



FOR IMMEDIATE RELEASE – October 17, 2024

Contact: Amy Nelson, Executive Director
317-644-0673 x1001
anelson@fhcci.org

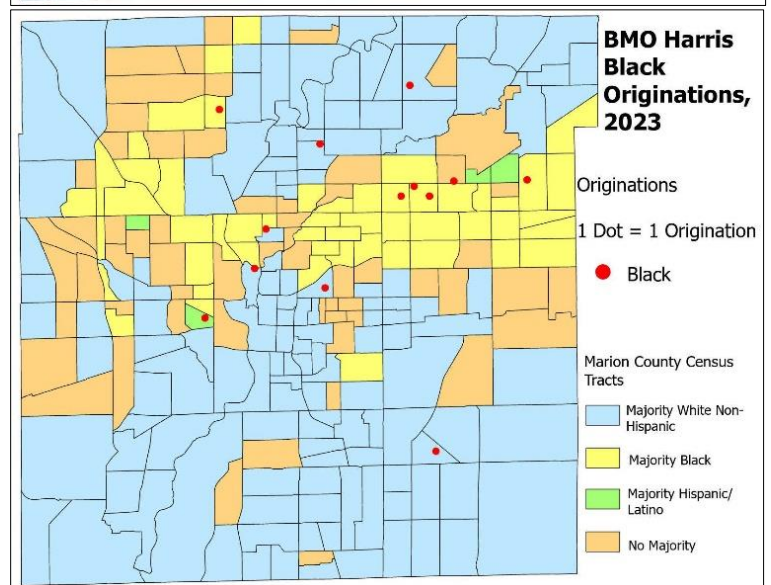
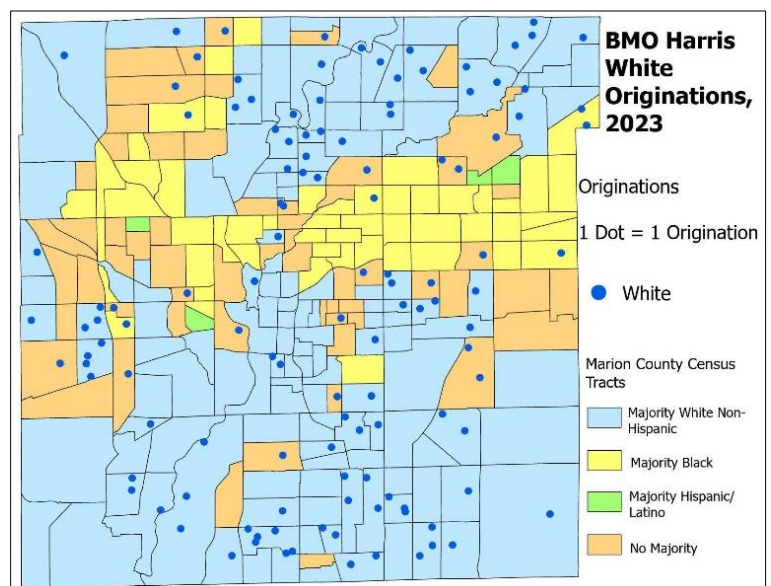
BMO Harris Continues to Underserve Black Mortgage Borrowers in Marion County Two Years After Agreement

INDIANAPOLIS, IN – In 2022, BMO Harris announced their planned acquisition of BancWest Holding Inc. and Bank of the West. At the time, the [FHCCI opposed this merger](#) because BMO Harris was one of the lowest-performing mortgage lenders in serving Black/African American home seekers in the Indianapolis/Marion County, Indiana market. Later that year, BMO Harris entered into a national [Community Benefits Agreement \(CBA\)](#). The FHCCI refused to sign onto the CBA due to its lack of targets specific to Indianapolis. As part of the Indianapolis-based community meetings initiated by BMO Harris that then followed, BMO Harris representatives assured the FHCCI and community members that it would do better.

“As we approach the two-year anniversary of the CBA, the FHCCI analyzed recent Home Mortgage Disclosure Act (HMDA) data and found that BMO Harris continues to underperform in serving Black/African American residents of Marion County despite their previous promises,” stated Amy Nelson, Executive Director of the FHCCI.

The FHCCI found that BMO Harris is a top 50 mortgage lender in Indianapolis/Marion County, Indiana, originating over \$20.5 million in mortgages in 2023. Overall, BMO Harris received 390 mortgage loan applications where race and ethnicity were identified and originated 165 of those applications during 2023.

Regarding their reach to Black home seekers, BMO Harris originated only 13 loans to Black/African American borrowers in Marion County in 2023,



compared to 122 loans to white borrowers. Their share of originations to Black/African American borrowers was only 8.1%, less than half that of their peers' rate (17.9%). Their white share of mortgage originations was 76.3%, compared to 63.7% for their peers. The maps above created by the FHCCI show the location of BMO Harris loans originated to white and Black borrowers, on top of neighborhood racial demographics. Of note, the 13 loans originated to Marion County Black borrowers in 2023 is the same number of loans originated in 2022, and only 1 more loan than they originated in 2021 (12), to Black borrowers in Marion County. Overall, BMO Harris had the *fourth lowest share of originations* to Black applicants of the top 50 mortgage lenders in Marion County.

