

NFHA NATIONAL
FAIR HOUSING
ALLIANCE

WHAT is NFHA?

Mission: The National Fair Housing Alliance (NFHA) is the voice of fair housing. NFHA works to end housing discrimination and to ensure equal housing opportunity for all people through education, outreach, membership services, public policy initiatives, community development, and enforcement.

- Education and Outreach
- Investigation and Enforcement
- Litigation
- Training and Consulting
- Public Policy and Advocacy
- Special Programs

Where You Live Matters

Education

Where you live impacts your child's ability to attend a **well-resourced school** with expanded learning opportunities. Across the nation, schools spend \$334 more on White students than students of Color and predominately White school districts receive \$23B more than non-White districts. Moreover, schools in predominately White communities have higher instances of veteran, highly-qualified educators who are teaching in their field of expertise. The COVID-19 pandemic has exacerbated the racial education gap.

Transportation

Transportation points, like highways, toll roads, and train lines have been used to isolate communities of color cutting them off from access to job centers and important amenities and services. Since People of Color are less likely than their White counterparts to own a car, access to reliable public transportation is imperative. Moreover, NFHA's investigative work shows even when People of Color have better credit, they are often charged more for auto loans than their White counterparts.

Healthy Food

People of Color are more likely to live in a **food desert**. Latinos are a third less likely and Blacks half less likely to have access to a grocery store than their White counterparts. 8% of Blacks live in a census tract with a grocery store compared to 31% of Whites.

Healthcare

Blacks and Latinos are more likely to live in **health deserts** with fewer healthcare facilities and primary care physicians. As Melody Goodman, Assistant Professor of Washington University put it, when it comes to your well-being, "Your zip code is a better predictor of your health than your genetic code." The COVID-19 pandemic has exacerbated racial health disparities. Due to discrimination, segregation, and other structural inequities, people of color are dying from the coronavirus at more than twice the rate of Whites.

Access to Credit

People of Color are more likely to be affected by America's **dual credit market**. 46% of Blacks, 40% of Latinos, and 38% of American Indian/Alaska Natives use non-traditional credit compared to 18% of Whites. Subprime and fringe lenders are hyper-concentrated in Communities of Color. Alternatively, White communities have an average of 41 bank branches while Communities of Color have an average of 27 bank branches for every 100,000 people.

Digital Access and Tech Equity

Communities of Color have less access to **high-speed Internet**. Most people who benefit from federal investments on rural broadband subsidies are non-Hispanic White. Moreover, people who lack residential broadband service for reasons other than network availability are disproportionately people of color. Black and Brown communities are also disproportionately impacted by **tech bias**, like automated underwriting, credit scoring, tenant screening, and risk-based pricing systems that often manifest discrimination.

Wealth

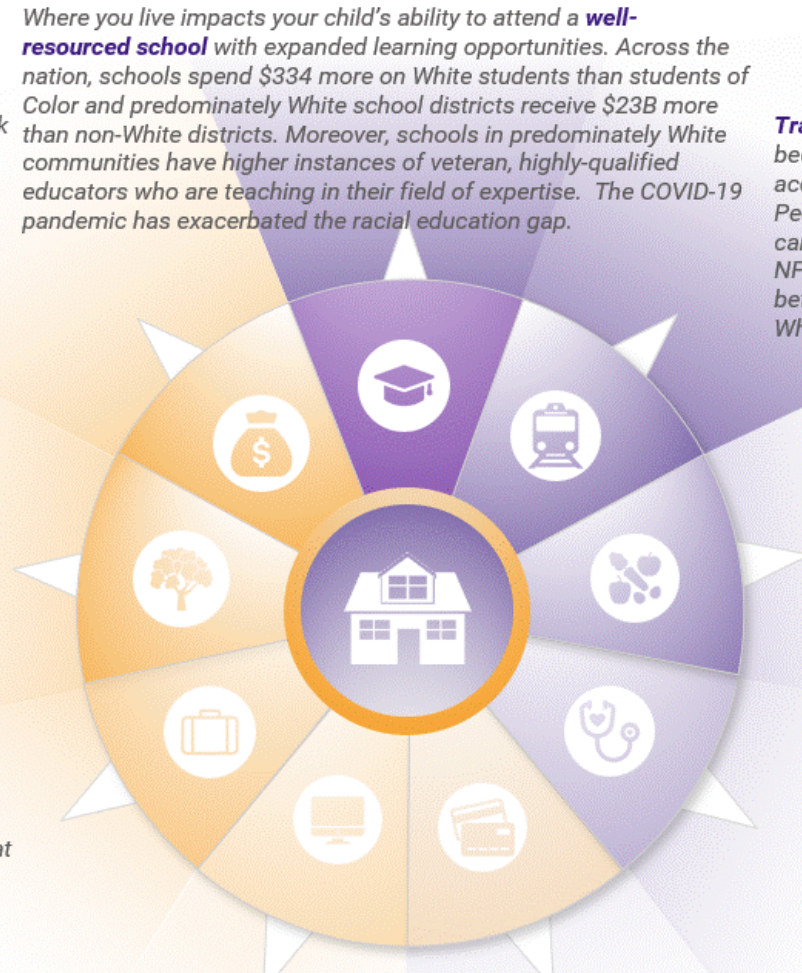
In 2016, the **median wealth** of White families was 10 times that of Black families and 8 times that of Latino families. According to Prosperity Now, if White wealth were to remain constant, it would take Latinos 84 years and Blacks 228 years to reach parity. This **wealth gap** is tied to disparities in H/O rates – 72% for Whites, 47% for Latinos and 42% for Blacks.

Healthy Environments

People of Color are more likely to be impacted by **environmental injustice** and are twice as likely to live in areas without potable water or proper sanitation. Race is the most significant predictor of whether a person will live in a neighborhood with contaminated air, land or water. More than half of the people who live within 2 miles of a waste facility are People of Color.

Living Wage Jobs

There are large **income disparities** based on race. Higher paying jobs are not located in Communities of Color. These jobs are located either in core downtown areas or suburban hubs. In addition, People of Color face direct discrimination when trying to get a job. One study found that people with "White" sounding names are contacted 20% more than those with "Black" sounding names.





