

4. Mortgage outcomes by demographic groups

HMDA data are a key resource to help policymakers and the broader public understand the distribution of mortgage credit across demographic groups. The next set of tables provides information on loan shares, product usage, denials, and mortgage pricing for groups defined by applicant income, neighborhood income, and applicant race and ethnicity (Tables 2–8). With the exception of Tables 8A and 8B, which include loans for manufactured homes (and contain information by type of loan rather than by applicant or neighborhood characteristic), these tables focus on first-lien home-purchase and refinance loans for one- to four-family, owner-occupied, site-built properties. Such loans accounted for approximately 78.5 percent of all HMDA originations in 2017.

4.1 Distribution of home loans across demographic groups

Tables 2A and 2B show different groups' shares of home-purchase and refinance loans respectively and how these shares have changed over time. In general, the shares of home-purchase and refinance loans (conventional and nonconventional combined) increased for black and low-or-moderate income (LMI) borrowers[19] in 2017, as well as for borrowers in LMI neighborhoods. For example, 6.4 percent of home-purchase loans in 2017 were to black borrowers compared with 6.0 percent in 2016. This marks four straight years of increases for black borrowers' share of home-purchase loans. Similarly, the share of refinance loans to black borrowers increased to 6.0 percent in 2017 from 5.0 percent in 2016.[20]

In terms of borrower income, the share of refinance loans that was made to LMI borrowers rose from 16.9 percent in 2016 to 22.9 percent in 2017, while the share of purchase loans to LMI borrowers rose very modestly, from 26.2 percent to 26.3 percent.

The HMDA data also shed light on borrowing patterns across neighborhoods, defined as census tracts.[21] The share of home-purchase loans originated in LMI neighborhoods rose from 14.1 percent in 2016 to 16.1 percent in 2017. Conversely, the share of home-purchase lending from high-income census tracts decreased slightly from 40.0 percent in 2016 to 39.6 percent in 2017.

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[19] In accordance with definitions used by the federal bank supervisory agencies to enforce the Community Reinvestment Act, LMI borrowers are defined as those with incomes of less than 80 percent of estimated current area median family income (AMFI). Middle-income borrowers have incomes of at least 80 percent and less than 120 percent of AMFI, and high-income borrowers have incomes of at least 120 percent of AMFI. AMFI is estimated based on the incomes of residents of the metropolitan area or nonmetropolitan portion of the state in which the loan-securing property is located. Definitions for LMI, middle-income, and high-income neighborhoods are identical to those for LMI, middle-income, and high-income borrowers but are based on the ratio of census-tract median family income to AMFI measured from the census data. For AMFI estimates, see Federal Financial Institutions Examination Council (2017), "FFIEC Median Family Income Report," available at https://www.ffiec.gov/Medianincome.htm. Note that AMFI estimates tend to reflect lagged income levels. During times when incomes are changing rapidly, such as during the Great Recession, AMFI estimates can be significantly understated or overstated.

[20] The bottom of Tables 2A and 2B provide the total loan counts for each year, and thus the number of loans to a given group in a given year can be easily derived. For example, the number of home-purchase loans to Asians in 2017 was about 208,000, derived by multiplying 3.594 million loans by 5.8 percent.

[21] The 2017 HMDA data reflect property locations using the census-tract geographic boundaries created for the 2010 decennial census as well as recent updates to the list of metropolitan statistical areas (MSAs) published by the Office of Management and Budget. The first year for which the HMDA data use this most recent list of MSAs is 2015. For further information, see Federal Financial Institutions Examination Council (2013), "OMB Announcement – Revised Delineations of MSAs," press release, February 28, available at https://www.ffiec.gov/hmda/OMB_MSA.htm.

Census-tract median family income estimates published by the FFIEC to accompany the public HMDA data (and used for this Data Point) were revised in 2012 and 2017. Therefore, in tables 2A, 2B and all subsequent tables where neighborhood income categories are used, neighborhood income results in 2017 are not perfectly comparable with those in 2016 and earlier. Similarly, the 2012 through 2016 results by neighborhood income are not perfectly comparable with those from 2011 and earlier. The current tract demographic measures are based on 2011-2015 American Community Survey (ACS) five-year estimates, whereas the 2012–2016 data relied on 2006-2010 ACS five-year estimates, and 2004-2011 data relied on 2000 Census data. In addition, the Office of Management and Budget updates metropolitan area delineations over time, so caution should be exercised in comparing relative income measurements over time.[22]

[22] For details on the changes of census information used in this Data Point, see FFIEC Census Information Sheets at https://www.ffiec.gov/census/censusInfo.aspx.

TABLE 2A: DISTRIBUTION OF HOME-PURCHASE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (PERCENT EXCEPT AS NOTED)

Borrower race and ethnicity[1]	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Asian	4.8	5.0	4.5	4.5	4.9	5.3	5.5	5.2	5.3	5.7	5.4	5.3	5.5	5.8
Black or African American	7.1	7.7	8.7	7.6	6.3	5.7	6.0	5.5	5.1	4.8	5.2	5.5	6.0	6.4
Hispanic white	7.6	10.5	11.7	9.0	7.9	8.0	8.1	8.3	7.7	7.3	7.9	8.3	8.8	8.8
Non-Hispanic white	57.1	61.7	61.2	65.4	67.5	67.9	67.6	68.7	70.0	70.2	69.1	68.1	66.4	64.9
Other minority[2]	1.4	1.3	1.1	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.9
Joint	2.3	2.3	2.3	2.5	2.8	2.8	2.7	2.8	2.9	3.1	3.4	3.5	3.6	3.7
Missing	19.8	11.5	10.5	10.1	9.6	9.3	9.1	8.6	8.2	8.2	8.3	8.5	8.9	9.6

Borrower income[3]	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Low or moderate	27.7	24.6	23.6	24.6	28.0	36.6	35.4	34.4	33.3	28.5	27.0	27.9	26.2	26.3
Middle	26.9	25.7	24.7	25.1	27.0	26.6	25.6	25.2	25.1	25.2	25.6	26.1	26.4	26.7
High	41.4	45.5	46.7	46.9	42.9	34.6	37.3	38.8	40.0	44.7	46.1	44.9	46.4	46.0
Income not used or not applicable	4.0	4.2	5.0	3.4	2.1	2.2	1.7	1.6	1.5	1.6	1.3	1.1	1.0	1.0

Neighborhood income[4]	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Low or moderate	14.5	15.1	15.7	14.4	13.2	12.6	12.1	11.0	12.8	12.7	13.3	13.5	14.1	16.1
Middle	48.7	49.2	49.5	49.6	49.8	50.2	49.5	49.4	43.6	43.7	44.6	45.2	45.8	44.2
High	35.8	34.7	33.7	35.1	35.9	35.8	37.7	39.1	43.2	43.2	41.8	41.0	40.0	39.6

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of home-purchase loans (thousands)	4,660	4,836	4,298	3,331	2,533	2,391	2,157	2,018	2,284	2,638	2,747	3,134	3,463	3,594

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Rows may not sum to 100 because of rounding or, for the distribution by neighborhood income, because property location is missing.

(1) Applications are placed in one category for race and ethnicity. The application is designated as *joint* if one applicant was reported as white and the other was reported as one or more minority races or if the application is designated as white with one Hispanic applicant and one non-Hispanic applicant. If there are two applicants and each reports a different minority race, the application is designated as *two or more minority races*. If an applicant reports two races and one is white, that applicant is categorized under the minority race. Otherwise, the applicant is categorized under the first race reported. "Missing" refers to applications in which the race of the applicant(s) has not been reported or is not applicable or the application is categorized as white but ethnicity has not been reported.

(2) Consists of applications by American Indians or Alaska Natives, Native Hawaiians or other Pacific Islanders, and borrowers reporting two or more minority races.

(3) The categories for the borrower-income group are as follows: Low- or moderate-income (or LMI) borrowers have income that is less than 80 percent of estimated current area median family income (AMFI), middle-income borrowers have income that is at least 80 percent and less than 120 percent of AMFI, and high-income borrowers have income that is at least 120 percent of AMFI.

(4) The categories for the neighborhood-income group are based on the ratio of census-tract median family income to area median family income from the 2011-15 American Community Survey five-year estimates for 2017, the 2006-10 American Community Survey five-year estimates for 2012-16 and from the 2000 Census for 2004-11, per the Federal Financial Institutions Examination Council (FFIEC)'s policy. The three categories have the same cutoffs as the borrower-income groups.

TABLE 2B: DISTRIBUTION OF REFINANCE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (PERCENT EXCEPT AS NOTED)

Borrower race and ethnicity[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Asian	3.5	2.9	3.0	3.1	3.1	4.1	5.2	5.4	5.5	4.7	4.3	5.0	5.5	4.0
Black or African American	7.4	8.3	9.6	8.4	6.0	3.5	2.9	3.1	3.3	4.4	5.4	5.0	5.0	6.0
Hispanic white	6.2	8.6	10.1	8.7	5.3	3.2	3.0	3.3	3.9	5.0	6.2	6.3	6.2	6.8
Non-Hispanic white	57.2	60.9	59.6	62.7	70.7	74.6	74.3	73.5	72.5	70.5	67.8	67.2	65.2	63.3
Other minority[2]	1.4	1.4	1.3	1.1	0.8	0.6	0.5	0.6	0.6	0.7	0.9	0.8	0.9	1.0
Joint	2.1	2.1	1.9	2.0	2.2	2.6	2.7	2.8	3.1	3.1	3.2	3.3	3.4	3.3
Missing	22.1	15.7	14.6	14.1	11.9	11.4	11.4	11.3	11.1	11.6	12.2	12.4	13.8	15.7

Borrower income[3]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	26.2	25.5	24.7	23.3	23.4	19.6	18.9	19.2	19.6	21.1	22.1	19.0	16.9	22.9
Middle	26.3	26.8	26.1	25.5	25.4	22.4	22.5	21.3	21.8	21.7	21.9	21.0	20.3	23.3
High	38.8	40.8	43.7	46.0	44.6	45.6	49.5	48.1	47.6	46.3	44.9	45.2	47.5	44.0
Income not used or not applicable	8.7	6.9	5.5	5.2	6.6	12.4	9.1	11.4	10.9	11.0	11.1	14.8	15.3	9.7

Neighborhood income[4]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	15.3	16.5	17.9	16.1	11.9	7.8	7.2	7.4	10.1	12.1	13.3	12.3	12.0	15.5
Middle	50.0	51.3	52.0	52.2	51.9	47.5	46.1	46.1	41.9	43.7	45.3	43.8	43.4	44.6
High	33.9	31.6	29.4	31.0	35.2	43.5	46.0	46.0	47.6	43.9	41.3	43.7	44.4	39.7

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of refinance loans (thousands)	6,412	5,692	4,397	3,588	2,869	5,243	4,483	3,823	5,888	4,349	1,971	2,816	3,341	2,170

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Rows may not sum to 100 because of rounding or, for the distribution by neighborhood income, because property location is missing.

(1) See Table 2A, note 1.