Top 50 Mortgage Lenders for Marion County (2023) - Ranked by Lowest Origination Share for Black Applicants	Total Origination Amount (\$1000s)	Originations	Originations for Race Unknown	Number of Originations (Excluding Unknown)	White Originations	White Share of Originations	White Origination Rate	Black Originations	Black Share of Originations	Black Origination Rate
The National Bank of Indianapolis	\$73,880	176	7	169	147	87.0%	82.1%	9	5.3%	64.3%
U.S. Bank National Association	\$14,635	77	13	64	53	82.8%	31.0%	4	6.3%	6.7%
Discover Bank	\$7,145	91	11	80	68	85.0%	18.1%	6	7.5%	7.1%
BMO Harris Bank National Association	\$20,535	165	5	160	122	76.3%	47.7%	13	8.1%	23.2%
TRIAD FINANCIAL SERVICES, INC.	\$3,740	82	16	66	41	62.1%	57.7%	6	9.1%	42.9%
RUOFF MORTGAGE COMPANY, INC.	\$94,725	417	49	368	277	75.3%	75.7%	34	9.2%	59.6%
Caliber Home Loans, Inc.	\$127,110	518	76	442	351	79.4%	77.7%	41	9.3%	65.1%
Elements Financial Federal Credit Union	\$95,700	484	46	438	351	80.1%	75.6%	41	9.4%	53.9%
The Federal Savings Bank	\$36,585	187	11	176	16	9.1%	47.1%	17	9.7%	53.1%

Regarding their mortgage originations, only 34 of BMO Harris's 165 mortgage loan originations in 2023 were designated for home purchases, making up 20.6% of their overall originations as compared to 61.4% for its peers. This tells us that BMO Harris is not reaching those interested in purchasing a home and occupying it. An even more worrisome data metric from a market reach perspective is that *only one of BMO Harris's 34 purchase-oriented loan originations* in Marion County in 2023 went to a Black/African American home seeker.

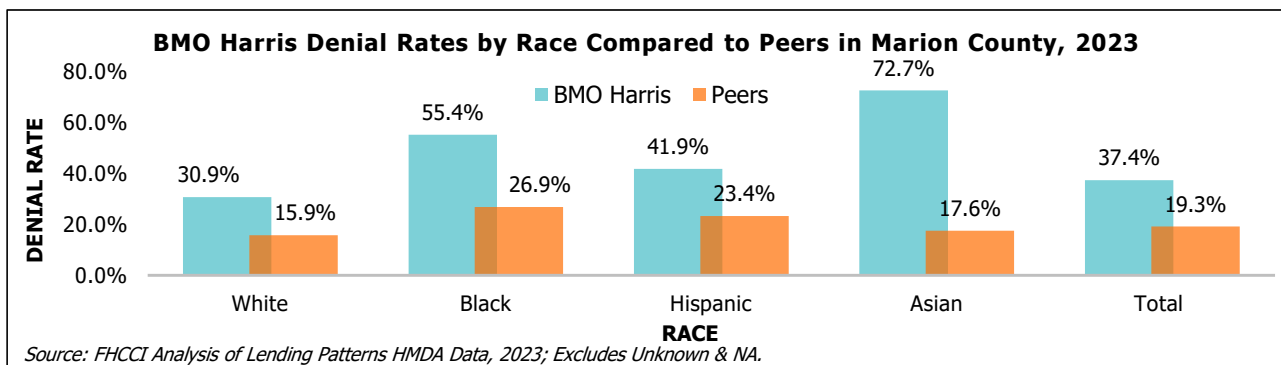
At the time of the CBA, the FHCCI raised concerns about the lack of bank branches in Marion County neighborhoods of color. Then and now, BMO Harris continues to have no bank branches or loan production offices located in majority-Black neighborhoods in Marion County.

On applications, BMO Harris received 14.4% of their mortgage applications from Black home seekers (56 applications), compared to 21.3% for their peers in 2023 in Marion County. Although BMO Harris received fewer applications from Black borrowers than in 2022 (60 applications), their overall share of applications from Black borrowers was slightly higher at 14.4% vs. 12.7% in 2023.

