

What is HMDA?

In response to Congress' 1975 Home Mortgage Disclosure Act, certain financial institutions must maintain and annually disclose data about home purchases, home purchase pre-approvals, home improvement, and refinance applications involving 1 to 4 unit and multifamily dwellings.

Where can I find more about HMDA data?

Check out the FFIEC's website at <http://www.ffiec.gov/hmda/default.htm>. Or check out the Wikipedia pages at http://en.wikipedia.org/wiki/Home_Mortgage_Disclosure_Act.

What kind of data is included on each HMDA reported loan application record?

- The loan amount
- The purpose of the loan (home purchase, home improvement, refinancing)
- The type of property involved (single-family, multifamily)
- The loan type (conventional loan, FHA loan, VA loan or a loan guaranteed by the Farmers Home Administration)
- The location (state, county, MSA and census tract) of the property
- The race of the borrower(s)
- The ethnicity (Hispanic or non-Hispanic) of the borrower(s)
- The gender of the borrower(s)
- Whether or not the loan was granted
- If the loan was denied, the reason why it was denied
- If the loan was denied, whether the interest rate charged was over a certain threshold
- If the loan was subsequently sold in the secondary market, the type of entity that purchased it

What does the data extracted by Tableau represent?

We extracted a 5% random sample of mortgage applications reported by institutions who report to the FDIC. This represents about 70,000 of the 14 million+ records reported by institutions covered by the FDIC.

Why are there separate variables for race (e.g., Black, White, Asian) and for ethnicity (e.g., Hispanic, non-Hispanic)?

The U.S. Census recognizes that race classifications are separate and distinct from ethnicities. So they are reported as two variables.

What does the variable "Tract to MSA/MD Income %" mean?

That variable compares 2 variables to create a ratio. The numerator is the median household income of all the households in the Census tract that the property resides in (Census tracts can be considered standardized units of geography defined by the U.S. Census to measure population; they vary in size but often hold somewhere around 2,500 people). The denominator is the median household income of all the households in the Metropolitan Statistical Area (MSA) or Metropolitan District (MD) that contains the Census tract. (MSAs and MDs are also Census designated geographies that can be thought of as major centers of population; they range greatly in size but are often anywhere from 50,000 to several million in population.) A ratio of greater than 100% indicates that the Census tract has a higher median income than the encompassing MSA. Often, people analyzing this type of data consider ratios of less than 80% to indicate a lower income neighborhood while ratios above 120% are considered to be higher income neighborhoods.