(2) See Table 2A, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

4.2 Average loan size by demographic group

Tables 3A and 3B show the average size of home-purchase and refinance loans by different groups over time.[23] All dollar amounts are reported in nominal terms. The average loan amounts differ significantly across racial and ethnic groups. Asian borrowers took out the largest loans, averaging approximately $390,000 for home purchases and $368,000 for refinancings in 2017, whereas loans to black borrowers were for the smallest amounts, averaging approximately $224,000 for home purchases and $213,000 for refinancings.[24]

Average home-purchase loan amounts have followed historical trends in home prices, rising during the mid-2000s, falling sharply through 2008 and 2009, and then beginning to recover since about 2010.[25] Trends in loan amounts differ substantially by race and ethnicity, which are likely driven by localized differences in home price paths where these populations live, incomes of the respective populations, and other factors that may affect the sizes of the properties these groups are purchasing. The average home-purchase loan to a Hispanic white borrower increased

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[23] The calculation of average loan size excludes a small number of outlier loans for which an incorrect loan value was likely reported.

[24] Median loan amounts (not shown in tables) followed similar trends as average loan amounts.

[25] Housing prices continued their general upward trend during 2017. The Federal Housing Finance Agency's quarterly Purchase-Only House Price Index increased each quarter during 2017 and was up 6.7 percent for the year. Following a significant drop during and after the Great Recession, the price increases for 2017 continue a consistent upward trend for the last six years. The housing price increases seen at the national level during 2017 showed considerable variation across geography ranging from a slight 0.55 percent decrease in Mississippi to a 12.1 percent increase in Washington (not-seasonally adjusted, year-over-year comparison). All of these data are available from the Federal Housing Finance Agency at https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index-Datasets.aspx.

from $220,000 in 2016 to $230,000 in 2017, which is still below the peak of $238,000 in 2006. Hispanic whites and “other minorities” are the two race/ethnicity groups for which this measure has yet to recover to pre-crisis levels; average home-purchase loan amounts returned to pre-crisis levels (in nominal terms) by 2014 for Asians and blacks and by 2013 for non-Hispanic whites.

The average home-purchase loan amounts increased across income levels. The average home-purchase loan amount increased 4.1 percent from $146,000 in 2016 to $152,000 in 2017 for LMI borrowers. Loan amounts increased by 3.9 percent for middle-income borrowers and 4.1 percent for high-income borrowers.

TABLE 3A: AVERAGE VALUE OF HOME-PURCHASE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (THOUSANDS OF DOLLARS, NOMINAL, EXCEPT AS NOTED)

Borrower race and ethnicity(1)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Asian	280	316	326	334	299	276	293	291	304	328	344	360	373	390
Black or African American	166	183	197	197	184	172	174	174	179	193	199	209	217	224
Hispanic white	189	224	238	220	186	168	168	168	176	190	198	209	220	230
Non-Hispanic white	193	211	216	222	209	195	204	204	213	226	231	239	246	254
Other minority(2)	206	240	257	245	216	196	201	198	206	219	229	241	249	257
Joint	233	255	261	269	255	248	263	261	274	289	293	302	311	322
Missing	216	248	261	280	265	242	256	262	279	298	293	303	308	317

Borrower income(3)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	114	116	117	124	128	129	128	125	131	132	132	141	146	152
Middle	165	170	170	176	182	187	189	184	192	194	193	204	209	217
High	281	306	313	317	298	291	303	302	313	323	328	341	345	359
Income not used or not applicable	208	235	254	257	211	189	204	221	231	258	275	292	312	332

Neighborhood income(4)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	159	180	189	188	175	160	164	163	158	171	178	188	199	204
Middle	172	190	197	196	186	174	177	173	178	191	196	206	216	224
High	258	284	294	301	277	257	270	271	282	300	306	316	324	340

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All home-purchase loans	201	221	228	232	217	202	210	210	221	235	240	249	257	267
Conventional jumbo loans (percent of originations)(5)	11.2	12.7	9.4	6.8	2.3	1.3	1.7	2.2	3.0	4.0	4.8	5.3	5.2	5.5
Conventional jumbo loans (percent of loaned dollars)(5)	29.4	32.5	26.8	21.8	10.1	6.2	7.5	9.5	12.0	14.6	16.5	17.3	16.9	17.6

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes.

(1) See Table 2A, note 1.

(2) See Table 2A, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

(5) Fraction of conventional plus nonconventional loans that are conventional and have loan amounts in excess of the single-family conforming loan-size limits for eligibility for purchase by the government-sponsored enterprises.

TABLE 3B: AVERAGE VALUE OF REFINANCE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (THOUSANDS OF DOLLARS, NOMINAL, EXCEPT AS NOTED)

Borrower race and ethnicity(1)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Asian	274	325	370	368	321	298	313	309	308	304	341	363	368	368
Black or African American	151	180	199	192	173	184	180	174	181	171	174	199	212	213
Hispanic white	178	219	252	244	193	190	191	183	190	180	190	214	228	223
Non-Hispanic white	180	205	221	222	205	209	210	208	212	206	216	239	251	238
Other minority(2)	190	229	269	258	211	217	218	207	213	201	213	240	252	245
Joint	210	246	265	262	243	247	254	249	254	249	266	292	304	290
Missing	194	226	246	250	242	243	248	253	253	244	245	268	277	259

Borrower income[3]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	114	124	124	126	129	138	133	128	135	128	123	136	143	143
Middle	162	181	183	181	180	185	180	174	182	171	174	193	202	200
High	256	294	320	312	276	268	274	281	277	276	301	324	330	329
Income not used or not applicable	150	178	240	236	192	203	202	185	211	193	198	229	243	225

Neighborhood income[4]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	142	169	188	185	164	173	173	167	163	153	157	182	196	185
Middle	158	184	201	198	182	184	182	175	181	173	180	201	214	204
High	245	282	313	311	272	259	265	269	269	270	290	311	321	316

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All refinance loans	185	212	232	231	212	216	220	218	221	213	222	247	259	246
Conventional jumbo loans (percent of originations)[5]	9.2	11.4	10.2	7.5	2.0	0.9	1.6	2.4	2.2	3.0	4.2	4.9	4.6	4.3
Conventional jumbo loans (percent of loaned dollars)[5]	25.8	29.6	28.3	23.0	9.0	4.1	6.9	10.7	9.2	12.7	16.5	16.8	15.7	16.4

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes.

(1) See Table 2A, note 1.

(2) See Table 2A, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

(5) Fraction of conventional plus nonconventional loans that are conventional and have loan amounts in excess of the single-family conforming loan-size limits for eligibility for purchase by the government-sponsored enterprises.

4.3 Jumbo lending

The share of conventional jumbo loans—those with loan amounts in excess of the GSEs' conforming loan limits and with no other government guarantee—was about 5.2 percent in 2017, up slightly from approximately 5.1 percent in 2016. As shown in Table 3A, conventional jumbo loans made up 5.5 percent of all first-lien home-purchase loans for owner-occupied, one- to four-family, site-built homes in 2017, up from 5.2 percent in 2016.[26] Among refinance loans shown in Table 3B, the share that was conventional jumbo loans decreased to 4.3 percent in 2017 from 4.6 percent in 2016. Because of their larger size, conventional jumbo loans made up a correspondingly larger share of the dollar volume of mortgages, accounting for 17.6 percent of home-purchase loans and 16.4 percent of refinance loans in 2017.

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[26] A loan qualifies as jumbo in Tables 3A and 3B if the loan amount is above the GSEs' conforming loan-size limit for a single-family home for that year and location. The conforming loan-size limit was mostly uniform across the nation prior to 2008. The limits in Alaska, Hawaii, the U.S. Virgin Islands, and Guam were 50 percent higher than in the nation at large. For the years 2008 and thereafter, designated higher-cost areas had elevated limits. For 2017, the general conforming loan-size limit was $424,100, and the maximum high-cost loan-size limit was $636,100 (and 50 percent higher in Alaska, Hawaii, the U.S. Virgin Islands, and Guam). Conforming loan-size limits increase with the number of units that make up the property, but the HMDA data do not differentiate between properties from one to four units. Some loans in the tables may therefore have been misclassified as jumbo despite being eligible for purchase by a GSE. For 2017 HMDA data, HMDA requires lenders to report the loan amount rounded in nearest thousands. The conforming loan limits published by Federal Housing Finance Agency (FHFA) may be set in hundreds of dollars. For this exercise, we rounded FHFA conforming loan limits to the nearest thousand to match with the HMDA reporting requirement.

4.4 Variation across demographic groups in nonconventional loan use

Table 4A shows that black and Hispanic white borrowers were much more likely to use nonconventional home-purchase loans (FHA, VA, RHS, and FSA loans) compared with other racial and ethnic groups. In 2017, about 64.9 percent of blacks and 55.5 percent of Hispanic whites took out a nonconventional home-purchase loan, whereas about 33.1 percent of non-Hispanic whites and just 13.4 percent of Asians did so. Use of nonconventional home-purchase loans declined slightly for each racial/ethnic group from 2016 to 2017 and has fallen from the peaks in 2009 and 2010, when more than four-fifths of black and three-fourths of Hispanic white borrowers and a little over half of non-Hispanic white borrowers took out nonconventional loans.

Use of nonconventional home-purchase loans is also more prevalent for borrowers with lower incomes or in lower income neighborhoods. In 2017, about 47.4 percent of LMI home-purchase borrowers and 46.2 percent of those borrowing to purchase homes in LMI neighborhoods used nonconventional loans, compared with about 25.2 percent of high-income borrowers and 26.2 percent of borrowers in high-income neighborhoods.

As was the case for purchase loans, black and lower-income borrowers are more likely than other groups to refinance through a nonconventional loan. However, the differences are not as stark as for home-purchase loans. In addition, nonconventional loans are less prevalent in refinance lending overall, and use of nonconventional refinance loans does not show the same consistent downward trend for all racial and income groups in recent years observed for nonconventional home-purchase loans.[27]

[27] The reported nonconventional share of refinance loans is lower than the actual share for the groups categorized by borrower income because, in most nonconventional refinance loans, income is not reported. Thus, when income is reported on a refinance loan, the loan is likely to be conventional.

Greater reliance on nonconventional loans may reflect the relatively low down-payment requirements of the FHA and VA lending programs, which serve the needs of borrowers who have few assets to meet down-payment and closing-cost requirements.[28] The patterns of product incidence could also reflect the behavior of lenders to some extent; for example, concerns have been raised about the possibility that lenders steer borrowers in certain neighborhoods toward such loans.[29]

[28] Findings of the Federal Reserve Board's Survey of Consumer Finances for 2016 indicate that income, liquid asset levels, and financial wealth holdings for minorities and lower-income groups are substantially smaller than they are for non-Hispanic white borrowers or higher-income populations, and the long-standing and substantial wealth disparities between families of different racial and ethnic groups have changed little in the past few years. See Board of Governors of the Federal Reserve System, "Recent Trends in Wealth-Holding by Race and Ethnicity: Evidence from the Survey of Consumer Finances," available at https://www.federalreserve.gov/econres/scfindex.htm. Similar findings on previous years' Survey of Consumer Finances are also available on the same site.

[29] Agarwal, Sumit, Gene Amromin, Itzhak Ben-David, Douglas D. Evanoff. "Loan Product Steering in Mortgage Markets," NBER Working Paper No. 22696, September 2016, available at http://www.nber.org/papers/w22696.

