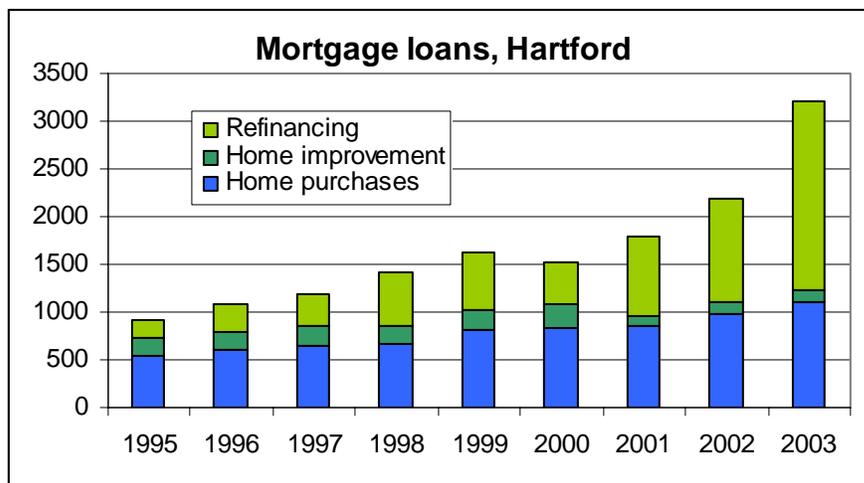


Mortgage Loans in Hartford, 1995 to 2003

HARTFORDINFO.ORG

The HMDA provides data on home mortgage loans made to Hartford property owners for home purchases, home improvements and home mortgage refinancing.¹ Between 1995 and 2003 the number of mortgage loans in the city increased from 922 to 3,203, more than a three-fold increase.

In 1995, 543 mortgage loans were approved for home purchases in the city. Loans for home purchases accounted for 59% of all home mortgage loans in the city in 1995. Although the number of mortgage loans that were approved to finance home purchases in Hartford increased in succeeding years – doubling to 1098 in 2003 – the greatest growth was seen in the number of mortgage loans approved to refinance existing home mortgages. In 1995, 199 home refinancing loans were approved in the city. By 2003, that number had risen to 1,976, a ten-fold increase.



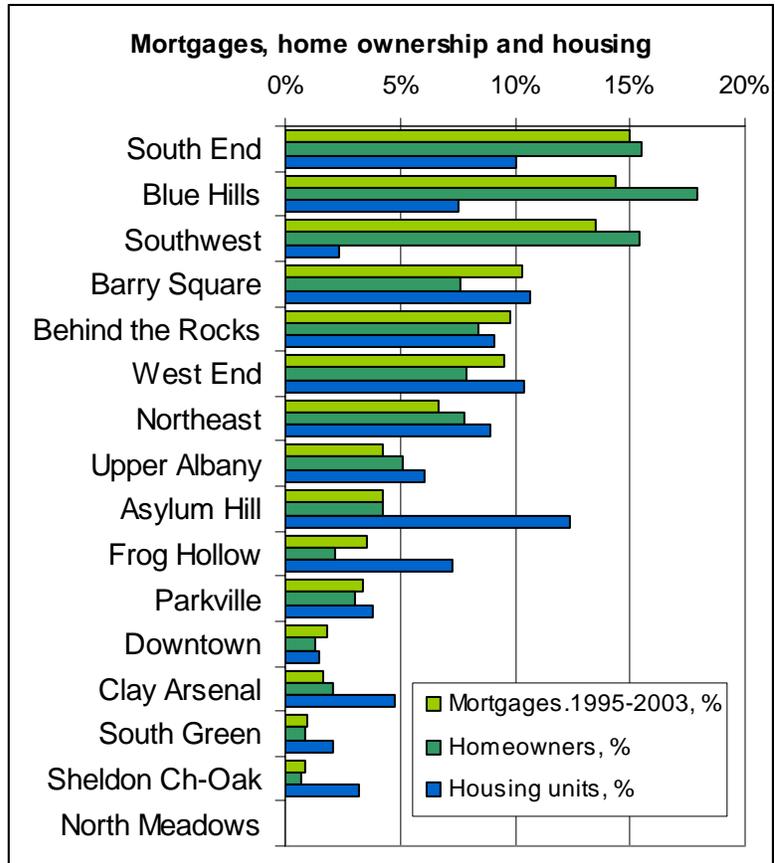
Between 1995 and 2003, property owners in Hartford were approved for 6,232 home refinancing loans. Given that the city had fewer than 12,000 owner-occupied housing units in 2000, more than half of all property owners in Hartford refinanced existing mortgages during the previous decade.

