

HMDA FAQ's

The following frequently asked questions are provided for informational purposes only and should not be considered legal advice. The contents and materials provided are subject to change at any time, without notice. If you have additional questions or comments please contact First Community at HMDA@fcmpartners.com

Question	Answer
What is FCM's purchaser type for Sellers' HMDA reporting purposes?	FCM is considered a credit union, mortgage company or finance company for HMDA reporting. <ul style="list-style-type: none"> - For HMDA reporting years 2017 and earlier, our purchaser code has been 7. - Beginning 1/1/18 for the HMDA reporting year, our purchaser type will be credit union, mortgage company or finance company with a purchaser code of 71.
What is the ULI and how is one created?	The universal loan identifier(ULI) was introduced by the CFPB and is a new HMDA reporting requirement. The ULI: <ul style="list-style-type: none"> Can be up to 45 characters in length & created by the following: <ul style="list-style-type: none"> - Financial institution's LEI - Financial institution's loan number - Cannot include any information that could identify the applicant or borrower
What is an LEI and why do sellers have to provide this to you?	The legal entity identifier(LEI) as defined by the CFPB: <ul style="list-style-type: none"> - "A unique 20 digit alphanumeric identifier issued by a utility endorsed by the LEI regulatory oversight committee or endorsed or otherwise governed by the Global LEI foundation or a successor organization" - Must be obtained to assign a ULI Visit Global LEI foundation website for more information on how to obtain your LEI.
Who will create the ULI?	On a loan where FCM makes the credit decision, FCM will create the ULI for our HMDA reporting
How will the ULI be delivered to FCM?	There are several acceptable ways the ULI can be delivered to FCM: <ul style="list-style-type: none"> - On the application/FNMA 3.2 file - On the DI addendum - On the Seller submission sheet - In the ULDD upload

HMDA FAQ's

<p>When is the ULI required to be delivered to FCM?</p>	<ul style="list-style-type: none"> - For loans closed prior to 1/1/2018 & delivered for purchase on or after 12/1/2017, if a ULI was issued by the financial institution(FI) that made the credit decision, you must deliver the ULI to FCM. - For loans closed on & after 1/1/2018, the seller must deliver the ULI assigned by the FI that made the credit decision <p>Loans will be suspended for purchase if a ULI is not delivered at time of purchase and loan falls in to the categories above.</p>
<p>Does FCM require the demographic addendum(DI)?</p>	<p>Yes. Sellers must deliver the expanded DI with the DI addendum on all loans with application dates on and after 1/1/2018.</p>
<p>How will the DI be delivered to FCM?</p>	<p>There are several acceptable ways the DI can be delivered to FCM:</p> <ul style="list-style-type: none"> - On the application - On the DI addendum - In the ULDD upload <p>We will require the DI addendum regardless of the delivery method used.</p>
<p>If DI is collected in 2017 but final action is not until 2018 what are the reporting requirements?</p>	<p>There is a transition rule for reporting the DI:</p> <ul style="list-style-type: none"> - Application in 2017 and final action in 2017 = collect aggregate & report aggregate OR collect disaggregated & report aggregate - Application in 2017 and final action in 2018 = collect aggregate & report aggregate OR collect disaggregated & report aggregate OR collect disaggregated & report disaggregated
<p>If application is in 2018 and final action is in 2018, what are the DI reporting requirements?</p>	<p>The disaggregated categories will be collected and reported AND report whether the DI was collected on the basis of visual observation or surname.</p>
<p>What is aggregated information?</p>	<p>This is the information we are used to collecting and consists of: Hispanic, not Hispanic, American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or other pacific islander, White, Male or female</p>
<p>When are the HMDA changes in effect?</p>	<p>The changes are effective with applications taken on or after 1/1/2018</p>

