

Top States for Black American Refinance Opportunity

More than 585,000 Black Borrowers could potentially benefit from refinancing.

- ❖ Freddie Mac researchers find that [almost 50% of Black Borrowers could save \\$1,200 annually by refinancing.](#)
- ❖ This research identifies where potential Black applicants are located.

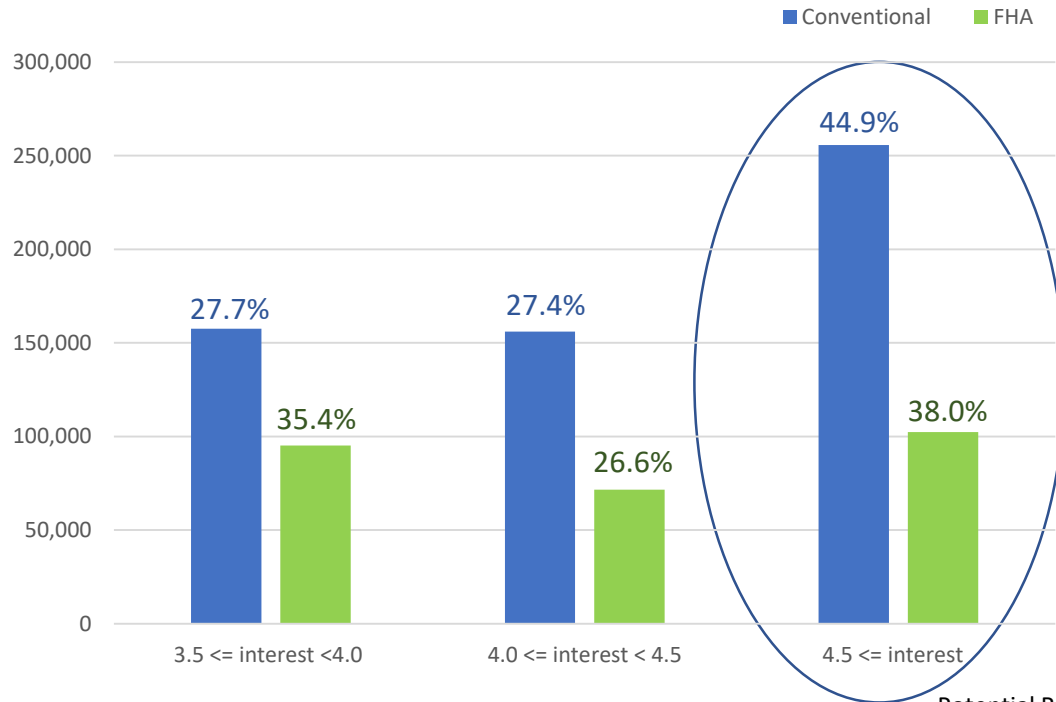
	Black American	Non-Hispanic white
Conventional Loans	411,660	5,506,700
FHA Loans	173,900	807,680

- For this analysis, potential applicants include borrowers with an interest rate of at least 4%, a current loan balance of more than \$80,000, VantageScore of at least 660, current estimated loan-to-value (LTV) between 20% and 97%, and without past due payments in 2020Q4.
- *Potential Applicant pool is not based on complete underwriting standards.*

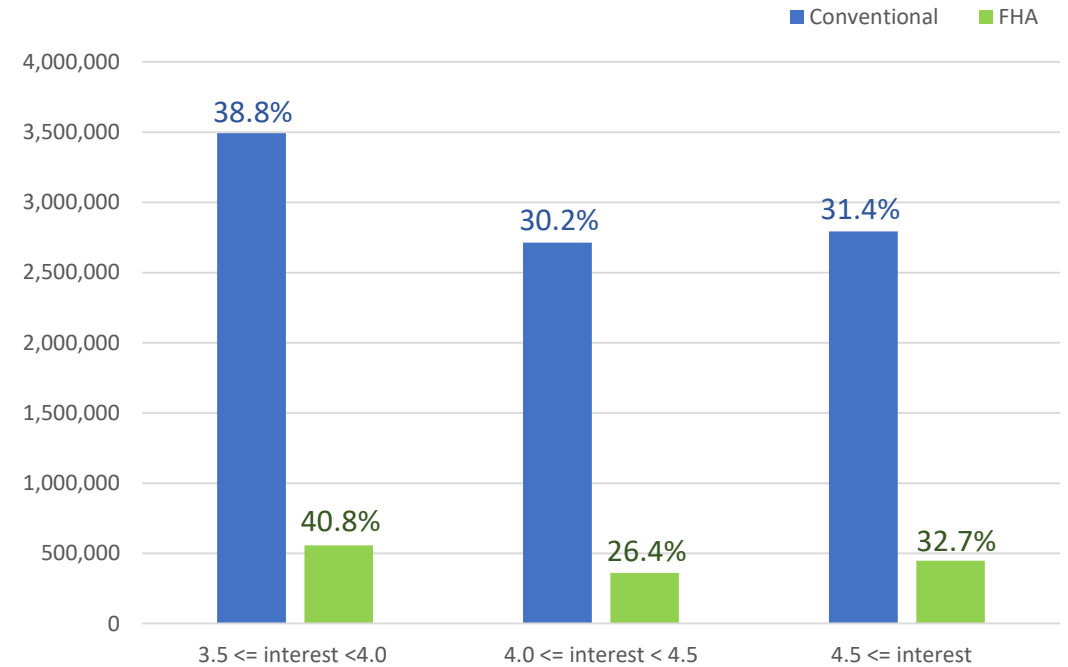
Source: National Mortgage Database (NMDB®)

Black potential applicants are more concentrated in high-interest loans.

Black American Potential Applicants



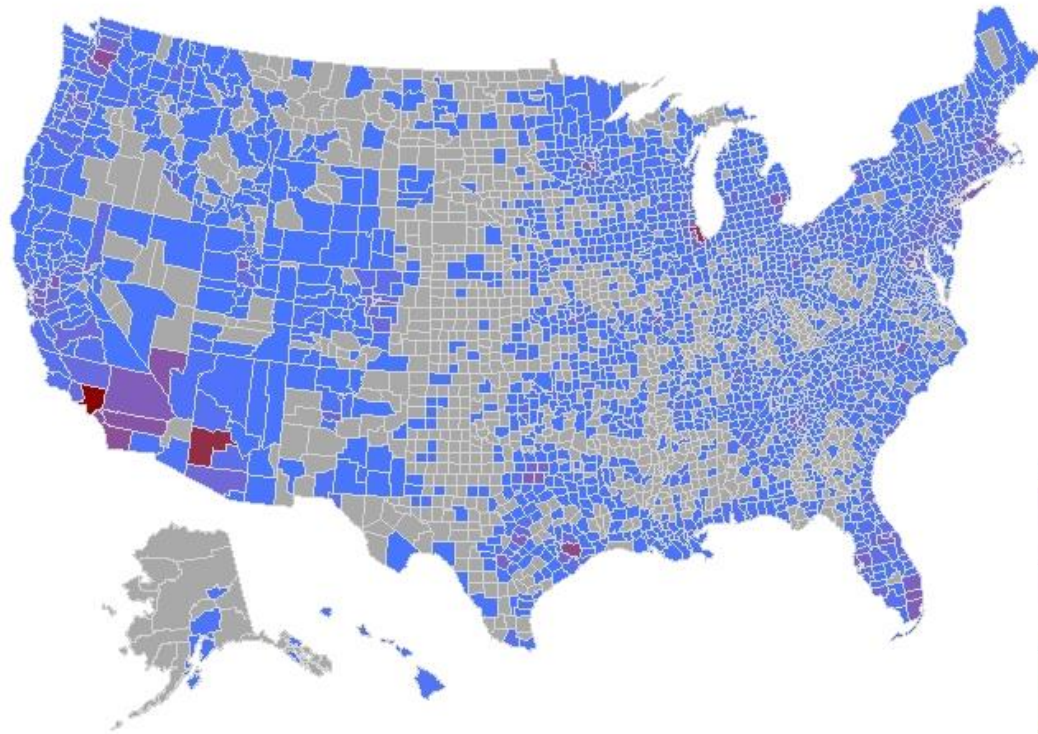
Non-Hispanic White Potential Applicants



Potential Refi Applicants:
 Vantage >=660
 No past due
 Current Balance > \$80,000
 Source: National Mortgage Database

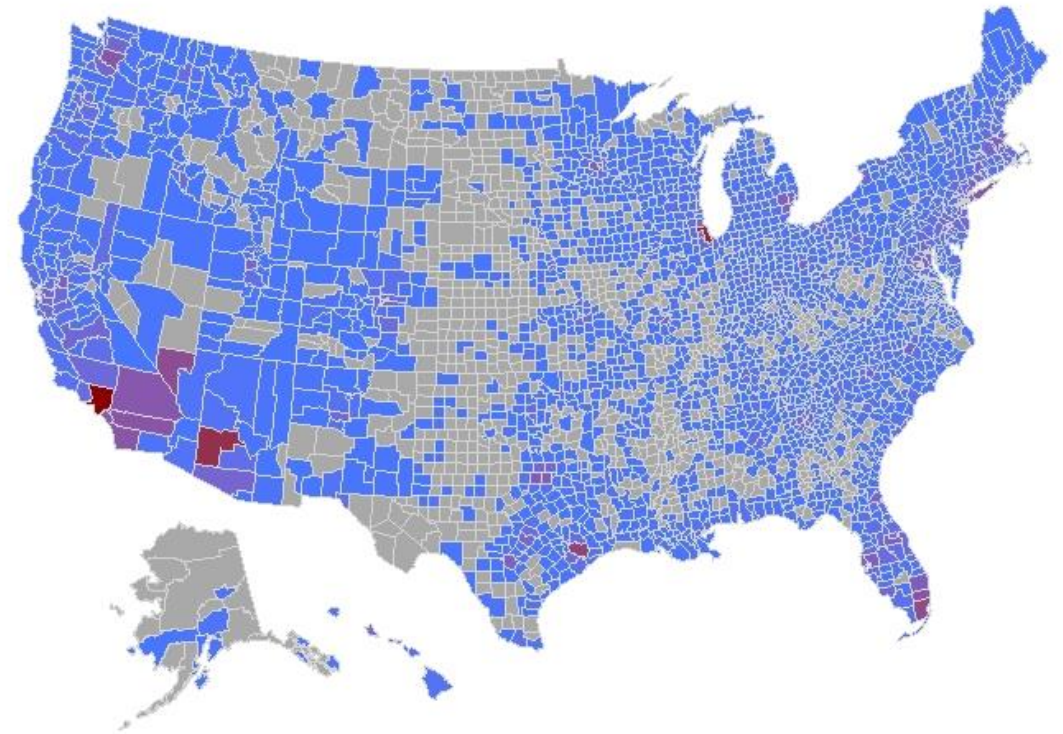
Potential applicants by county and interest rate (all races)