TABLE 4A: NONCONVENTIONAL SHARE OF HOME-PURCHASE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (PERCENT)

Borrower race and ethnicity[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Asian	2.9	1.8	2.1	2.6	13.4	26.1	26.6	25.8	21.9	16.1	14.7	16.6	15.6	13.4
Black or African American	21.7	14.3	13.6	21.7	64.1	82.0	82.9	80.3	77.2	70.8	68.0	70.2	68.5	64.9
Hispanic white	13.7	7.5	7.0	12.4	51.4	75.4	77.0	74.1	70.7	63.1	59.6	62.7	59.8	55.5
Non-Hispanic white	11.1	8.9	9.5	11.5	35.4	52.0	50.3	47.4	42.2	35.5	33.4	36.0	35.2	33.1
Other minority[2]	14.0	9.3	9.4	14.8	48.4	67.6	68.8	65.9	62.2	55.5	54.0	55.3	54.2	52.1
Joint	16.9	12.8	14.4	17.2	46.4	59.4	56.3	53.6	48.9	42.1	41.3	43.8	43.1	40.8
Missing	11.3	5.1	5.7	8.8	32.7	50.6	49.4	45.9	39.4	31.9	32.2	34.9	34.7	31.9

Borrower income[3]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	20.3	15.2	14.9	16.0	46.1	65.3	66.6	64.5	59.7	52.5	50.3	53.4	51.7	47.4
Middle	14.3	11.0	12.6	16.7	46.1	60.4	59.3	57.0	51.5	45.6	44.8	47.7	47.6	45.0
High	5.3	3.9	4.9	7.5	26.7	38.5	37.2	34.4	29.5	25.1	24.2	26.3	26.7	25.2

Neighborhood income[4]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	15.8	9.7	9.6	13.8	45.4	64.3	65.0	61.2	57.9	49.9	48.1	50.4	48.8	46.2
Middle	14.1	10.2	10.8	14.2	42.7	59.8	59.4	56.9	52.1	44.7	43.1	45.6	44.6	41.7
High	7.1	5.4	6.1	7.6	27.4	43.4	42.0	39.5	34.6	28.2	26.1	29.0	28.4	26.2

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All borrowers	11.9	8.5	9.0	11.8	37.6	54.4	53.4	50.5	45.2	38.2	36.6	39.4	38.7	36.3

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Excludes applications where no credit decision was made. Nonconventional loans are those insured by the Federal Housing Administration or backed by guarantees from the U.S. Department of Veterans Affairs, the Farm Service Agency, or the Rural Housing Service.

(1) See Table 2A, note 1.

(2) See Table 2A, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

TABLE 4B: NONCONVENTIONAL SHARE OF REFINANCE LOANS, BY BORROWER AND NEIGHBORHOOD CHARACTERISTICS, 2004-2017 (PERCENT)

Borrower race and ethnicity(1)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Asian	1.2	0.7	0.6	1.0	4.6	5.7	4.7	4.3	5.9	6.7	6.8	9.8	8.3	10.3
Black or African American	11.1	5.8	4.4	10.2	39.2	53.8	42.0	37.8	38.6	37.1	39.1	49.4	53.0	47.4
Hispanic white	5.6	2.6	1.9	3.9	20.5	36.2	28.2	22.9	26.9	25.8	21.2	32.1	30.5	26.4
Non-Hispanic white	4.0	2.4	2.6	4.9	15.9	16.8	13.6	12.2	14.2	14.8	16.3	21.0	21.7	22.4
Other minority(2)	5.5	3.4	2.4	4.9	20.0	28.3	23.3	21.9	25.5	24.9	25.0	32.6	36.7	34.0
Joint	7.5	3.7	3.4	6.2	19.5	21.1	16.6	16.3	20.1	20.5	25.5	28.0	29.3	29.5
Missing	4.2	1.9	1.7	4.1	18.7	19.0	12.5	13.6	16.5	16.7	21.5	25.5	27.7	27.7

Borrower income(3)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	2.3	1.6	2.9	5.7	18.3	16.6	14.1	11.5	9.3	9.3	13.0	16.5	18.4	23.5
Middle	1.7	1.3	2.7	6.2	19.6	13.2	12.3	10.9	8.9	9.5	13.2	14.8	15.3	21.3
High	0.8	0.6	1.1	2.7	10.6	7.2	6.8	6.3	5.5	6.1	8.8	9.2	9.2	14.2

Neighborhood income[4]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Low or moderate	5.9	3.2	2.9	6.3	24.6	31.2	23.1	19.7	22.2	22.1	22.4	29.5	30.4	30.4
Middle	5.2	3.0	2.9	5.8	20.2	22.3	17.5	16.1	18.4	19.0	20.9	26.8	28.2	27.8
High	2.9	1.7	1.6	3.0	11.3	12.1	10.0	9.3	11.7	12.4	14.5	18.5	19.0	19.4

Memo	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All borrowers	4.6	2.6	2.5	5.0	17.6	18.7	14.4	13.3	15.6	16.4	18.4	23.5	24.3	24.9

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Excludes applications where no credit decision was made. Nonconventional loans are those insured by the Federal Housing Administration or backed by guarantees from the U.S. Department of Veterans Affairs, the Farm Service Agency, or the Rural Housing Service.

(1) See Table 2A, note 1.

(2) See Table 2A, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

4.5 Denial rates and reasons

Denial rates generally continued a downward trend in 2017. The overall denial rate on applications for home-purchase loans was 10.8 percent in 2017, 0.7 percentage points lower than in 2016 (Table 5A). The decline in 2017 continues a general trend of declining denial rates for home-purchase mortgages in the recent years.[30] The overall denial rate on applications for refinance loans (Table 5B) declined from 29.9 percent in 2016 to 26.4 percent in 2017. Overall, refinance applications were thus denied at about 2.5 times the rate of home-purchase loan applications.

Although denial rates have generally declined, the declines were not equally steep across all types of loans. For example, for conventional home-purchase loan applications, the denial rate of 9.6 percent in 2017 was about half the rate of 2007, while the denial rate for nonconventional home-purchase loan applications of 12.8 percent in 2017 was about 21 percent lower than in 2007.

Variations in raw denial rates over time reflect not only changes in credit standards, but also changes in the demand for credit and in the composition of borrowers applying for mortgages.[31] For example, the denial rate on applications for conventional home-purchase loans was lower in 2017 than during the housing boom years, even though most measures of credit availability

[30] Denial rates are calculated as the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

[31] For instance, according to the Senior Loan Officer Opinion Survey on Bank Lending Practices, mortgage credit conditions continued to slowly ease, but credit remained more difficult to obtain for individuals with lower credit scores or hard-to-document incomes. Much of the easing in mortgage underwriting that occurred over the course of 2017 was for loans that were eligible for purchase by the GSEs. The survey is available on the Federal Reserve Board's website at https://www.federalreserve.gov/data/sloos.htm.

suggest that credit standards are tighter today. This may stem from a relatively large drop in applications from riskier applicants.[32]

As in past years, black, Hispanic white, and "other minority" borrowers had notably higher denial rates in 2017 than non-Hispanic white borrowers, while denial rates for Asian borrowers were more similar to those for non-Hispanic white borrowers. For example, the denial rates for conventional home-purchase loans were about 19.3 percent for black borrowers, 13.5 percent for Hispanic white borrowers, and 14.9 percent for other minority borrowers. In contrast, denial rates for such loans were 10.1 percent for Asian borrowers and 7.9 percent for non-Hispanic white borrowers. Previous research and experience gained in the fair lending enforcement process show that differences in denial rates and in the incidence of higher-priced lending (the topic of the next subsection) among racial and ethnic groups stem, at least in part, from factors related to credit risk that are not available in the 2017 HMDA data,[33] such as credit history (including credit score), ratio of total debt service payments to income (DTI), and LTV ratio.[34]

Lenders can, but are not required to, report up to three reasons for denying a mortgage application, selecting from nine potential denial reasons (as shown in Tables 6A and 6B; note that the sum across columns can add up to more than 100 percent because lenders can cite more

[32] Both the Mortgage Bankers Association and the Urban Institute publish indexes of mortgage credit availability suggesting that standards have been much tighter since the crisis. For the most recent references, see Goodman, Laurie, Wei Li, and Jun Zhu, and Bing Bai (2018), "Housing Affordability – Local and National Perspective", working paper (Washington: Urban Institute, March 2018), https://www.urban.org/research/publication/housing-affordability-local-and-national-perspectives/view/full_report.

[33] This type of information will be reported for mortgage loan activity starting in 2018, which will be reported by covered lenders to the Bureau in 2019.

[34] HMDA data are regularly used by bank examiners in fair lending examination and enforcement processes. When examiners for the federal banking agencies evaluate an institution's fair lending risk, they analyze HMDA price data and loan application outcomes in conjunction with other information and risk factors which can be drawn directly from loan files or electronic records maintained by lenders, as directed by the Interagency Fair Lending Examination Procedures (available at https://www.ffiec.gov/PDF/fairlend.pdf). The availability of broader information allows examiners to draw stronger conclusions about an institution's compliance with the fair lending laws.

than one denial reason). Among denied first-lien applications for one- to four-family, owner-occupied, site-built properties in 2017, about 72.1 percent of denied home-purchase applications and about 66.2 percent of denied refinance applications had at least one reported denial reason. The two most frequently cited denial reasons for both home-purchase and refinance loans were the applicant's credit history and DTI ratio, with DTI ratio the most common reason for denial of home-purchase applications and credit history most common reason for refinance applications that were turned down. In addition, among all denied home-purchase applications, the DTI ratio, collateral, insufficient cash, and unverifiable information are more likely to be cited as denial reasons on conventional than nonconventional applications. Among all denied refinance applications, the DTI ratio, credit history, and collateral are generally more likely to be cited as denial reasons on conventional than nonconventional applications. There were also significantly higher percentages of denials with no denial reason reported for nonconventional home-purchase and refinance applications than for conventional home-purchase and refinance applications, respectively.

Denial reasons vary across racial and ethnic groups to some degree. The DTI ratio was cited most often as a denial reason for home-purchase applicants in all racial and ethnic groups. Credit history was the second most common denial reason cited for home-purchase applicants for all groups except Asian, for whom collateral was the second most common reason.

TABLE 5A: HOME-PURCHASE LOAN DENIAL RATES, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2004-2017 (PERCENT)

Conventional and nonconventional[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	14.4	16.0	18.0	18.7	18.0	15.5	15.6	15.8	14.9	14.4	13.3	12.1	11.5	10.8
Asian	13.7	15.9	16.9	17.5	19.2	16.3	15.9	16.5	15.8	15.3	14.1	12.7	11.6	10.6
Black or African American	23.6	26.5	30.3	33.5	30.6	25.5	24.9	26.0	26.0	25.5	23.0	20.8	19.8	18.4
Hispanic white	18.3	21.1	25.1	29.5	28.3	22.2	21.8	21.1	20.2	20.5	18.4	16.2	15.0	13.5
Non-Hispanic white	11.1	12.2	12.9	13.3	14.0	12.8	13.0	13.1	12.5	12.0	11.1	10.0	9.5	8.8
Other minority[2]	19.4	20.8	24.0	26.7	25.5	21.2	22.0	20.9	20.8	21.2	19.0	17.2	16.6	14.8

Conventional only	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	14.6	16.3	18.5	19.0	18.3	15.8	15.2	15.1	13.6	12.9	11.9	10.8	10.2	9.6
Asian	13.7	16.0	17.1	17.5	19.1	15.8	14.9	15.5	14.4	14.2	13.3	11.9	10.9	10.1
Black or African American	25.0	27.8	31.9	35.7	37.6	35.8	33.7	33.2	32.0	28.5	25.1	23.3	22.0	19.3
Hispanic white	18.6	21.4	25.7	30.5	32.5	26.9	24.9	24.2	22.4	21.5	18.9	17.2	15.4	13.5
Non-Hispanic white	11.2	12.3	13.2	13.3	14.1	13.3	12.9	12.7	11.6	10.8	9.9	9.1	8.5	7.9
Other minority[2]	19.7	21.2	24.8	27.8	29.0	25.9	28.1	24.6	23.6	22.5	20.2	18.2	16.8	14.9

Nonconventional only[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	13.3	12.5	12.1	16.2	17.4	15.3	16.0	16.5	16.3	16.8	15.8	13.9	13.4	12.8
Asian	12.6	11.6	10.6	15.5	20.2	17.7	18.7	19.3	20.2	20.6	18.9	16.2	14.9	14.1
Black or African American	17.7	16.8	16.2	22.8	25.3	22.6	22.7	23.9	24.0	24.1	21.9	19.7	18.8	17.9
Hispanic white	16.3	17.2	15.7	20.5	23.1	20.4	20.7	19.9	19.3	19.9	18.0	15.6	14.7	13.4
Non-Hispanic white	10.7	10.2	10.0	13.1	13.9	12.5	13.0	13.6	13.7	14.1	13.4	11.7	11.2	10.6
Other minority[2]	16.8	16.3	15.2	18.6	20.9	18.7	18.7	18.8	18.9	20.1	17.9	16.2	16.4	14.7

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. For a description of how borrowers are categorized by race and ethnicity, see Table 2A, note 1.

