

News Release

National American Indian Housing Council



**FOR IMMEDIATE RELEASE:
SEPTEMBER 25, 2006**

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Mortgages to Native Americans Increase While Denials Decrease, According to Home Mortgage Data *Yet, disfavor of Native American borrowers continues, notes NAIHC*

Washington, DC (9-25-06) — According to the annual **Home Mortgage Disclosure Act (HMDA)** data just released by the Federal Financial Institutions Examination Council (FFIEC) for 2005, Native Americans increased their number of mortgage originations—reflecting progress in their mortgage literacy, asserts the **National American Indian Housing Council (NAIHC)**, a Washington, DC-based non-profit that trains and advocates for tribal housing authorities.

From 2004 to 2005, the number of conventional home purchase loan originations expanded among Native Americans (+5.4%), but much more so among Caucasians (“whites” in the HMDA tables; +19.2%), and total (+18.6%). However, for the latter two categories, the expansion represented significant decreases in terms of proportion of applications (whites -4.4%; total -3.5%), while Native Americans showed a slight gain in that regard (+0.5%). (See table below.)

The number of denials of Native Americans actually decreased slightly (-0.13%) despite 4.7% more applications. In terms of proportion of applications, their denial rate of 21.3% in 2005 represented a -4.5% change from 2004. Meanwhile, the white denial increase (+35.9%) far outpaced their increase in applications (+24.1%). Although denied in 2005 at a rate (14.3%) that was barely two-thirds that of Native Americans (21.3%) for the year, that rate represented a +9.2% change from 2004. (See table below.)

“Clearly, the more favorable loan outcomes for Native Americans show that they are catching up with the population at large in terms of their homeownership knowledge,” says **Marty Shuravloff, NAIHC Chairman**. “So their continued disfavor as borrowers—as demonstrated by their lesser rise in originations relative to the general population—is a point of concern.”

Improvements Can Be Attributed to NAIHC Programs and Services

Because HMDA data on Native Americans currently do not distinguish between those living on and off tribal lands, exact figures on Indian Country are not available, **Shuravloff** admits.

“However, knowing what we do know about living conditions and housing programs in tribal communities, we can reasonably assume that Indian Country accounts disproportionately for the Native American disadvantages—and their gains,” he says. “And I dare say that the gains can be attributed to homebuyer counseling and mortgage financing training such as that provided by NAIHC, because we’ve been promoting homeownership in a big way.”

—More—

To boost homeownership among Native Americans, who still have the lowest homeownership rate of any ethnic group, NAIHC today launched a new website, www.NativeAmericanHomebuyer.com, and recently conducted a series of specific training seminars for its members focusing on “Planning for Homeownership Projects.” A seminar on “Individual Development Accounts (IDAs) for Tribal Homeownership Programs” is coming in October.

The above-referenced data appear in the tables below. For the full HMDA tables, please visit <http://www.ffiec.gov/hmdaadwebreport/nataggwelcome.aspx>.

Conventional Home Purchase Loans Selected HMDA Data

Applications Received	2004	2005	Change
Native Americans	83,943	87,872	+3,929 (+4.7%)
Whites	6,171,915	7,656,739	+1,484,824 (+24.1%)
Total (all races)	8,986,354	11,058,388	+2,072,034 (+23.1%)

Loans Originated	2004	2005	Change
Native Americans	45,375	47,839	+2,464 (+5.4%)
<i>percent of applications</i>	<i>54.1%</i>	<i>54.4%</i>	<i>+0.3 pts (+0.5%)</i>
Whites	4,294,703	5,117,165	+822,462 (+19.2%)
<i>percent of applications</i>	<i>69.9%</i>	<i>66.8%</i>	<i>-3.1 pts (-4.4%)</i>
Total (all races)	5,852,437	6,941,886	+1,089,449 (+18.6%)
<i>percent of applications</i>	<i>65.1%</i>	<i>62.8%</i>	<i>-2.3 pts (-3.5%)</i>

Applications Denied	2004	2005	Change
Native Americans	18,699	18,674	-25 (-0.13%)
<i>percent of applications</i>	<i>22.3%</i>	<i>21.3%</i>	<i>-1.0 pt (-4.5%)</i>
Whites	806,956	1,095,428	+288,472 (+35.9%)
<i>percent of applications</i>	<i>13.1%</i>	<i>14.3%</i>	<i>+1.2 pts (+9.2%)</i>
Total (all races)	1,338,567	1,768,155	+429,588 (+32.1%)
<i>percent of applications</i>	<i>14.9%</i>	<i>16.0%</i>	<i>+1.1 pts (+7.4%)</i>

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The National American Indian Housing Council 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.

“A Tradition of Native American Housing”

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