

EXECUTIVE SUMMARY

The California Housing Financial Discrimination Act of 1977 (Act) prohibits discrimination based on defined characteristics. The Act governs the provision of loans to purchase, construct, rehabilitate or refinance one-to-four-unit residences occupied by the owner and to make home improvements to any one- to four-unit family residence.

The Act, at Health and Safety Code section 35815, subdivision (b), requires the Secretary of the Business, Consumer Services and Housing Agency (Agency) to annually report to the Legislature on the compliance activities of “the appropriate regulatory agencies and departments ...”

The 2016 Residential Mortgage Loan Report reflects lending activity of specified mortgage lenders in California licensed by the California Department of Business Oversight (DBO) and the California Bureau of Real Estate (CalBRE). The state reporting requirement applies to lenders which do not report similar information to the federal government under the Home Mortgage Disclosure Act of 1975 (HMDA). HMDA requirements apply to lenders who originate 100 or more home loans per year, and lenders whose home purchase loan originations exceed \$25 million or 10 percent of their total origination volume.

Four CalBRE-licensed lenders (up from three in 2015) and 27 DBO-licensed lenders (up from 16 in 2015) filed 2016 report information.

The 27 DBO-licensed lenders covered in this report made a total of 834 loans in 2016 – 664 home purchase loans and 170 home improvement loans. By contrast, all DBO-licensed residential mortgage lenders made a total of 785,516 loans in 2016. Therefore, the loans covered in this report represent 0.106 percent of the aggregate total for all DBO licensees. Because of the extremely limited number of lenders that filed reports in 2016, no conclusions can be drawn from the data.

To review the complete 2016 Residential Mortgage Loan Report, go to www.bcsb.ca.gov/holden2016.pdf. You also may contact the DBO at 916-332-7248 to request a copy of the report.

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MSA		Middle Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
40900	No of Tracts	0	1	11	3	4	0
	Purchase Loan Apps	0	0	6	3	3	0
	Purchase Loans Funded	0	0	6	3	3	0
	% Funded	0%	0%	100%	100%	100%	0%
	Home Improve Loan Apps	0	1	7	0	1	0
	Home Improve Loans Funded	0	1	7	0	1	0
	% Funded	0%	100%	100%	0%	100%	0%
41740	No of Tracts	0	0	3	0	1	2
	Purchase Loan Apps	0	0	3	0	1	1
	Purchase Loans Funded	0	0	3	0	1	1
	% Funded	0%	0%	100%	0%	100%	100%
	Home Improve Loan Apps	0	0	0	0	0	1
	Home Improve Loans Funded	0	0	0	0	0	1
	% Funded	0%	0%	0%	0%	0%	100%
41884	No of Tracts	0	0	2	8	4	2
	Purchase Loan Apps	0	0	2	3	1	2
	Purchase Loans Funded	0	0	2	3	1	2
	% Funded	0%	0%	100%	100%	100%	100%
	Home Improve Loan Apps	0	0	0	9	4	0
	Home Improve Loans Funded	0	0	0	9	4	0
	% Funded	0%	0%	0%	100%	100%	0%
41940	No of Tracts	0	0	0	4	1	0
	Purchase Loan Apps	0	0	0	4	1	0
	Purchase Loans Funded	0	0	0	4	1	0
	% Funded	0%	0%	0%	100%	100%	0%
	Home Improve Loan Apps	0	0	0	0	1	0
	Home Improve Loans Funded	0	0	0	0	1	0
	% Funded	0%	0%	0%	0%	100%	0%
42020	No of Tracts	0	1	16	4	0	0
	Purchase Loan Apps	0	2	32	9	0	0
	Purchase Loans Funded	0	2	31	7	0	0
	% Funded	0%	100%	97%	78%	0%	0%
	Home Improve Loan Apps	0	0	7	1	0	0
	Home Improve Loans Funded	0	0	7	1	0	0
	% Funded	0%	0%	100%	100%	0%	0%
42034	No of Tracts	1	0	1	0	0	0
	Purchase Loan Apps	1	0	1	0	0	0
	Purchase Loans Funded	1	0	1	0	0	0
	% Funded	100%	0%	100%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%