(1) Nonconventional loans are those insured by the Federal Housing Administration or backed by guarantees from the U.S. Department of Veterans Affairs, the Farm Service Agency, or the Rural Housing Service.

(2) See Table 2A, note 2.

TABLE 5B: REFINANCE LOAN DENIAL RATES, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2004-2017 (PERCENT)

Conventional and nonconventional[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	29.5	32.6	35.4	39.6	37.7	24.0	23.3	23.8	19.9	23.3	31.0	27.2	29.9	26.4
Asian	18.8	23.5	27.5	32.6	32.5	21.4	19.5	20.1	17.3	21.0	28.1	23.8	25.1	24.8
Black or African American	39.9	42.2	44.1	52.0	56.0	42.2	41.7	40.0	32.8	35.0	45.8	43.1	45.9	39.0
Hispanic white	28.7	30.1	33.2	43.0	49.1	36.4	33.4	33.2	27.5	29.6	36.7	32.5	33.8	30.2
Non-Hispanic white	24.1	26.9	30.1	33.7	32.2	20.7	20.6	21.3	17.8	20.5	27.5	24.1	26.9	22.9
Other minority[2]	33.7	35.5	40.6	52.0	57.4	37.3	35.4	34.4	30.0	32.1	41.6	40.1	44.2	37.2

Conventional only	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	30.1	32.9	35.6	39.9	37.0	22.1	21.2	22.3	19.4	22.5	29.6	26.4	28.8	24.0
Asian	18.8	23.5	27.5	32.5	31.5	20.2	18.5	19.4	17.0	20.5	27.2	23.2	23.7	23.5
Black or African American	41.7	43.0	44.7	53.3	60.9	48.6	41.4	40.6	34.8	36.0	47.0	47.7	52.3	39.3
Hispanic white	29.3	30.2	33.3	43.2	50.2	38.9	33.6	33.5	28.9	30.6	37.3	34.8	35.2	30.0
Non-Hispanic white	24.6	27.1	30.4	33.9	31.5	19.1	18.9	20.1	17.4	19.9	26.2	23.2	25.7	20.7
Other minority[(2)]	34.5	35.7	40.9	52.6	59.4	38.4	34.8	34.4	31.1	32.6	40.9	41.2	45.9	34.5

Nonconventional only[(1)]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	15.0	20.1	21.9	31.6	40.9	31.1	33.3	32.2	22.2	26.7	36.5	29.6	33.0	32.4
Asian	15.0	20.0	22.0	38.5	48.9	37.2	34.2	32.7	22.2	26.9	37.5	28.8	36.7	34.2
Black or African American	17.5	23.6	24.6	33.7	43.5	35.1	42.2	39.1	29.5	33.1	43.9	37.5	38.8	38.6
Hispanic white	15.7	23.6	26.3	34.6	43.4	31.4	33.0	32.3	23.3	26.6	34.5	27.1	30.5	30.5
Non-Hispanic white	12.0	17.6	19.7	28.3	36.1	27.4	29.3	29.0	19.7	23.8	33.7	26.9	31.0	29.7
Other minority[(2)]	15.2	25.8	22.2	34.8	45.4	34.1	37.0	34.4	26.6	30.6	43.8	37.6	41.2	41.7

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. For a description of how borrowers are categorized by race and ethnicity, see Table 2A, note 1.

(1) Nonconventional loans are those insured by the Federal Housing Administration or backed by guarantees from the U.S. Department of Veterans Affairs, the Farm Service Agency, or the Rural Housing Service.

(2) See Table 2A, note 2.

TABLE 6A: REASONS FOR DENIAL OF HOME-PURCHASE LOANS, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2017 (PERCENT)

Conventional and nonconventional[1]	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	22.8	3.6	17.0	14.4	6.8	5.8	10.2	0.3	8.9	27.9
Asian	28.5	4.5	9.6	11.7	9.0	10.3	11.6	0.3	9.9	25.7
Black or African American	25.1	3.1	22.7	10.7	7.4	4.7	6.9	0.3	9.3	30.1
Hispanic white	24.3	4.1	14.9	12.0	6.8	7.1	7.3	0.3	10.3	32.3
Non-Hispanic white	21.6	3.6	16.8	15.5	6.5	5.4	10.0	0.3	8.6	28.5
Other minority[2]	23.9	3.9	18.9	12.2	7.5	5.4	8.4	0.4	9.5	29.3

Conventional only	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	24.6	3.2	16.8	16.9	7.6	6.4	11.2	0.4	8.9	23.2
Asian	29.0	4.3	9.4	12.3	9.6	10.7	11.9	0.3	10.0	23.9
Black or African American	27.2	2.7	26.2	14.4	8.3	4.6	6.9	0.6	10.4	22.2
Hispanic white	26.4	3.3	16.0	15.0	8.1	7.3	7.3	0.5	11.3	26.7
Non-Hispanic white	23.6	3.2	16.8	17.8	7.2	6.0	10.9	0.4	8.3	24.1
Other minority[2]	26.5	3.8	21.7	12.8	8.4	6.0	7.9	0.7	10.3	24.1

Nonconventional only[1]	Debt-to-income ratio	Employ-ment history	Credit history	Collateral	In-sufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	20.5	4.1	17.2	11.3	5.9	5.1	9.0	0.1	8.9	33.9
Asian	26.0	5.4	10.7	9.0	6.3	8.7	10.2	0.1	9.6	33.5
Black or African American	23.8	3.4	20.6	8.6	6.9	4.8	6.9	0.1	8.6	34.8
Hispanic white	22.6	4.7	14.0	9.5	5.8	6.9	7.4	0.1	9.5	37.0
Non-Hispanic white	18.6	4.3	16.8	12.2	5.5	4.6	8.8	0.2	9.1	34.9
Other minority[2]	21.5	3.9	16.3	11.5	6.6	4.8	8.8	0.1	8.8	34.2

Note: Denied first-lien mortgage applications for one- to four-family, owner-occupied, site-built homes. Columns sum to more than 100 because lenders may report up to three denial reasons. For a description of how borrowers are categorized by race and ethnicity, see Table 2A, note 1.

(1) See Table 5A, note 1.

(2) See Table 2A, note 2.

TABLE 6B: REASONS FOR DENIAL OF REFINANCE LOANS, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2017 (PERCENT)

Conventional and nonconventional[1]	Debt-to-income ratio	Employ-ment history	Credit history	Collateral	In-sufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	17.9	0.9	18.6	13.3	2.8	2.7	13.7	0.1	8.2	33.8
Asian	27.2	1.3	15.9	9.5	3.9	4.8	11.8	0.0	9.1	32.2
Black or African American	14.5	0.5	22.3	11.1	3.0	1.7	9.1	0.1	8.5	41.6
Hispanic white	23.6	1.2	22.8	9.2	3.6	3.8	9.2	0.1	10.4	33.0
Non-Hispanic white	17.5	1.0	18.4	13.5	2.7	2.7	12.1	0.1	8.1	35.6
Other minority[2]	16.1	0.8	19.4	9.3	2.7	2.4	10.0	0.0	9.0	42.6

Conventional only	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	22.2	1.1	20.7	13.7	3.1	3.3	13.8	0.1	9.0	27.6
Asian	30.0	1.4	16.2	9.9	4.3	5.3	11.8	0.1	9.4	28.6
Black or African American	19.6	0.6	27.3	12.1	3.1	2.1	8.9	0.1	10.2	32.3
Hispanic white	28.0	1.2	25.1	9.8	3.9	4.3	8.5	0.1	11.1	27.4
Non-Hispanic white	21.8	1.1	20.6	14.6	3.0	3.3	12.2	0.1	8.9	28.5
Other minority(2)	21.9	1.0	23.9	10.4	3.3	3.1	10.3	0.0	11.0	31.4

Nonconventional only(1)	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable information	Incomplete credit application	Mortgage insurance denied	Other	No reason given
All applicants	9.7	0.7	14.7	12.5	2.3	1.6	13.6	0.0	6.7	45.7
Asian	13.7	0.8	14.4	7.6	1.9	2.5	11.8	0.0	7.9	49.9
Black or African American	8.9	0.4	16.7	10.0	2.9	1.3	9.2	0.0	6.7	51.8
Hispanic white	12.0	1.0	16.8	7.9	2.9	2.6	10.9	0.1	8.6	47.6
Non-Hispanic white	8.5	0.7	14.0	11.4	2.1	1.5	11.9	0.0	6.4	50.2
Other minority(2)	8.1	0.4	13.2	7.8	1.9	1.4	9.7	0.0	6.3	58.0

Note: Denied first-lien mortgage applications for one- to four-family, owner-occupied, site-built homes. Columns sum to more than 100 because lenders may report up to three denial reasons. For a description of how borrowers are categorized by race and ethnicity, see Table 2A note 1.

(1) See Table 5A, note 1.

(2) See Table 2A, note 2.

5. Incidence of higher-priced lending

Tables 7A and 7B provide rates of higher-priced mortgage lending by group and loan type from 2004 to 2017 for home-purchase loans and refinance loans, respectively. Prior to October 2009, loans were classified as higher-priced if the spread between the Annual Percentage Rate (APR) and the rate on a Treasury bond of comparable term exceeded three percentage points for first-lien loans or five percentage points for junior-lien loans. Following a change to Regulation C in October 2009, loans are currently classified as higher-priced if the APR exceeds the average prime offer rate (APOR) for loans of a similar type by at least 1.5 percentage points for first-lien loans or 3.5 percentage points for junior-lien loans. The APR of a closed-end mortgage differs from the interest rate because an APR takes certain up-front fees and loan costs such as discount points and mortgage origination charges into account. The APOR, which is now published weekly by the Bureau, is an estimate of the APR on loans being offered to high-quality prime borrowers based on the contract interest rates and discount points reported by Freddie Mac in its Primary Mortgage Market Survey, and from the Bureau's own survey.[35] Given this change, it is difficult to compare rates of higher-priced lending pre- and post-2009.[36]

Overall, the share of loans that were higher-priced increased in 2017. The percentage of home-purchase loans (again, first liens for one- to four-family, owner-occupied, site-built properties) above the higher-priced threshold increased from 7.7 percent in 2016 to 8.4 percent in 2017 (Table 7A). Although refinance loans are less likely than home-purchase loans to be higher-priced in general, the share of refinance loans that were higher-priced rose from 2.0 percent in 2016 to 3.0 percent in 2017 (Table 7B). There were also moderate increases in the share of higher-priced lending among different types of loans. For example, the higher-priced share of nonconventional home-purchase loans increased from 14.0 percent to 15.7 percent, while the higher-priced share of conventional home-purchase loans rose from 3.7 percent to 4.2 percent.