February 2022

Keys Unlock Dreams: Memphis

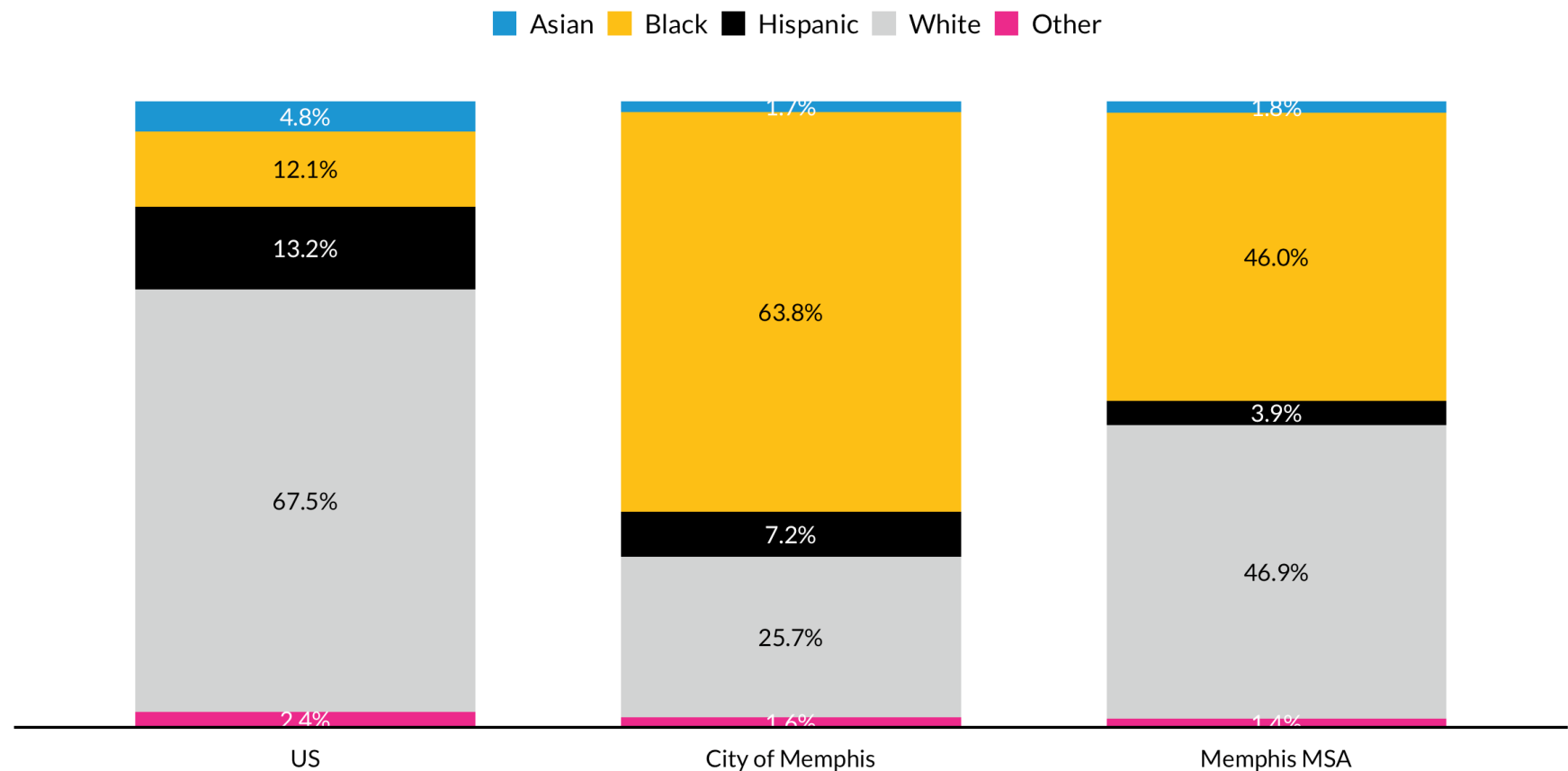
Housing Finance Policy Center

NEW HOME

Photo by Monkey Business Imag

Racial Distribution & Segregation

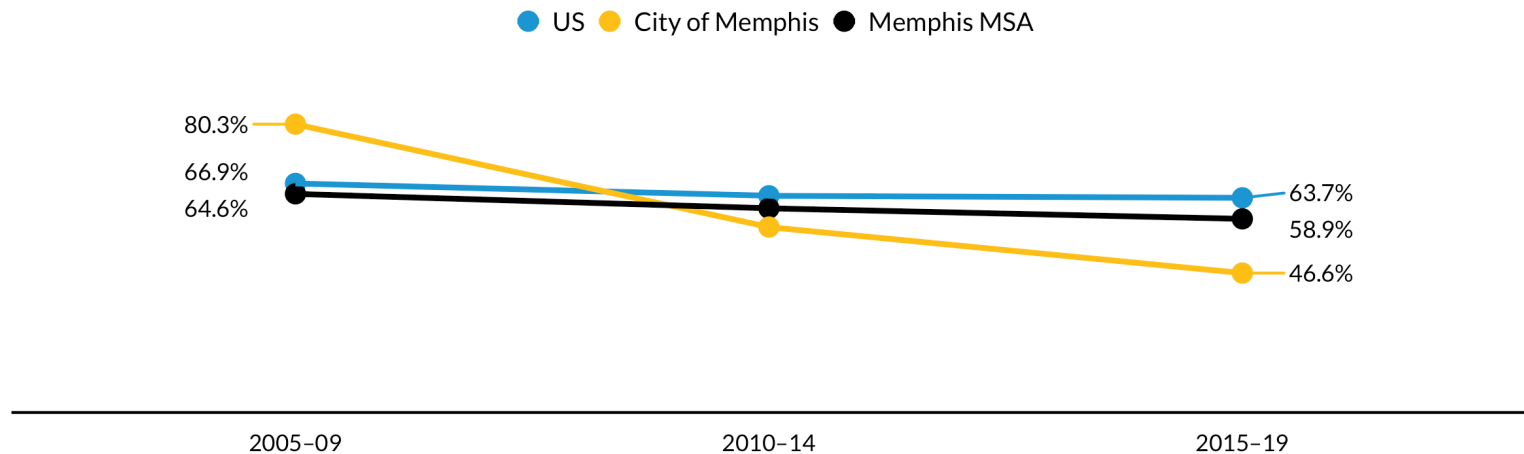
Racial and Ethnic Composition Comparison



