

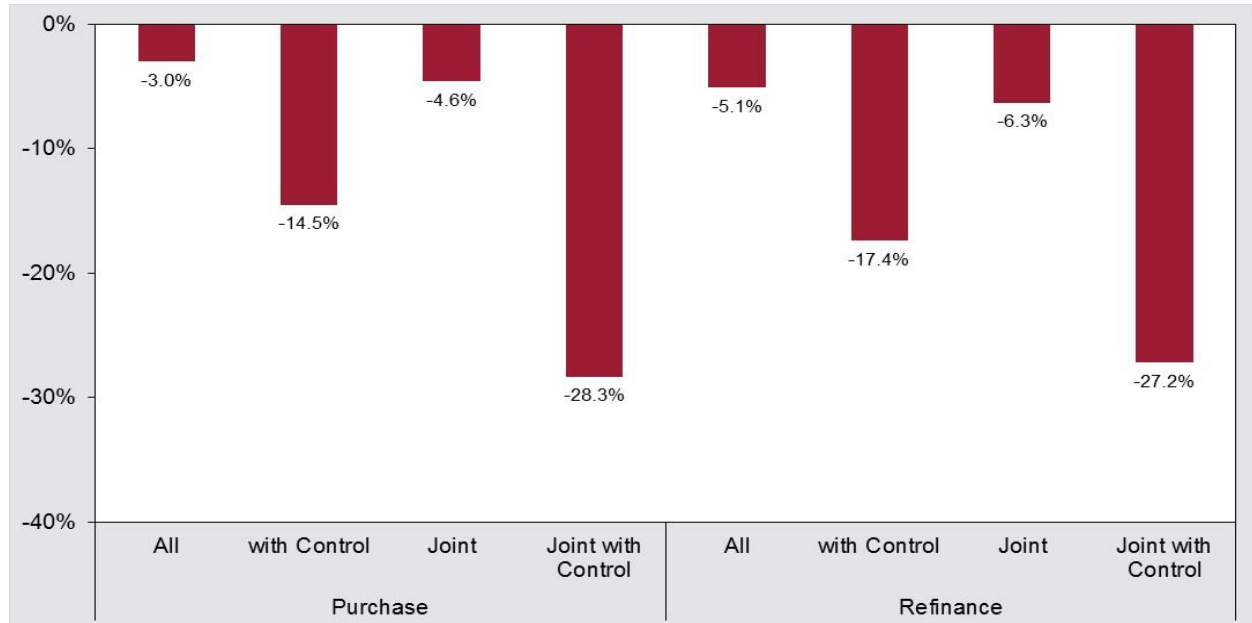
Introduction

This study examines women’s access to mortgages in the Chicago six county region to determine whether female mortgage applicants may be disadvantaged in securing financing to either purchase a home or refinance one already owned. This research examines additional factors, beyond the race or ethnicity of the applicant, which may be contributing to the disparities in origination rates. Using HMDA data for the period 2011 to 2013, the research explores three factors that may be correlated with disparities in origination rates for female applicants: 1) the income level of the borrower; 2) the type of loan applied for; and 3) the geographic location of the property within the Chicago region. In addition, we analyzed data from all lenders that reported receiving at least one percent of all applications for the study period to see if there were differences in origination rates among the institutions.

