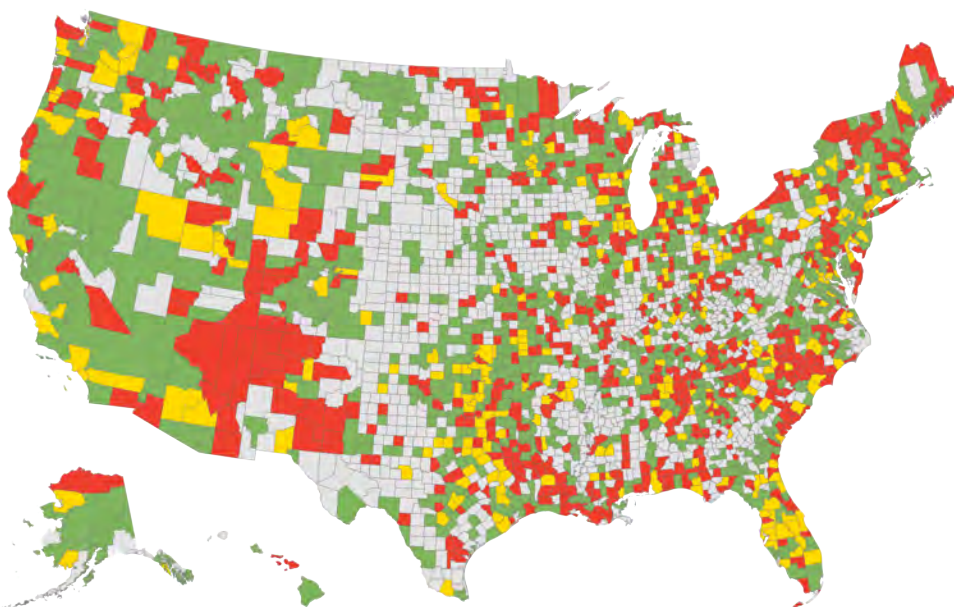


Mortgage Fairness Monitor



fairplay

Mortgage Fairness for Native American Homebuyers in 2021

FairPlay has compiled data from the 2021 Home Mortgage Disclosure Act Database to create a map of mortgage fairness for Native Americans, using a standard test for discrimination, the Adverse Impact Ratio, commonly used by regulators and the courts.

TAKEAWAYS:

- + Nationally, Native American homebuyers were approved for mortgages at 81.9% the rate of White homebuyers — down nearly 15 percentage points from 1990s levels.
- + Native American homebuyers experience the lowest approval rates for mortgages in the Southwest, particularly in Arizona and New Mexico.
- + Native American homebuyers experienced the highest approval rates for mortgages in the Northwest.

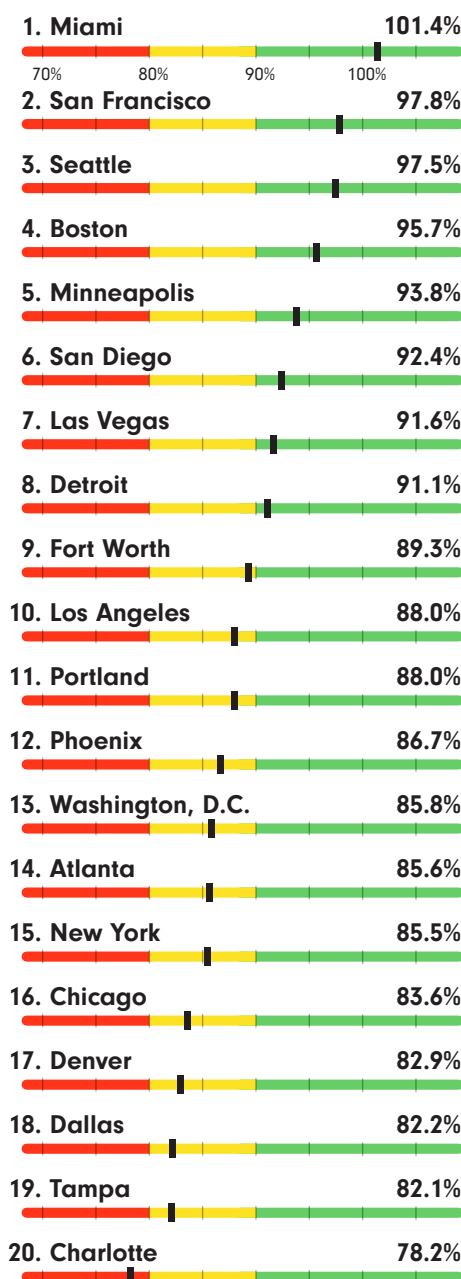
If Native American homebuyers had an approval rate less than 80% relative to White homebuyers, the county is **RED**

