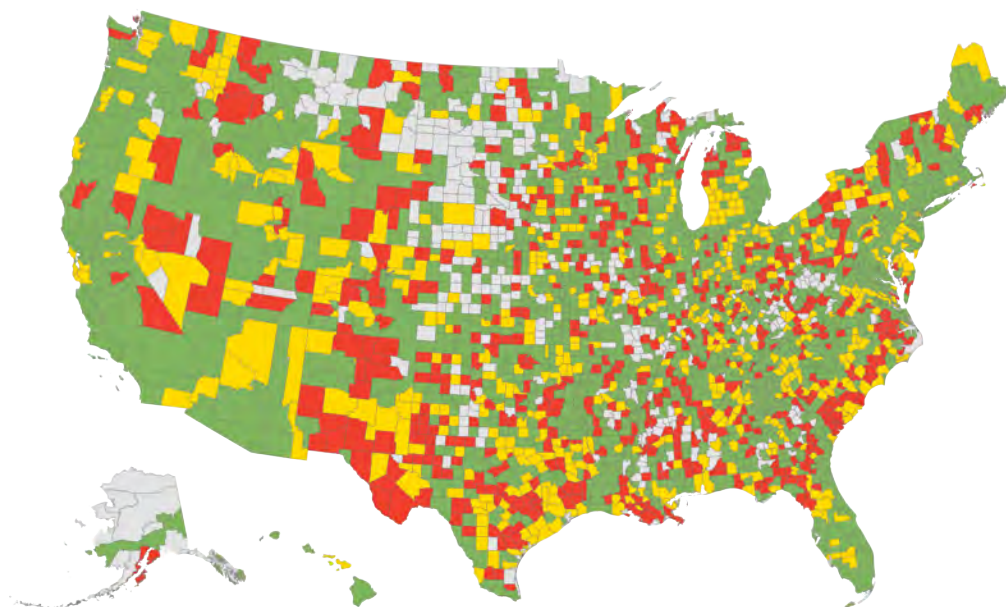


Mortgage Fairness Monitor



fairplay

Mortgage Fairness for Hispanic Homebuyers in 2021

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

TAKEAWAYS:

- + Nationally, Hispanic homebuyers are approved for mortgages at 88.7% the rate of White homebuyers.
- + Hispanic homebuyers experienced the lowest mortgage approval rates in rural areas.
- + Hispanic homebuyers experience the highest mortgage approval rates on the West Coast and in Florida.
- + Mortgage fairness for Hispanic homebuyers is up 10 percentage points from 77.7% at the low point during the 2008 Financial Crisis.

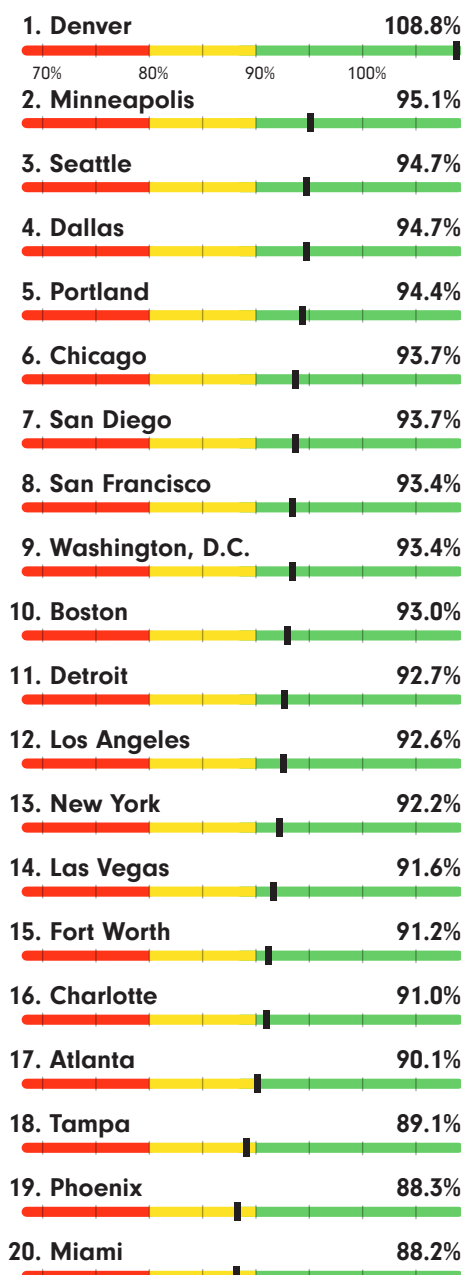
If Hispanic homebuyers had an approval rate less than 80% relative to White homebuyers, the county is **RED**

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

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

20 CITIES RANKED BY FAIRNESS TO HISPANIC 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 Hispanic homebuyers were approved at higher rates than the control group.

Top 10 Fairest Lenders for Hispanic Homebuyers 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 Hispanic homebuyers, as measured by Adverse Impact Ratio:

LENDER	FAIRNESS SCORE*
1. Lakeview Loan Servicing	101.1%
2. Gateway First Bank	99.3%
3. Huntington National Bank	98.6%
4. Cardinal Financial	97.1%
5. Homebridge Financial Services	96.6%
6. Academy Mortgage	96.3%
7. Loandepot.com	96.3%
8. Guild Mortgage	96.2%
9. Movement Mortgage	96.0%
10. CMG Mortgage	95.9%

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

Mortgage Fairness Methodology

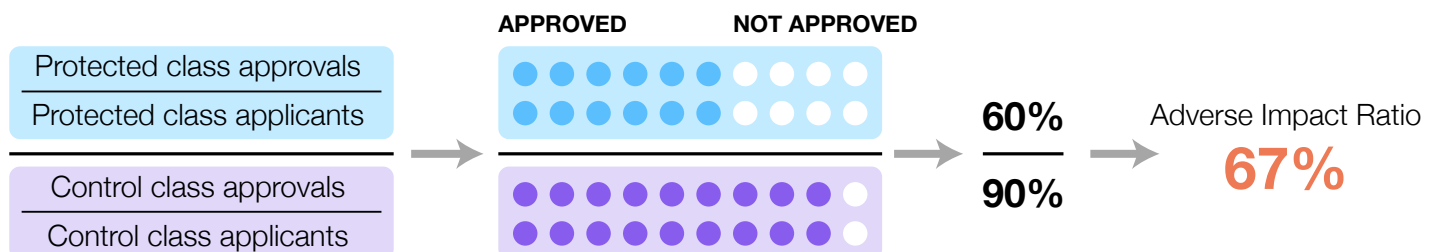
FairPlay analyzed publicly-available data for 2021 from the Home Mortgage Disclosure Act database. We limited our review to applicants seeking to buy a new home, rather than applicants seeking to refinance or obtain a line of credit. Then, we computed the Adverse Impact Ratio (AIR) for every county in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