Fifty-three percent (54%) of all mortgage loans approved between 1995 and 2003 were for properties in just four of Hartford's 17 neighborhoods, South End, Blue Hills, Southwest and Barry Square. Although only 31% of the city's housing stock was located

¹ Mortgage loans are those which are both approved by the lender and accepted by the borrower in a loan origination process.

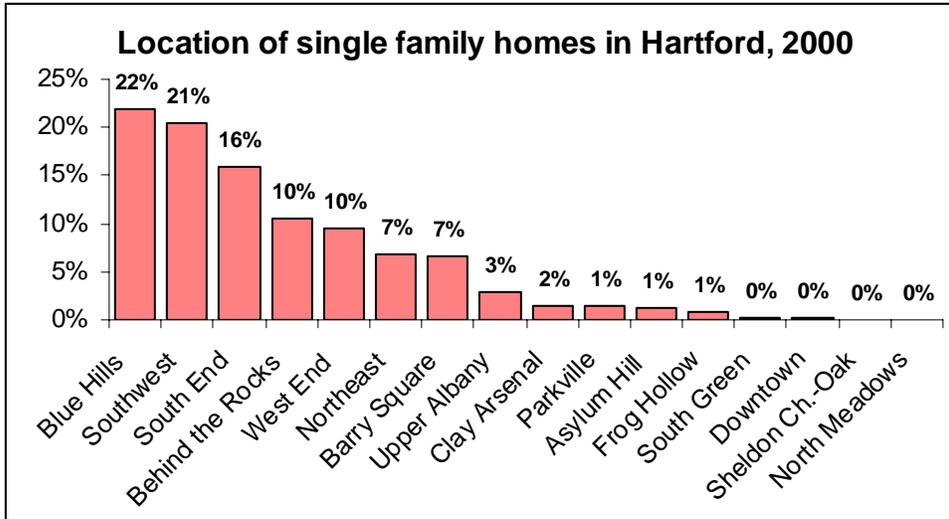
in these neighborhoods in 2000, 56% of the city's homeowners lived in these four neighborhoods.²

Although the Southwest neighborhood contains only 2% of the city's housing units, the neighborhood is home to 15% of the city's homeowners. Between 1995 and 2003, 14% of mortgage loans were approved for properties in Southwest. Similarly, Blue Hills contains only 8% of the city's housing units but is home to 18% of the city's homeowners.

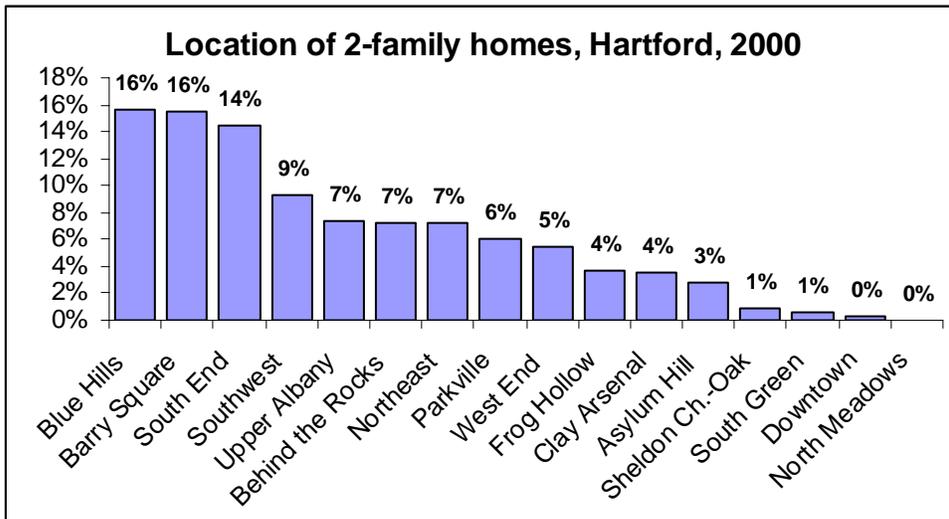


The uneven distribution of homeowners in the city is directly related to the distribution of housing stock in the city. Seventy-eight percent (78%) of the 7,500 single-family detached homes in the city are located in just five neighborhoods. Similarly, 62% of the two-family homes are located in just five neighborhoods. These types of properties are much more likely to be owner-occupied.

² The number and type of housing units and homeownership rates are derived from the 2000 U.S. Census.