Tables 7A and 7B also show that, as in earlier years, black and Hispanic white borrowers had the highest incidences of higher-priced conventional and nonconventional loans in 2017. For home-purchase loans, 17.9 percent of loans to black borrowers and 19.3 percent of loans to Hispanic borrowers were higher-priced, as compared to 6.7 percent of loans to non-Hispanic whites. For refinance loans, 4.7 percent of loans to black borrowers and 4.0 percent of loans to Hispanic white borrowers were higher-priced, in contrast to 3.1 percent for non-Hispanic whites.

In 2017, 24.8 percent of FHA, site-built, home-purchase loans were higher-priced, up from 20.9 percent in 2016. These loans are much more likely to be higher-priced than conventional (4.2 percent) or VA/RHS/FSA (0.7 percent) loans, in part because of the relatively high up-front and annual MIPs charged by the FHA (Table 8A).

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[35] See Freddie Mac, "Mortgage Rates Survey," available at www.freddiemac.com/pmms; and the Bureau's rate spread calculator, available athttps://ffiec.cfpb.gov/tools/rate-spread.

[36] For more detailed discussion on the change of APR spread methodology in 2009, see Robert B. Avery, et al., "The 2009 HMDA Data: The Mortgage Market in a Time of Low Interest Rates and Economic Distress," available at https://www.federalreserve.gov/pubs/bulletin/2010/articles/2009HMDA/default.htm.

Manufactured housing loans are less than three percent of all owner-occupied originations, and the average loan sizes are much smaller than for mortgages on site-built homes. A much higher percentage of these loans were higher-priced compared with loans on site-built homes. Among manufactured housing home-purchase loans, 75.0 percent of conventional loans and 58.3 percent of FHA-insured loans were higher priced in 2017.[37] In addition, among those conventional manufactured housing home-purchase loans that were higher priced, 53.1 percent exceeded the higher-priced threshold by five or more percentage points (Table 8B).

[37] Unlike the home-purchase loans for site-built homes, the share of higher-price loans is higher among conventional loans than FHA loans for manufactured homes.

TABLE 7A: INCIDENCE OF HIGHER-PRICED HOME-PURCHASE LENDING, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2004-2017 (PERCENT)

Conventional and nonconventional[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	9.8	22.5	23.2	12.7	8.1	4.6	2.2	3.3	3.1	7.1	11.6	7.6	7.7	8.4
Asian	5.5	16.3	16.4	7.6	4.0	2.4	1.0	1.5	1.4	3.1	5.2	3.6	3.7	4.2
Black or African American	24.3	46.7	46.4	27.6	14.5	7.1	3.0	5.0	5.3	14.3	25.6	16.2	15.8	17.9
Hispanic white	17.5	42.0	43.3	25.9	15.8	8.1	3.9	6.1	5.9	16.9	28.5	18.5	18.0	19.3
Non-Hispanic white	7.8	15.5	16.0	9.6	7.2	4.3	2.2	3.1	2.9	6.2	9.5	6.3	6.3	6.7
Other minority[2]	14.4	30.3	30.7	16.1	9.1	5.3	2.3	3.5	3.4	8.8	13.7	8.9	9.2	10.4

Conventional only	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	11.0	24.5	25.3	14.0	7.3	4.6	3.3	3.8	3.2	2.9	3.1	3.2	3.7	4.2
Asian	5.6	16.6	16.7	7.7	3.3	1.9	1.0	1.3	1.2	1.1	1.5	2.1	2.5	3.1
Black or African American	30.6	54.1	53.4	34.0	17.4	8.7	6.1	8.0	6.7	6.1	7.7	6.8	8.3	10.3
Hispanic white	20.0	45.3	46.3	28.9	17.7	11.0	9.6	10.7	8.7	7.3	6.5	8.3	10.1	11.5
Non-Hispanic white	8.6	16.9	17.5	10.5	6.5	4.8	3.4	3.9	3.2	2.9	3.0	2.9	3.3	3.5
Other minority[2]	16.1	33.3	33.6	18.5	9.5	6.7	4.7	5.5	5.1	4.9	5.0	4.9	5.6	7.4

Nonconventional only[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	1.2	0.9	1.8	3.0	9.5	4.6	1.3	2.7	3.0	13.9	26.3	14.5	14.0	15.7
Asian	2.4	0.6	0.8	1.3	8.2	3.9	0.8	2.0	1.9	13.4	26.3	11.4	10.2	11.7
Black or African American	1.4	1.6	2.5	4.5	12.8	6.8	2.4	4.3	4.9	17.6	34.0	20.2	19.2	22.1
Hispanic white	2.0	1.4	3.5	4.5	14.0	7.1	2.2	4.5	4.8	22.5	43.4	24.6	23.3	25.6
Non-Hispanic white	1.0	0.7	1.5	2.5	8.4	3.9	1.0	2.3	2.6	12.1	22.5	12.2	11.7	13.1
Other minority[2]	4.4	0.7	2.1	2.4	8.8	4.7	1.2	2.5	2.4	11.9	21.0	12.2	12.2	13.1

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. For a description of how borrowers are categorized by race and ethnicity, see Table 2A, note 1.

(1) See Table 5A, note 1.

(2) See Table 2A, note 2.

TABLE 7B: INCIDENCE OF HIGHER-PRICED REFINANCE LENDING, BY LOAN TYPE AND BORROWER RACE AND ETHNICITY, 2004-2017 (PERCENT)

Conventional and nonconventional[1]	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
All applicants	14.5	25.0	30.3	21.0	10.9	3.8	1.8	2.1	1.5	1.9	3.3	2.5	2.0	3.0
Asian	5.8	15.1	19.5	12.5	3.1	0.9	0.4	0.5	0.4	0.5	1.1	0.7	0.6	1.3
Black or African American	30.0	46.2	50.7	38.1	22.8	9.0	6.5	6.8	4.1	3.8	5.7	5.1	3.9	4.7
Hispanic white	18.2	32.6	36.9	26.5	15.1	7.0	4.4	4.4	2.6	3.1	4.8	3.9	3.2	4.0
Non-Hispanic white	12.3	20.4	25.0	17.6	10.2	3.7	1.8	2.2	1.5	2.0	3.4	2.5	2.1	3.1
Other minority[2]	17.6	26.9	32.3	23.8	13.9	4.7	2.5	2.6	2.0	2.2	3.1	2.8	2.2	3.0

Conventional only	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
All applicants	15.2	25.7	31.0	21.8	10.4	3.1	1.3	1.5	1.2	1.5	2.2	1.6	1.5	2.1
Asian	5.8	15.2	19.6	12.5	2.9	0.7	0.2	0.3	0.3	0.3	0.7	0.4	0.4	0.9
Black or African American	33.7	49.0	52.8	41.5	27.6	9.9	4.0	4.2	2.9	3.3	3.8	3.1	3.2	3.8
Hispanic white	19.2	33.4	37.5	27.3	16.0	7.2	3.3	3.3	2.3	2.4	2.8	2.4	2.3	3.2
Non-Hispanic white	12.8	20.9	25.6	18.2	9.8	3.1	1.3	1.6	1.2	1.6	2.3	1.7	1.6	2.3
Other minority[(2)]	18.2	27.7	32.9	24.5	14.7	4.8	1.9	2.2	1.7	2.0	2.1	2.0	1.7	2.3

Nonconventional only[(1)]	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
All applicants	1.5	0.9	3.1	6.6	13.2	6.7	4.9	5.9	3.2	3.9	8.3	5.4	3.9	5.4
Asian	3.6	2.1	2.5	4.9	8.9	4.8	3.1	4.0	1.8	2.6	7.2	3.4	2.7	4.4
Black or African American	1.0	1.2	4.1	7.8	15.2	8.2	9.9	10.9	6.0	4.6	8.5	7.1	4.4	5.6
Hispanic white	2.0	0.9	2.6	6.2	11.6	6.6	7.4	7.9	3.6	5.1	12.2	7.0	5.1	6.4
Non-Hispanic white	1.3	0.7	2.8	6.0	12.1	6.5	4.6	5.9	3.3	4.2	8.9	5.5	4.0	5.8
Other minority[(2)]	8.1	3.9	9.6	9.9	10.5	4.5	4.6	4.3	2.9	2.8	6.0	4.4	3.0	4.2

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. For a description of how borrowers are categorized by race and ethnicity, see Table 2A, note 1.

(1) See Table 5A, note 1.

(2) See Table 2A, note 2.

TABLE 8A: NUMBER AND SHARE OF LOANS WITH APOR SPREAD ABOVE 1.5 PERCENTAGE POINTS, BY PROPERTY TYPE, PURPOSE AND TYPE OF LOAN, 2017

Property type, purpose and type of loan	Total number of loans	Number of loans with APOR spread above 1.5 percentage points(1)	Percent of loans with APOR spread above 1.5 percentage points(1)
Site built homes: Purchase, conventional	2,290,739	96,113	4.2
Site-built homes: Purchase, FHA(2)	810,786	201,119	24.8
Site-built homes: Purchase, VA/RHS/FSA(3)	492,629	3,254	0.7
Site-built homes: Refinance, conventional	1,630,470	35,001	2.1
Site-built homes: Refinance, FHA(2)	287,163	27,818	9.7
Site-built homes: Refinance, VA/RHS/FSA(3)	252,065	1,263	0.5
Manufactured homes: Purchase, conventional	66,709	50,016	75.0
Manufactured homes: Purchase, FHA(2)	19,854	11,580	58.3
Manufactured homes: Purchase, VA/RHS/FSA(3)	5,795	226	3.9
Manufactured homes: Refinance, conventional	18,619	5,737	30.8
Manufactured homes: Refinance, FHA(2)	8,173	1,872	22.9
Manufactured homes: Refinance, VA/RHS/FSA(3)	4,334	205	4.7

Note: First-lien mortgages for one- to four-family owner-occupied homes.

(1) Average prime offer rate (APOR) spread is the difference between the annual percentage rate on the loan and the APOR for loans of a similar type published weekly by the Bureau. The threshold for first-lien loans is a spread of 1.5 percentage points.

(2) Loans insured by the Federal Housing Administration.

(3) Loans backed by guarantees from the U.S. Department of Veterans Affairs, the Rural Housing Service, or the Farm Service Agency.

