Januskopf (römischer Ab).
Worst-case housing needs in 2001: 5.07 million very low-income renters.

Critical housing needs: 14.46 million low- and moderate income renters and owners (an increase of 9 percent between 1999 and 2001).

Figure 1. Conceptual Framework of Lending to Underserved Markets

Lending industry structure
(Lender specialization and interdependencies among lenders, other real estate professionals, and nonprofit enterprises)

Institutional management

Outreach and partnership
Product development
Advertising and promotion
Counseling and education
Underwriting procedures
Testing
Multiple review procedures
Loss-mitigation procedures
Postpurchase intervention

ATTRACTING APPLICANTS
QUALIFYING APPLICANTS
RETAINING APPLICANTS

Mortgage market processes: Illustrative strategies

Housing market processes

Capital market processes
Mission Statement

The Navajo Partnership for Housing, Inc. was created in 1996 as 501(c)(3) nonprofit corporation to provide creative opportunities for private home ownership on the Navajo Nation. NPH exists to “help Navajo families build or buy a home.”

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The Thomas Family — happy House America customers

“I went to a median price home I could qualify to buy a home,” says Dave Thomas, a single mother in Los Angeles.

Dave, a dental office manager, had been looking for a new apartment when a friend in the salon business suggested she try to obtain a home loan. Her friend advised her to Countrywide because of our attractive interest rates, but Elane was disappointed with her credit. We didn’t think her income was high enough to qualify, and she didn’t know much about the loan programs.

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The Potential and Limitations of Mortgage Innovation in Fostering Homeownership in the United States

David Listokin • Elvin K. Wyly • Brian Schmitt • Ioan Voicu
Core Database
Waves 1 and 7, 1993 Survey of Income and Program Participation (SIPP). 4,565 renter families

Buyers:
456 families renting in Wave 1 reported owning in Wave 7.

House Price Model:
Purchase Price = Income Liquid assets Age Household size Marital status Number of children Education Occupation Self-employment Public assistance income Residential location

Renters
4,109 families were renters in Wave 1 and Wave 7 (approx. population 25.7 million families).

Target House Price
‘Criterion’ homes (Savage)
10th percentile 25th percentile Median

Coefficient estimates
Average contract rate for 30-year fixed first mortgages

[Federal Home Loan Mortgage Corporation]
National Homeownership Rate
[Census Housing Vacancy Survey]
likelihood of applicant rejection = Metropolitan context, Loan type and applicant finances, Institutional divisions, Demographic characteristics, Credit history instrumental variable

\[ \ln \left( \frac{P_{\text{denied}}}{1 - P_{\text{denied}}} \right) = \beta_{\text{MSA}} \text{MSA}' + \beta_{L} \text{L}' + \beta_{I} \text{I}' + \beta_{D} \text{D}' + \beta_{\hat{C}} \hat{C} + \epsilon \]

credit instrument, \( \hat{C}_i = \frac{e^{\chi \beta}}{1 + (e^{\chi \beta})} \)

\( \chi \beta = \)
-3.3031
-0.0152*income +0.00014*income^2
-0.0432*payment ratio +0.000155*ratio^2
+0.5722*limit
-0.1352*fha
+0.5627*owner-occupied
-0.1053*female
-0.1893*white couple
+0.4579*native american
-0.1620*asian
+0.8521*black
+0.4265*hispanic
+0.3207*other
+0.4335*unreported
+0.6559*corporation
+0.0277*1994
-0.0657*1995
-0.0347*1996
+0.0526*1997
-0.00585*1998
+0.0471*1999
+0.0363*2000
+1.2050*OCC
+0.4450*FRB
+1.2087*FDIC
+1.1477*OTS
+0.6111*NCUA
+0.7282*Subprime
Racial Exclusion Effects, 1993-2000
Black-to-white, and Latino/a-to-white home purchase loan rejection ratios.
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American Indian and Alaska Native mortgage applications in New Mexico metropolitan areas

- Refinance
- Home improvement
- Home Purchase
## Mortgage Disparities in New Mexico Metropolitan Areas, 2000-2002

Odds ratios, from logistic regression model including income, amortized payment ratio, and credit history instrument, compared with otherwise identical non-Hispanic Whites

<table>
<thead>
<tr>
<th></th>
<th>Application Rejection</th>
<th>Subprime Segmentation</th>
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<tbody>
<tr>
<td>American Indian or Alaska Native</td>
<td>1.53</td>
<td>9.92</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>1.02*</td>
<td>0.57</td>
</tr>
<tr>
<td>Black</td>
<td>1.49</td>
<td>1.98</td>
</tr>
<tr>
<td>Hispanic</td>
<td>1.07</td>
<td>2.13</td>
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<tr>
<td>Other</td>
<td>1.15</td>
<td>1.47</td>
</tr>
<tr>
<td>Race not reported</td>
<td>1.61</td>
<td>5.16</td>
</tr>
</tbody>
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*not significant
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