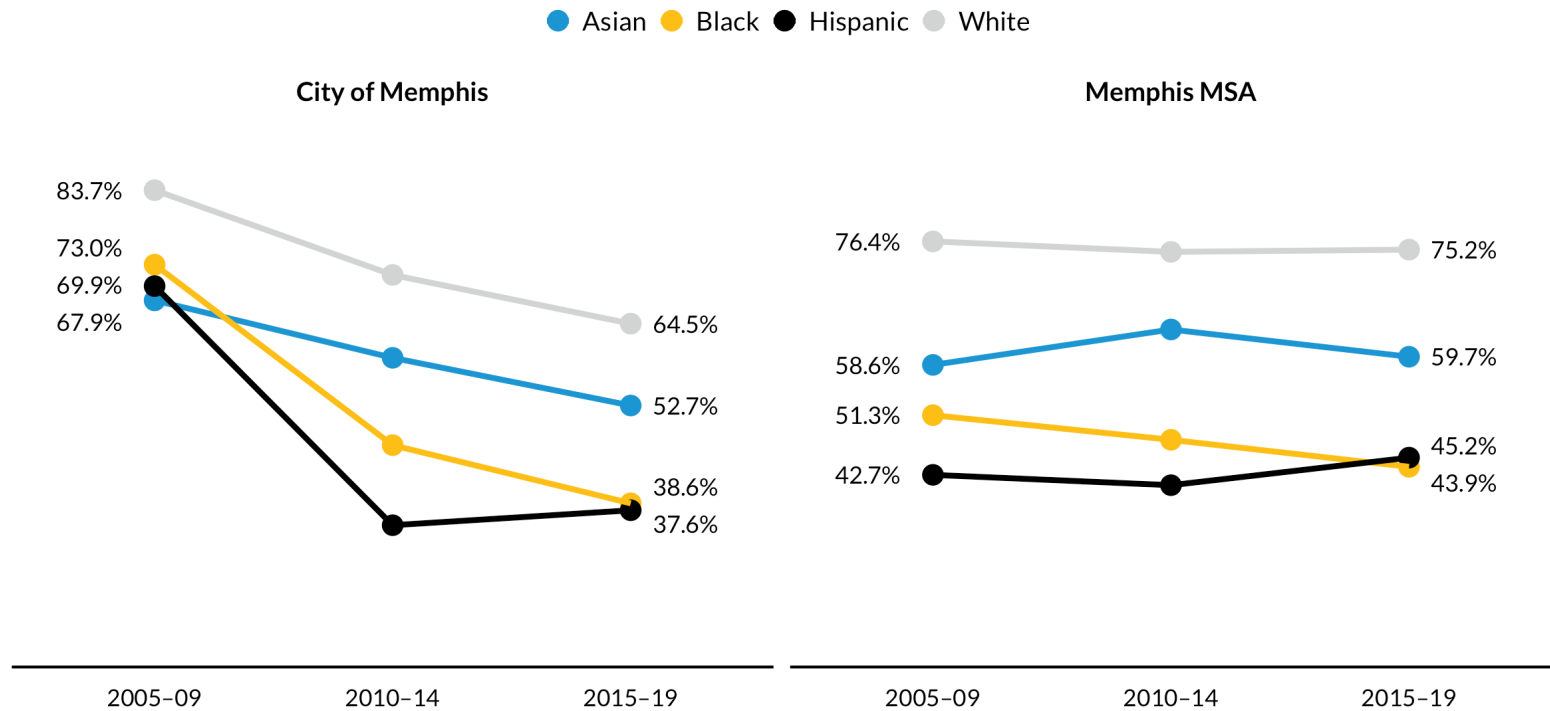
Source: American Community Survey.
Note: MSA = metropolitan statistical area.

Home-ownership Rate

Homeownership Rate Comparison



Homeownership Rates, by Race or Ethnicity



Reason for Denial

Table 1 – Reason for Denial

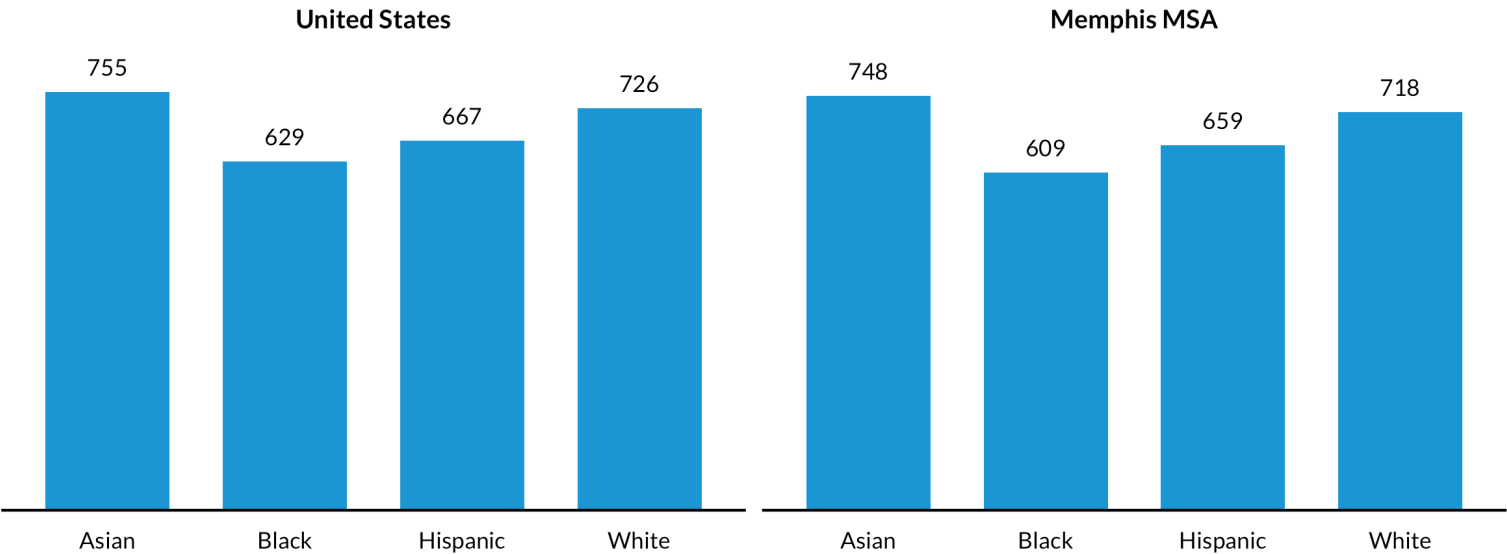
Reason	City of Memphis				Memphis MSA			
	Asian	Black	Hispanic	White	Asian	Black	Hispanic	White
Credit history	-	24.1%	6.8%	13.1%	7.3%	27.1%	21.2%	24.4%
DTI ratio	33.3%	28.8%	30.5%	26.1%	38.4%	32.0%	32.5%	33.2%
Collateral	23.8%	14.9%	15.3%	26.1%	21.9%	13.7%	11.3%	17.6%