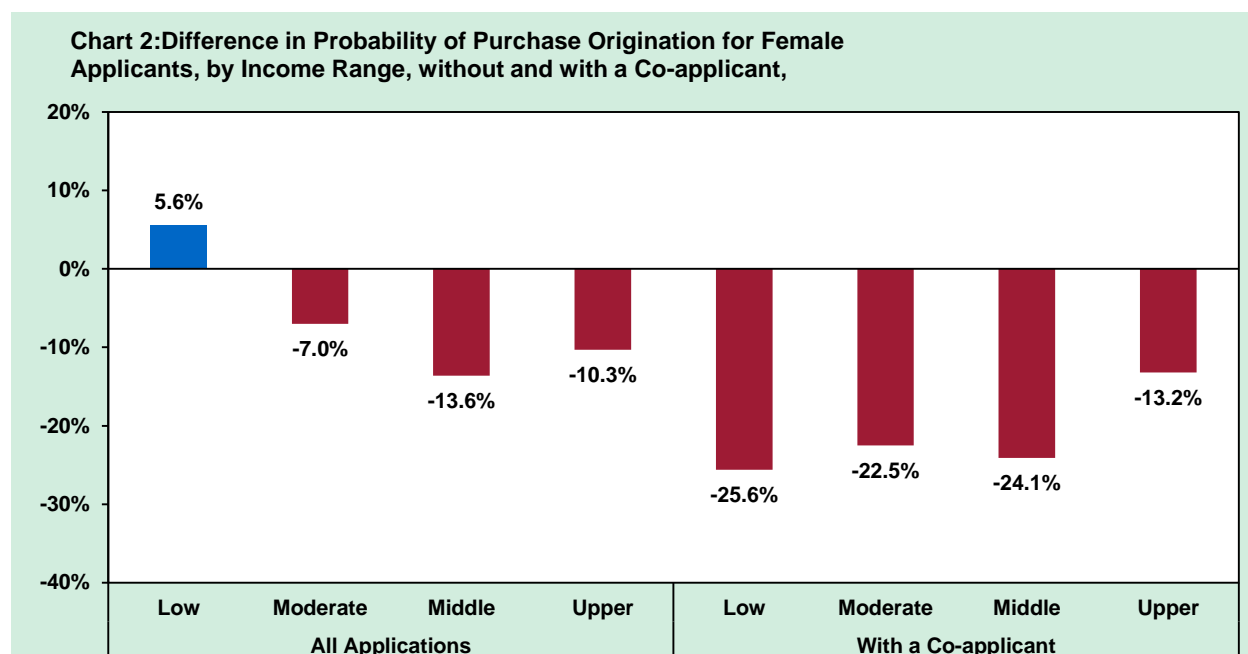
Findings

Mortgage applications from most women and women with co-applicants are less likely to be originated than mortgage applications from men and men with co-applicants, even controlling for loan-to-income ratio.

Chart 1: Difference in Probability of Mortgage Origination for Female Applicants, 2011-13, without and with Control for Loan-to-Income Ratio



Mortgage applications from low-income women were the only ones more likely to be originated than mortgage applications from men of similar income. For information on refinance loans, please see the full report at www.woodstockinst.org.



The disparities between the origination rates of men and women persist across both conventional and government-backed mortgages. Analyzing the data by the type of loan applied for, conventional or government-backed (FHA or VA), revealed disparities similar to those in the overall analysis of originations.

Bank of America, PNC, US Bank, and Wells Fargo had above-average gender disparities across all categories for purchase loans, while Fifth Third Bank, Provident Funding Group, and US Bank had above-average gender disparities across all categories for refinance loans.

Disparities between male and female origination rates were highest in Will County for both purchase and refinance mortgages, while disparities between male-headed and female-headed joint application origination rates were highest in Will County for purchase mortgages and in DuPage County for refinance mortgages. The disparity in loan origination rates for female applicants was lowest in Cook County, which may reflect the fact that Cook County is home to a higher percentage of lower-income households than the collar counties.

There were significant disparities in the reasons for denial between female applicants and male applicants. Female applicants for either a purchase or refinance mortgage were more likely to be denied because of their credit histories or debt-to-income ratio than male applicants. Male applicants were more likely to be denied because of the collateral or because the credit application was incomplete.

Policy Recommendations

- Mortgage lenders should examine their mortgage lending processes to detect and correct potentially discriminatory practices.
- Regulators should further investigate possible gender discrimination in mortgage lending practices, particularly for lenders with above-average disparities.
- The Consumer Financial Protection Bureau must expeditiously finalize enhancements to the Home Mortgage Disclosure Act.
- Policies to reduce the gender wage gap should be expanded and enforced.

For more information, please contact Spencer Cowan at scowan@woodstockinst.org or 312-368-0310.

