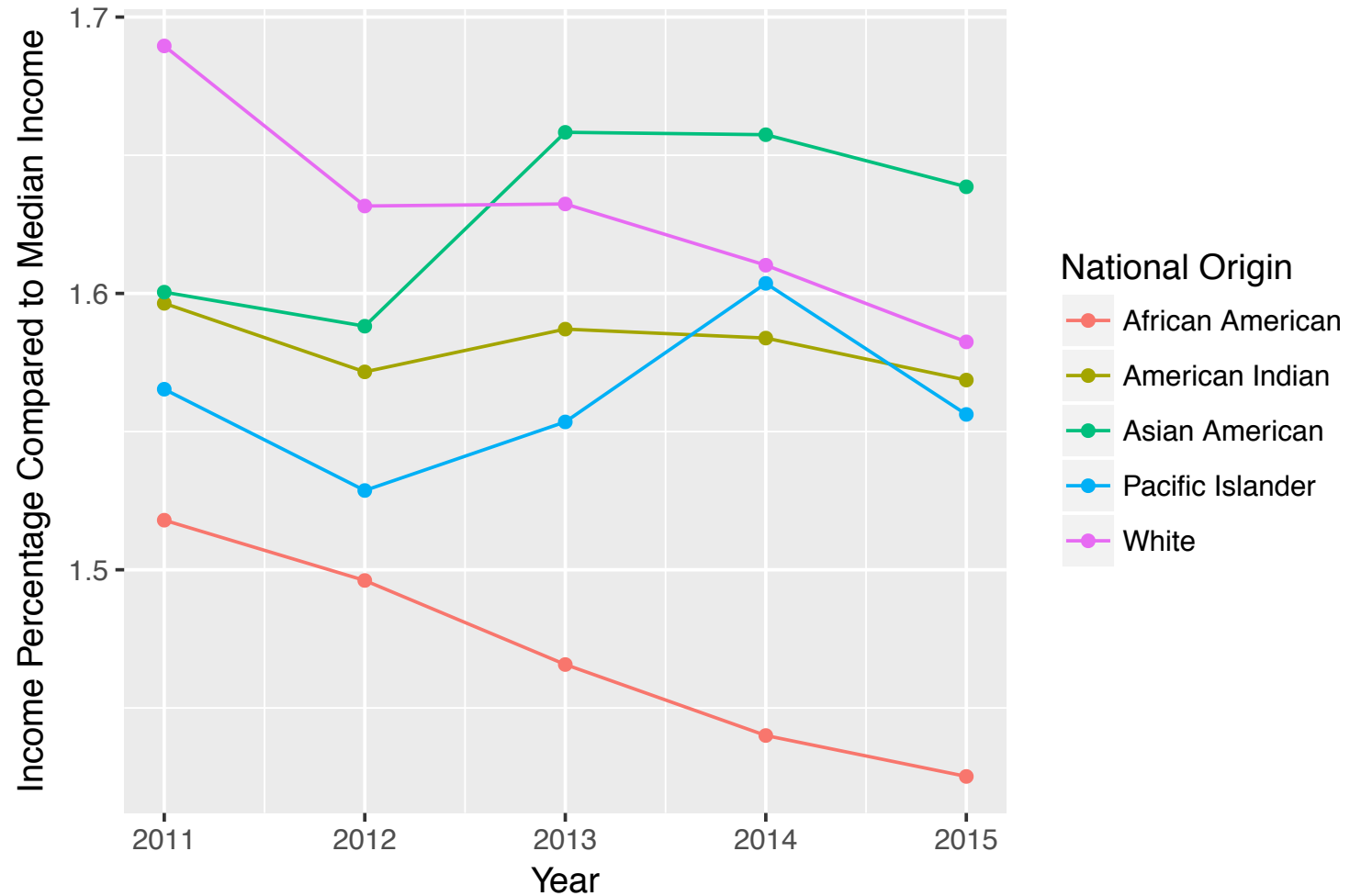


Background:

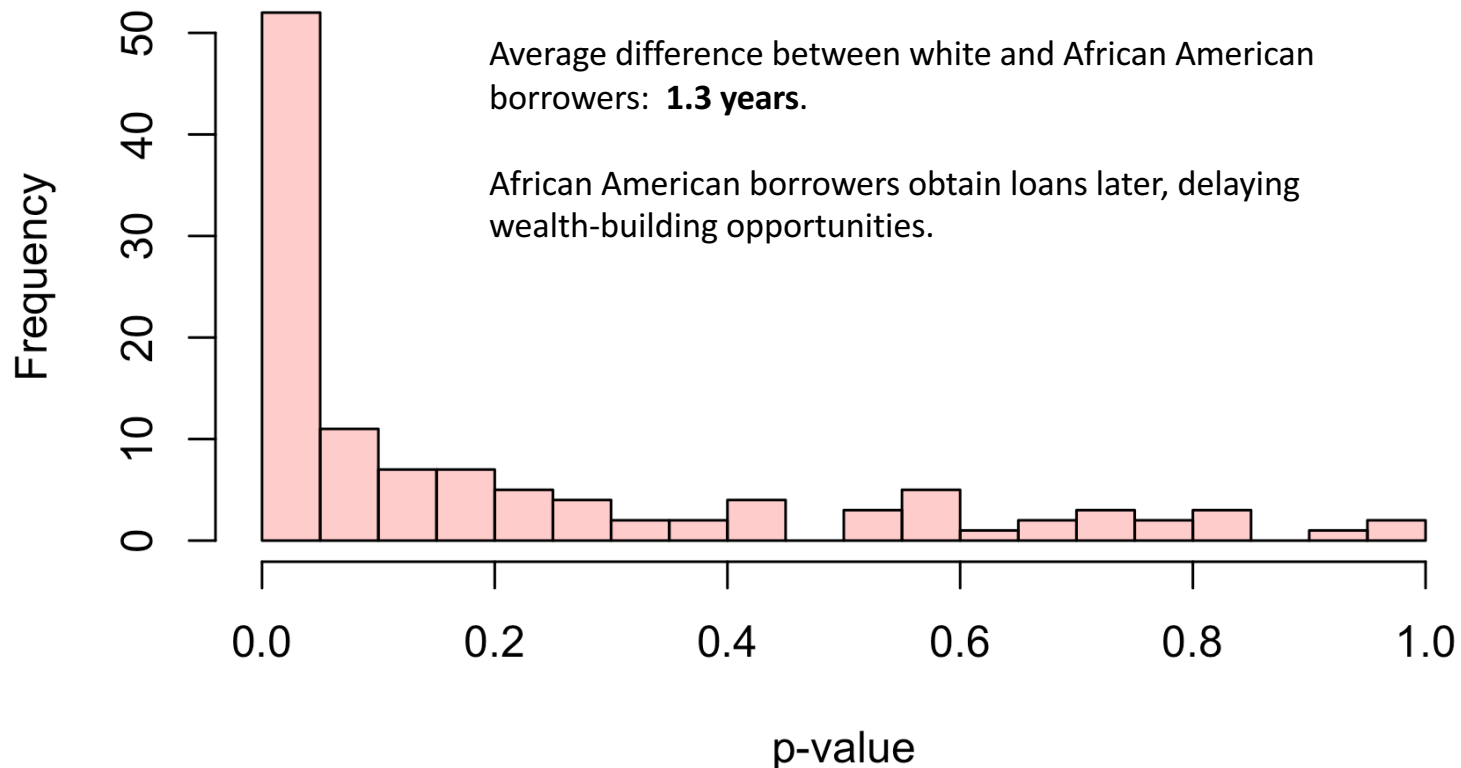
Home Purchase Patterns by Race

- Homes are Americans' largest source of wealth.
- Inequity in home purchasing directly influences lifetime wealth-building opportunities.
- Are there patterns in data that show systemic inequity in home loans?