Source: 2019 Home Mortgage Disclosure Act data.

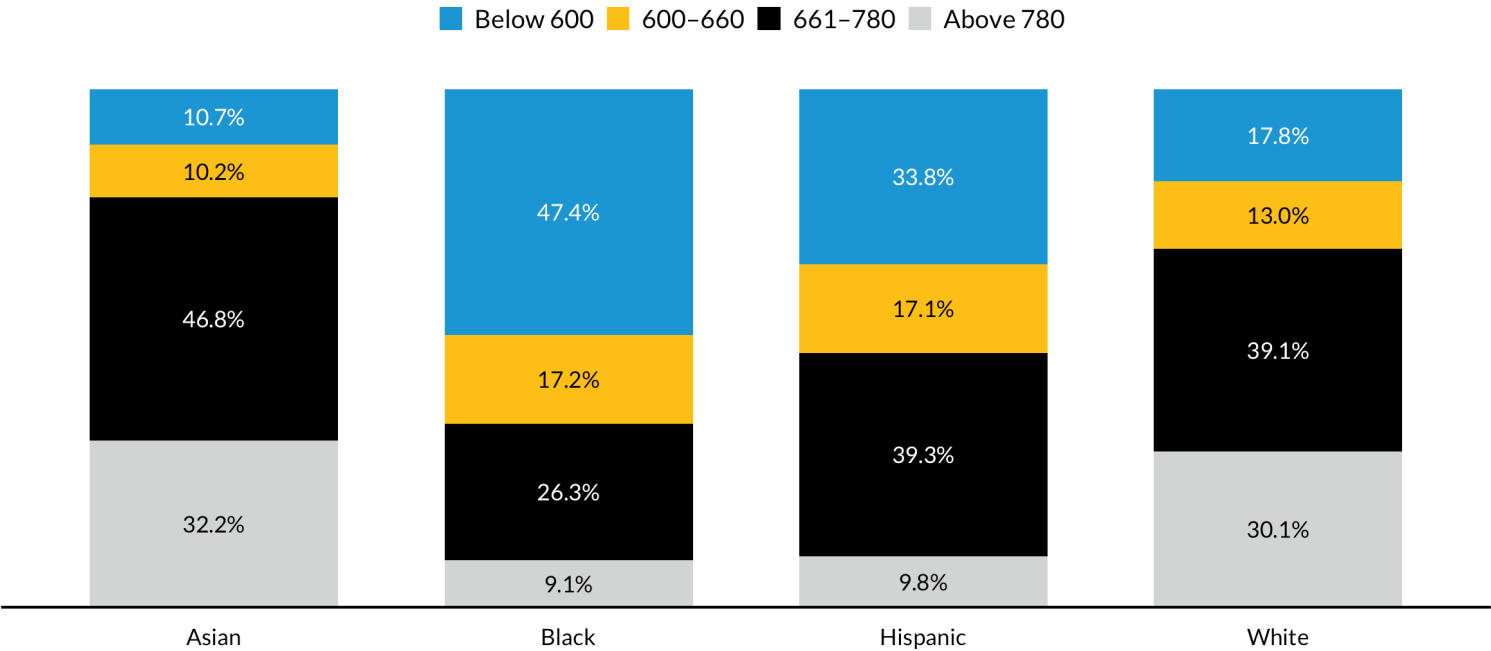
Notes: DTI = debt-to-income; MSA = metropolitan statistical area. Data are for purchase loans only.