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MSA		Middle Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
42100	No of Tracts	0	0	2	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	3	0	0	0
	Home Improve Loans Funded	0	0	2	0	0	0
	% Funded	0%	0%	67%	0%	0%	0%
42200	No of Tracts	0	0	0	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
44700	No of Tracts	0	0	1	4	0	3
	Purchase Loan Apps	0	0	1	6	0	3
	Purchase Loans Funded	0	0	1	6	0	3
	% Funded	0%	0%	100%	100%	0%	100%
	Home Improve Loan Apps	0	0	0	0	0	1
	Home Improve Loans Funded	0	0	0	0	0	1
	% Funded	0%	0%	0%	0%	0%	100%
46700	No of Tracts	0	0	0	1	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	1	0	0
	Home Improve Loans Funded	0	0	0	1	0	0
	% Funded	0%	0%	0%	100%	0%	0%
Total	No of Tracts	1	2	64	67	48	22
	Purchase Loan Apps	1	2	97	314	66	19
	Purchase Loans Funded	1	2	71	79	46	19
	% Funded	100%	100%	73%	25%	70%	100%
	Home Improve Loan Apps	0	1	27	20	11	5
	Home Improve Loans Funded	0	1	25	18	11	5
	% Funded	0%	100%	93%	90%	100%	100%

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MSA		Upper Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
11244	No of Tracts	0	3	52	22	2	1
	Purchase Loan Apps	0	7	363	78	28	1
	Purchase Loans Funded	0	3	79	38	3	1
	% Funded	0%	43%	22%	49%	11%	100%
	Home Improve Loan Apps	0	0	6	2	0	1
	Home Improve Loans Funded	0	0	5	2	0	1
	% Funded	0%	0%	83%	100%	0%	100%
12540	No of Tracts	0	0	1	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	1	0	0	0
	Home Improve Loans Funded	0	0	1	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
17020	No of Tracts	0	0	1	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	2	0	0	0
	Home Improve Loans Funded	0	0	2	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
23420	No of Tracts	0	0	11	4	2	0
	Purchase Loan Apps	0	0	2	1	3	0
	Purchase Loans Funded	0	0	1	1	2	0
	% Funded	0%	0%	50%	100%	67%	0%
	Home Improve Loan Apps	0	0	14	5	0	0
	Home Improve Loans Funded	0	0	12	4	0	0
	% Funded	0%	0%	86%	80%	0%	0%
25260	No of Tracts	0	0	0	1	0	0
	Purchase Loan Apps	0	0	0	1	0	0
	Purchase Loans Funded	0	0	0	1	0	0
	% Funded	0%	0%	0%	100%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
31084	No of Tracts	0	0	23	7	6	7
	Purchase Loan Apps	0	0	23	6	5	7
	Purchase Loans Funded	0	0	22	6	5	6
	% Funded	0%	0%	96%	100%	100%	86%
	Home Improve Loan Apps	0	0	6	1	1	2
	Home Improve Loans Funded	0	0	6	1	1	2
	% Funded	0%	0%	100%	100%	100%	100%