TABLE 8B: DISTRIBUTION OF LOANS WITH APOR SPREAD ABOVE 1.5 PERCENTAGE POINTS, BYPROPERTY TYPE, PURPOSE AND LOAN TYPE, 2017 (PERCENT)

Property type, purpose and type of loan	1.5-1.99	2-2.49	2.5-2.99	3-3.99	4-4.99	5 or more
Site built homes: Purchase, conventional	59.1	22.4	8.1	6.2	2.8	1.3
Site-built homes: Purchase, FHA[(1)]	71.9	22.3	4.6	0.9	0.3	0.0
Site-built homes: Purchase, VA/RHS/FSA[(2)]	67.0	7.2	1.8	11.8	11.9	0.3
Site-built homes: Refinance, conventional	54.1	17.3	9.3	10.6	5.3	3.4
Site-built homes: Refinance, FHA[(1)]	77.2	14.2	4.2	2.2	0.4	1.8
Site-built homes: Refinance, VA/RHS/FSA[(2)]	91.2	7.0	0.6	1.0	0.2	0.0
Manufactured homes: Purchase, conventional	6.2	4.6	7.6	14.5	14.0	53.1
Manufactured homes: Purchase, FHA[(1)]	54.2	30.1	6.6	2.2	0.4	6.4
Manufactured homes: Purchase, VA/RHS/FSA[(2)]	84.5	6.6	5.3	1.8	1.8	0.0
Manufactured homes: Refinance, conventional	30.4	15.6	12.5	17.7	9.7	14.0
Manufactured homes: Refinance, FHA[(1)]	66.6	21.6	8.1	3.3	0.1	0.4
Manufactured homes: Refinance, VA/RHS/FSA[(2)]	77.1	20.0	2.4	0.5	0.0	0.0

Note: First-lien mortgages for one- to four-family owner-occupied homes.

(1) Loans insured by the Federal Housing Administration.

(2) Loans backed by guarantees from the U.S. Department of Veterans Affairs, the Rural Housing Service, or the Farm Service Agency.

5.1 HOEPA loans

Under the Home Ownership and Equity Protection Act (HOEPA), certain types of mortgage loans that have APRs or fees above specified levels (*i.e.*, HOEPA loans or high-cost mortgages) are subject to additional consumer protections, such as special disclosures and restrictions on loan features. On January 31, 2013, the Bureau issued a final rule (2013 HOEPA Rule) implementing Dodd-Frank Act amendments that extended HOEPA's protections from refinance and home equity loans to also include home-purchase loans and HELOCs, and that added new protections for high-cost mortgages, such as a pre-loan counseling requirement for borrowers.[38] The rule became effective on January 10, 2014.[39]

The 2013 HOEPA Rule also changed the benchmark used to identify HOEPA loans. Instead of comparing the loan's APR to the yield on comparable Treasury securities, high-cost mortgages now are identified by comparing a loan's APR with the APOR. HOEPA coverage now applies to first liens with an APR more than 6.5 percentage points above the APOR. If the loan is a junior lien, or if the loan is a first lien that is less than $50,000 and secured by personal property (such as many manufactured homes), then the high-cost threshold is 8.5 percentage points above the APOR. Prior to 2014, HOEPA's protections were triggered if the loan's APR exceeded eight percentage points above the rate on a Treasury security of similar term for first liens, and ten percentage points for junior liens. Finally, the 2013 HOEPA Rule changed the points and fees threshold that triggers HOEPA coverage.[40]

[38] 78 FR 6856 (Jan. 31, 2013).

[39] *Id.*; *see* 12 CFR 1026.31, 1026.32, and 1026.34 (2018).

[40] Under the 2013 HOEPA Rule, a loan is a high-cost mortgage if the points and fees exceed five percent of the total loan amount, for a loan amount equal to or more than $20,000; or eight percent of the total loan amount or $1,000

Even at their peak of nearly 36,000 in 2005, HOEPA loans were never a large fraction of the mortgage market. From 2016 to 2017, the number increased for the second straight year rising from 1,880 loans to 3,533 loans. There was also variation across loan characteristics: for instance, home improvement loans, refinance loans, loans for manufactured housing, and small dollar amount loans (with loan amounts of less than $50,000) each accounted for a larger share of HOEPA loans in 2017 than 2016.

HOEPA loans are generally subject to greater regulatory scrutiny than other higher-priced loans. One of the major reasons that HOEPA loans account for only a very small percentage of all mortgage originations is that lenders adapt their pricing to prevent the HOEPA thresholds from being triggered. This can be illustrated by an example of the interesting patterns of high-cost mortgages for owner-occupied, home-purchase manufactured housing loans prior to and after the 2013 HOEPA Rule was implemented. Prior to the 2013 HOEPA Rule, HOEPA's protections applied only to refinance and home equity loans, not to purchase money mortgages. Because a majority of manufactured housing loans are for home purchase[41], in practice most manufactured home loans had been effectively excluded from HOEPA. As shown in Table 9B, about 17.6 percent of all first-lien, owner-occupied, home-purchase manufactured housing loans in 2013 also would have been high-cost mortgages, had HOEPA (as amended by the Dodd-Frank Act) applied to them at that time. [42] That represents a rise from 9.0 percent in 2010 that continued

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for a loan less than $20,000, with the loan amounts and $1,000 threshold adjusted annually for inflation from the base year of 2014.

[41] For instance, in 2013 about 54.7 percent of originated manufactured-housing loans were for home purchases. The share of home-purchase loans among manufactured-housing loans rose steadily since 2013 onward, reaching 68.4 percent in 2017.

[42] Manufactured housing home-purchase loans made in 2014 or later should have the HOEPA flag if they met the high-cost mortgage thresholds adopted in the 2013 HOEPA Rule. For manufactured housing home-purchase loans made prior to 2014, we simulate HOEPA status by assigning a HOEPA flag if the loans meet one of the following conditions: (1) the loan was first lien with an amount less than $50,000 and the reported APR spread over APOR (rate spread) was greater than 8.5 percent; (2) the loan was first lien with an amount of $50,000 or greater and had a rate spread greater than 6.5 percent. HMDA data do not contain all data elements required to fully recreate the criteria listed in the 2013 HOEPA Rule, hence the assignment of a HOEPA flag to loans with application dates prior to 2014 using the above methodology likely underestimates the incidence of high-cost lending for manufactured

during the four-year period prior to the 2013 HOEPA Rule becoming effective in 2014. In 2014, however, once the new HOEPA rule was in place, only 0.2 percent of owner-occupied, home-purchase manufactured housing loans were flagged as high-cost mortgages using the HOEPA flag. Loans under $50,000 are more likely to be HOEPA loans than loans of $50,000 or more. But the precipitous drop in shares of owner-occupied, home-purchase manufactured housing loans flagged as HOEPA loans was evident in both loans below and above $50,000. The large disappearance of manufactured housing purchases that are flagged as high-cost mortgages has continued in subsequent years. On the other hand, there is no evidence that the extension of HOEPA rules to home-purchase loans led to or was accompanied by the reduction of home-purchase manufacturing housing originations. The count of first-lien, owner-occupied, home-purchase loans for manufactured housing rose from 54,764 loans in 2011 to 92,358 in 2017, driven primarily by loans $50,000 or greater, which grew from 30,928 loans in 2011 to 69,459 loans in 2017.

Examined more closely, after the 2013 HOEPA Rule took effect in 2014, a clustering in the rate spread variable for manufactured homes can be seen right below the HOEPA thresholds. For instance, in 2017, approximately 5.8 percent of non-HOEPA first-lien, owner-occupied, home-purchase manufactured housing loans of $50,000 or greater had APR spread between 6.4 percent and 6.5 percent (with 6.5 percent being their HOEPA threshold), and about 2.8 percent of such loans had APR spread between 6.3 and 6.4 percent. Similarly, approximately 7.2 percent of non-HOEPA first-lien, owner-occupied, home-purchase manufactured housing loans of less than $50,000 had APR spread between 8.4 percent and 8.5 percent (with 8.5 being their HOEPA threshold), and about 4.6 percent of such loans had APR spread between 8.3 and 8.4 percent.

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housing. For the purposes of this analysis, only first-lien, owner-occupied, home-purchase manufactured housing loans were considered.

TABLE 9A: DISTRIBUTION OF HOEPA LOANS, BY LOAN CHARACTERISTIC, 2004-2017 (PERCENT EXCEPT AS NOTED)

Loans by purpose, lien status, property type and amount	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
HOEPA loans (total)	24,437	35,985	15,195	10,780	8,577	6,446	3,379	2,373	2,193	1,868	1,271	1,252	1,880	3,533
Purpose: Home purchase	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.4	40.4	58.8	52.0
Purpose: Home improvement	37.7	26.1	42.4	45.4	30.5	31.1	32.6	32.3	31.5	30.1	17.9	14.8	15.1	21.6
Purpose: Refinance	62.3	73.9	57.6	54.6	69.5	68.9	67.4	67.7	68.5	69.9	50.7	44.8	26.2	26.4
Lien status: First	55.5	60.5	53.6	52.8	78.5	84.1	83.4	82.8	84.6	84.2	90.3	88.6	90.0	94.0
Lien status: Junior	44.5	39.5	46.4	47.2	21.5	15.9	16.6	17.2	15.4	15.8	9.7	11.4	10.0	6.0
Property type: Site built	88.0	91.8	83.7	81.0	72.7	67.8	67.9	65.7	65.7	68.8	75.4	83.4	86.0	75.8
Property type: Manufactured home	12.0	8.2	16.3	19.0	27.3	32.2	32.1	34.3	34.3	31.2	24.6	16.6	14.0	24.2
Loan amount: Less than $50,000	72.4	48.4	72.1	74.3	66.7	72.5	76.8	77.8	75.6	71.3	52.9	36.4	35.4	38.0
Loan amount: $50,000 or more	27.6	51.6	27.9	25.7	33.3	27.5	23.2	22.2	24.4	28.7	47.1	63.6	64.6	62.0

Note: Mortgages for one- to four-family homes. HOEPA loans are mortgages with terms that triggered the additional protections provided by the Home Ownership and Equity Protection Act.

TABLE 9B: MANUFACTURED HOUSING HOME-PURCHASE LOANS, BY HOEPA STATUS AND AMOUNT, 2010-2017

Manufactured housing home-purchase loans, by HOEPA status and amount	2010	2011	2012	2013	2014	2015	2016	2017
All loans	61,600	54,764	58,446	65,020	67,602	76,090	81,606	92,358
All loans: Less than $50,000	26,868	23,836	25,331	25,178	22,112	22,399	21,272	22,899
All loans: $50,000 or more	34,732	30,928	33,115	39,842	45,490	53,691	60,334	69,459
HOEPA loans	5,526	6,753	9,869	11,417	141	99	155	548
HOEPA loans: Less than $50,000	3,606	3,932	5,445	5,802	123	78	118	337
HOEPA loans: $50,000 or more	1,920	2,821	4,424	5,615	18	21	37	211
HOEPA loans (percent)	9.0	12.3	16.9	17.6	0.2	0.1	0.2	0.6
Share of HOEPA loans for loans less than $50,000 (percent)	13.4	16.5	21.5	23.0	0.6	0.3	0.6	1.5
Share of HOEPA loans for loans $50,000 or more (percent)	5.5	9.1	13.4	14.1	0.0	0.0	0.1	0.3

Note: First-lien home-purchase mortgages for one- to four-family, owner-occupied, manufactured homes. HOEPA status for loans from 2010 to 2013 were simulated. For details, see footnote 42.