Credit Score

Credit Score Comparison

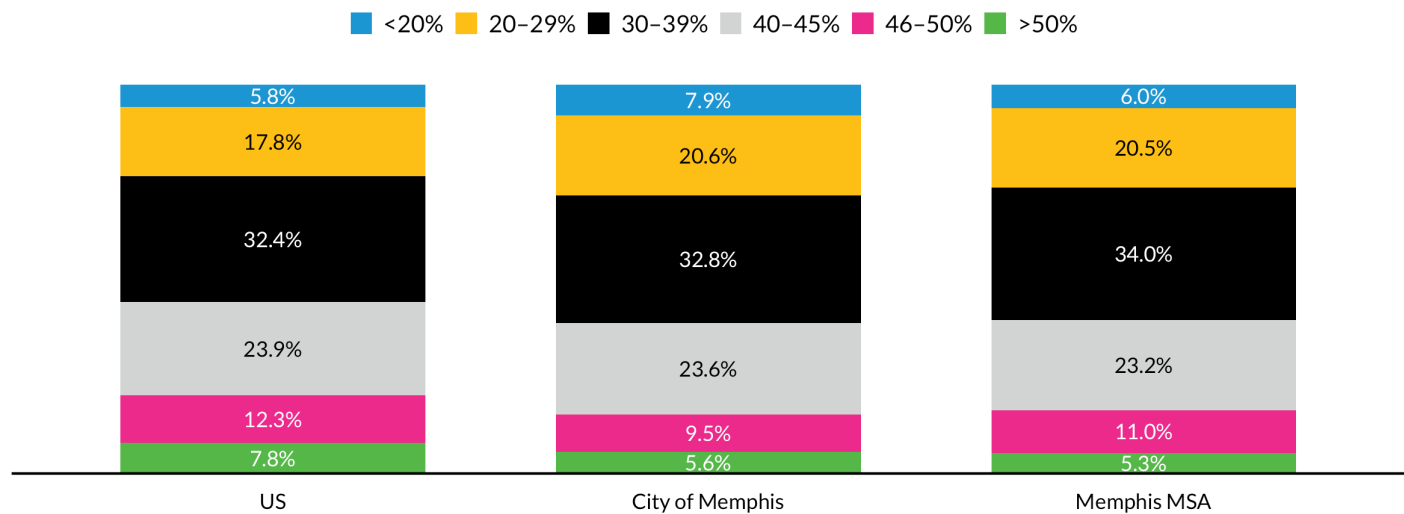


Credit Scores, by Race or Ethnicity, in the Memphis Metropolitan Statistical Area

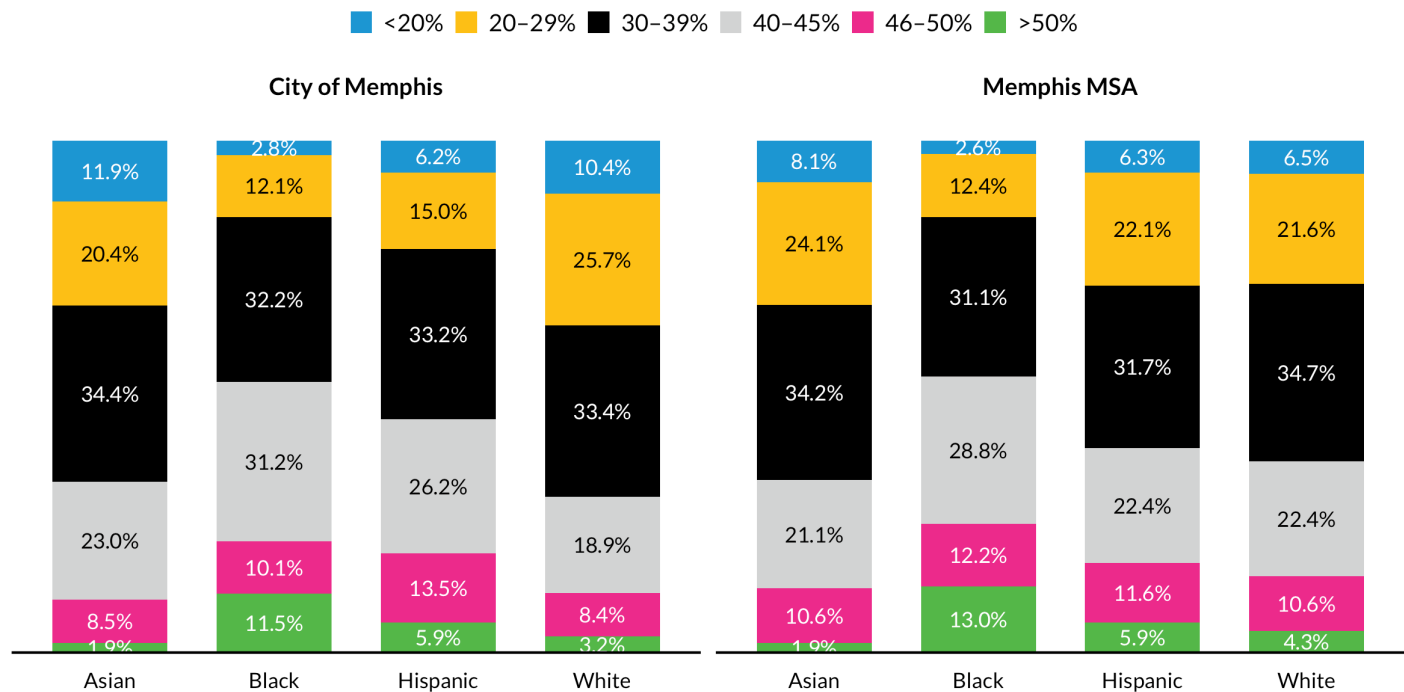


Debt to Income

DTI Ratio Distribution Comparison



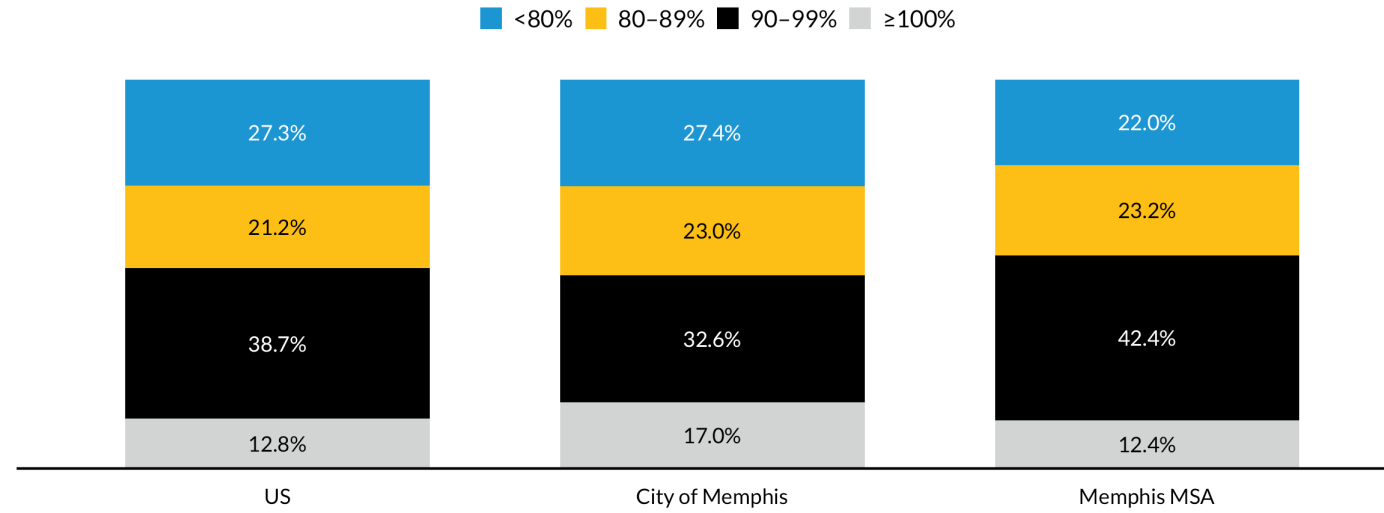
DTI Ratio Distribution, by Race or Ethnicity