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MSA		Upper Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
32900	No of Tracts	0	0	1	0	1	0
	Purchase Loan Apps	0	0	10	0	1	0
	Purchase Loans Funded	0	0	10	0	1	0
	% Funded	0%	0%	100%	0%	100%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
33700	No of Tracts	0	0	5	3	1	0
	Purchase Loan Apps	0	0	12	6	1	0
	Purchase Loans Funded	0	0	12	6	1	0
	% Funded	0%	0%	100%	100%	100%	0%
	Home Improve Loan Apps	0	0	1	1	0	0
	Home Improve Loans Funded	0	0	1	1	0	0
	% Funded	0%	0%	100%	100%	0%	0%
34900	No of Tracts	0	1	1	0	0	0
	Purchase Loan Apps	0	1	1	0	0	0
	Purchase Loans Funded	0	1	1	0	0	0
	% Funded	0%	100%	100%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
36084	No of Tracts	1	1	14	5	3	2
	Purchase Loan Apps	2	1	14	6	3	2
	Purchase Loans Funded	2	1	14	6	3	2
	% Funded	100%	100%	100%	100%	100%	100%
	Home Improve Loan Apps	0	0	2	1	0	0
	Home Improve Loans Funded	0	0	2	1	0	0
	% Funded	0%	0%	100%	100%	0%	0%
37100	No of Tracts	0	0	2	0	0	0
	Purchase Loan Apps	0	0	1	0	0	0
	Purchase Loans Funded	0	0	1	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
	Home Improve Loan Apps	0	0	1	0	0	0
	Home Improve Loans Funded	0	0	1	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
40140	No of Tracts	0	0	1	10	5	0
	Purchase Loan Apps	0	0	1	8	7	0
	Purchase Loans Funded	0	0	1	8	7	0
	% Funded	0%	0%	100%	100%	100%	0%
	Home Improve Loan Apps	0	0	0	3	0	0
	Home Improve Loans Funded	0	0	0	3	0	0
	% Funded	0%	0%	0%	100%	0%	0%

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MSA		Upper Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
40900	No of Tracts	0	0	13	3	4	0
	Purchase Loan Apps	0	0	14	1	4	0
	Purchase Loans Funded	0	0	14	1	4	0
	% Funded	0%	0%	100%	100%	100%	0%
	Home Improve Loan Apps	0	0	4	2	1	0
	Home Improve Loans Funded	0	0	4	2	1	0
	% Funded	0%	0%	100%	100%	100%	0%
41740	No of Tracts	0	0	5	5	3	1
	Purchase Loan Apps	0	0	5	5	2	0
	Purchase Loans Funded	0	0	5	5	2	0
	% Funded	0%	0%	100%	100%	100%	0%
	Home Improve Loan Apps	0	0	0	0	1	1
	Home Improve Loans Funded	0	0	0	0	1	1
	% Funded	0%	0%	0%	0%	100%	100%
41884	No of Tracts	0	0	13	6	0	0
	Purchase Loan Apps	0	0	9	3	0	0
	Purchase Loans Funded	0	0	9	3	0	0
	% Funded	0%	0%	100%	100%	0%	0%
	Home Improve Loan Apps	0	0	7	3	0	0
	Home Improve Loans Funded	0	0	7	3	0	0
	% Funded	0%	0%	100%	100%	0%	0%
41940	No of Tracts	0	0	0	5	2	0
	Purchase Loan Apps	0	0	0	3	1	0
	Purchase Loans Funded	0	0	0	3	1	0
	% Funded	0%	0%	0%	100%	100%	0%
	Home Improve Loan Apps	0	0	0	3	1	0
	Home Improve Loans Funded	0	0	0	3	1	0
	% Funded	0%	0%	0%	100%	100%	0%
42020	No of Tracts	1	0	4	0	0	0
	Purchase Loan Apps	1	0	6	0	0	0
	Purchase Loans Funded	1	0	6	0	0	0
	% Funded	100%	0%	100%	0%	0%	0%
	Home Improve Loan Apps	0	0	1	0	0	0
	Home Improve Loans Funded	0	0	1	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
42034	No of Tracts	0	0	1	0	0	0
	Purchase Loan Apps	0	0	1	0	0	0
	Purchase Loans Funded	0	0	1	0	0	0
	% Funded	0%	0%	100%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%