If Native American homebuyers had an approval rate between 80% and 90% relative to White homebuyers, the county is **YELLOW**

If Native American homebuyers had an approval rate of at least 90% relative to White homebuyers, the county is **GREEN**

20 CITIES RANKED BY FAIRNESS TO NATIVE AMERICAN HOMEBUYERS

This is a ranking of the state of mortgage fairness in 20 major U.S. metropolitan areas, based on Adverse Impact Ratio.



*Values over 100 indicate that Native American homebuyers were approved at higher rates than the control group.

Top 10 Fairest Lenders for Native Americans in 2021

FairPlay evaluated the 50 largest mortgage lenders as determined by the number of applications for home purchases. Here are the ten fairest lenders to Native American homebuyers, as measured by Adverse Impact Ratio:

LENDER	FAIRNESS SCORE*
1. Primary Residential Mortgage	104.0%
2. Huntington National Bank	102.9%
3. Paramount Residential Mortgage	102.8%
4. Prosperity Home Mortgage	100.8%
5. Home Point Financial	99.9%
6. Union Home Mortgage	98.6%
7. Lakeview Loan Servicing	98.4%
8. Caliber Home Loans	97.7%
9. Loandepot.com	97.6%
10. Cornerstone Home Lending	97.6%

*Values over 100 indicate that Native American homebuyers were approved at higher rates than the control group.

Mortgage Fairness Methodology

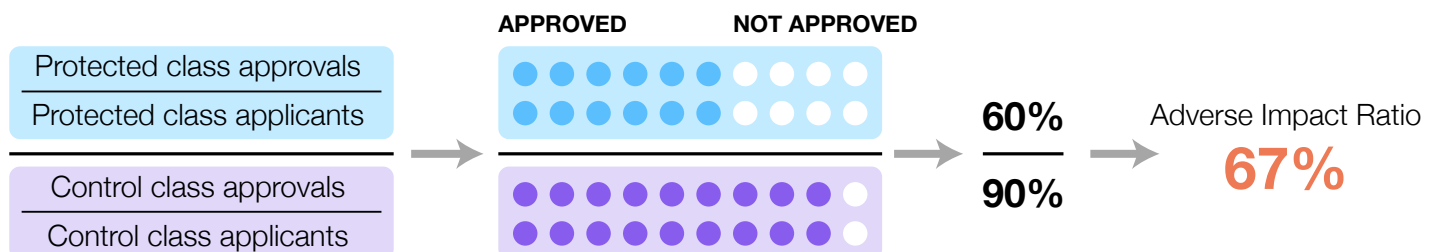
FairPlay analyzed publicly-available data for 2021 from the Home Mortgage Disclosure Act database. We limited our review to applicants seeking to buy a new home, rather than applicants seeking to refinance or obtain a line of credit. Then, we computed the Adverse Impact Ratio (AIR) for every county in the United States. We also computed AIR values for 20 major metropolitan areas.

AIR is a measure of demographic parity; it does not control for risk.

In addition, FairPlay evaluated the fairness of the 50 largest mortgage lenders, ranked by number of new home mortgage applications, which made up nearly 50% of all mortgage loan applications in 2021.

Calculating the Adverse Impact Ratio

Adverse Impact Ratio is a measure of demographic parity. Regulators and courts use this ratio as a first step to gauging whether members of a protected class get a positive outcome — being approved for a loan — as often as a control group. Here is how it is calculated:



Interested in Learning More?

FairPlay is the world's first Fairness-as-a-Service solution. To discover how you can use FairPlay's tools to safely approve more borrowers from historically disadvantaged communities and automate your fair lending compliance, contact info@fairplay.ai or visit our website at www.fairplay.ai.