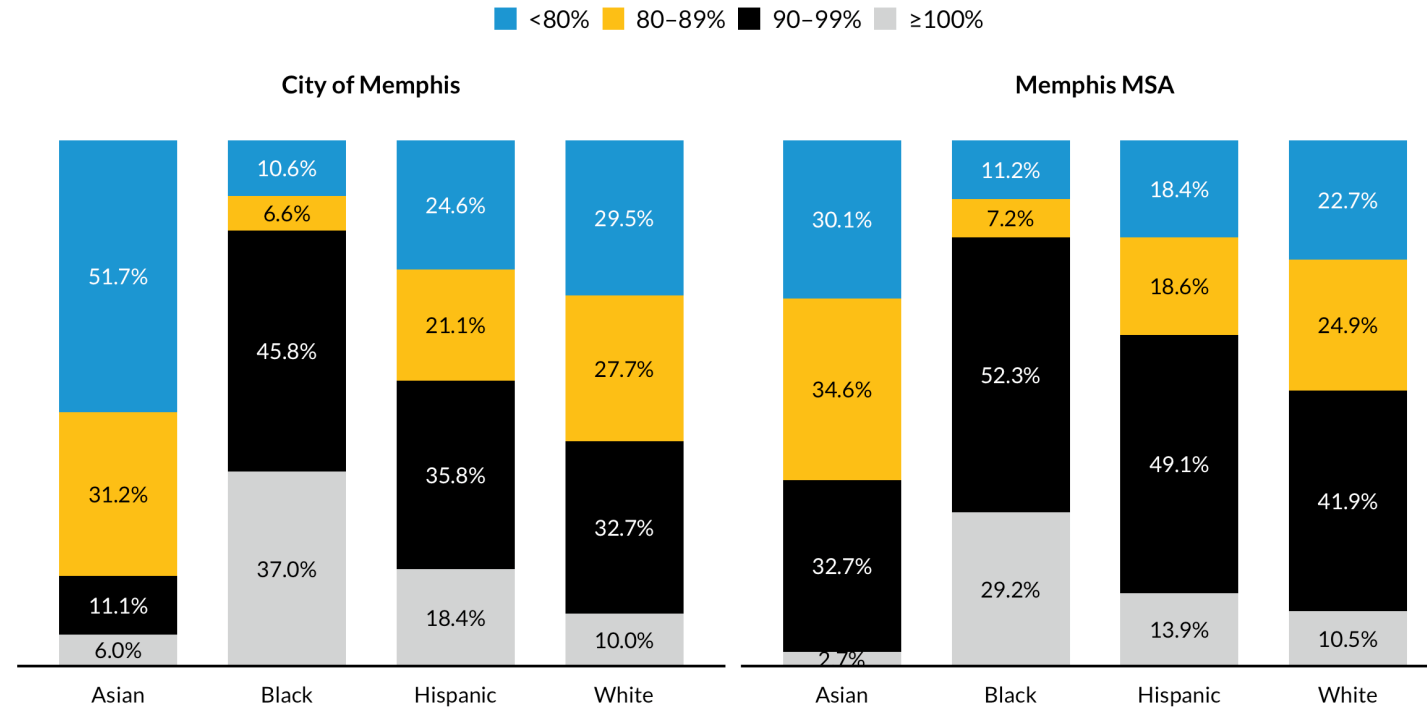
Source: 2019 Home Mortgage Disclosure Act data.
Notes: DTI = debt-to-income; MSA = metropolitan statistical area. Data are for purchase loans only.