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MSA		Upper Income					
		Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
42100	No of Tracts	0	0	0	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
42200	No of Tracts	0	0	0	0	0	0
	Purchase Loan Apps	0	0	0	0	0	0
	Purchase Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
44700	No of Tracts	0	0	4	4	3	1
	Purchase Loan Apps	0	0	11	6	3	1
	Purchase Loans Funded	0	0	11	6	3	1
	% Funded	0%	0%	100%	100%	100%	100%
	Home Improve Loan Apps	0	0	0	0	0	0
	Home Improve Loans Funded	0	0	0	0	0	0
	% Funded	0%	0%	0%	0%	0%	0%
46700	No of Tracts	0	0	0	1	1	0
	Purchase Loan Apps	0	0	0	0	1	0
	Purchase Loans Funded	0	0	0	0	1	0
	% Funded	0%	0%	0%	0%	100%	0%
	Home Improve Loan Apps	0	0	0	2	0	0
	Home Improve Loans Funded	0	0	0	1	0	0
	% Funded	0%	0%	0%	50%	0%	0%
Total	No of Tracts	2	5	152	76	33	12
	Purchase Loan Apps	3	9	473	124	59	11
	Purchase Loans Funded	3	5	187	84	33	10
	% Funded	100%	56%	40%	68%	56%	91%
	Home Improve Loan Apps	0	0	45	23	4	4
	Home Improve Loans Funded	0	0	42	21	4	4
	% Funded	0%	0%	93%	91%	100%	100%

TABLE IV - DATA SUMMARY						
	Less Than 10% Minority	10% to 15% Minority	16% to 39% Minority	40% to 59% Minority	60% to 79% Minority	80% to 100% Minority
Low and Moderate Income						
No of Tracts	0	0	8	25	47	57
Purchase Loan Apps	0	0	7	23	81	77
Purchase Loans Funded	0	0	6	19	46	52
% Funded	0%	0%	86%	83%	57%	68%
Home Improve Loan Apps	0	0	4	12	13	13
Home Improve Loans Funded	0	0	4	11	12	12
% Funded	0%	0%	100%	92%	92%	92%
Middle Income						
No of Tracts	1	2	64	67	48	22
Purchase Loan Apps	1	2	97	314	66	19
Purchase Loans Funded	1	2	71	79	46	19
% Funded	100%	100%	73%	25%	70%	100%
Home Improve Loan Apps	0	1	27	20	11	5
Home Improve Loans Funded	0	1	25	18	11	5
% Funded	0%	100%	93%	90%	100%	100%
Upper Income						
No of Tracts	2	5	152	76	33	12
Purchase Loan Apps	3	9	473	124	59	11
Purchase Loans Funded	3	5	187	84	33	10
% Funded	100%	56%	40%	68%	56%	91%
Home Improve Loan Apps	0	0	45	23	4	4
Home Improve Loans Funded	0	0	42	21	4	4
% Funded	0%	0%	93%	91%	100%	100%

Data Table Summaries:

The 27 DBO-licensed lenders submitted report information covering 22 of California's 28 Metropolitan Statistical Areas/Metropolitan Divisions, and 29 of California's 37 counties with assigned Metropolitan Statistical Area/Metropolitan Division numbers. The 22 Metropolitan Statistical Area/Metropolitan Division numbers have been further segregated into 7,441 individual census tracts, or specific neighborhood/geographic areas. Lenders reported loan activity in 622 of the census tracts, or approximately 8.3 percent of the total.

Combined home purchase and home improvements loans funded in 2016 totaled 834. The total funded loans reported by DBO-licensed lenders in this year's Residential Mortgage Loan Report was minimal compared to the number of such loans made by all DBO lenders, which totaled 785,516.

Data Table I - Census Tract Aggregation

	<u>2015</u>	<u>2016</u>	<u>Change</u>
Home Purchase Loan Applications	271	1,367	+1,096
Home Purchase Loans Funded	228	664	+436
Percentage of Loans Funded	84%	49%	-35 percentage points
Home Improvement Loan Applications	127	182	+55
Home Improvement Loans Funded	126	170	+44
Percentage of Loans Funded	99%	93%	-6 percentage points

Table I shows 1,367 applications for home purchase loans and 182 applications for home improvement loans were submitted to the reporting DBO-licensed lenders in 2016. These totals represented an increase in home purchase loan applications from 2015, and an increase in home improvement loan applications. In comparing loan funding rates, 49 percent of all home purchase loan applications received funding in 2016, and 93 percent of all home improvement loan applications were funded. This represented a decrease from 2015 in the funding rate for both home purchase loans and home improvement loans.