4.0 <=Interest < 4.5



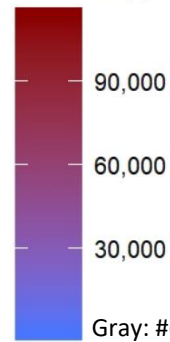
3,302K Loans

Interest > 4.5



3,587K Loans

Potential App

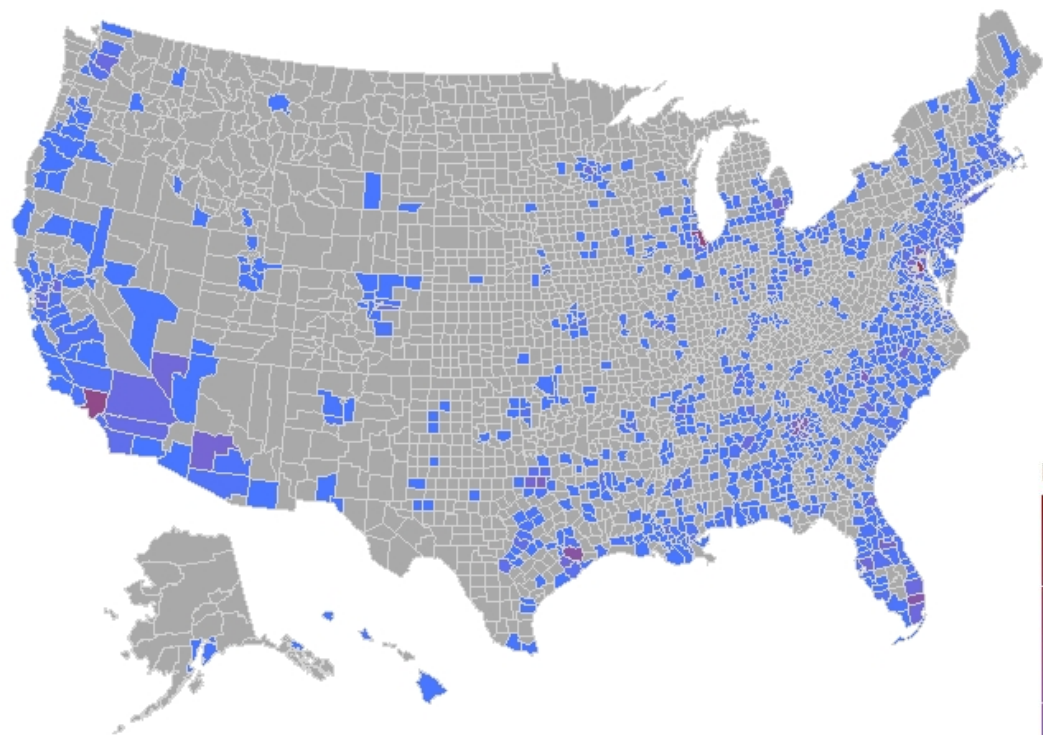


Source: National Mortgage Database,
Conventional and FHA loans

Potential Refi Applicants:
Vantage >=600
No past due
Interest >=4.0%
Current Balance > \$80,000

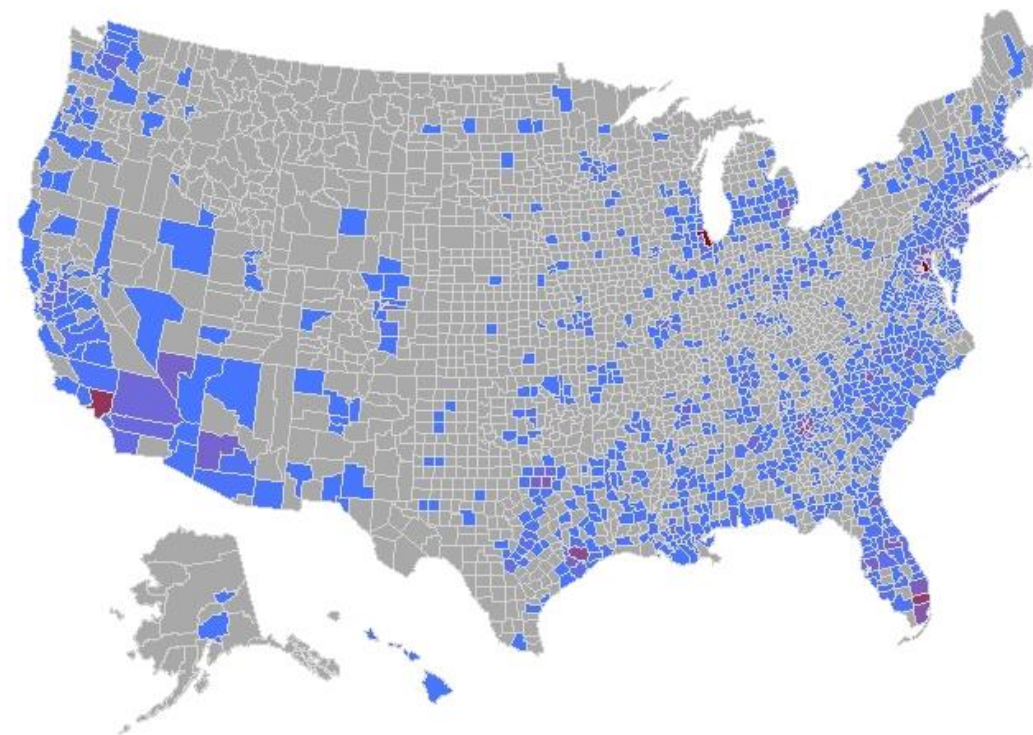
Black potential applicants by county and interest rate

4.0 <=Interest < 4.5



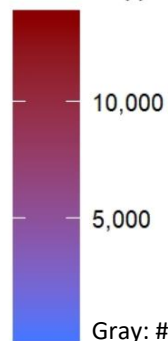
228K Loans

Interest > 4.5



358K Loans

Potential App

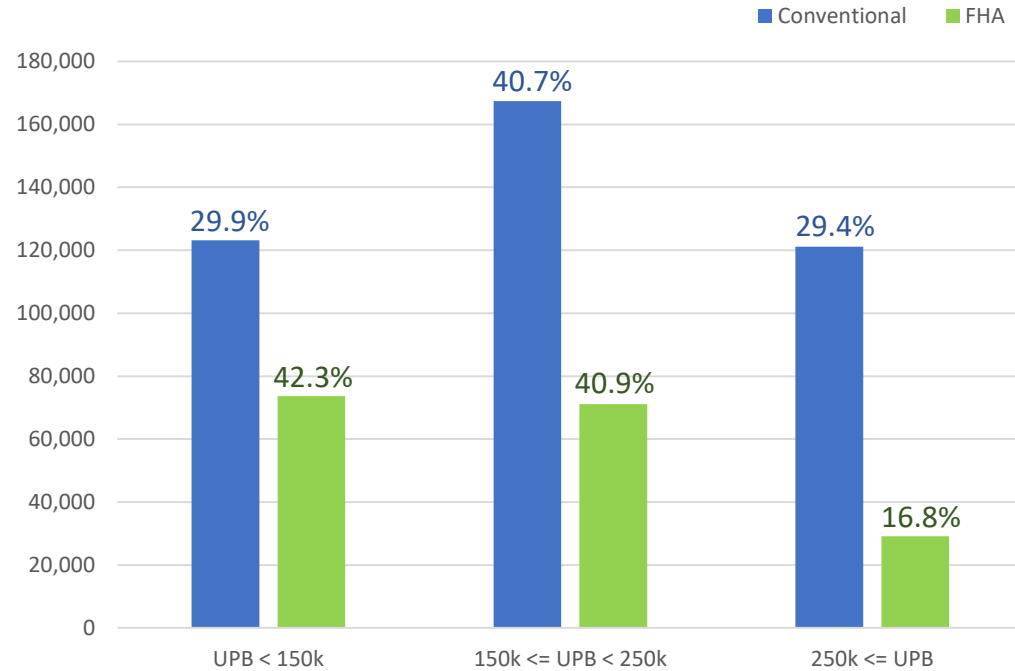


Source: National Mortgage Database,
Conventional and FHA loans

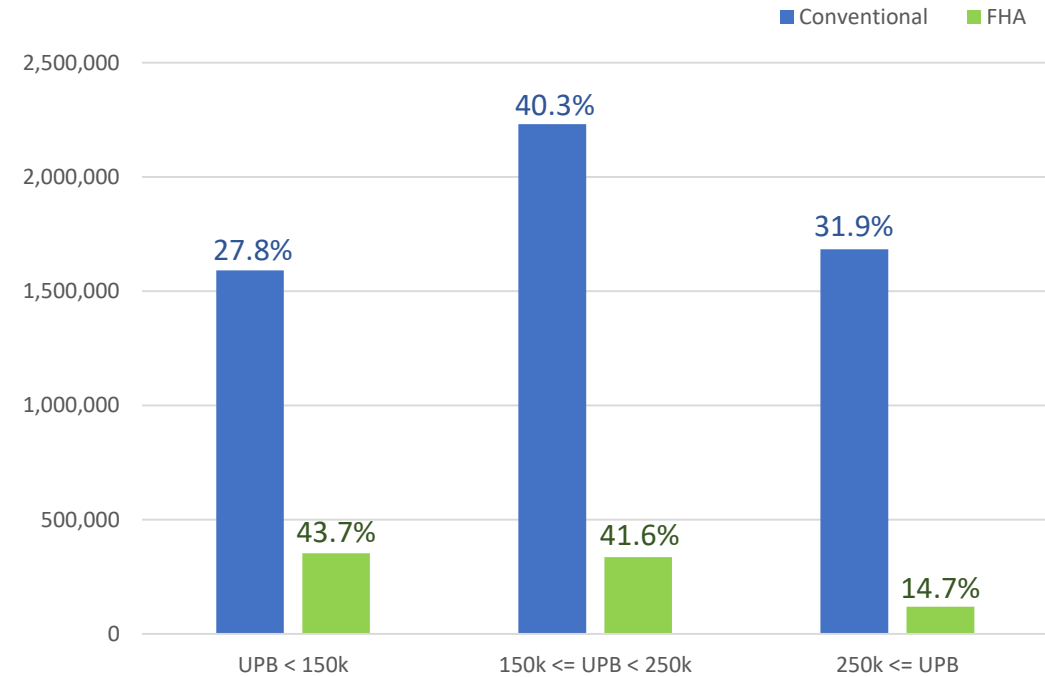
Potential Refi Applicants:
Vantage >=600
No past due
Interest >=4.0%
Current Balance > \$80,000