Loan To Value

LTV Ratio Distribution Comparison

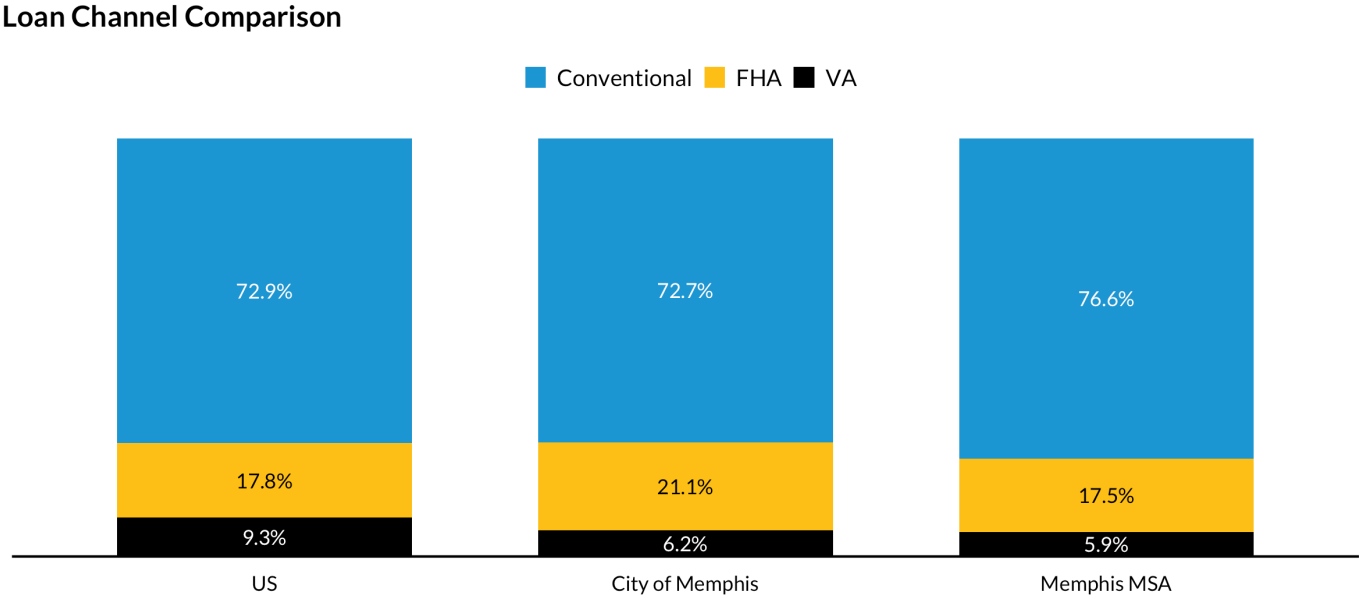


LTV Ratio Distribution, by Race or Ethnicity

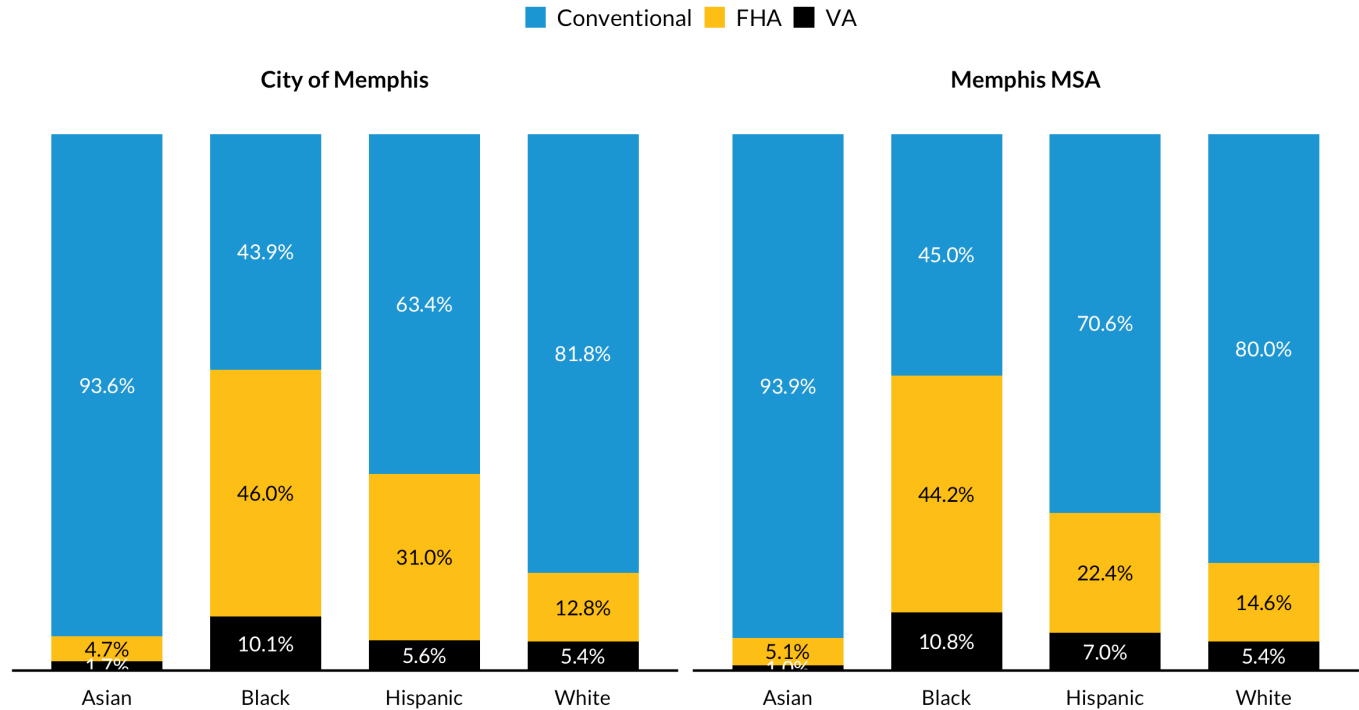


Source: 2019 Home Mortgage Disclosure Act data.
 Notes: LTV = loan-to-value; MSA = metropolitan statistical area. Data are for purchase loans only.

