



FSIC Housing Task Force Blog

Mortgage denial rate for Black borrowers is twice that of overall population, report finds



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Recently, CNBC [highlighted](#) the mortgage denial rate for Black borrowers in the United States. The article cites a new report from [LendingTree](#) that gives insight into the difficulties aspiring Black homeowners are facing.

In the United States, one of the most effective ways to build wealth is through homeownership. However, Black borrowers are tasked with navigating an uneven playing field to reach this important milestone. The report from LendingTree, an online lending market company, revealed that Black borrowers face denial at twice the rate of the overall population when it comes to applying for mortgages. This can lead to Black borrowers questioning whether becoming a homeowner is achievable.

Jacob Channel, a senior economist at LendingTree, commented, “The problem does exist. We have data that backs that up. But there are solutions, and Black homebuyers shouldn’t lose faith that they’ll never be able to become homeowners”.

Over the years, gradual progress has occurred in evening out the playing field for aspiring Black homebuyers compared to the overall population. Yet, a [recent national survey](#) found that 45% of Black respondents currently live in a home they owned compared to 55% who lived in a rented home.



The 45% figure for Black homeownership in the survey was lower than the 65% of total respondents who said they owned their house. These numbers are troubling and show we still have much work to do.

“There’s a lot of subconscious bias, and I don’t think that people necessarily always realize that bias exists or how to spot it in the first place and how to prevent it,” Channel said.