Potential refi applicants by loan balance

Black American
Potential Applicants



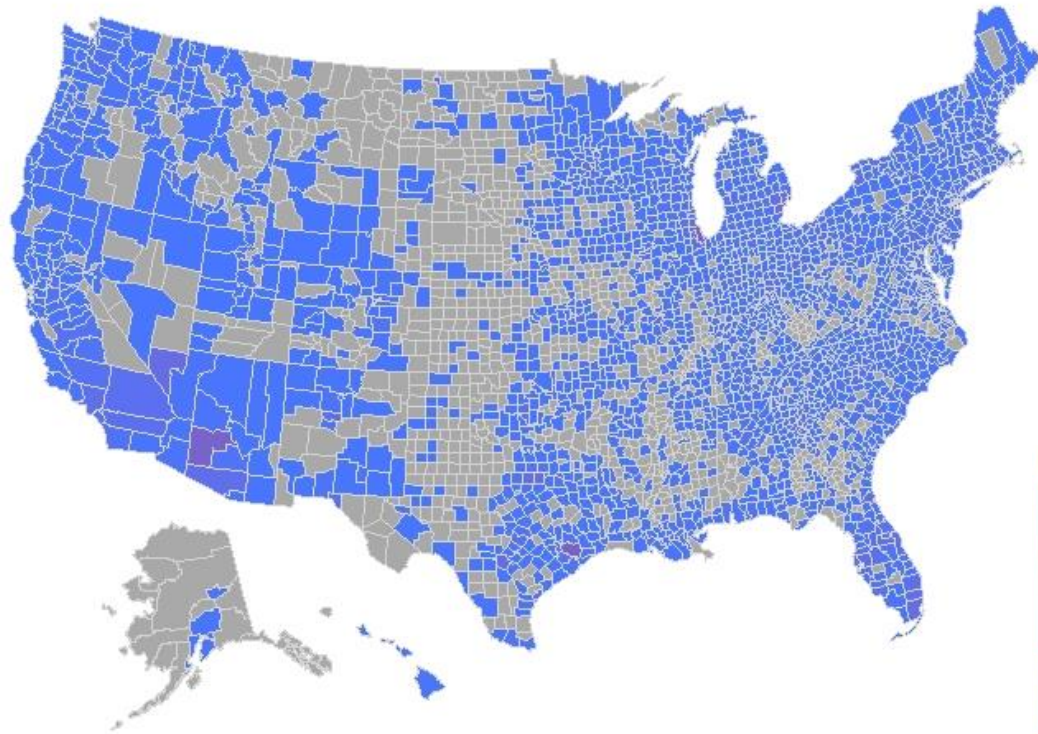
Non-Hispanic White
Potential Applicants



Potential Refi Applicants:
 Vantage ≥ 660
 No past due
 Current Balance > \$80,000
 Source: National Mortgage Database

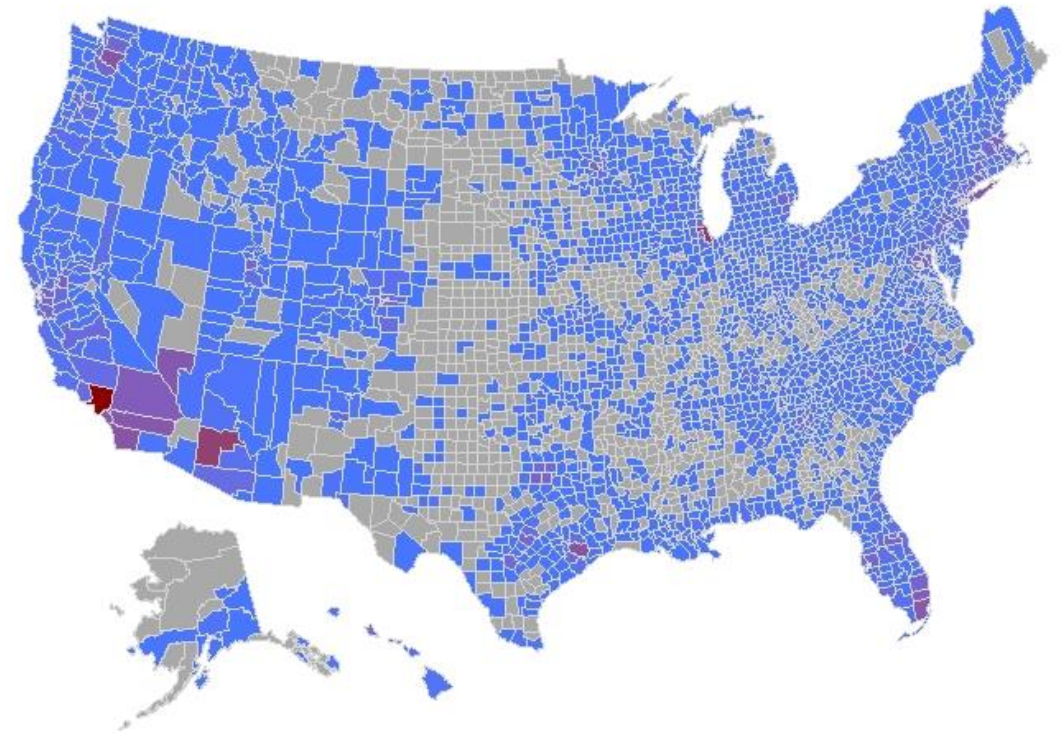
Potential applicants by county and loan balance (all races)

UPB < 150k



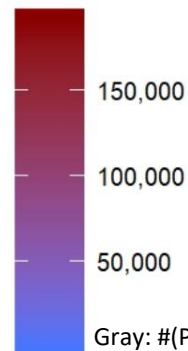
2,141K Loans

UPB >= 150k



4,759K Loans

Potential App

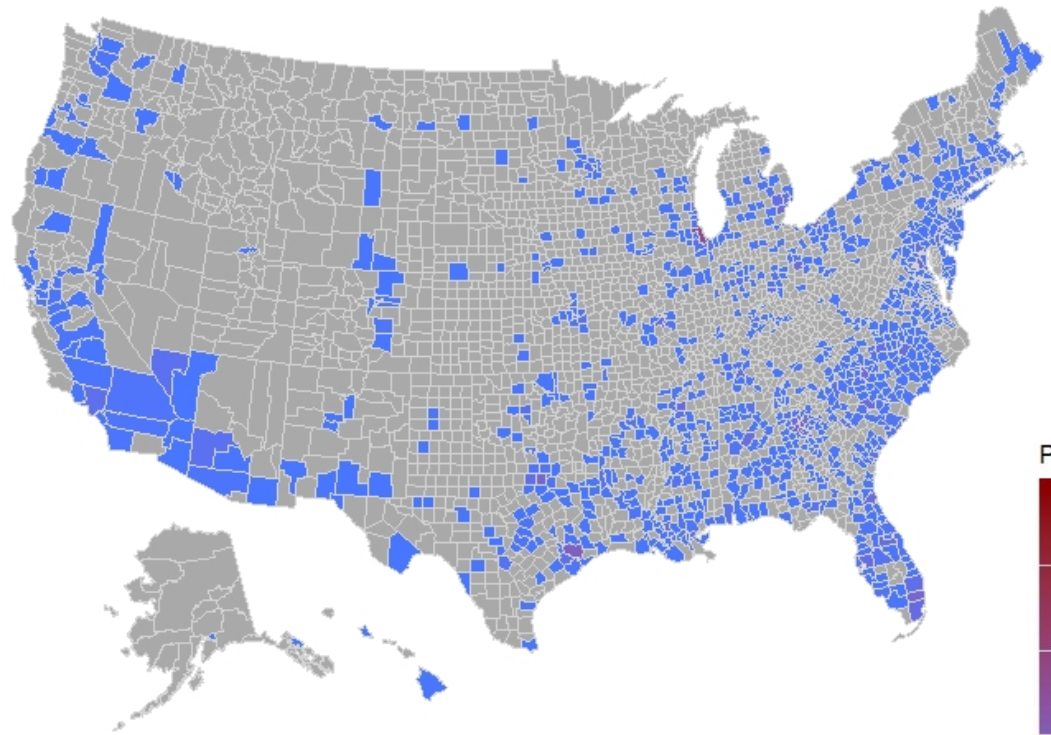


Source: National Mortgage Database,
Conventional and FHA loans

Potential Refi Applicants:
Vantage >=600
No past due
Interest >=4.0%
Current Balance > \$80,000

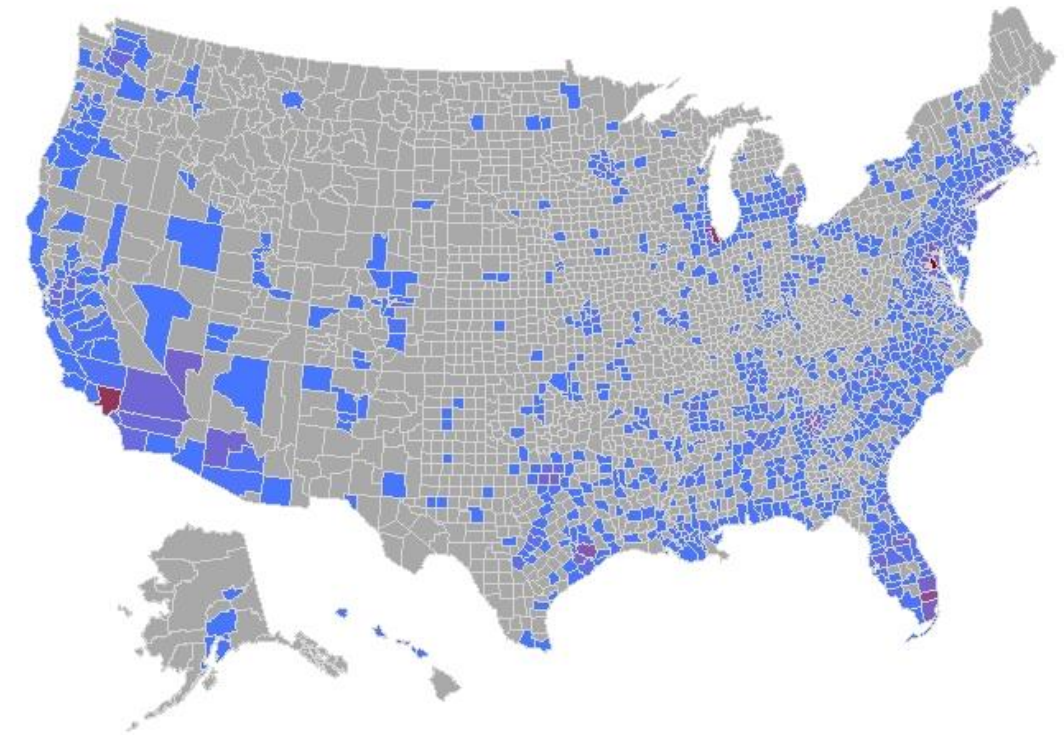
Black potential applicants by county and loan balance