Loan Channel



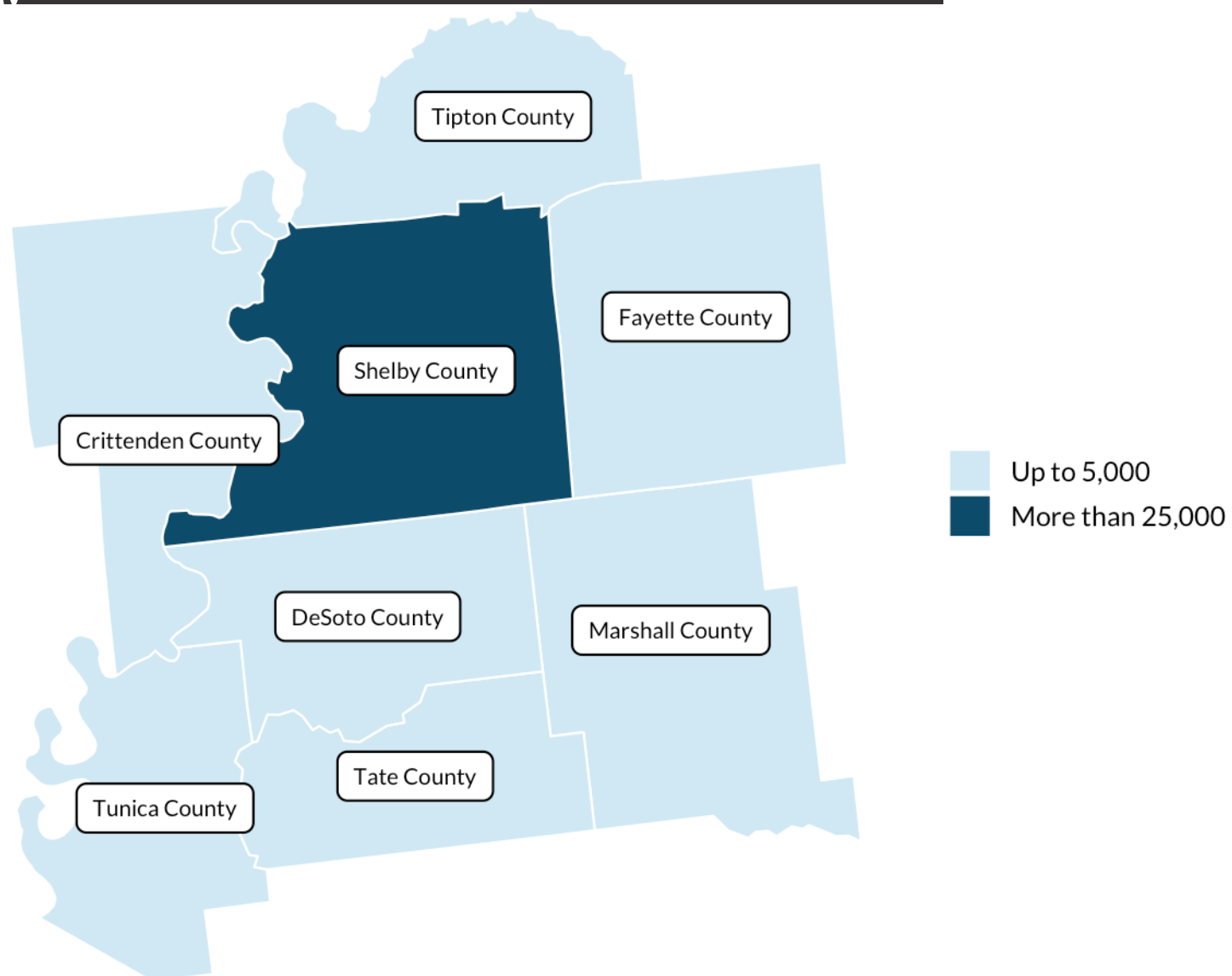
Loan Channel, by Race or Ethnicity



Source: 2019 Home Mortgage Disclosure Act data.
Notes: FHA = Federal Housing Administration; MSA = metropolitan statistical area; VA = US Department of Veterans Affairs. Data are for purchase loans only.

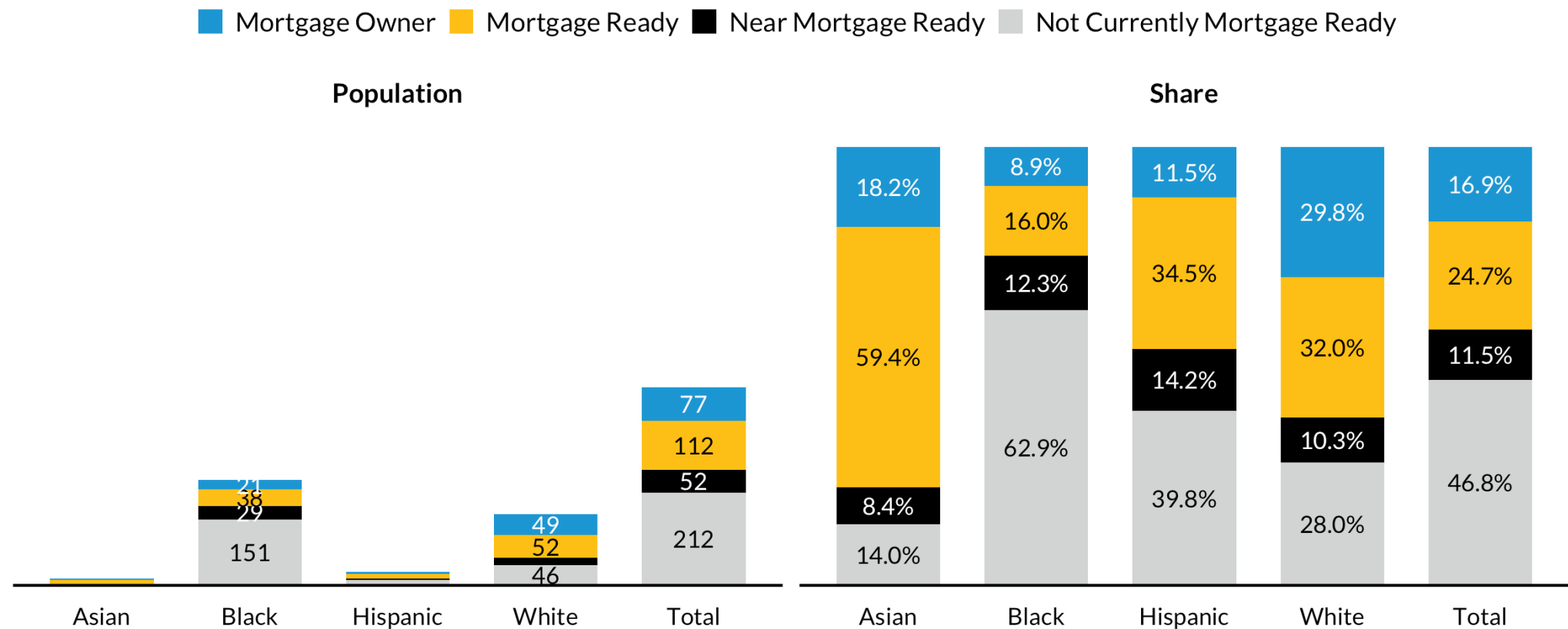
Mortgage Ready

Size of the Mortgage-Ready Black Population, by County



Mortgage Ready

Mortgage Readiness, by Race or Ethnicity, in the Memphis Metropolitan Statistical Area



Source: 2021 Freddie Mac.

Who is Using Alternative Financial Services?

African American

46%



Latino

40%



American Indian/
Alaska Native

38%



Hawaiian/Pacific
Islander

27%



Asian

19%



White

18%



MODERN DAY REDLINING

Compounding historical injustices, Black families are still being against in the housing market today in countless ways:

- Mortgage denials
- Discriminatory lending
- Racial steering
- Lower appraisals
- Predatory and unfair lending practices