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FHCCI Announces Opposition to Proposed BMO Harris Merger and To Testify at Federal Public Hearing

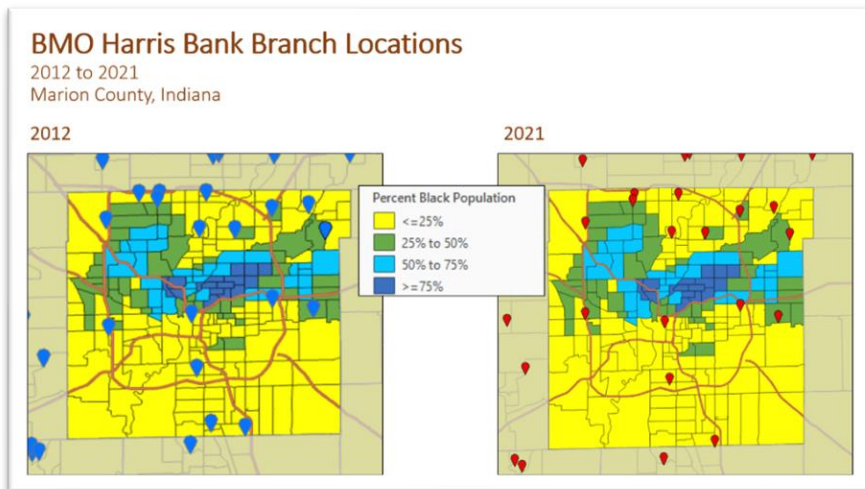
INDIANAPOLIS, IN – Today, the Fair Housing Center of Central Indiana (FHCCI) will be testifying at a [Public Hearing of the Federal Reserve](#) in opposition to the proposed Bank of Montreal/BMO Financial Group (BMO Harris) Acquisition of BancWest Holding Inc. and Bank of the West. The FHCCI opposes this merger because BMO Harris is one of the **lowest** mortgage lending performers in the Indianapolis/Marion County, Indiana market in serving Black home seekers. The FHCCI cannot support a merger which would expand this lender’s reach and expansion of inequities for so many already unserved Black households and neighborhoods. As we will document in our attached comments, mergers rarely benefit communities already suffering from a history of redlining, racial covenants, and other discriminatory practices.

“Far too many mortgage lenders have looked at fair housing, fair lending, and community reinvestment requirements as suggestions,” said Amy Nelson, Executive Director of the FHCCI. “We demand that our regulatory agencies hold more lenders accountable, require corrective action, and provide remediation to Black home seekers and neighborhoods harmed by previous discriminatory practices and neglect.”

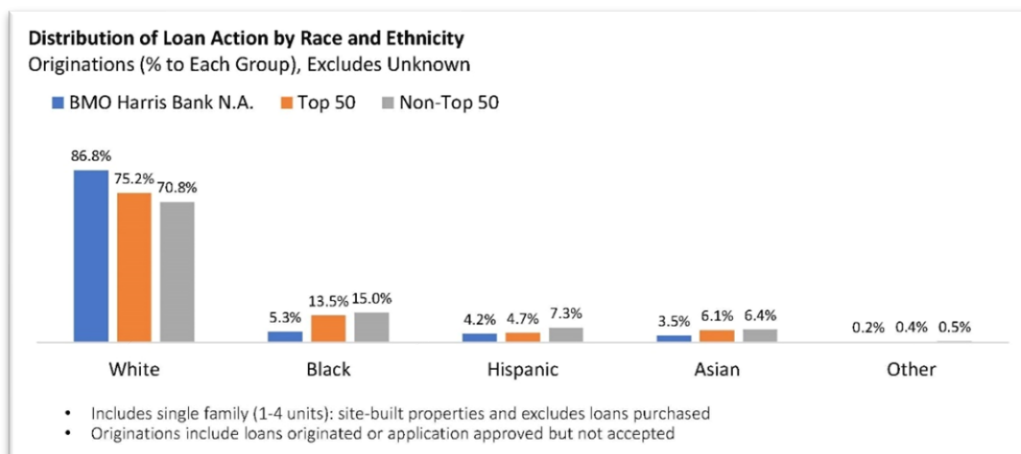
As detailed in the FHCCI’s public comments, the FHCCI found that:

- BMO Harris is a Top 50 mortgage lender in Indianapolis/Marion County, Indiana. Overall, they received 2,332 applications and originated 1,125 mortgage loans totaling \$126,015,000 in originations during 2018 to 2021.
- BMO Harris has no bank branches in Indianapolis majority Black neighborhoods. In 2012, they also had no bank branches in Indianapolis’ Black neighborhoods outlining BMO Harris’ long-term systemic problems in serving Indianapolis Black home seekers.

- From 2018 to 2021, BMO Harris received only 9.5% of its applications from Black applicants compared to 15.8% by Marion County's Top 50 Lenders and 18.3% by all other lenders. Over 80% of BMO Harris applicants were white, compared to 72% of their Top 50 peers and 67.5% for all other lenders. These low numbers, coupled with their lack of banking branch presence, indicates a significant lack of outreach to area Black applicants.



- Even when BMO Harris receives applications for home seekers in majority Black Indianapolis neighborhoods, those applications are from white applicants. In 2018 to 2021, *in Indianapolis Black neighborhoods*, nearly 54% of applications received by BMO Harris were from *white applicants* while only 32% were from Black applicants.
- BMO Harris had the *fifth lowest* origination rate for Indianapolis Black borrowers among Marion County's Top 50 Lenders during 2018 to 2021. Compared to its peers, BMO Harris originated only 5.3% of its loans to Black borrowers compared to 13.5% for its Top 50 peers and 15% for all other Marion County lenders. BMO Harris originated nearly 87% of its mortgage loans to white borrowers.
- As with applications, even when reaching a home seeker in a majority Black Indianapolis neighborhood, BMO Harris made the majority of their loans to whites. Almost 65% of BMO Harris loan originations in neighborhoods of color went to white borrowers with 23.5% going to Blacks and 11.1% to Hispanics.
- In mortgage denials, BMO Harris has one of the highest denial rates (56.1%) among Top 50 Lenders for Blacks based upon data from 2018 to 2021 for Marion County. In fact, only one other lender had a higher denial rate for Black borrowers.
- In evaluating how BMO Harris denial rates compare across race and ethnicity for those it serves in Marion County, it denied Black applicants at nearly twice the rate of white applicants (56% for Blacks to 30% for whites). BMO Harris' denial rate of 56% for Blacks was nearly three times the denial rate of its fellow Top 50 Lenders (20%).



As outlined in the FHCCI's comments, BMO Harris does an extremely poor job in meeting the needs of Black home seekers in Marion County. In fact, they are at or near the bottom for performance as compared to their peers. The FHCCI will remain opposed to the merger until the bank has a) responded satisfactorily to how it will address the concerns raised in the FHCCI's comments, and b) whether BMO Harris will engage in a community reinvestment commitment that addresses the needs of Black home seekers in Marion County/Indianapolis, Indiana, an agreement that is reviewed and accepted by the FHCCI.

To download a copy of this press release or the FHCCI's full public comments, go to the [FHCCI News Page](#).

The Fair Housing Center of Central Indiana (FHCCI) is a private, nonprofit fair housing organization based in Indianapolis, Indiana. Its mission is to ensure equal housing opportunities by eliminating housing discrimination through advocacy, enforcement, education, and outreach. For more information, visit: www.fhcci.org

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