



HMDA Hub

Q&A: Navigating HMDA Compliance

Q2 2025



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 support your 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 record-keeping, continuous training and vigilant monitoring efforts.

Rate Spread Tolerance

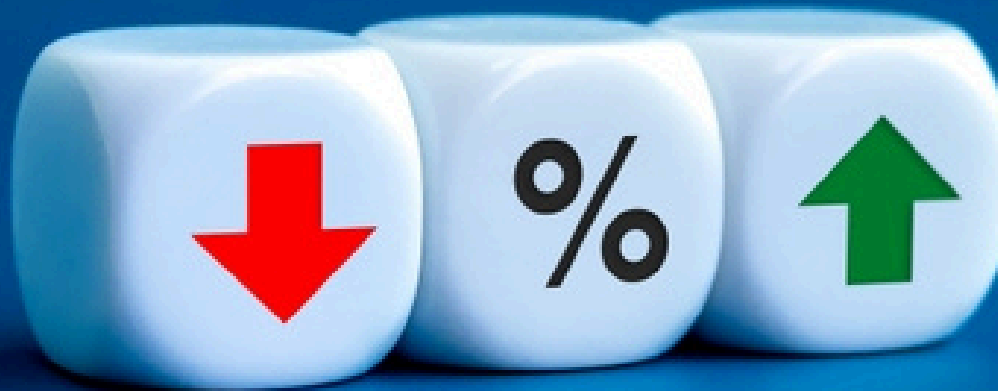


Is there any tolerance for reporting rate spread?



There is no tolerance for reporting rate spread. It must be accurate. Rate spreads calculated to beyond three (3) decimal places may either be reported beyond three (3) decimal places (up to fifteen (15) decimal places), or rounded or truncated to three (3) decimal places. Decimal place trailing zeros may either be included or omitted. CrossCheck recommends that rounding or truncation is applied consistently.

Source: <https://www.consumerfinance.gov/rules-policy/regulations/1003/4/#4-a-12-Interp-3>



Reporting HOEPA Status for Institutions That Do Not Make High-Cost Mortgages



Our institution has a policy that we do not make high-cost mortgages. How should we report HOEPA status on our LAR? "Not applicable" or "Not a high-cost mortgage"?



The first step in determining HOEPA status is determining if the loan is subject to Regulation Z, 12 CFR §1026.32, requirements for high-cost mortgages. Report "Not Applicable" for HOEPA status for business purpose loans and loans where the collateral is not the primary residence, as these loans are not subject to Reg. Z, 12 CFR §1026.32.

Report "Not a high-cost mortgage" where the loan is still subject to 12 CFR §1026.32 but does not meet the definition of a high-cost mortgage.





Updating HMDA Data After a Corrected Closing Disclosure



Our auditor told us that we need to adjust HMDA data based on a corrected post-closing Closing Disclosure (CD). What fields need to be updated?



If the corrected CD is provided prior to the end of the HMDA reporting year, all affected fields should be adjusted.

The most common fields to be affected are:

- Total Loan Costs
- Origination Charges
- Lender Credits
- Discount Points
- Rate Spread, if APR is impacted

You should also determine if any of the following fields were impacted:

- Interest Rate
- Loan Amount
- NMLS ID
- And potentially other fields, if your institution uses the CD as a source document for those fields



Reporting Units for Manufactured Home Communities



The loan is secured by a manufactured home park with capacity for 115 mobile home pads, but the appraisal notates 35 pads have not been developed. Should we report the Total Units as 80?



For loans secured by manufactured home communities, report the number of units that are available for occupancy (whether they do or do not currently have a mobile home attached).

Assuming the 35 pads that have not been developed are not available for occupancy, they should not be included in the Total Units count.

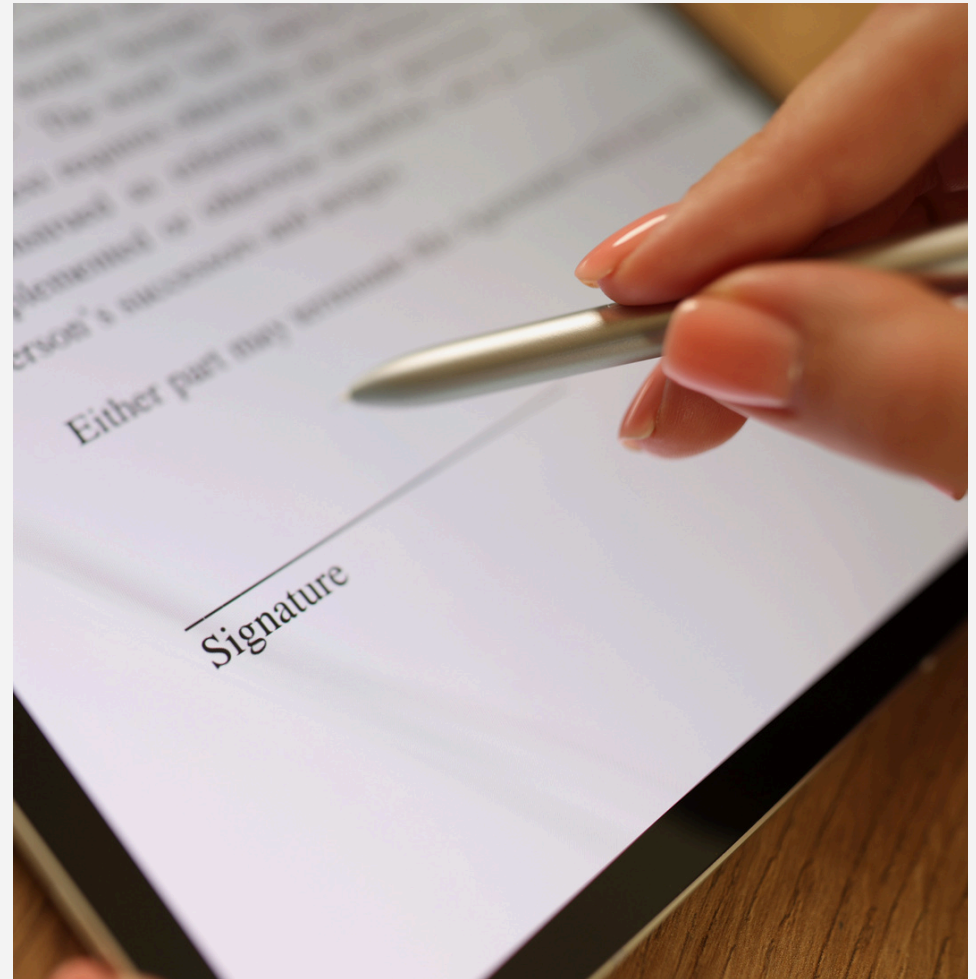
Excluding Guarantor Income and Demographics



Our LO collected income information from the guarantor of a loan. Because income was collected, do we include that income in Total Income on our LAR, and should we report the demographic information for the guarantor?



No, the income of a guarantor who is not a co-borrower and only secondarily liable for the loan is not included in HMDA reporting. Guarantors are not applicants for HMDA. You do not report any information about the guarantor for HMDA, even if it was considered or collected.



Sources: <https://www.consumerfinance.gov/rules-policy/regulations/1003/b/#4>
<https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-10-ii-Interp-5>

Contact Us

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