The conclusion that may be drawn from the information in Table 1 is that because of favorable interest rates for home purchases and home improvement loans, these two activities increased in 2016.

Data Table II - Home Loan Data by Income

Table II reveals that the highest funded rate for home purchase loans came at the low- and moderate-income level followed by the upper-income level, then the middle-income level.

Upper Income

Home Purchase Loans		Home Improvement Loans	
No. of Apps	679	No. of Apps	76
No. of Loans	322	No. of Loans	71
% Loans Funded	47%	% Loans Funded	93%

Middle Income

Home Purchase Loans		Home Improvement Loans	
No. of Apps	499	No. of Apps	64
No. of Loans	218	No. of Loans	60
% Loans Funded	44%	% Loans Funded	94%

Low and Moderate Income

Purchase Loans		Home Improvement Loans	
No. of Apps	188	No. of Apps	42
No. of Loans	123	No. of Loans	39
% Loans Funded	65%	% Loans Funded	93%

Due to the limited amount of loan activity by the 27 DBO-reporting lenders, no conclusions can be drawn from the information in Table II.

Data Table III - Home Loan Data by Racial Characteristics

Table III reports Metropolitan Statistical Area/Metropolitan Division and census tract loan activity based on the racial characteristics of the areas. Loan activity relevant to racial characteristics shows the following:

	No. of Tracts	Home Purchase Loans			Home Improvement Loans		
		Apps	Loans	Fund Rate	Apps	Loans	Fund Rate
Less than 10% minority	3	4	4	100%	0	0	N/A
10% to 15% minority	7	11	7	64%	1	1	100%
16% to 39% minority	224	557	264	46%	76	71	93%
40% to 59% minority	168	461	182	39%	55	50	91%
60% to 79% minority	128	205	125	61%	28	27	96%
80% to 100% minority	91	107	81	76%	22	21	95%

The information indicates the home purchase loan funding rate was much lower in areas with 40 percent to 59 percent minority residents than areas with lower and higher minority population percentages.

Due to the limited amount of loan activity reported by the 27 DBO-licensed lenders, no conclusions can be drawn from the information in Table III.

Data Table IV - Home Loan Data by Income Categories and Racial Characteristics

Table IV shows aggregate loan funding information based on the income and the racial composition of areas in which DBO licensees funded loan requests.

Low- and moderate-income category – The home purchase funding rates were: 86 percent of loans in the 16 percent to 39 percent minority category; 83 percent in the 40 percent to 59 percent minority category; 57 percent in the 60 percent to 79 percent minority category; and 68 percent in the 80 percent to 100 percent minority category. No purchase loans were reported in the less than 10 percent minority category and the 10 percent to 15 percent minority category. Seven

applications were reported in the 16 percent to 39 percent minority category; 23 in the 40 percent to 59 percent minority category; 81 in the 60 percent to 79 percent minority category; and 77 in the 80 percent to 100 percent minority category. No applications were reported in the less than 10 percent minority and 10 percent to 15 percent minority category.

The home improvement loan information funding rates were: 100 percent of loans in the 16 percent to 39 percent minority category; 92 percent in the 40 percent to 59 percent minority category; 92 percent in the 60 percent to 79 percent minority category; and 92 percent in the 80 percent to 100 percent minority category. No purchase loans were reported in the less than 10 percent minority category and the 10 percent to 15 percent minority category. Four applications were reported in the 16 percent to 39 percent minority category; 12 in the 40 percent to 59 percent minority category; 13 in the 60 percent to 79 percent minority category; and 13 in the 80 percent to 100 percent minority category. No applications were reported in the less than 10 percent minority and 10 percent to 15 percent minority category.

Middle-income category – The home purchase funding rates were: 100 percent in the less than 10 percent minority category; 100 percent in the 10 percent to 15 percent minority category; 73 percent of loans in the 16 percent to 39 percent minority category; 25 percent in the 40 percent to 59 percent minority category; 70 percent in the 60 percent to 79 percent minority category; and 100 percent in the 80 percent to 100 percent minority category. One application was reported in the less than 10 percent minority category; two in the 10 percent to 15 percent minority category; 97 in the 16 percent to 39 percent minority category; 314 in the 40 percent to 59 percent minority category; 66 in the 60 percent to 79 percent minority category; and 19 in the 80 percent to 100 percent minority category.

