



# HMDA Hub

Q&A: Navigating HMDA Compliance

Q1 2026





# 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.





## Reporting Occupancy Type when move-in is delayed




We have an application for a mortgage from a borrower who indicated they would not occupy the home immediately—e.g., delayed move-in? What should we report for Occupancy Type on our LAR?




You should report the Occupancy Type based on the **borrower's intent** at application—not when they actually move into the dwelling. If the borrower states they will occupy the property as their principal residence within one year of purchase or completion of construction, then report the Occupancy Type as a principal residence.

**Sources:** <https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-6-Interp-2>

## Using credit score codes when no score exists

 Our loan officer pulled credit on an applicant and each of the three credit bureaus returned no score due to insufficient credit information for the applicant. How should we report the Credit Score and Credit Scoring Model?

 Since the credit score was not a factor in the credit decision, the Credit Score and Credit Scoring Model fields should be reported as Code 8888 and Code 9, respectively, for Not Applicable.

A common error in cases like this is to report 7777 for the Credit Score. Code 7777 should only be used when a Credit Score is not reflected with a numerical value, such as "Meets the Threshold."

**Source:** <https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-15-Interp-5>



# Determining Loan Term for construction-to-permanent financing

- ❓ We have a loan to a borrower for the construction of a primary residence. The loan has an initial draw period of 12 months and will convert to a 30-year loan with the same lender upon completion of the construction phase. The initial construction phase and permanent financing are contracted and disclosed together at closing. Is this application reportable and, if so, what should we report for the Loan Term?
- ✅ The Loan Term should be reported as 372 months, the scheduled number of months after which the legal obligation will mature or terminate. This loan is not excluded from HMDA reporting as temporary financing because it is not designed to be replaced by separate permanent financing extended to the same borrower.

**Sources:** <https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-25-Interp-1>  
<https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-2/#2-j-Interp-3>





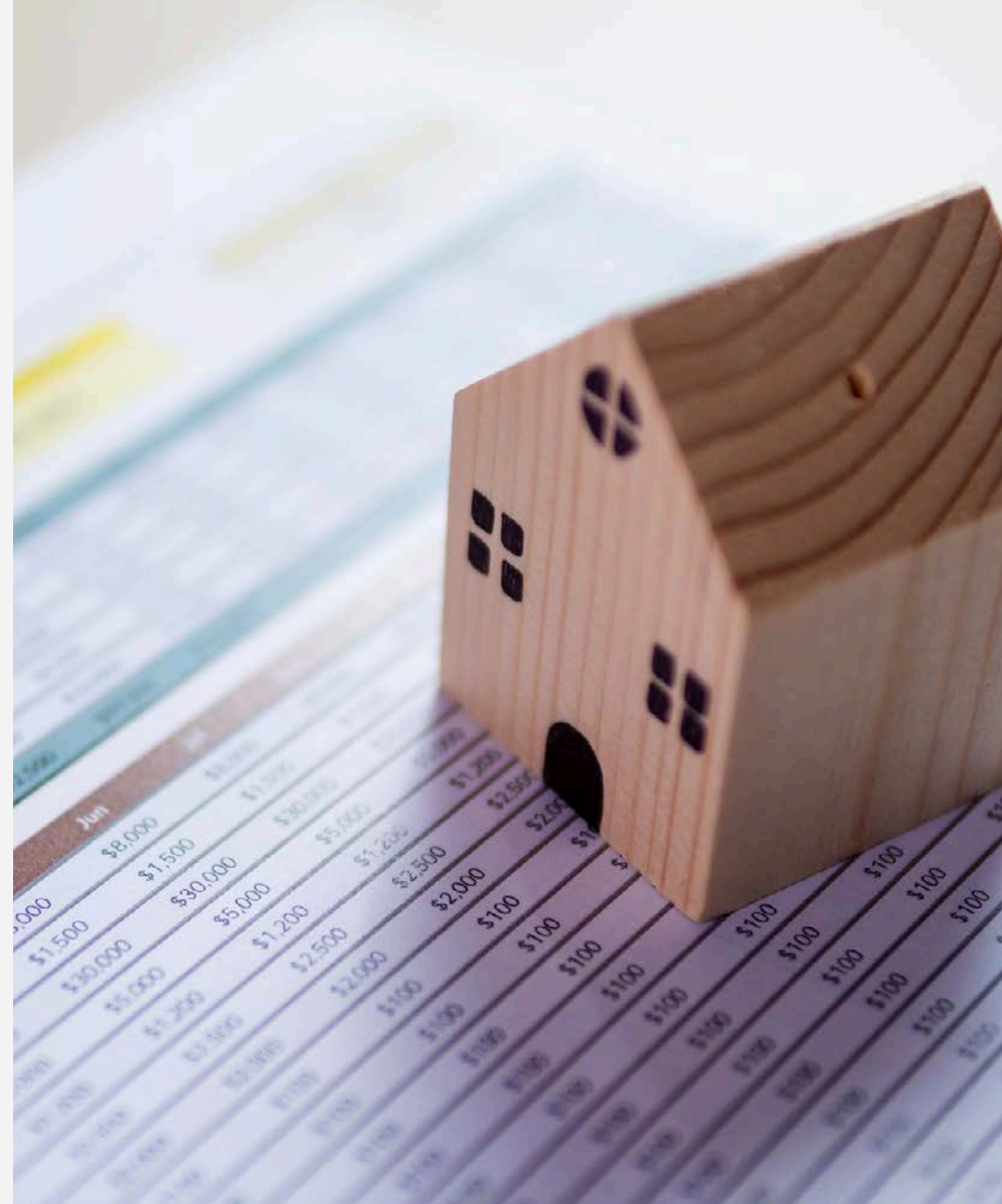
# Calculating Loan Amount for HELOC credit line increases