Her Longer Road Home: Disparities in Mortgage Lending to Women in the Chicago Region

Community Area	Purchase Applications	Purchase Joint Applications	Percent Female Applications	Female Origination Rate	Male Origination Rate	Pct. Female-headed Applications	Female-headed Origination Rate	Male-headed Origination Rate
Albany Park	895	344	36.31%	68.92%	67.02%	30.46%	67.68%	72.65%
Archer Heights	316	95	34.49%	65.14%	65.70%	23.85%	69.23%	63.77%
Armour Square	181	105	34.81%	71.43%	66.10%	50.79%	75.00%	75.34%
Ashburn	1208	198	45.45%	67.40%	67.07%	10.56%	70.69%	71.43%
Auburn Gresham	601	51	55.91%	52.38%	54.72%	7.44%	80.00%	65.38%
Austin	1135	193	52.60%	51.76%	55.20%	11.89%	52.11%	63.93%
Avalon Park	167	19	52.69%	57.95%	54.43%	5.68%	80.00%	50.00%
Avondale	965	309	30.57%	63.73%	62.24%	26.10%	66.23%	70.26%
Belmont Cragin	1639	452	35.14%	61.28%	61.43%	23.44%	63.70%	62.46%
Beverly	587	228	37.65%	71.49%	78.14%	19.00%	78.57%	82.80%
Bridgeport	672	350	34.52%	66.81%	66.14%	44.40%	67.96%	72.47%
Brighton Park	469	159	34.33%	61.49%	60.39%	34.78%	69.64%	58.25%
Burnside	27	4	48.15%	46.15%	57.14%	15.38%	50.00%	100.00%
Calumet Heights	221	29	62.44%	63.04%	55.42%	7.97%	63.64%	50.00%
Chatham	457	38	57.77%	52.27%	58.03%	4.92%	69.23%	56.00%
Chicago Lawn	643	101	39.81%	63.28%	58.91%	12.89%	81.82%	57.35%
Clearing	785	208	36.18%	67.96%	71.26%	16.20%	65.22%	69.14%
Douglas	205	42	56.59%	41.38%	48.31%	18.10%	52.38%	61.90%
Dunning	1491	471	34.94%	69.10%	69.07%	21.50%	69.64%	72.70%
East Garfield	246	34	48.78%	46.67%	52.38%	8.33%	50.00%	50.00%
East Side	244	45	38.11%	68.82%	65.56%	7.53%	42.86%	63.16%
Edgewater	1597	580	32.69%	70.88%	70.14%	29.12%	71.71%	76.17%
Edison Park	397	184	27.46%	75.23%	84.72%	25.69%	78.57%	84.62%
Englewood	361	18	31.30%	38.94%	29.84%	1.77%	50.00%	31.25%
Forest Glen	714	393	26.47%	71.96%	77.33%	35.98%	70.59%	82.46%
Fuller Park	21	1	28.57%	66.67%	20.00%	0.00%	0.00%	100.00%
Gage Park	384	77	32.03%	60.98%	57.09%	13.82%	70.59%	58.33%
Garfield Ridge	987	304	33.43%	73.94%	73.06%	21.82%	86.11%	75.86%
Grand Boulevard	562	71	53.38%	45.67%	38.93%	7.33%	59.09%	53.06%
Greater Grand Crossing	372	34	40.59%	52.98%	48.42%	5.96%	77.78%	56.00%
Hegewisch	155	39	39.35%	62.30%	65.96%	18.03%	54.55%	64.29%
Hermosa	373	92	28.42%	53.77%	55.81%	19.81%	52.38%	69.01%
Humboldt Park	659	158	40.06%	56.82%	52.66%	20.45%	57.41%	56.73%
Hyde Park	436	226	43.35%	63.49%	67.21%	36.51%	73.91%	66.88%
Irving Park	1459	601	32.21%	69.79%	68.15%	28.51%	74.63%	71.09%
Jefferson Park	841	347	34.01%	70.28%	70.45%	27.62%	67.09%	75.75%
Kenwood	370	114	53.51%	57.58%	59.88%	13.13%	76.92%	65.91%
Lakeview	5055	2124	28.49%	77.64%	78.31%	29.17%	76.43%	79.64%
Lincoln Park	3120	1394	27.82%	79.61%	77.26%	28.11%	78.69%	77.74%
Lincoln Square	1276	591	39.11%	74.15%	77.99%	29.46%	70.75%	81.31%
Logan Square	2350	937	30.68%	73.93%	75.20%	27.88%	71.64%	78.13%
Loop	1915	764	27.83%	72.23%	70.41%	25.33%	78.52%	71.70%
Lower West Side	314	85	34.08%	53.27%	52.17%	19.63%	52.38%	56.25%