UPB < 150k

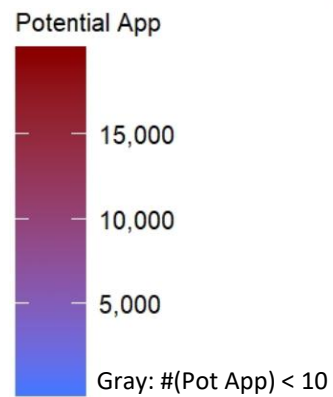


197K Loans

UPB >=150k



389K Loans

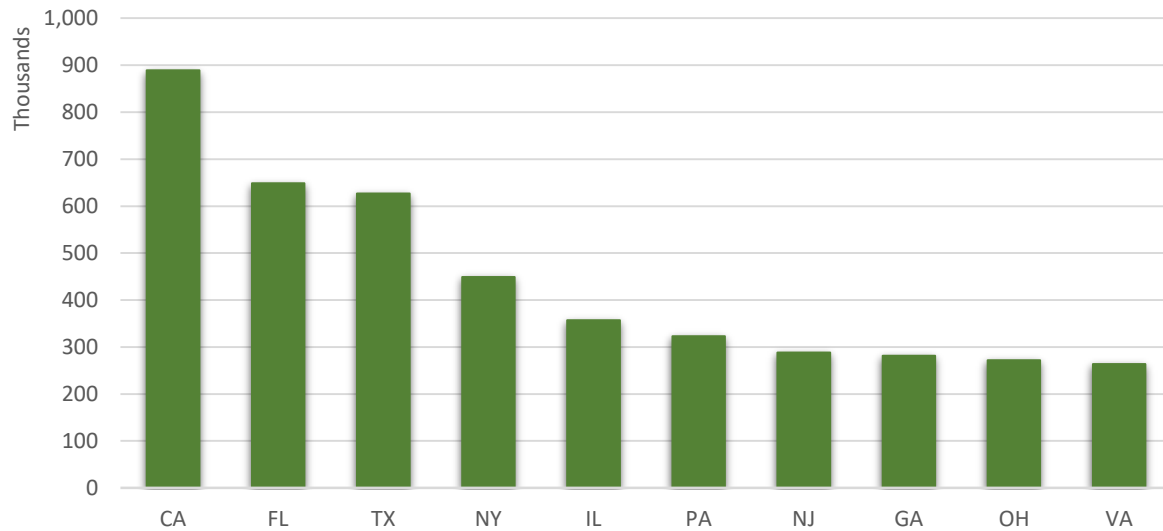


Source: National Mortgage Database, Conventional and FHA loans

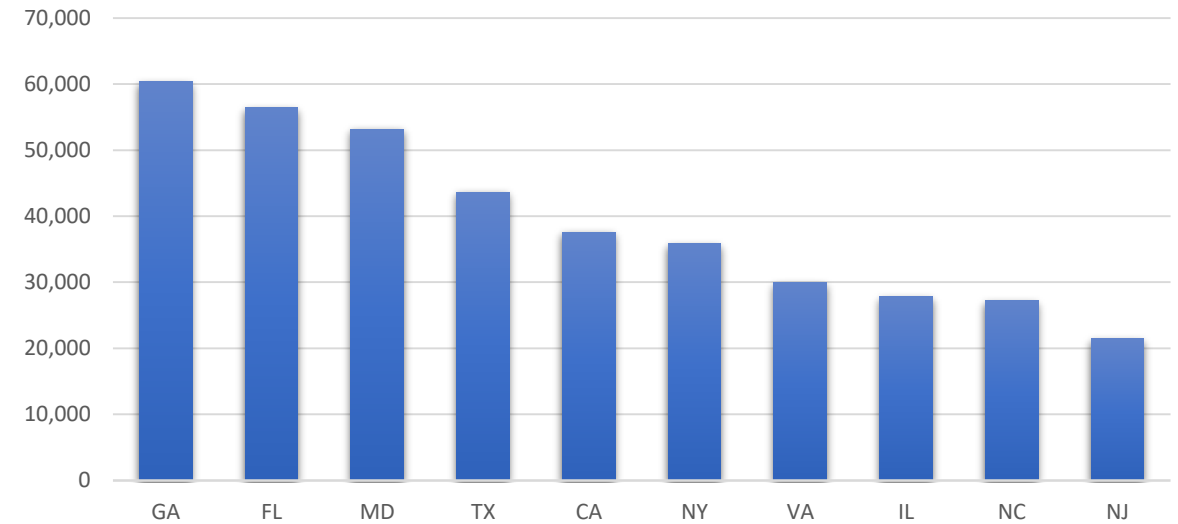
Potential Refi Applicants:
Vantage >=600
No past due
Interest >=4.0%
Current Balance > \$80,000

Potential applicants: top 10 states

Potential Refi Applicants (all race and ethnicity groups)
Number of loans, Top 10 states



Black American Potential Refi Applicants
Number of loans, Top 10 states



Source: National Mortgage Database,
Conventional and FHA loans

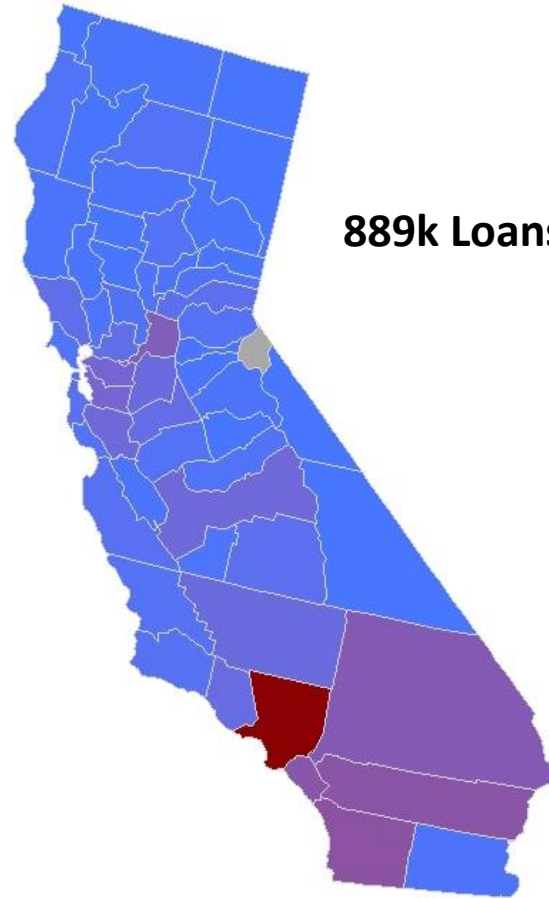
Zoom in #1: Potential refi applicants in CA

California is the top state for all potential refi applicants, and #5 state for Black potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

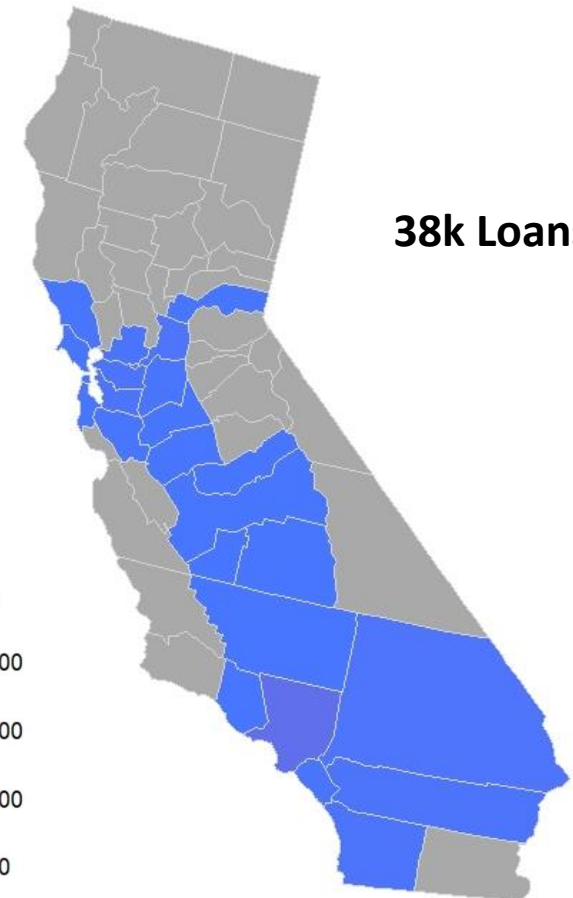
Source: National Mortgage Database

All race and ethnicity groups



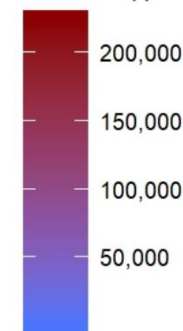
Gray: #(Pot App) < 100

Black American



Gray: #(Pot App) < 10

Potential App



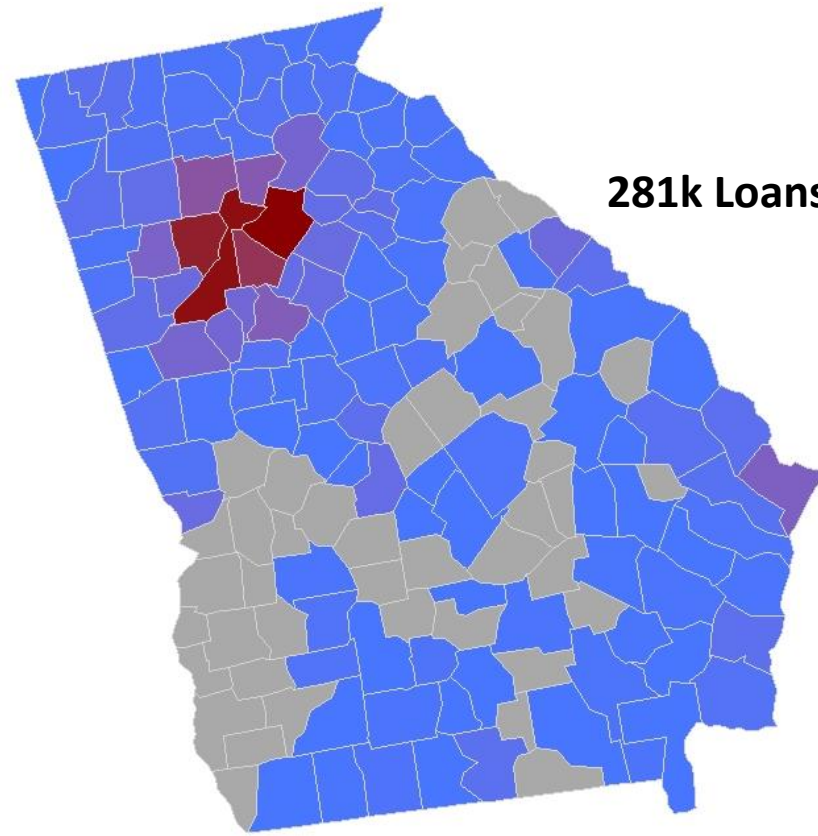
Zoom in #2: Potential refi applicants in GA

Georgia is #8 state for all potential refi applicants, and the top state for Black potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