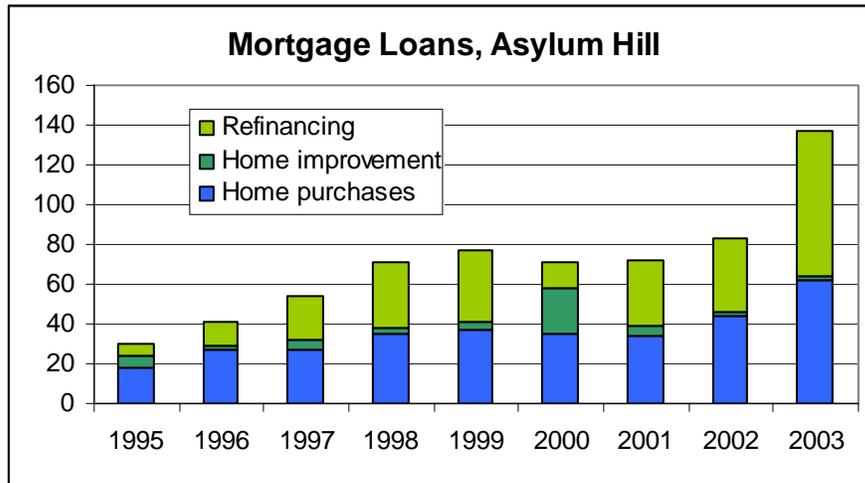


Blue Hills contains 22% of all single-family structures in the city and 16% of the two-family structures. Combined, the four neighborhoods that accounted for a majority of mortgage loans contain 66% of Hartford's single-family homes and 53% of the two-family homes.



Although the number of mortgage loans approved across the city between 1995 and 2003 were more concentrated in some neighborhoods than in others, the mix of loans made in most neighborhoods was remarkably similar. Strong growth in the number of home refinancing loans during the last five years was evident in almost every neighborhood. The number of home improvement loans generally peaked as home refinancing increased in each neighborhood. Since many homeowners were able to extract some cash equity from their properties during refinancing, it is probable that much home improvement activity during the last five years was financed with funds obtained during refinancing.

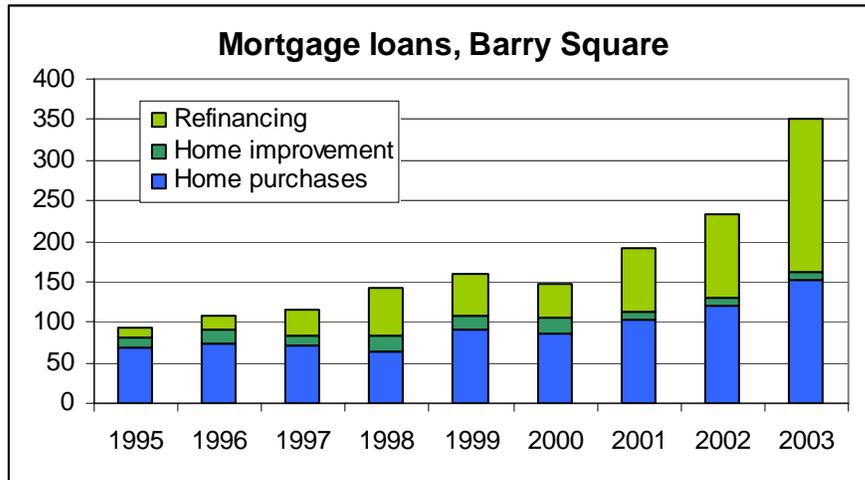
Asylum Hill



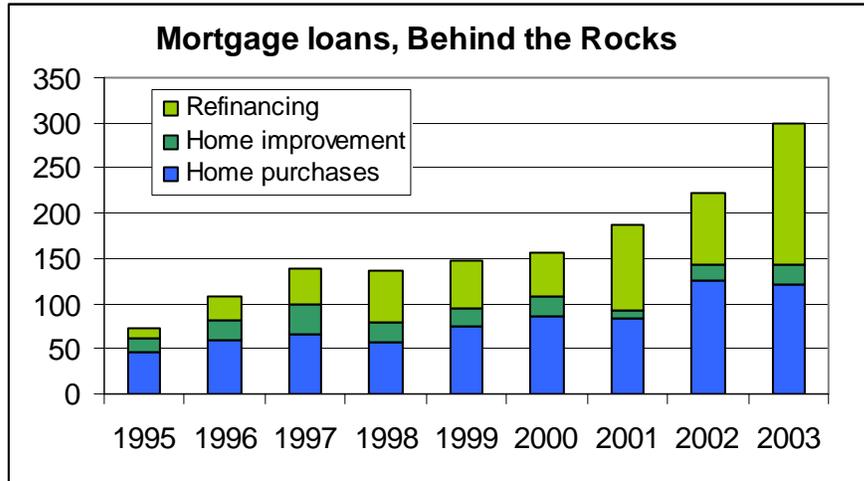
The mix of mortgage loans in Asylum Hill generally reflects the mix of loans made citywide.

