

Black, Latino mortgage rejection rates still high

By **Jay Fitzgerald** | GLOBE CORRESPONDENT DECEMBER 22, 2015

More than two decades after a landmark study showed a pattern of lending discrimination against minorities, black and Latino borrowers in Massachusetts continue to be rejected for home mortgages at much higher rates than whites, according to a new analysis of loan records.

In his annual study on home-lending trends, Jim Campen, economics professor emeritus at the University of Massachusetts Boston, finds a persistent pattern of racial disparity in mortgage approvals in both greater Boston and across the state, even when minority borrowers have roughly the same income as whites.

Some 21 percent of black home buyers in Boston were rejected for a mortgage in 2014, compared with just 6 percent of white loan applicants, according to Campen's report.

Beyond Boston, the numbers aren't much better, with about 17 percent of black mortgage applications getting rejected, versus 6 to 7 percent for whites.

Meanwhile, Latino borrowers were twice as likely to have their mortgage applications rejected compared with whites, according to the report.

Campen said many causes contribute to the racial lending disparities: racism, historically higher unemployment and lower incomes for minorities, thinner credit histories for minorities, and tougher lending standards following the 2008

Even when minorities make as much money as whites, the disparities remain.
Among applicants with incomes between \$71,000 and \$90,000, blacks and Latinos

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