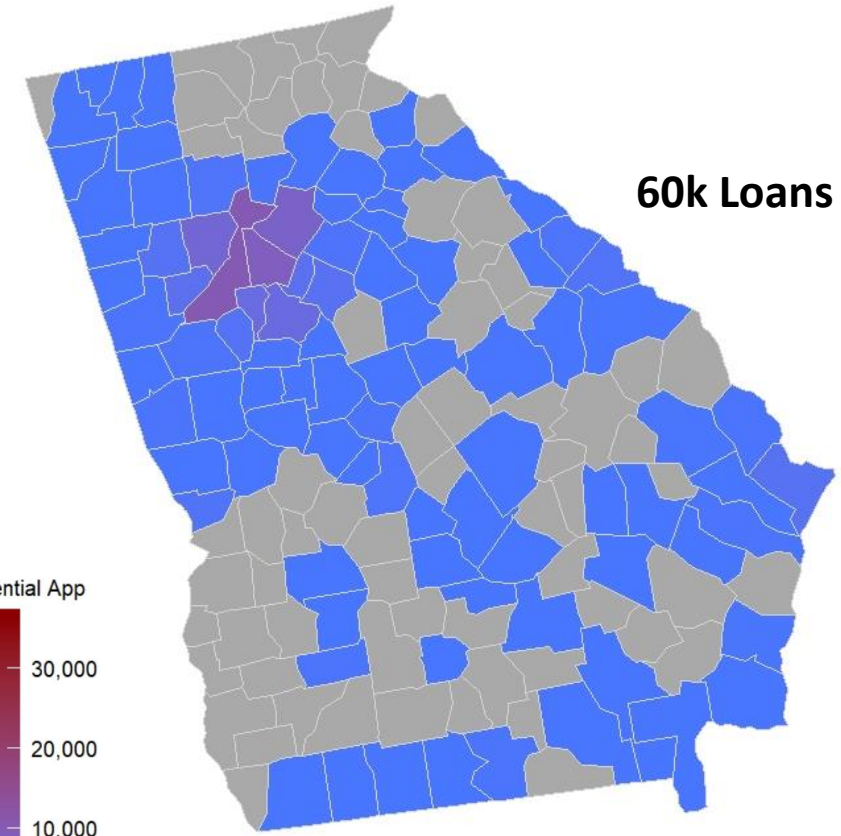
Source: National Mortgage Database

All race and ethnicity groups



Gray: #(Pot App) < 100

Black American



Gray: #(Pot App) < 10

Zoom in #3: Potential refi applicants in FL

All race and ethnicity groups

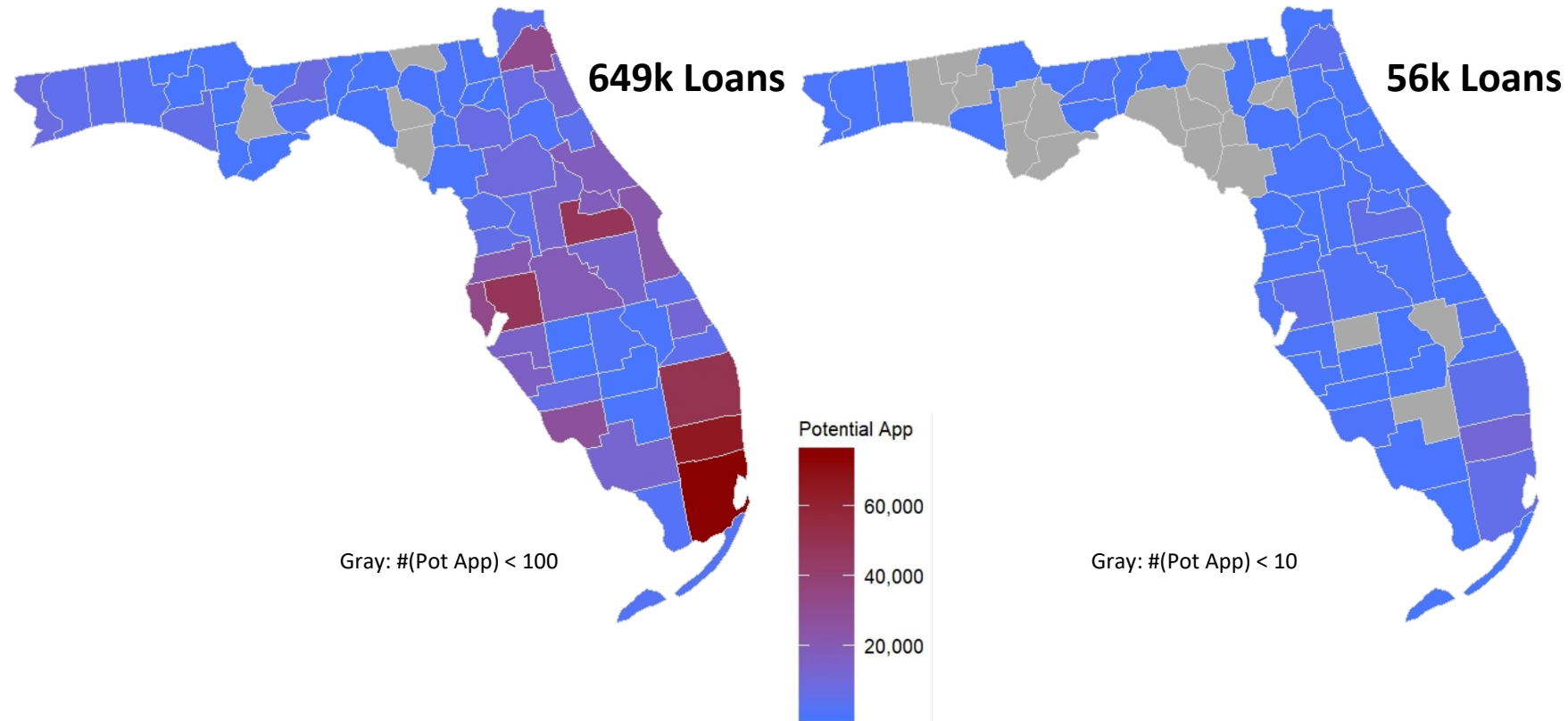
Black American

Florida is the second state for all potential refi applicants and Black potential refi applicants.

Potential Refi Applicants:

- Conventional and FHA loans
- Vantage >=600
- No past due
- Interest >=4.0%
- Current Balance > \$80,000

Source: National Mortgage Database



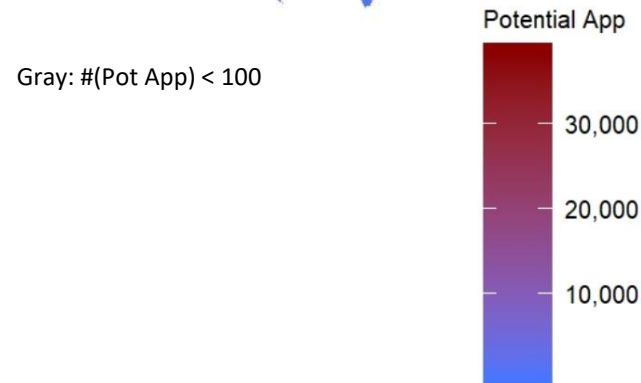
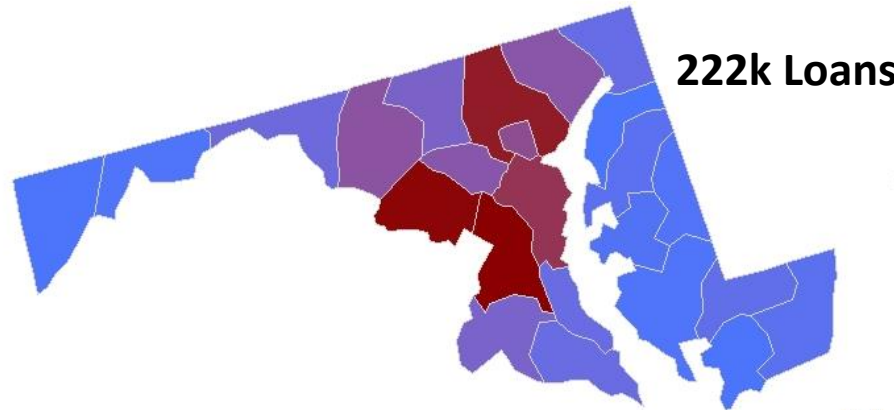
Zoom in #4: Potential refi applicants in MD

Maryland is #14 state for all potential refi applicants, and the third state for Black potential refi applicants.

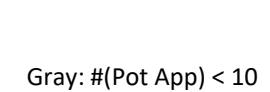
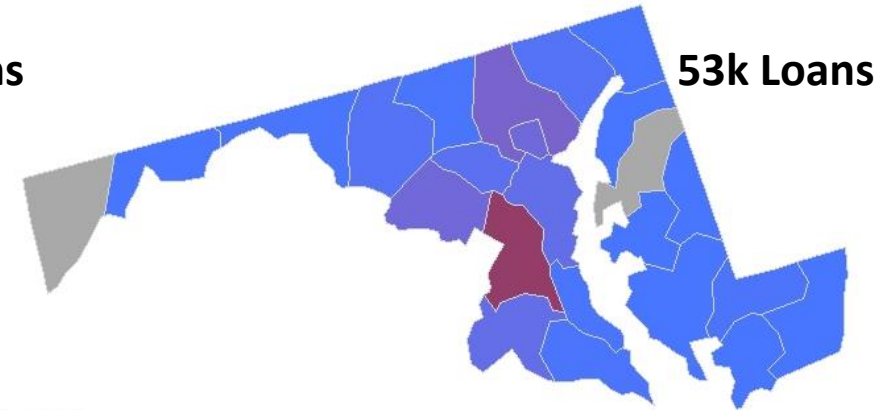
Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

All race and ethnicity groups



Black American



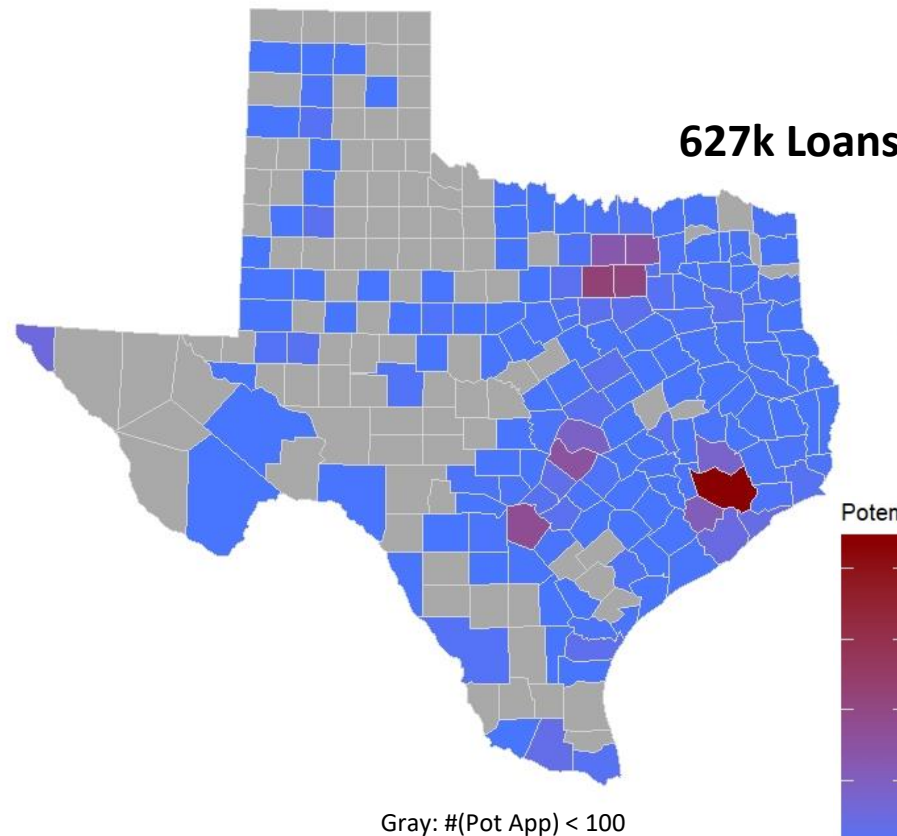
Zoom in #5: Potential refi applicants in TX

Texas is the third state for all potential refi applicants, and #4 state for Black potential refi applicants.