Barry Square

Trends in home mortgage loans in Barry Square and Behind the Rocks also generally conform to the citywide pattern.



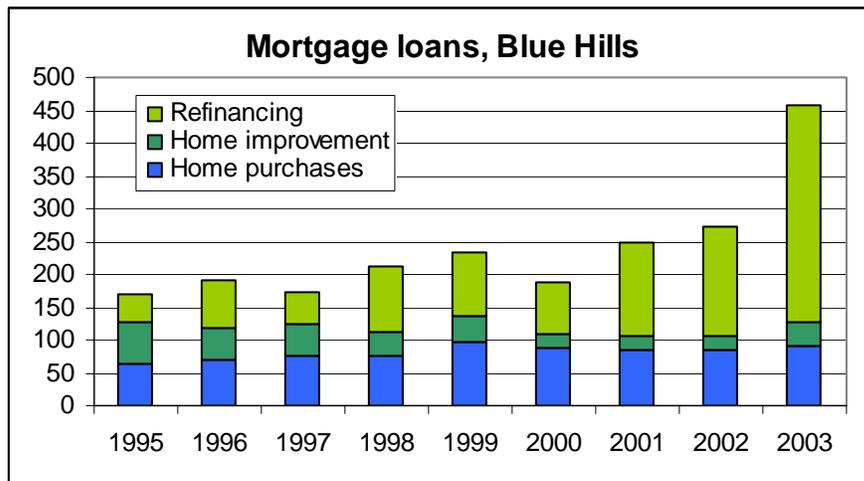
Behind the Rocks



Citywide, mortgage loans for home purchase doubled between 1995 and 2003 growing from 543 to 1098. The growth in home purchase loans in Asylum Hill, Barry Square and Behind the Rocks grew more rapidly than they did citywide.

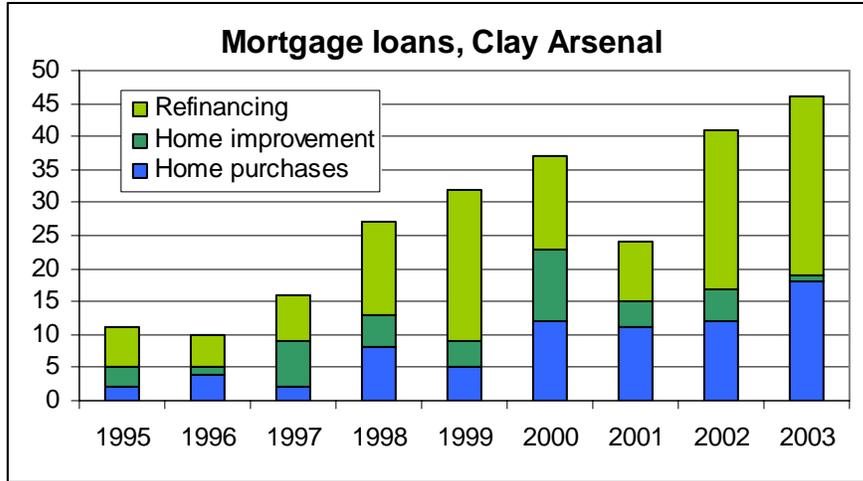
Blue Hills

Blue Hills was one neighborhood where home purchase loans lagged the citywide figure. In 1995, 63 home purchase loans were approved in Blue Hills. By 2003, that number had only risen to 92, a much more modest increase. In 2003, 72% of all mortgage loans in Blue Hills were refinancing loans.