6. Lending institutions

In total, 5,852 financial institutions reported 2017 lending activities under HMDA (Table 10), which is down considerably from 6,762 reporting institutions in 2016 HMDA. In the previous section on HMDA coverage, we explain that this is partially due to the increased reporting threshold for DIs. The other forces driving the decline of the number of HMDA reporters may include the overall decline of the market volume (driven by the decline in refinance loan production) and consolidation among the mortgage originators. The 5,852 reporters consisted of 3,111 banks and thrifts (hereafter, banks), of which 1,994 were small, defined as having assets of less than $1 billion; 1,706 credit unions; 99 mortgage companies affiliated with depositories (banks and credit unions); and 936 independent mortgage companies.[43] Banks collectively accounted for about 36.3 percent of all reported mortgage originations and affiliates of banks accounted for another 3.5 percent; independent mortgage companies, about 50.6 percent; credit unions, about 9.7 percent. Over the past few years, the share of loans originated by independent mortgage companies has risen sharply. In 2017, these lenders originated 56.1 percent of first-lien owner-occupied single-family site-built home-purchase loans, up from 53.3 percent in 2016 and just 35.0 percent in 2010. Independent mortgage companies also originated 55.8 percent of

[43] Data on bank assets were drawn from the Federal Deposit Insurance Corporation Reports of Condition and Income. The $1 billion threshold is based on the combined assets of all banks within a given banking organization. Data available in the HMDA Reporter Panel (available at https://ffiec.cfpb.gov/data-publication/) can be used to help identify the various types of institutions. Affiliate institutions include all mortgage companies known to be wholly or partially owned by a depository—that is, institutions for which the “other lender code” in the Reporter Panel equals 1, 2, or 5. Most credit unions report to the National Credit Union Administration, except a few large credit unions, which report to the Bureau.

first-lien, owner-occupied, single-family site-built refinance loans, an increase from 52.2 percent in 2016.

Many institutions report little activity. About 36.2 percent of institutions (2,118 out of 5,852) reported fewer than 100 mortgage originations in 2017, accounting for about 104,000, or just over 1.4 percent, of all originations. About 7.2 percent, or 421 of 5,852 reporting institutions, originated fewer than 25 loans, totaling just over 5,000 originations.[44] (Recall that these institutions were required to report only if they had originated at least 25 loans during both of the prior years.)

Table 10 provides several other statistics to compare the lending patterns of different types of institutions in 2017, and we discuss some highlights here. First, depositories tend to originate a significantly higher fraction of conventional loans than nondepositories. Second, a higher share of small banks' conventional loan originations is of higher-priced loans than other types of institutions. Third, independent mortgage companies originate a higher share of their home-purchase loans to minority borrowers and in LMI neighborhoods than other types of lenders. Fourth, large banks originate a lower share of home-purchase mortgages loans to LMI borrowers compared with other types of lenders.

Finally, the HMDA data provide information on whether originated loans were sold within the same calendar year and the type of institution to which they were sold, such as one of the GSEs or a banking institution (see Appendix for a full list of purchaser types). Table 10 displays the

[44] These results include all originated loans for all reporters. The new reporting threshold of 25 originations applies only to DIs, and to home-purchase and refinance originations in each of the previous two years. Beginning in 2018, lending institutions will not be subject to HMDA reporting requirements unless they originated at least 25 covered closed-end mortgage loans or 500 covered open-end lines of credit in each of the two preceding calendar years. For a more detailed description of these and other changes to Regulation C, see Consumer Financial Protection Bureau (2015), "New Rule Summary: Home Mortgage Disclosure (Regulation C)," October 15, http://files.consumerfinance.gov/f/201510_cfpb_hmda-executive-summary.pdf.

fraction of loans sold within the calendar year, as opposed to being held in portfolio.[45] Nondepositories sold almost all of their loans that they originated in the same calendar year. In contrast, credit unions sold about 44.9 percent of the home-purchase loans they originated and about 32.2 percent of the refinance loans they originated.

Tables 11A and 11B list the top 25 reporting institutions by total number of originations along with the lending characteristics listed in Table 10.[46] With just under 396,000 originated loans, Quicken Loans surpassed Wells Fargo as the highest volume lender in 2017.[47] Wells Fargo, JPMorgan Chase and loanDepot.com were the next three largest lenders in terms of originations. Overall, the top 25 lenders accounted for about 33.6 percent of all loan originations in 2017, largely unchanged from 2016. These same firms also provided additional funding by purchasing approximately 1.1 million loans from other lending institutions during 2017 (these loans could have been originated in 2016 or in earlier years), equal to about 44 percent of the number of loans they originated during the year.

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[45] Because loan sales are recorded in the HMDA data only if the loans are originated and sold in the same calendar year, loans originated toward the end of the year are less likely to be reported as sold. For that reason, statistics on loan sales are computed using only loans originated during the first three quarters of the year.

[46] Some institutions may be part of a larger organization; however, the data in Table 11 are at the reporter level. Because affiliate activity has declined markedly since the housing boom, a top 25 list at the organization level is not likely to be significantly different. SunTrust is one notable exception. Combined mortgage originations across its bank and mortgage affiliates totaled about 61,000.

[47] Notably, loan counts and market shares derived from the HMDA data can differ markedly from market shares based on information compiled by Inside Mortgage Finance. For HMDA reporting purposes, institutions report only mortgage applications in which they make the credit decision. Under HMDA, if an application is approved by a third party (such as a correspondent) rather than the lending institution, then that party reports the loan as its own origination and the lending institution reports the loan as a purchased loan. Alternatively, if a third party forwards an application to the lending institution for approval, then the lending institution reports the application under HMDA (and the third party does not report anything). In contrast, Inside Mortgage Finance considers loans to have been originated by the acquiring institution even if a third party makes the credit decision. Thus, many of the larger lending organizations that work with sizable networks of correspondents report considerable volumes of purchased loans in the HMDA data, while Inside Mortgage Finance considers many of these purchased loans to be originations.

The top institutions differ significantly in their lending patterns. Some of this variation reflects differences between types of institutions, which were discussed earlier. For example, Table 11B shows that large banks like Bank of America have a higher share of conventional mortgages and a smaller share of lending in LMI neighborhoods compared with independent mortgage companies like Quicken Loans.

In addition to the variation across lender types, there is substantial variation in lending patterns within lender types. For example, regarding large banks, 96.8 percent of JPMorgan Chase's home-purchase loans were conventional, compared with 55.7 percent for FlagStar Bank.

Finally, the composition of borrowers varied across the top 25 institutions, both within and across lender types. For some institutions, more than 30 percent of home-purchase borrowers were LMI; at other institutions, this fraction was less than 20 percent.[48] Although it is difficult to know precisely why there is such variation, it could reflect different business strategies or different customer demands in the markets and geographic regions the institutions serve, among other possibilities.

[48] Note that for lenders with a significant nonconventional share of refinance loans (for example, Freedom Mortgage Corporation), borrower income may not be reported for most loans, thus pushing down the LMI share of borrowers.

TABLE 10: LENDING ACTIVITY, BY TYPE OF INSTITUTION, 2017 (PERCENT EXCEPT AS NOTED)

Lending activity	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Number of institutions	1,994	1,117	1,706	99	936	5,852
Applications (thousands)	627	3,490	1,136	351	6,452	12,056
Originations (thousands)	461	2,204	709	254	3,710	7,339
Purchases (thousands)	13	1,074	17	125	857	2,087

Institutions with fewer than 100 loans	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Number of institutions	870	314	781	28	125	2,118
Originations (thousands)	47	16	36	1	4	104

Institutions with fewer than 25 loans	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Number of institutions	97	43	198	14	69	421
Originations (thousands)	2	1	3	0	1	5

Home-purchase loans[3]	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Number of loans (thousands)	196	974	237	170	2,017	3,594
Conventional	73.4	79.6	85.4	61.5	52.8	63.7
Higher-priced share of conventional loans	9.5	2.7	4.3	3.1	4.6	4.2
LMI borrower[4]	28.3	22.0	25.3	28.7	28.1	26.3
LMI neighborhood[5]	13.6	13.3	14.8	15.3	17.9	16.1

Home-purchase loans[3]	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Non-Hispanic white[6]	80.0	67.7	67.0	68.0	61.5	64.9
Minority borrower[6]	11.6	19.4	16.6	17.9	25.0	21.9
Sold[7]	76.2	69.3	44.9	94.7	97.8	85.2

Refinance loans[3]	Small bank[1]	Large bank	Credit union	Affiliated mortgage company[2]	Independent mortgage company	All
Number of loans (thousands)	86	612	209	53	1,210	2,170
Conventional	86.3	92.1	94.8	87.0	61.9	75.1
Higher-priced share of conventional loans	9.9	1.7	3.0	0.8	1.6	2.1
LMI borrower[4]	22.9	21.7	25.1	23.6	23.1	22.9
LMI neighborhood[5]	11.8	13.3	16.0	12.6	17.0	15.5
Non-Hispanic white[6]	83.9	69.5	67.9	70.7	57.5	63.3
Minority borrower[6]	7.8	17.1	16.4	13.4	19.3	17.8
Sold[7]	63.0	66.5	32.2	94.0	97.9	80.9

Note: Bank asset data drawn from Federal Deposit Insurance Corporation Reports of Conditions and Income (https://www.fdic.gov).

(1) Small banks consist of those banks with assets (including the assets of all other banks in the same banking organization) of less than $1 billion at the end of 2017.

(2) Affiliated mortgage companies are nondepository mortgage companies owned by or affiliated with a banking organization or credit union.

(3) First-lien mortgages for one- to four-family, owner-occupied, site-built homes.

(4) See Table 2A, note 3.

(5) See Table 2A, note 4.

(6) See Table 2A, note 1. "Minority borrower" refers to nonwhite (excluding joint or missing) or Hispanic white applicants.

(7) Excludes originations made in the last quarter of the year because the incidence of loan sales tends to decline for loans originated toward the end of the year, as lenders report a loan as sold only if the sale occurs within the same year as origination.

TABLE 11A: INSTITUTION TYPE, TOTAL ORIGINATIONS, AND TOTAL PURCHASES FOR TOP 25 RESPONDENTS IN TERMS OF TOTAL ORIGINATIONS, 2017

Respondent	Institution type[1]	Total originations (thousands)	Total purchases (thousands)
Quicken Loans	Ind. mort. co.	396	0
Wells Fargo Bank, NA	Large bank	312	481
JPMorgan Chase Bank, NA	Large bank	155	189
loanDepot.com, LLC	Ind. mort. co.	135	0
Caliber Home Loans, Inc.	Ind. mort. co.	118	48
Bank of America, NA	Large bank	111	24
United Shore Financial Service	Ind. mort. co.	105	0
US Bank, NA	Large bank	96	133
Fairway Independent Mort Corp	Ind. mort. co.	90	0
Flagstar Bank, FSB	Large bank	87	37
Freedom Mortgage Corporation	Ind. mort. co.	80	95
Navy Federal Credit Union	Credit union	71	0
Guild Mortgage Company	Ind. mort. co.	66	2
Nationstar Mortgage	Ind. mort. co.	65	24
USAA Federal Savings Bank	Large bank	63	0
PrimeLending	Affiliated mort. co.	60	1
Guaranteed Rate, Inc	Ind. mort. co.	60	0
Movement Mortgage, LLC	Ind. mort. co.	60	0
PNC Bank, NA	Large bank	58	0
Finance of America Mortgage LLC	Ind. mort. co.	54	0

Respondent	Institution type[1]	Total originations (thousands)	Total purchases (thousands)
HomeBridge Financial Services	Ind. mort. co.	48	0
Stearns Lending	Ind. mort. co.	47	13
Mortgage Research Center	Ind. mort. co.	46	0
Academy Mortgage Corporation	Ind. mort. co.	44	1
DITECH Financial LLC	Ind. mort. co.	40	42
Top 25 institutions	...	2,465	1,091
All institutions	...	7,339	2,087

Note: Bank asset data drawn from Federal Deposit Insurance Corporation Reports of Conditions and Income (https://www.fdic.gov).