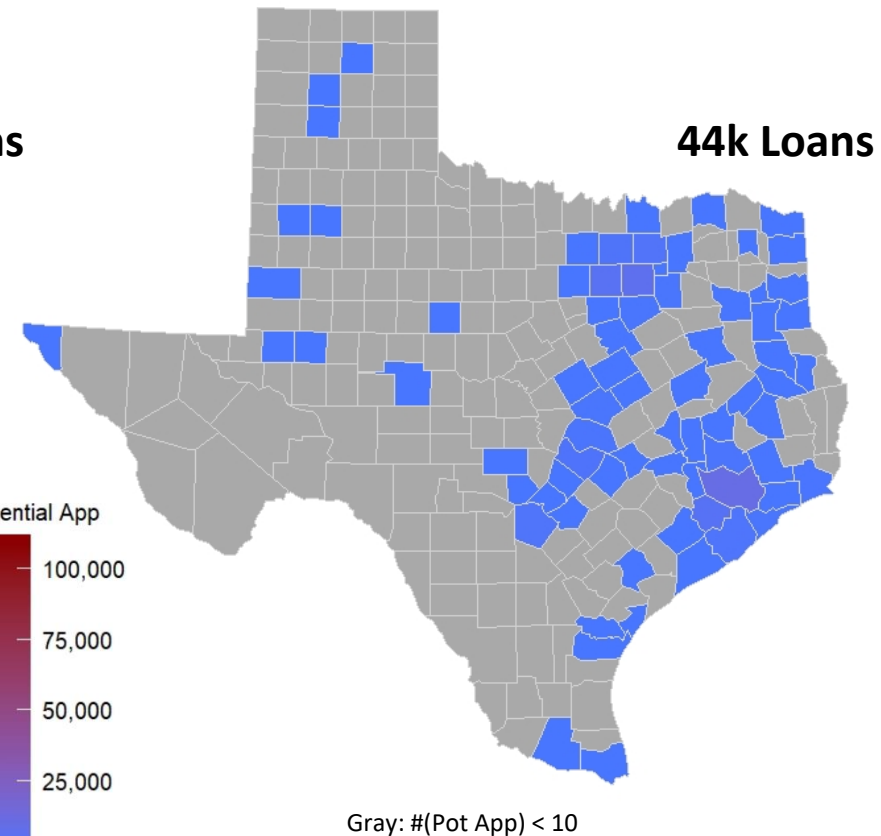
Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

All race and ethnicity groups



Black American



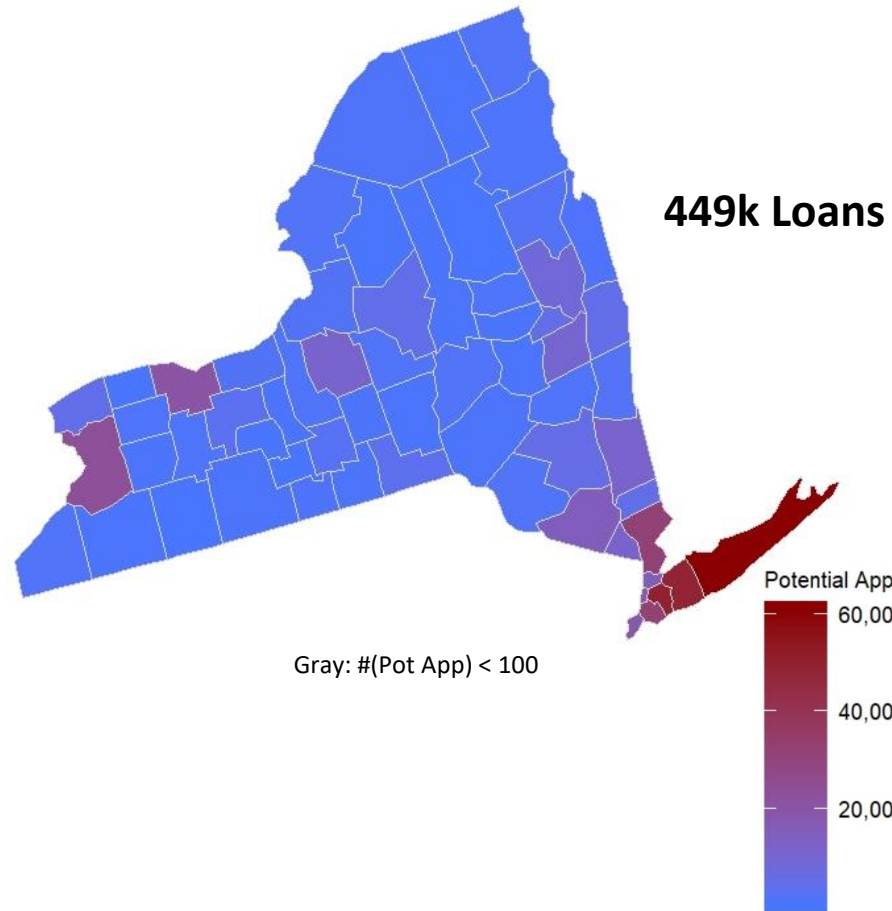
Zoom in #6: Potential refi applicants in NY

New York is #4 state for all potential refi applicants, and #6 state for Black potential refi applicants.

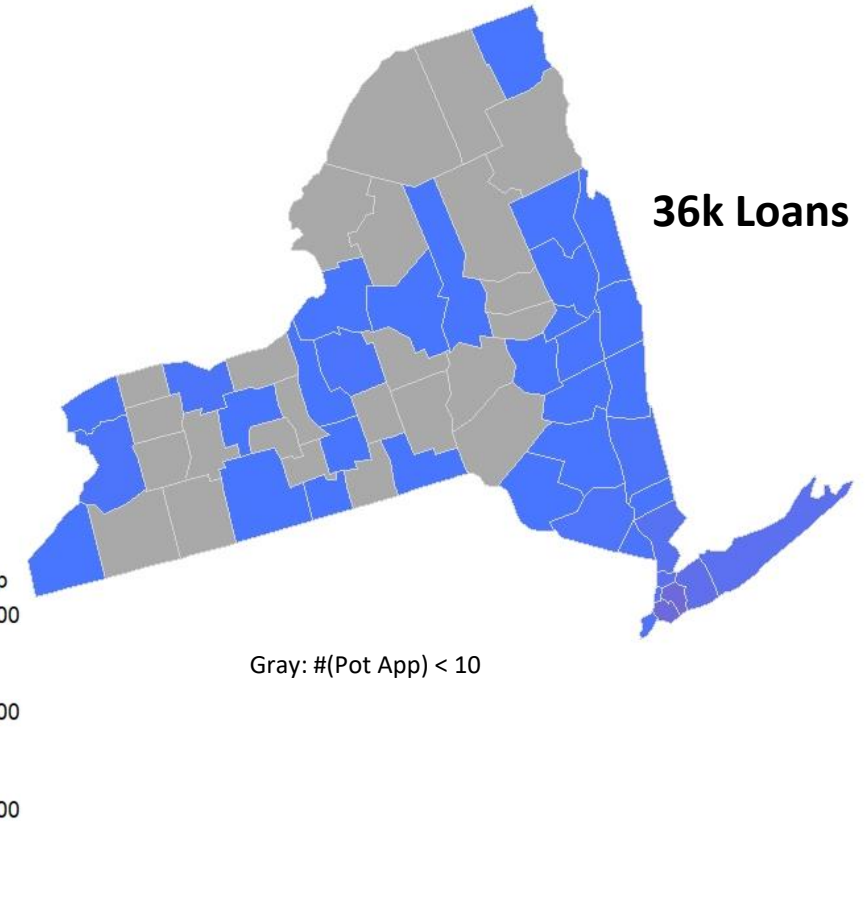
Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

All race and ethnicity groups



Black American



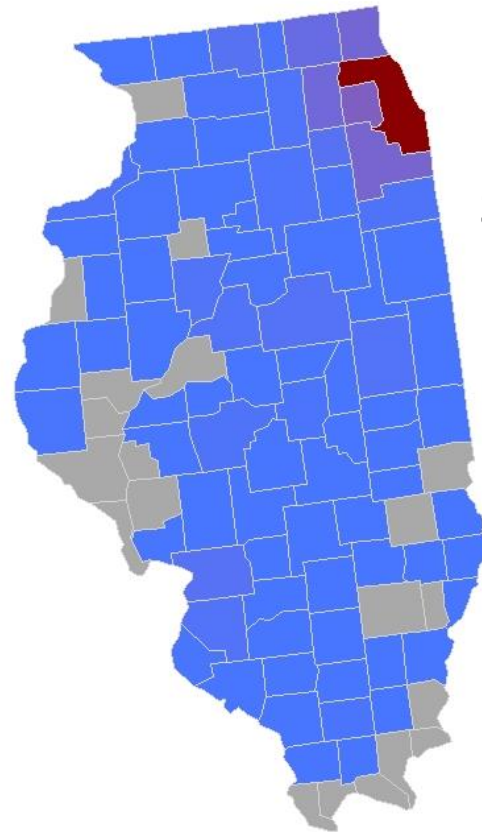
Zoom in #7: Potential refi applicants in IL

Illinois is #5 state for all potential refi applicants, and #8 state for Black American potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