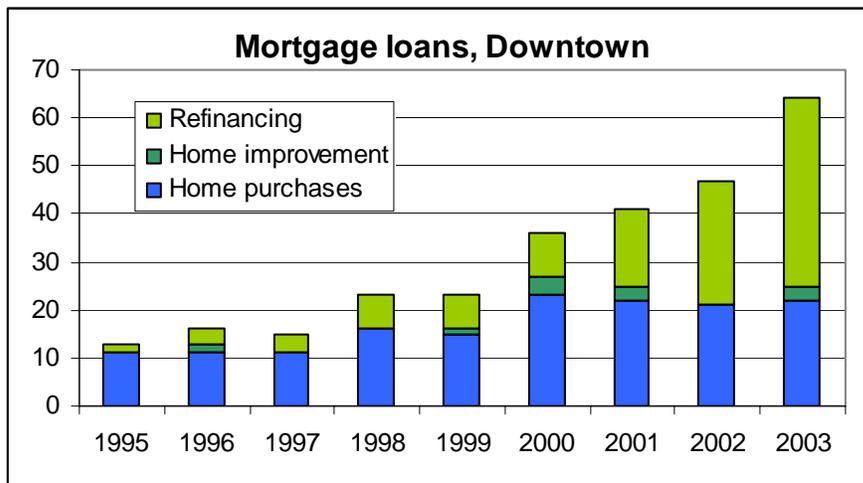
Clay Arsenal

Between 1995 and 1997, less than 5 home purchase loans were approved in Clay Arsenal. By 2003, that number had risen to 18.



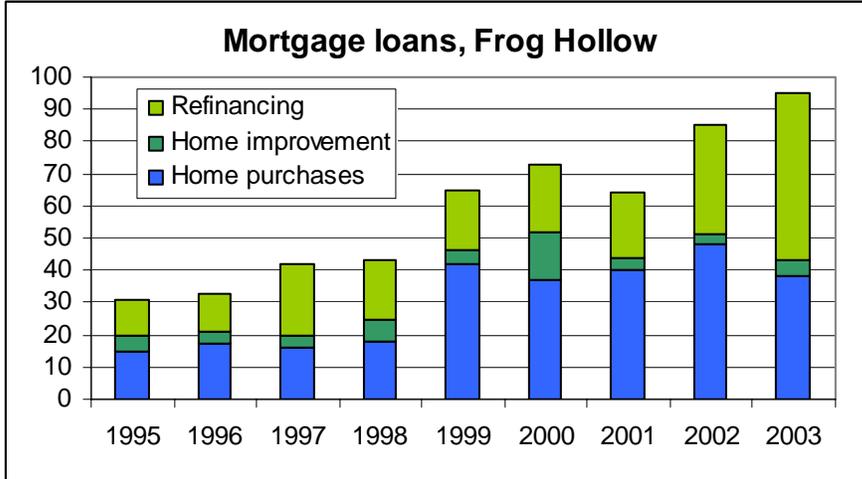
Downtown

Almost 75% of housing units in Downtown are in structures containing 10 or more residential units. Forty-seven percent (47%) of housing units are in buildings with over 50 units. It is assumed that many of the home purchases in this neighborhood were for condominium-style units.



Frog Hollow

Between 1990 and 2000 Frog Hollow saw many six- to ten-family apartment buildings replaced by new single-family and duplex-style homes. These homes began to come onto the market during the late 1990s.

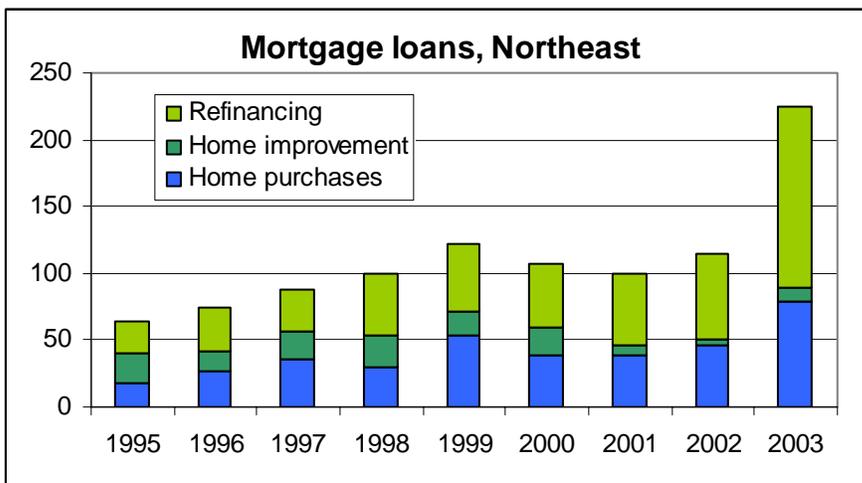


North Meadows

No conclusions with respect to changes in the real estate market in North Meadows because of the low number of private residential housing units.

