



## **MBA Statement for WBUR**

The Massachusetts Bankers Association and our member banks strongly believe that any discrimination in mortgage lending is wrong and illegal under state and federal law.

Homeownership is one of the best ways for individuals to build wealth, and the Massachusetts banking industry is working to ensure that all residents have access to affordable credit to realize their dream of owning a home. While we recognize that disparities in homeownership and a wealth gap exist in Boston and the surrounding communities, this is a complex issue that can only be addressed by industry, government and community leaders continuing to work together.

Greater Boston is an extremely expensive market, with median home prices in excess of \$720k for a single-family property and more than \$600k for a condominium. Prices increased significantly throughout the pandemic, pricing even more homebuyers out of the market. The high cost of home ownership and the lack of affordable housing throughout the region create additional challenges for those borrowers who may not have funds for a large down payment or are seeking a more modestly priced home.

Massachusetts banks are in the business of making mortgage loans to qualified borrowers, since mortgage lending is a significant part of the banking business in the Commonwealth. The banking industry has created mortgage products to serve a broad range of homebuyers and many of our members offer the Massachusetts Housing Partnership's (MHP) ONE Mortgage and ONE+ Mortgage in Boston, MassHousing loan programs, and individual bank products to meet the unique needs of their customers. In addition, banks support down payment assistance programs such as those available through the City of Boston and other communities, participate in homebuyer education initiatives, and finance affordable housing across the region. These important initiatives have helped increase homeownership for people of color and low- and moderate-income borrowers throughout the region.

It is also important to note that the Home Mortgage Disclosure Act (HMDA) data released to the public does not tell the whole story. Information such as a borrower's credit score, credit history, debt-to-income (DTI) and loan-to-value (LTV) ratios are not all included in the public HMDA data WBUR reviewed and these factors have been shown to be the most common reasons for denial.

Although this data is not available publicly, banking regulators do have access to it and are continuously monitoring lending activities at all institutions. Banking is a highly regulated business, and state and federal supervisory officials regularly review this information to ensure that illegal discriminatory practices are not occurring.

Massachusetts banks are working to ensure that all qualified homebuyers have access to fair and affordable mortgage products. Our members continue to innovate, creating programs and partnering with non-profit organizations and local governments to make the homeownership dream a reality.

*The Massachusetts Bankers Association represents more than 120 commercial, savings and cooperative banks and federal savings institution members with more than 72,000 employees located throughout the Commonwealth and New England.*