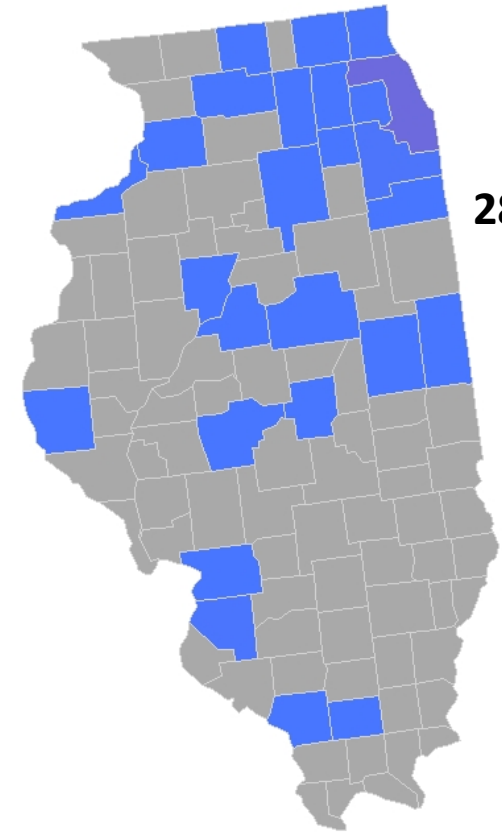
All race and ethnicity groups



357k Loans

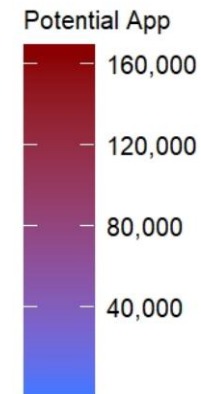
Gray: #(Pot App) < 100

Black American



28k Loans

Gray: #(Pot App) < 10



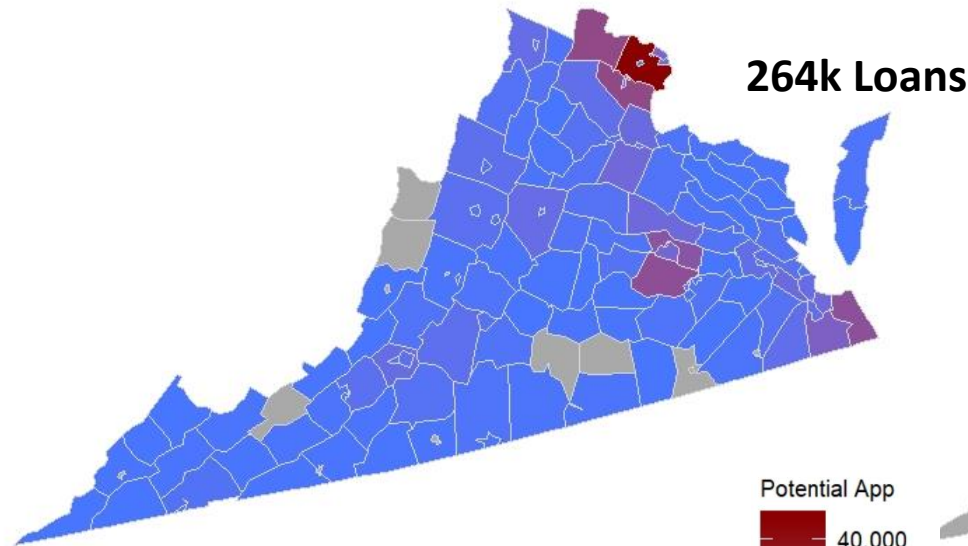
Zoom in #8: Potential refi applicants in VA

Virginia is #10 state for all potential refi applicants, and #7 state for Black potential refi applicants.

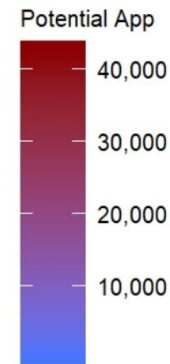
Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

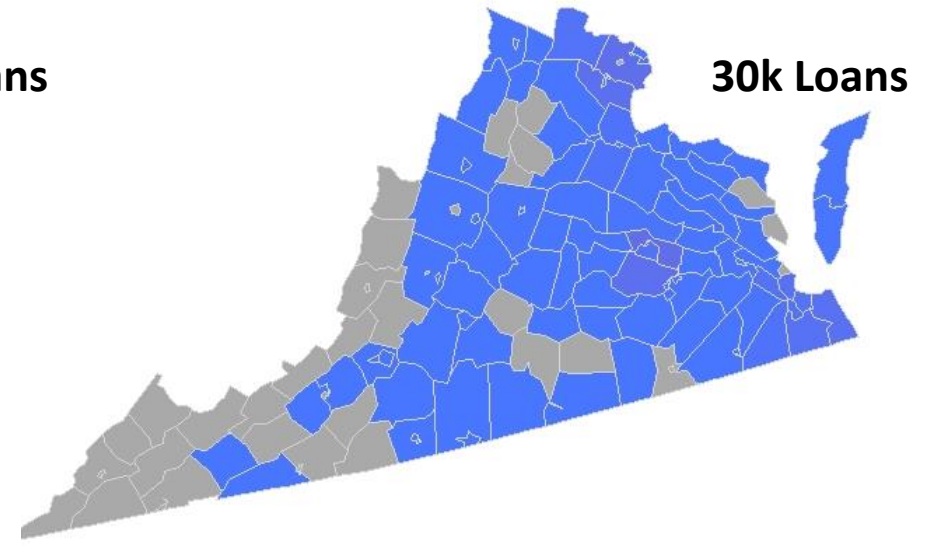
All race and ethnicity groups



Gray: #(Pot App) < 100



Black American



Gray: #(Pot App) < 10

Zoom in #9: Potential refi applicants in PA

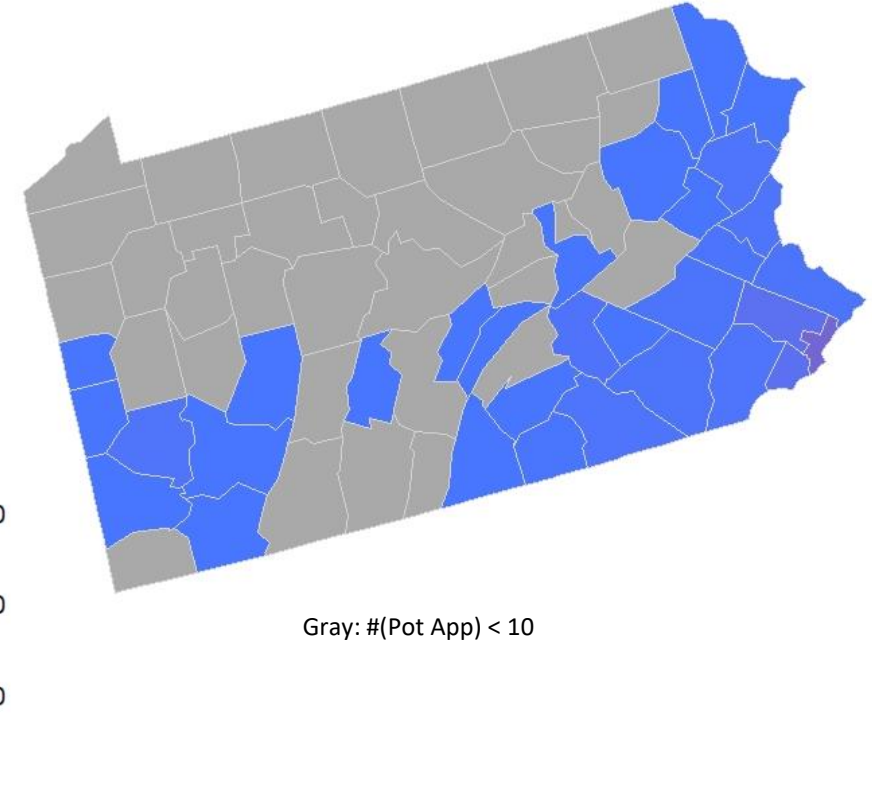
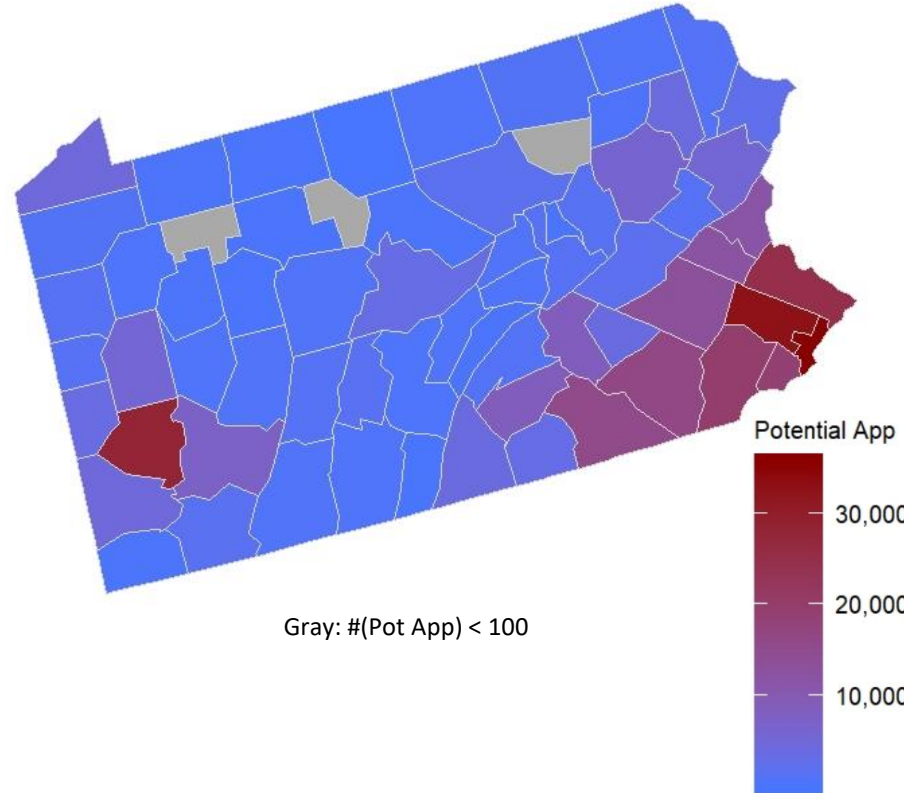
All race and ethnicity groups

Black American

Pennsylvania is #6 state for all potential refi applicants, and #11 state for Black potential refi applicants.

323k Loans

15k Loans



Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

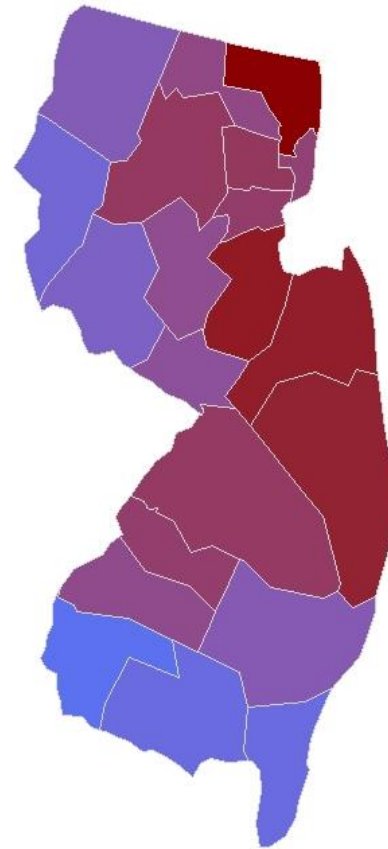
Zoom in #10: Potential refi applicants in NJ

New Jersey is #7 state for all potential refi applicants, and #10 state for Black potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