Borrower income ratio by race

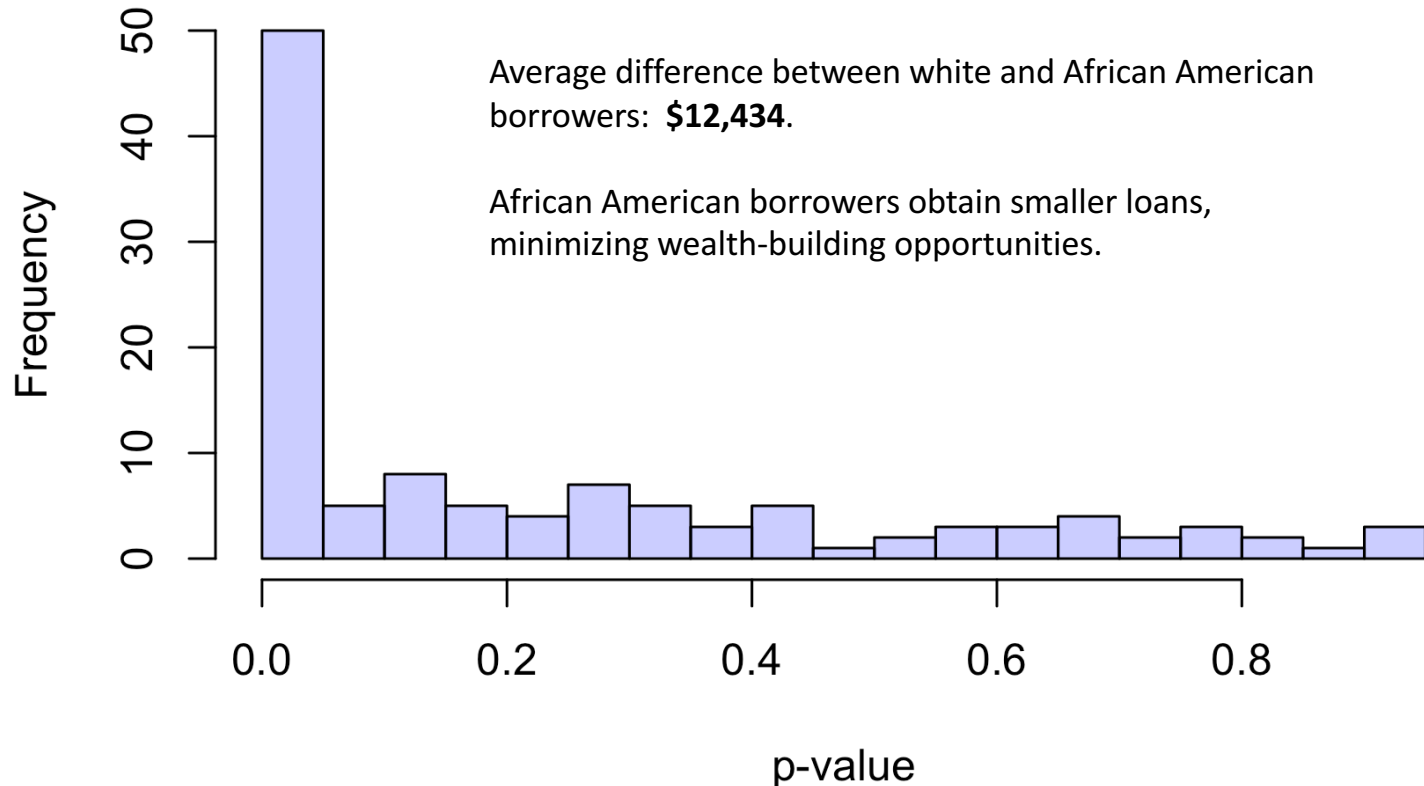


t-test p-values by age of borrower and race



116 Metropolitan statistical areas for white or African American borrowers

t-test p-values by mortgage balance and race



116 Metropolitan statistical areas for white or African American borrowers

Classification Analysis

- Classifying using 4.2 million observations.
- Linear Discriminant Analysis:

	African American	White
African American	71012	63951
White	1519124	2619832

- 63% accuracy using 6 variables:
 - Borrower gender, age, income, unpaid balance, income ratio and median family income.
- Neural network accuracy 44%.

Implications and Future Directions

- Patterns exist showing racial inequities, provide opportunities to equalize home loan access and wealth accumulation across race.
- Work to further understand local dynamics:
 - Currently aggregated at metropolitan area
 - Addition of housing price and tax base information
 - Identify opportunities to make opportunity more equitable for people