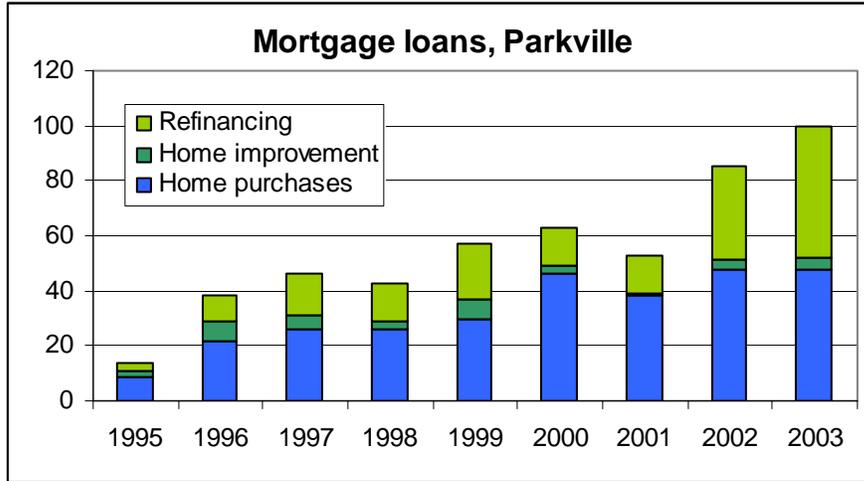
Northwest

The Northwest neighborhood saw a four-fold increase in the number of mortgage loans used for home purchases between 1995 and 2003.



Parkville

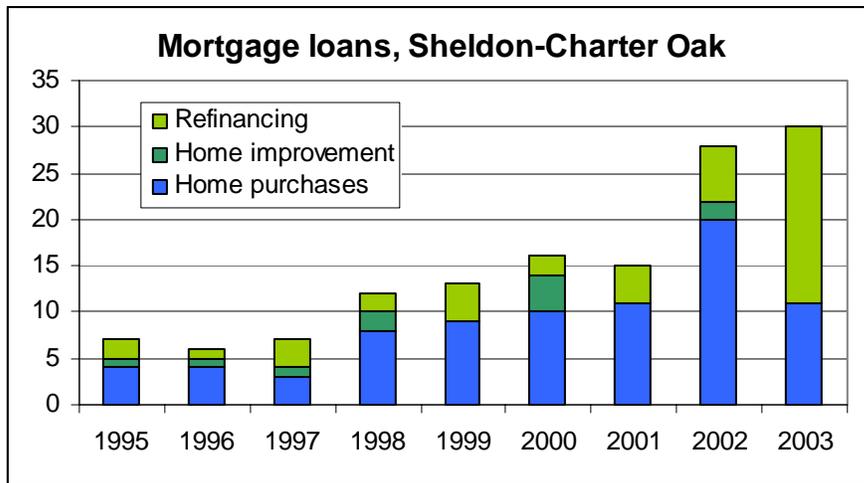
The Parkville neighborhood saw a five-fold increase in mortgage loans used for home purchases. Although the total number of home purchases in Northeast and Parkville were modest, these increases suggest renewed optimism in these areas among prospective home buyers. .

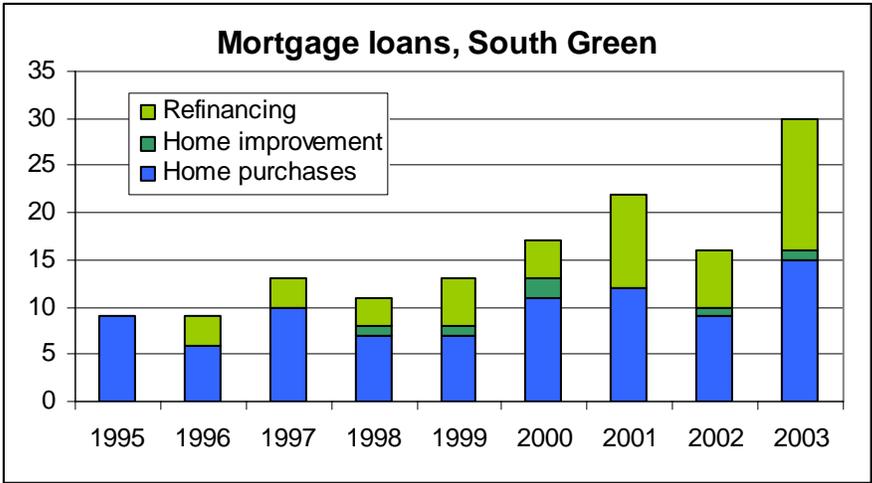


Home refinancing increased significantly in almost all neighborhoods in 2002 and 2003. Since mortgage interest rates had generally been low since the mid-1990s, there is no clear explanation for the sudden increase in this type of borrowing. Parkville, which experienced better than a five-fold increase in home purchase loans between 1995 and 2003, saw a sixteen-fold increase in home refinancing loans during the same period.