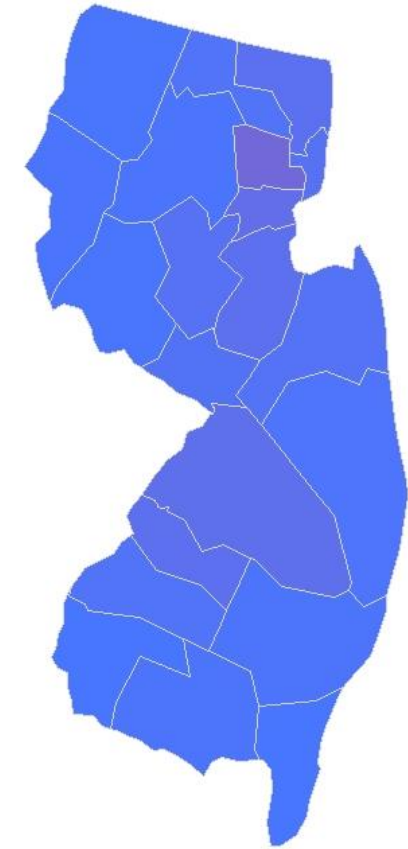
Source: National Mortgage Database

All race and ethnicity groups

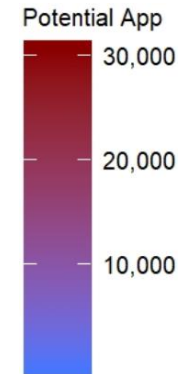


288k Loans

Black American



21k Loans



Zoom in #11: Potential refi applicants in NC

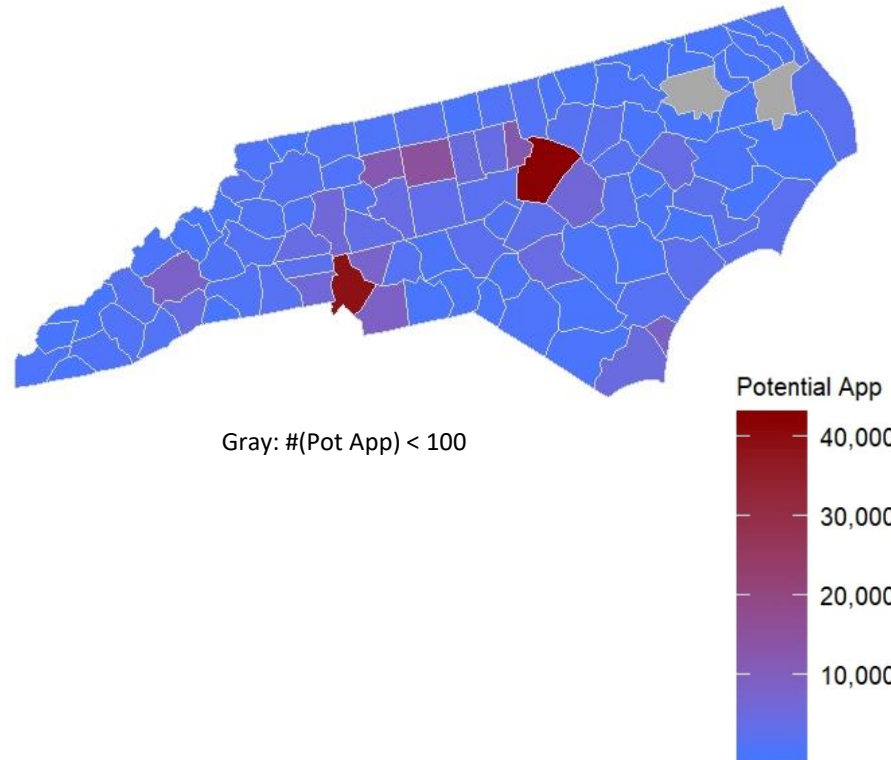
North Carolina is #12 state for all potential refi applicants, and #9 state for Black potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

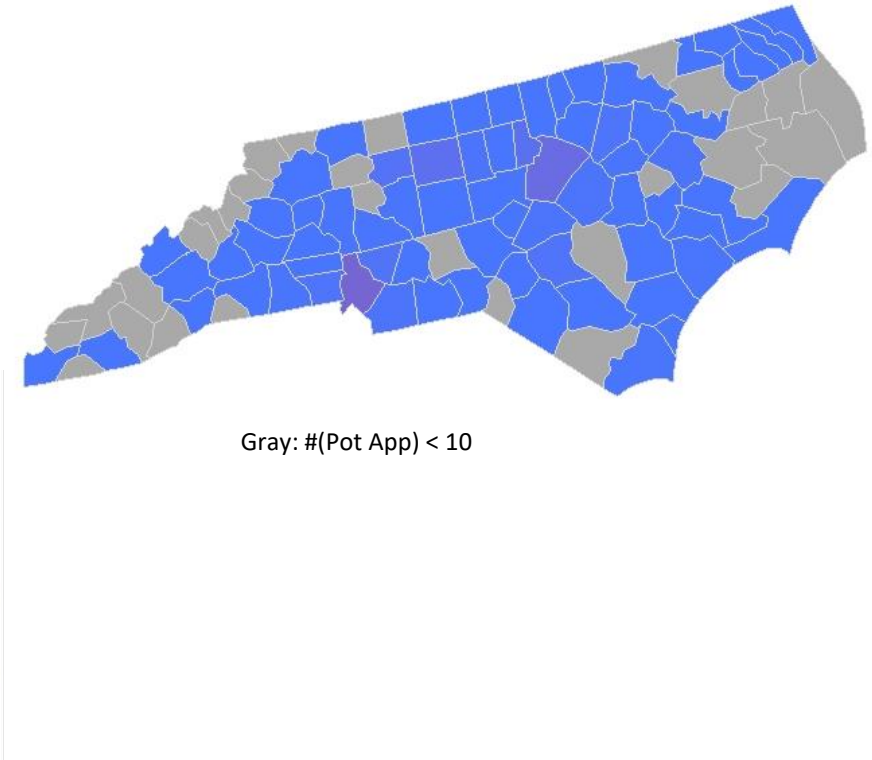
All race and ethnicity groups

260k Loans



Black American

27k Loans



Zoom in #12: Potential refi applicants in OH

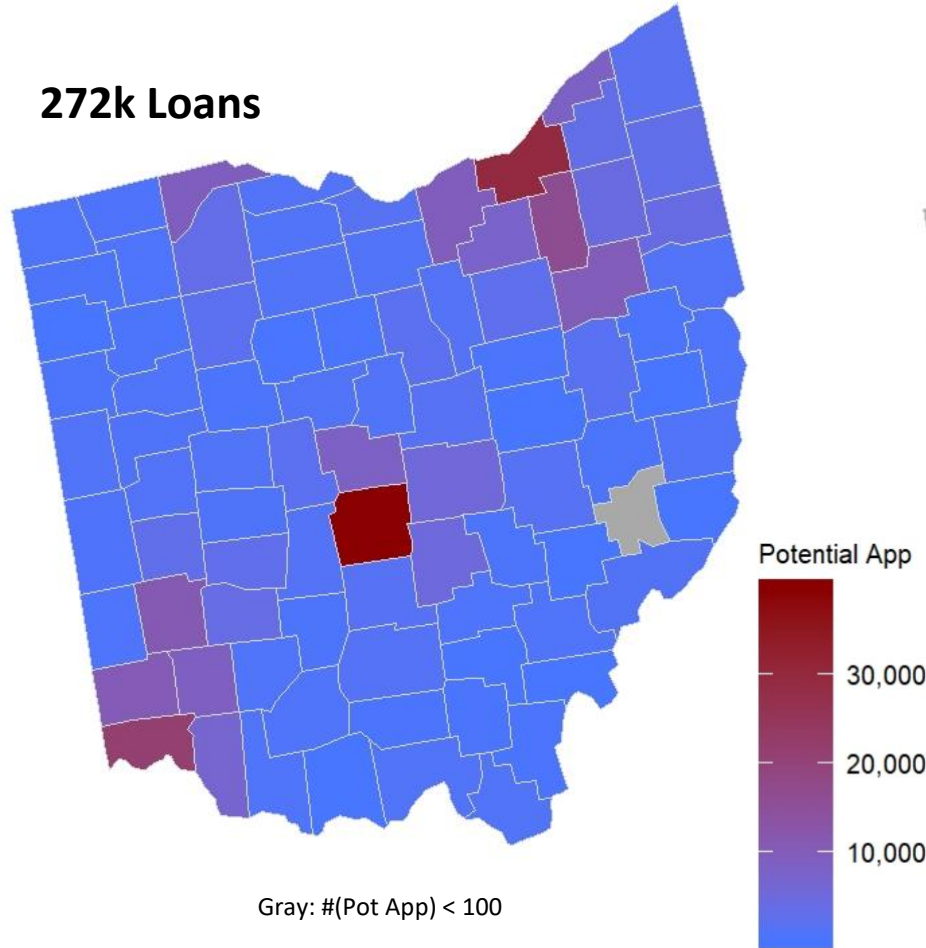
Ohio is #9 state for all potential refi applicants, and #14 state for Black potential refi applicants.

Potential Refi Applicants:
 Conventional and FHA loans
 Vantage >=600
 No past due
 Interest >=4.0%
 Current Balance > \$80,000

Source: National Mortgage Database

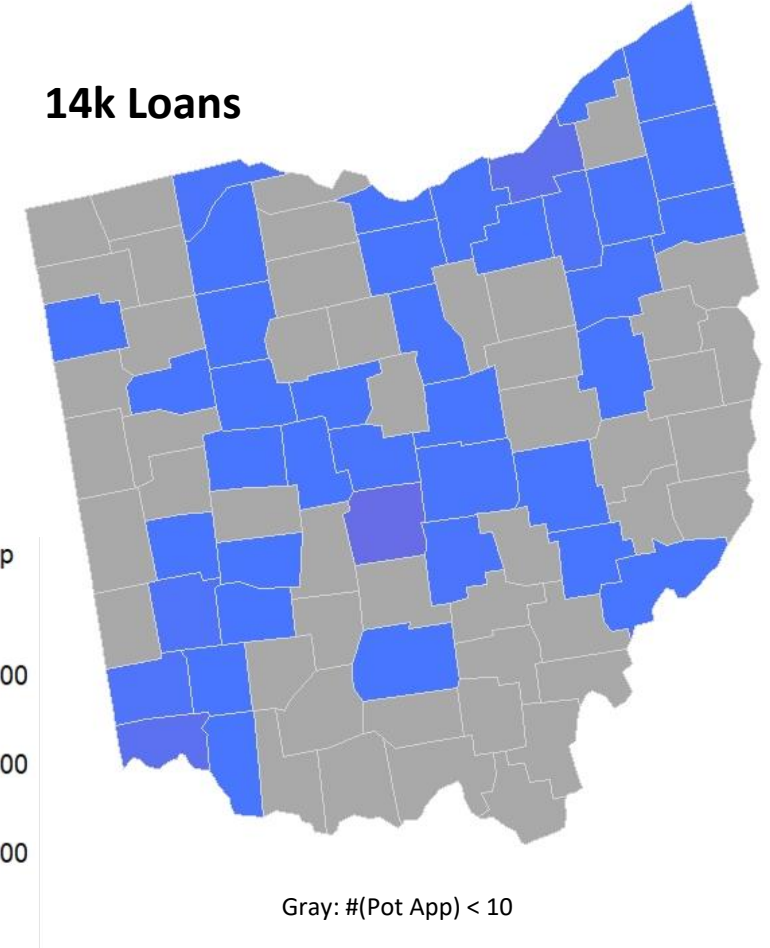
All race and ethnicity groups

272k Loans



Black American

14k Loans



Prepared By

Housing Insights and Solutions, Single-Family Client and Community Engagement

Eul Noh, Economist, Quantitative Analytics Senior

Lariece Brown, Senior Economist, Quantitative Analytics Sr. Director

Contact:

Pamela Perry, VP Single-Family Equitable Housing, pamela_perry@freddiemac.com