The home improvement loan information funding rates were: 100 percent in the 10 percent to 15 percent minority category; 93 percent in the 16 percent to 39 percent minority category; 90 percent in the 40 percent to 59 percent minority category; 100 percent in the 60 percent to 79 percent minority category; and 100 percent in the 80 percent to 100 percent minority category. One application was reported in the 10 percent to 15 percent minority category; 27 in the 16 percent to 39 percent minority category; 20 in the 40 percent to 59 percent minority category; 11 in the 60 percent to 79 percent minority category; and five in the 80 percent to 100 percent minority category. No applications were reported in the less than 10 percent minority category.

Upper-income category – The home purchase funding rates were: 100 percent in the less than 10 percent minority category; 56 percent in the 10 percent to 15 percent minority category; 40 percent in the 16 percent to 39 percent minority category; 68 percent in the 40 percent to 59 percent minority category; 56 percent in the 60 percent to 79 percent minority category; and 91 percent in the 80 percent to 100 percent minority category. Three applications were reported in the less than 10 percent minority category; 9 in the 10 percent to 15 percent minority category; 473 in the 16 percent to 39 percent minority category; 124 in the 40 percent to 59 percent minority category; 59 in the 60 percent to 79 percent minority category; and 11 in the 80 percent to 100 percent minority category.

The home improvement loan information funding rates were: 93 percent of loans in the 16 percent to 39 percent minority category; 91 percent in the 40 percent to 59 percent minority category; 100

percent in the 60 percent to 79 percent minority category; and 100 percent in the 80 percent to 100 percent minority category. Forty-five applications were reported in the 16 percent to 39 percent minority category; 23 in the 40 percent to 59 percent minority category; 4 in the 60 percent to 79 percent minority category; and 4 in the 80 percent to 100 percent minority category. No applications were reported in the less than 10 percent and 10 percent to 15 percent minority category.

Due to the limited amount of loan activity reported by the 27 DBO-licensed lenders, no conclusions can be drawn from the Table IV information.

Department of Business Oversight Conclusions:

Due to the limited number of DBO lenders (27) that filed reports, no conclusions can be drawn from the data.

All DBO-licensed mortgage lenders made a total of 602,002 loans in 2016 with a total value of \$207.3 billion. DBO-licensed finance lenders made or refinanced a total of 99,198 loans for an aggregate amount of \$31.9 billion. Credit unions licensed by DBO made or refinanced 84,316 loans with a total value of \$12.7 billion. The 834 loans reported in the Residential Mortgage Loan Report – 664 home purchase loans and 170 home improvement loans – comprised just 0.106 percent of the overall number of loans made by all DBO licensees. Additionally, the reported information does not reflect the impact of specific credit criteria. The information reported by DBO-licensed lenders does not show any violations of the Holden Act.

less than 10 percent; 10 percent to 15 percent, 16 percent to 39 percent and 40 percent to 59 percent minority categories.

Middle-income category – Home purchase loan funding rates were 100 percent in all the minority categories. Home improvement funding rates were 100 percent in the 16 percent to 39 percent and 40 percent to 59 percent minority categories. No home improvement loans were reported in the less than 10 percent; 10 percent to 15 percent 60 percent to 79 percent and 80 percent to 100 percent minority categories.

Upper-income category – The home purchase loan funding rates were 100 percent in all the minority categories. Home improvement funding rates were 100 percent in the 16 percent to 39 percent minority category. No home improvement loans were reported in the other minority categories.

Due to the limited amount of loan activity reported by the four CalBRE-licensed lenders, no valid conclusions can be drawn from the Table IV information.

Bureau of Real Estate Conclusions

Because only four lenders filed information and reported on a limited number of loan applications, no valid conclusions can be drawn from the data submitted.