A borrower requested to increase his home equity line of credit (HELOC) by \$50,000. The original credit limit was \$200,000. The borrower will use the additional funds to renovate the kitchen in his home. What Loan Amount should we report on our LAR?



If the increase in the HELOC is handled as a modification to the existing loan contract, then modifications are not reportable HMDA transactions. If the increase is handled with a new loan for \$250,000, (basically satisfying and replacing the original contract) then the Loan Amount should be reported as \$250,000, which is the **total amount** of credit available to the borrower.



**Sources:** <https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-7-Interp-6>

# Selecting Construction Method for mixed collateral loans

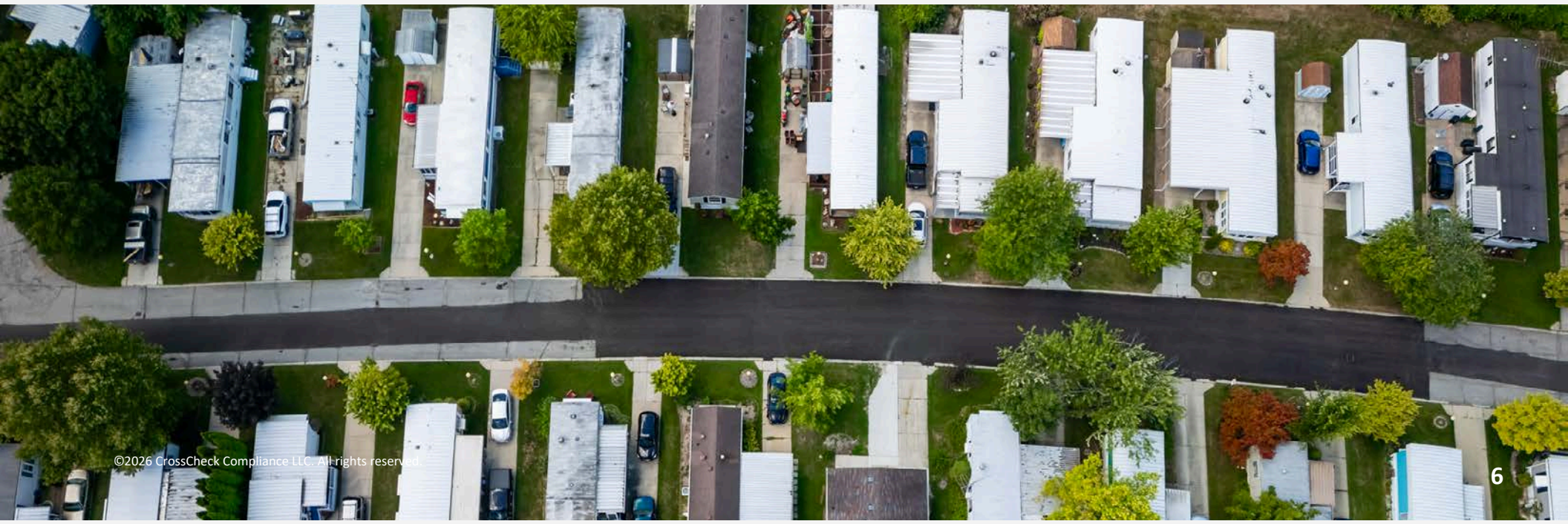


We have an application to purchase a manufactured home park. The collateral includes site-built homes, in addition to the manufactured home park. We do not have any security interest in the manufactured homes. Since the purchase includes mixed collateral, how do we determine which Construction Method to report?



If the loan is secured by multiple properties, the reporting institution can select any one property securing a loan and report identifying information, including Construction Method, related to the selected property. If the selected property is a manufactured home community (even if the loan is not secured by any manufactured homes), report the Construction Method as 2 – Manufactured Home. If the selected property is one of the site-built homes, report the Construction Method as 1 – Site-built.

**Sources:** <https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-8-ii-Interp-6>  
<https://www.consumerfinance.gov/rules-policy/regulations/1003/interp-4/#4-a-4-Interp-2>





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CrossCheck Compliance is a nationwide regulatory compliance and risk management consulting firm focused on providing regulatory compliance, internal audit, fair lending, loan review, due diligence, and litigation support services for the financial services industry. The firm's professionals have deep regulatory understanding and operations experience to develop effective compliance strategies and deliver high impact outcomes for clients.



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