Her Longer Road Home: Disparities in Mortgage Lending to Women in the Chicago Region

Community Area	Purchase Applications	Purchase Joint Applications	Percent Female Applications	Female Origination Rate	Male Origination Rate	Pct. Female-headed Applications	Female-headed Origination Rate	Male-headed Origination Rate
McKinley Park	279	134	38.71%	64.81%	67.25%	36.11%	76.92%	77.89%
Montclare	357	95	41.74%	68.46%	65.38%	21.48%	75.00%	74.60%
Morgan Park	350	88	44.57%	62.18%	69.07%	10.90%	82.35%	80.28%
Mount Greenwood	528	201	25.00%	77.27%	80.56%	26.52%	82.86%	83.73%
Near North Side	5038	1720	30.49%	76.76%	73.30%	18.49%	75.70%	74.37%
Near South Side	2019	755	34.47%	72.84%	70.14%	22.70%	74.68%	71.52%
Near West Side	2908	963	32.32%	74.15%	73.78%	22.23%	75.60%	74.67%
New City	426	78	30.28%	44.19%	44.44%	12.40%	43.75%	64.52%
North Center	1724	909	26.91%	80.82%	79.44%	31.25%	76.55%	81.41%
North Lawndale	242	29	42.15%	42.16%	45.71%	3.92%	50.00%	44.00%
North Park	367	162	30.52%	59.82%	70.59%	26.79%	73.33%	74.24%
Norwood Park	1282	567	29.80%	76.70%	74.44%	31.68%	83.47%	76.01%
Oakland	181	23	54.70%	55.56%	52.44%	6.06%	66.67%	70.59%
O'Hare	263	62	35.36%	67.74%	68.24%	12.90%	50.00%	72.00%
Portage Park	1632	642	34.13%	68.40%	67.81%	30.34%	70.41%	69.34%
Pullman	93	10	61.29%	57.89%	61.11%	7.02%	75.00%	66.67%
Riverdale	3	0	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%
Rogers Park	921	261	38.22%	66.48%	68.01%	21.31%	73.33%	73.12%
Roseland	377	30	57.82%	55.05%	48.43%	4.13%	44.44%	57.14%
South Chicago	228	32	49.12%	52.68%	49.14%	10.71%	16.67%	50.00%
South Deering	75	7	49.33%	51.35%	57.89%	5.41%	0.00%	20.00%
South Lawndale	310	61	20.65%	48.44%	45.53%	12.50%	62.50%	37.74%
South Shore	460	57	54.78%	49.60%	49.04%	8.73%	54.55%	54.29%
Uptown	1760	578	31.70%	79.57%	74.04%	25.99%	85.52%	76.91%
Washington Park	100	12	49.00%	30.61%	33.33%	12.24%	33.33%	33.33%
Washington Heights	454	49	61.67%	58.57%	56.32%	4.64%	46.15%	61.11%
West Elsdon	438	134	33.79%	62.84%	64.48%	27.03%	67.50%	62.77%
West Englewood	345	11	30.72%	33.02%	32.22%	0.94%	0.00%	30.00%
West Garfield	149	11	47.65%	29.58%	35.90%	7.04%	40.00%	50.00%
West Lawn	955	207	33.93%	63.27%	64.18%	20.06%	67.69%	66.90%
West Pullman	258	17	63.95%	52.73%	43.01%	3.64%	50.00%	27.27%
West Ridge	1334	476	33.13%	62.44%	67.15%	24.43%	62.96%	78.80%
West Town	4151	1593	30.02%	77.21%	75.80%	27.21%	77.58%	78.71%
Woodlawn	359	42	47.35%	45.88%	42.33%	8.82%	60.00%	66.67%
Chicago	67238	22625	34.58%	67.68%	69.40%	21.80%	72.49%	74.49%
North Cook	14682	7422	29.43%	72.55%	73.63%	31.10%	74.85%	77.57%
Northwest Cook	21905	9182	30.25%	72.56%	72.92%	26.32%	72.19%	76.47%
South Cook	8099	1469	48.96%	55.74%	57.81%	10.57%	56.32%	61.81%
Southwest Cook	13115	4468	33.21%	70.16%	70.68%	21.24%	69.08%	75.25%
West Cook	16674	6192	33.78%	66.79%	68.43%	24.20%	69.85%	74.92%