Sheldon Charter-Oak and South Green

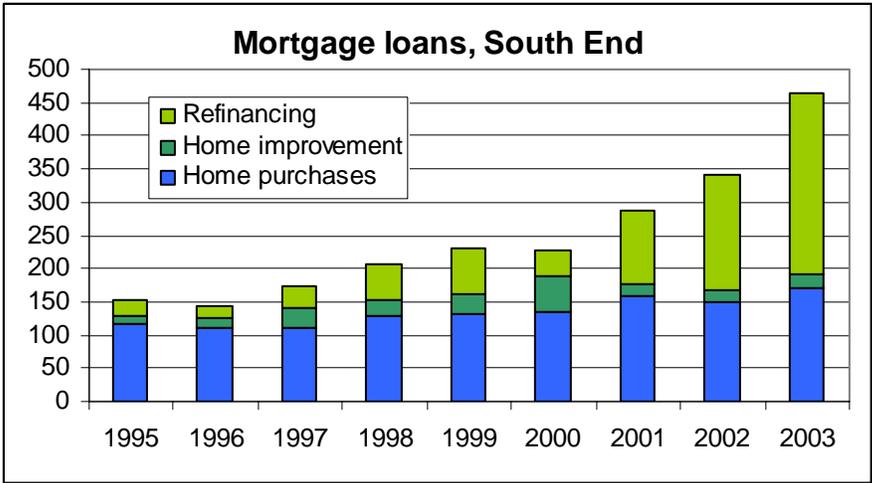
Sheldon Charter-Oak and South Green are small, adjacent neighborhoods just to the south of the city's downtown. Housing in both neighborhoods is overwhelmingly located in multi-family structures. According to the 2000 Census there were less than 30 single family homes in the area.





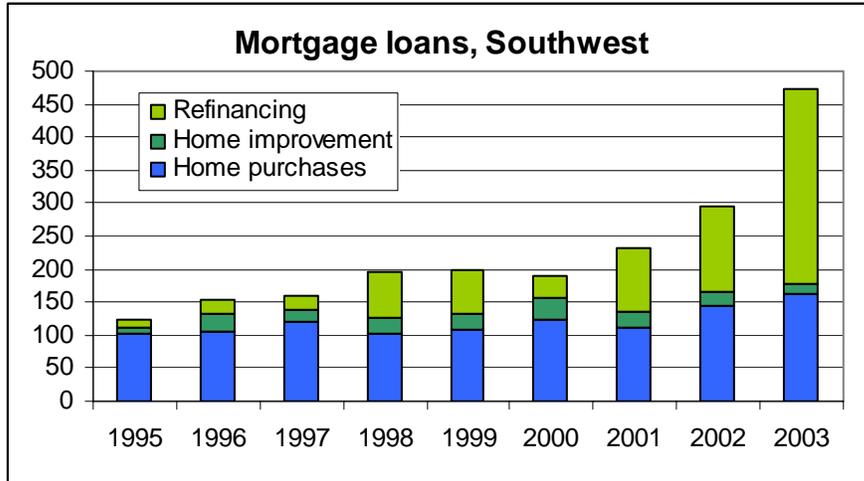
South End

Home purchase loans in the South End grew moderately between 1995 and 2003.