(1) See Table 10, notes 1 and 2.

TABLE 11B: CHARACTERISTICS OF HOME-PURCHASE LOANS OF TOP 25 RESPONDENTS IN TERMS OF TOTAL ORIGINATIONS, 2017 (PERCENT EXCEPT AS NOTED)

Respondent	Institution type(1)	Number (thousands)	Conventional	Higher priced(2)	LMI borrower(3)	LMI neighborhood (4)	Non-Hispanic white(5)	Minority borrower (5)	Sold (6)
Quicken Loans	Ind. mort. co.	105	64.9	0.6	28.3	17.4	48.7	11.8	99.9
Wells Fargo Bank, NA	Large bank	136	90.3	3.1	16.2	12.1	64.2	21.9	73.3
JPMorgan Chase Bank, NA	Large bank	56	96.8	0.6	13.5	10.8	59.5	26.0	60.5
loanDepot.com LLC	Ind. mort. co.	40	57.1	4.7	19.6	16.6	52.4	29.9	99.1
Caliber Home Loans, Inc.	Ind. mort. co.	78	57.1	7.7	29.0	19.0	58.9	26.9	99.7
Bank of America, NA	Large bank	45	93.9	0.2	13.3	11.1	54.6	30.1	31.3
United Shore Financial Service	Ind. mort. co.	56	81.8	2.1	26.8	17.8	59.9	30.5	99.8
US Bank, NA	Large bank	35	85.3	0.7	25.1	13.9	72.0	15.3	76.1
Fairway Independent Mort Corp	Ind. mort. co.	67	56.5	5.5	30.4	17.7	72.1	19.7	99.9
Flagstar Bank, FSB	Large bank	46	55.7	2.8	25.0	15.7	62.8	27.7	95.4
Freedom Mortgage Corp	Ind. mort. co.	21	37.8	1.9	27.1	18.7	55.9	31.0	99.4

Respondent	Institution type(1)	Number (thousands)	Conventional	Higher priced(2)	LMI borrower(3)	LMI neighborhood (4)	Non-Hispanic white(5)	Minority borrower (5)	Sold (6)
Navy Federal Credit Union	Credit union	36	38.1	22.9	19.4	13.9	54.6	25.9	56.6
Guild Mortgage Company	Ind. mort. co.	44	52.1	6.0	28.6	20.8	57.8	21.0	99.9
Nationstar Mortgage	Ind. mort. co.	1	79.1	1.7	14.2	13.3	61.6	17.6	92.1
USAA Federal Savings Bank	Large bank	44	34.5	0.3	15.3	12.5	65.8	15.6	99.6
PrimeLending	Affiliated mort. co.	45	60.5	5.6	29.1	16.2	68.6	18.6	98.8
Guaranteed Rate, Inc	Ind. mort. co.	39	75.9	2.0	21.7	15.6	69.2	18.1	100.0
Movement Mortgage, LLC	Ind. mort. co.	48	51.9	7.7	32.9	19.2	67.6	24.3	99.9
PNC Bank, NA	Large bank	16	80.9	0.0	28.2	14.2	61.0	14.8	78.3
Finance of America Mortgage LLC	Ind. mort. co.	33	54.7	3.5	23.7	20.2	60.4	22.8	99.7
HomeBridge Financial Services	Ind. mort. co.	28	52.0	3.5	25.3	19.1	53.8	32.4	99.8
Stearns Lending	Ind. mort. co.	29	50.3	3.2	25.4	18.9	57.9	29.2	100.0
Mortgage Research Center	Ind. mort. co.	40	1.4	0.2	27.6	15.9	62.1	22.1	100.0

Respondent	Institution type[1]	Number (thousands)	Conventional	Higher priced[2]	LMI borrower[3]	LMI neighborhood[4]	Non-Hispanic white[5]	Minority borrower[5]	Sold[6]
Academy Mortgage Corporation	Ind. mort. co.	31	53.0	9.9	29.8	19.3	68.8	22.4	99.8
DITECH Financial, LLC	Ind. mort. co.	4	65.2	1.7	25.0	15.9	63.3	27.6	99.6
Top 25 institutions	...	1,124	63.8	3.5	24.0	16.0	61.1	22.7	89.1
All institutions	...	3,594	63.7	4.2	26.3	16.1	64.9	21.9	85.2

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Bank asset data drawn from Federal Deposit Insurance Corporation Reports of Conditions and Income (https://www.fdic.gov).

(1) See Table 10, notes 1 and 2.

(2) Share of conventional loans that are higher priced.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

(5) See Table 2A, note 1. "Minority borrower" refers to nonwhite (excluding joint or missing) or Hispanic white applicants.

(6) See table 10, note 7.

TABLE 11C: CHARACTERISTICS OF REFINANCE LOANS OF TOP 25 RESPONDENTS IN TERMS OF TOTAL ORIGINATIONS, 2017 (PERCENT EXCEPT AS NOTED)

Respondent	Institution type(1)	Number (thou-sands)	Conven-tional	Higher priced(2)	LMI bor-rower(3)	LMI neigh-borhood (4)	Non-Hispanic white(5)	Minority borrower (5)	Sold (6)
Quicken Loans	Ind. mort. co.	269	70.7	0.1	27.9	16.2	41.8	9.4	99.9
Wells Fargo Bank, NA	Large bank	101	93.7	1.8	22.2	14.5	64.6	21.3	87.5
JPMorgan Chase Bank, NA	Large bank	72	94.4	0.9	22.3	13.4	65.5	21.8	76.4
loanDepot.com, LLC	Ind. mort. co.	83	51.9	3.4	27.3	17.1	63.1	18.2	99.1
Caliber Home Loans, Inc.	Ind. mort. co.	26	70.4	2.4	20.8	15.7	63.3	21.4	99.9
Bank of America, NA	Large bank	47	99.6	0.4	19.4	13.4	60.6	24.9	41.5
United Shore Financial Service	Ind. mort. co.	37	83.9	0.3	18.2	15.2	60.2	28.8	99.9
US Bank, NA	Large bank	37	96.0	2.8	24.7	15.9	70.7	14.5	46.3
Fairway Independent Mort Corp	Ind. mort. co.	9	81.1	0.9	23.4	15.0	77.2	14.9	99.9
Flagstar Bank, FSB	Large bank	29	72.0	0.9	18.4	14.2	63.7	23.8	94.2
Freedom Mortgage Corporation	Ind. mort. co.	53	16.9	0.6	14.4	19.1	58.2	26.0	98.8
Navy Federal Credit Union	Credit union	15	42.4	3.8	15.3	14.1	54.0	29.1	62.2
Guild Mortgage Company	Ind. mort. co.	10	75.0	0.3	23.7	19.1	63.3	19.3	100.0

Respondent	Institution type(1)	Number (thou-sands)	Conven-tional	Higher priced(2)	LMI bor-rower(3)	LMI neigh-borhood (4)	Non-Hispanic white(5)	Minority borrower (5)	Sold (6)
Nationstar Mortgage	Ind. mort. co.	55	76.7	2.2	17.2	19.9	60.2	24.1	99.9
USAA Federal Savings Bank	Large bank	11	39.9	0.2	11.0	12.8	63.1	17.8	99.8
PrimeLending	Affiliated mort. co.	7	87.5	2.0	20.3	13.3	72.2	16.1	99.6
Guaranteed Rate, Inc.	Ind. mort. co.	13	90.7	0.5	15.9	12.2	72.5	13.5	100.0
Movement Mortgage, LLC	Ind. mort. co.	4	77.7	1.7	26.5	15.5	73.5	19.3	99.9
PNC Bank, NA	Large bank	21	94.3	0.1	27.2	13.3	66.7	12.9	53.0
Finance of America Mortgage	Ind. mort. co.	13	81.3	0.3	19.0	17.5	61.5	23.1	99.9
HomeBridge Financial Services	Ind. mort. co.	14	42.7	1.0	11.6	17.2	54.5	30.1	100.0
Stearns Lending	Ind. mort. co.	12	68.2	0.5	20.4	18.1	58.2	28.9	100.0
Mortgage Research Center	Ind. mort. co.	5	2.6	0.0	15.2	15.2	64.5	19.3	100.0
Academy Mortgage Corporation	Ind. mort. co.	6	81.9	1.0	25.1	16.0	76.0	16.1	99.9
DITECH Financial LLC	Ind. mort. co.	28	92.4	0.9	41.9	20.6	64.9	20.4	100.0
Top 25 institutions	...	977	73.8	1.1	23.3	16.0	57.5	18.3	90.0
All institutions	...	2,170	75.1	2.1	22.9	15.5	63.3	17.8	80.9

Note: First-lien mortgages for one- to four-family, owner-occupied, site-built homes. Bank asset data drawn from Federal Deposit Insurance Corporation Reports of Conditions and Income (https://www.fdic.gov).

(1) See Table 10, notes 1 and 2.

(2) See Table 11B, note 2.

(3) See Table 2A, note 3.

(4) See Table 2A, note 4.

(5) See Table 2A, note 1. "Minority borrower" refers to nonwhite (excluding joint or missing) or Hispanic white applicants.

(6) See table 10, note 7.

7. Appendix: Requirements of Regulation C

Regulation C requires lenders to report the following information on home-purchase and home-improvement loans and on refinancings:[49]

For each application or loan

- application date and the date an action was taken on the application
- action taken on the application
  - approved and originated
  - approved but not accepted by the applicant
  - denied (with the reasons for denial—voluntary for some lenders)
  - withdrawn by the applicant

[49] Changes to Regulation C issued in 2015 will affect the information that covered institutions are required to collect and report beginning with the mortgage lending activity in 2018 that is reported to the Bureau in 2019. For a description of these changes, see Consumer Financial Protection Bureau (2015), "New Rule Summary: Home Mortgage Disclosure (Regulation C)," October 15, available at http://files.consumerfinance.gov/f/201510_cfpb_hmda-executive-summary.pdf.

- file closed for incompleteness
- preapproval program status (for home-purchase loans only)
  - preapproval request denied by financial institution
  - preapproval request approved but not accepted by individual
- loan amount (in thousands)
- loan type
  - conventional
  - insured by the Federal Housing Administration
  - guaranteed by the Department of Veterans Affairs
  - backed by the Farm Service Agency or Rural Housing Service
- lien status
  - first lien
  - junior lien
  - unsecured
- loan purpose
  - home purchase
  - refinance
  - home improvement
- type of purchaser (if the lender subsequently sold the loan during the year)
  - Fannie Mae
  - Ginnie Mae

  - Freddie Mac
  - Farmer Mac
  - private securitization
  - commercial bank, savings bank, or savings association
  - life insurance company, credit union, mortgage bank, or finance company
  - affiliate institution
  - other type of purchaser

For each applicant or co-applicant

- race
- ethnicity
- sex
- income relied on in credit decision (in thousands)

For each property

- location, by state, county, metropolitan statistical area, and census tract
- type of structure
  - one- to four-family dwelling
  - manufactured home
  - multifamily property (dwelling with five or more units)

- occupancy status (owner occupied, non-owner occupied, or not applicable)

For loans subject to price reporting

- spread above comparable Treasury security for applications taken prior to October 1, 2009
- spread above average prime offer rate for applications taken on or after October 1, 2009

For loans subject to the Home Ownership and Equity Protection Act

- indicator of whether loan is a high-cost mortgage under the Home Ownership and Equity Protection Act