

On the Record Statement to WBUR Attributable to ABA:

"ABA firmly believes that discrimination has no place in the mortgage market. It is not just morally wrong but a violation of federal and state law. Banks in Boston and across the country are in the business of making mortgage loans to creditworthy individuals, which is why they have every incentive to provide mortgages to those who qualify.

"We believe the HMDA data that underlies your story can help identify potential lending disparities within the mortgage market but given limitations with the data the numbers are not sufficient on their own to explain why those disparities exist. Any meaningful review of mortgage lending practices for possible discrimination, as regulators and the courts have made clear, must also consider individual factors such as a borrower's credit score and credit history, which lenders are required by law to take into account. An individual's credit history can help explain why seemingly comparable applicants may not always end up with the same lending outcome. Likewise, looking only at loan totals without considering total applications received, housing stock in a given neighborhood, rising home values and other factors can paint a misleading picture of any mortgage market.

"We share your concern that not everyone who wants a mortgage in this country may qualify under the current underwriting rules. The banking industry remains committed to working with all stakeholders to reduce the structural barriers standing in the way of those borrowers, so they can eventually get the opportunity to obtain a mortgage appropriate for them. Alongside civil rights organizations, consumer groups, and other industry trade associations, we successfully advocated last year for the CFPB to eliminate strict debt-to-income limits from mortgage rules, which we believe can help reduce lending disparity rates. We will continue to advocate for similar policy changes that can responsibly expand access to homeownership for more people in Boston and across the nation."