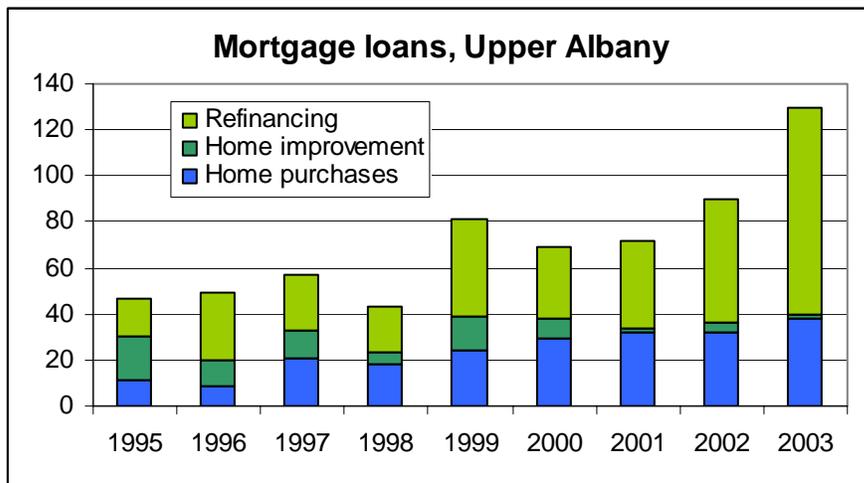
Southwest

The southwest neighborhood also saw a moderately steady increase in the number of home purchase loans between 1995 and 2003. Almost 30% of home purchase loans in the city between 1995 and 2003 were for properties in Southwest and South End.



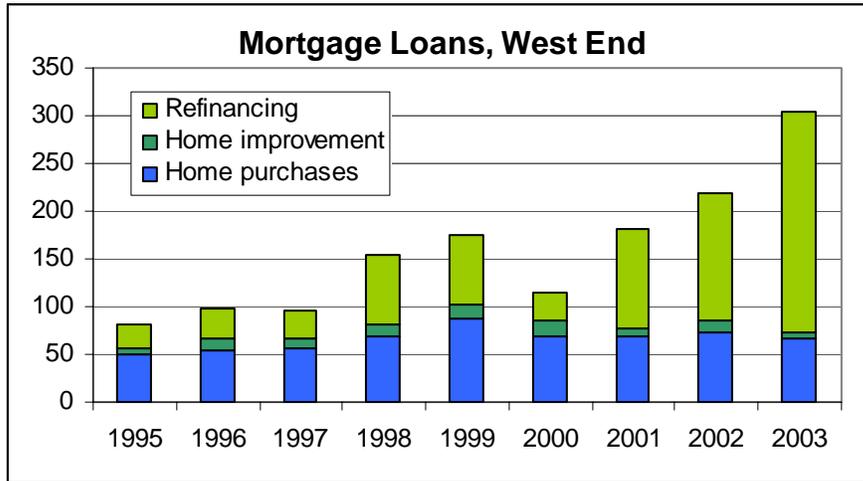
Upper Albany

Although the volumes were not large, the percentage increase in home purchase loans between 1995 and 2003 was significant in Upper Albany.



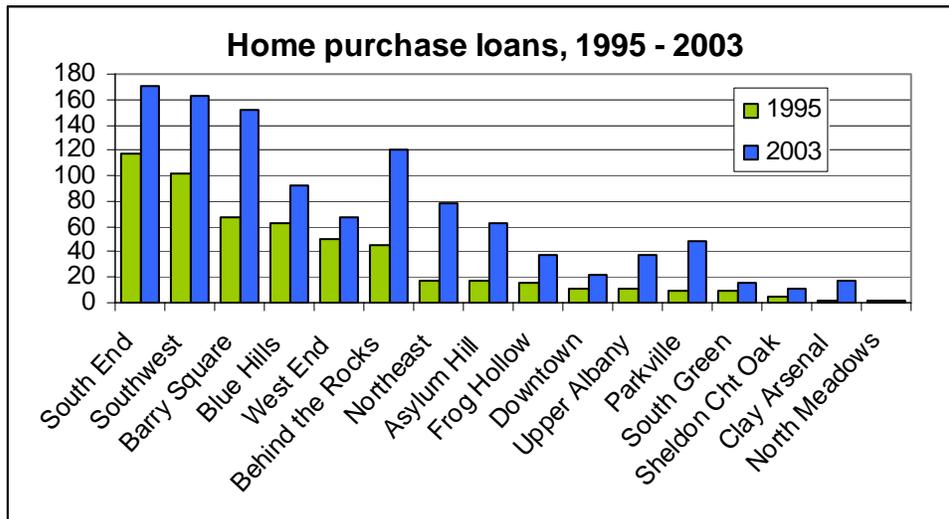
West End

The number of home purchase loans in the West End peaked in 1999. In the majority of neighborhoods in the city, the number of these loans peaked in 2002 or 2003.



Neighborhood Comparison

Although the neighborhoods that attracted home buyers in 1995 continued to attract home buyers in 2003, there was a shift in the distribution of home purchase across the city. In 1995, 74% of all home purchase loans were for properties in just five neighborhoods, South End, Southwest, Barry Square, Blue Hills and West End. By 2003, properties in these five neighborhoods accounted for only 59% of home purchase loans.



Acknowledgements: This report was prepared by Ivan Kuzyk for HartfordInfo.org.