



# News Release

National American Indian Housing Council

FOR IMMEDIATE RELEASE

**CONTACT:** Kim Hayes, 202-454-0931 or [khayes@naihc.net](mailto:khayes@naihc.net)  
Jane DeMarines, 202-454-0911 or [jdemarines@naihc.net](mailto:jdemarines@naihc.net)

## **Mortgage Data Shows Native Americans Rejected at Higher Rates than Whites — — More Than Half of Native Applicants Denied Loans**

**Washington, DC—9-15-2005**— Home mortgage data show that disparities remain between lending to Native Americans and whites. Native Americans, a community that already faces extreme substandard housing conditions, are denied loans at a significantly higher percentage rate than whites, according to a **National American Indian Housing Council (NAIHC)** analysis of the Home Mortgage Disclosure Act (HMDA) data. The 2004 HMDA data was released by the Federal Financial Institutions Examination Council (FFIEC) on Monday.

The data shows that 18% of conventional home mortgage loan applications for Native Americans were rejected while only 8.7% of white applicants were rejected. This disparity remains when the data is adjusted for borrower and lender characteristics— 11.8% vs. 8.7% for Native Americans and whites respectively. The Fed report, a statistical review of loans made by 8,800 lenders, also says that this disparity exists.

“This data shows that we still have challenges ahead of us to ensure that Native Americans have access to home mortgage loans,” said **NAIHC Chairman Chester Carl**. “Mortgage lenders offering fair loans need to reach out to Native American communities on and off the reservations.”

### **More than Half of Native Applicants Denied Loans**

**NAIHC's** analysis of data on applications for home-purchase, home improvement, refinancing loans, and manufactured home dwellings, shows that 53% of Native American applicants were denied and only 27% of Native American applicants loans were approved and processed. This compares to 42% denied among white applicants and 37% loans approved and processed.

“The fact that a significantly higher percentage of Native American applicants were denied than whites cannot be ignored,” said **NAIHC Executive Director Gary Gordon**. “We want to see Native Americans have the same borrowing and homeownership opportunities as whites.”

### **Government Insured Loans Show Same Disparities**

Analysis shows somewhat similar disparity for FHA, Farm Service Agency and Rural Housing Service, and VA home-purchase loans, on 1-4 family homes and manufactured homes. For example, 17% of loan applications from Native Americans were denied and 65% were approved and processed. This compares to 75% of white applications approved and processed and 11% denied.

FFIEC, a government umbrella group for agencies that oversee lenders, said the data will give the government a "useful screening tool" to identify institutions to examine more closely.

####

*NAIHC assists tribes and tribal housing entities in reaching their self-determined goals of providing culturally relevant, decent, safe, sanitary, and quality affordable housing for Native people in Indian communities and Alaska Native villages.*  
*NAIHC...A Tradition of Native American Housing* [www.naihc.net](http://www.naihc.net)