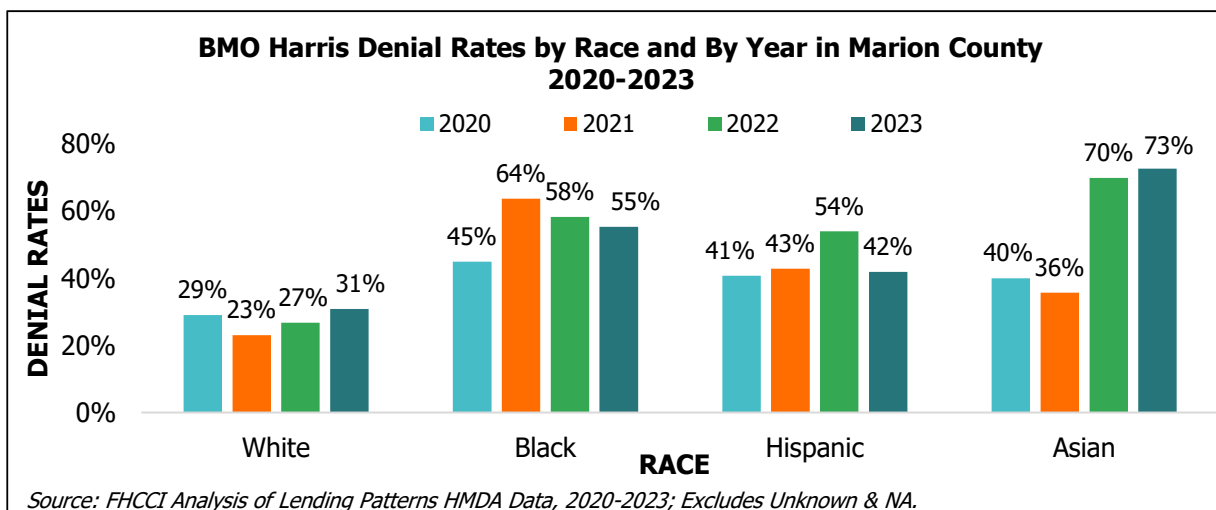
However, BMO Harris continues to maintain a high denial rate for such applicants. Among top 50 mortgage lenders in Marion County, BMO Harris *had the fifth highest denial rate* for Black applicants (55.4%), denying 31 of the 56 applications from Black home seekers that it received in 2023.

Top 50 Lenders for Marion County (2023) – Ranked by Highest Black Denial Rate	Total Applications (Excluding Unknown)	Number of Denials (Excluding Unknown)	Total Denial Rate (Excluding Unknown)	White Applications	White Denials	White Share of Denials	White Denial Rate	Black Applications	Black Denials	Black Share of Denials	Black Denial Rate
U.S. Bank National Association	275	172	62.5%	171	93	33.8%	54.4%	60	49	17.8%	81.7%
Horizon Bank	271	97	35.8%	207	59	21.8%	28.5%	50	31	11.4%	62.0%
Discover Bank	582	276	47.4%	376	153	26.3%	40.7%	85	50	8.6%	58.8%
Bank of America, National Association	277	134	48.4%	173	79	28.5%	45.7%	52	29	10.5%	55.8%
BMO Harris Bank National Association	390	146	37.4%	256	79	20.3%	30.9%	56	31	7.9%	55.4%
The Huntington National Bank	1,354	528	39.0%	839	276	20.4%	32.9%	286	149	11.0%	52.1%
TRIAD FINANCIAL SERVICES, INC.	132	50	37.9%	71	24	18.2%	33.8%	14	7	5.3%	50.0%

BMO Harris’s denial rate for Black applicants was more than double their peers’ rate (26.9%) and over 25% higher than BMO Harris’s denial rate for Marion County white applicants.



High denial rates for Indianapolis Black applicants by BMO Harris have been continuing trend since 2020, ranging from 45% in 2020 to as high as 64% in 2021. Denial rates for Hispanic applicants by BMO Harris are nearly as high as their denial rates for Black applicants.



“At the time of the CBA, the FHCCI expressed concern that BMO Harris would not focus on Indianapolis without agreed-upon goals,” continued Amy Nelson of the FHCCI. “Unfortunately, two years out from the CBA, the data indicates that not much has changed as to their business practices in serving Black/African American residents of our city.”

In its initial CBA, BMO Harris committed to redressing its poor track record of lending to borrowers of color, allocating home loans and investment dollars to be made in those communities. The FHCCI calls on BMO Harris to follow that same objective in the Indianapolis market and to work to ensure a strong and inclusive market presence in our lending-starved communities. Without focused efforts in this area, BMO will continue to be one of the lowest performing lenders for Black/African American borrowers in Marion County.

To assist the public in learning more about Indiana mortgage lender’s performances, the FHCCI created a data portal, highlighting lenders in Marion County, central Indiana, and other major metro areas across the state which includes their performance rates compared to peers as it relates to mortgage applications, originations, and denials by race, ethnicity, and more. [Learn more about the FHCCI data portal here.](#)

The Fair Housing Center of Central Indiana (FHCCI) is a private, nonprofit fair housing organization based in Indianapolis, Indiana. Its mission is to facilitate open housing for all people by ensuring the availability of affordable and accessible housing; promoting housing choice and homeownership; advocating for an inclusive housing market; working toward stable and equitable communities; and eradicating discrimination within Central Indiana, the State of Indiana, and nationally. For more information, visit: www.fhcci.org

The work that provided the basis for this publication was supported in part by funding under a grant with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the federal Government.