



HMDA Hub

Q&A: Navigating HMDA Compliance

Q4 2024



Ask CrossCheck

If you are grappling with a HMDA compliance issue, we invite you to send your query via [Ask CrossCheck](#). Our team of HMDA compliance experts are ready to provide the guidance and support you need.

In the following sections, we delve into questions surrounding certain HMDA requirements. These insights aim to clarify ambiguities and ensure adherence to regulatory standards.

It is important to maintain meticulous procedures and practices to ensure an accurate LAR filing for your institution. The accuracy of HMDA data remains paramount for conducting realistic fair lending analysis. Effective management of HMDA data demands careful recordkeeping, continuous training and vigilant monitoring efforts.

Reporting Inactive NMLS IDs



If a commercial lender with an inactive NMLS ID originates a HMDA-reportable commercial loan, should their inactive NMLS ID be reported on the LAR?



Yes, you should report the NMLS ID on your LAR. If an NMLS ID is assigned to a commercial lender it must be reported, even if their NMLS ID is inactive. NMLS IDs can be reactivated.

Source: <https://www.consumerfinance.gov/rules-policy/regulations/1003/4/#4036c509711ba3ceddc4b037bc02932b0e2a1fbf26a9febd7ec243cf>





Reporting DTI When Borrower Shares Mortgage Payment Responsibility





We have scenarios where an applicant is only responsible for half of a mortgage payment. How should we calculate and report debt to income ratio (DTI) on our LAR?



If the borrower is truly responsible for only half of the mortgage payment, report the amount used (half) to calculate the DTI for LAR reporting, as that was the amount used when making the credit decision.



Possible Year-End Error - Action Taken Date

-  We have a loan that originated on December 30th. The loan officer recorded the Action Taken Date as January 2nd on our LAR. Would this error fall under the examination tolerance allowed for Action Taken Date?
-  This scenario would not fall under the examination tolerance and would be a HMDA error. The tolerance for Action Taken Date is three calendar days or less provided that such differences do not result in reporting data for the wrong calendar year. Reporting the action taken as January 2nd would result in reporting in the wrong calendar year.

Source: https://files.consumerfinance.gov/f/documents/201708_cfpb_ffiec-hmda-examiner-transaction-testing-guidelines.pdf



Co-Applicant Reporting on Purchased Loans

- ❓ For a purchased loan, do we report the co-applicant credit score and co-applicant credit scoring model as "N/A" (8888 and code 9) or "no co-applicant" (9999 and code 10) when there is no co-applicant?
- ✅ Based on the FFIEC FAQ, if the action taken is withdrawn, closed for incompleteness or purchased, report 8888 in the credit score and code 9 in the credit scoring model, regardless of whether there is a co-applicant.

A low-angle photograph of a modern, multi-story apartment building with balconies, set against a clear blue sky. The building features a mix of light-colored panels and dark accents. A large, semi-transparent white circle is overlaid on the bottom half of the image, containing text.

HOEPA Status for Investment Property Loans



We have a loan secured by an investment property that is not subject to HOEPA. Do we report HOEPA status as "2 - Not a high-cost mortgage" or "3 - N/A" on the HMDA LAR?



HOEPA can only apply to a loan that is a person's principal residence. Since this is an investment property and not a principal residence, you would report it as "3 - N/A".

Source: <https://www.consumerfinance.gov/rules-policy/regulations/1026/32/>

Contact Us

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