§ 1003.3 Exempt institutions.

(a) Exemption based on state law. (1) A state-chartered or state-licensed financial institution is exempt from the requirements of this part if the Bureau determines that the institution is subject to a state disclosure law that contains requirements substantially similar to those imposed by this part and that contains adequate provisions for enforcement.

(2) Any state, state-chartered or state-licensed financial institution, or association of such institutions, may apply to the Bureau for an exemption under paragraph (a) of this section.

(3) An institution that is exempt under paragraph (a) of this section shall use the disclosure form required by its state law and shall submit the data required by that law to its state supervisory agency for purposes of aggregation.

(b) Loss of exemption. An institution losing a state-law exemption under paragraph (a) of this section shall comply with this part beginning with the calendar year following the year for which it last reported loan data under the state disclosure law.

§ 1003.4 Compilation of loan data.

(a) Data format and itemization. A financial institution shall collect data regarding applications for, and originations and purchases of, home purchase loans, home improvement loans, and refinancings for each calendar year. An institution is required to collect data regarding requests under a preapproval program (as defined in §1003.2) only if...
the preapproval request is denied or results in the origination of a home purchase loan. All reportable transactions shall be recorded, within thirty calendar days after the end of the calendar quarter in which final action is taken (such as origination or purchase of a loan, or denial or withdrawal of an application), on a register in the format prescribed in appendix A of this part. The data recorded shall include the following items:

1. An identifying number for the loan or loan application, and the date the application was received.
2. The type of loan or application.
3. The purpose of the loan or application.
4. Whether the application is a request for preapproval and whether it resulted in a denial or in an origination.
5. The property type to which the loan or application relates.
6. The owner-occupancy status of the property to which the loan or application relates.
7. The amount of the loan or the amount applied for.
8. The type of action taken, and the date.
9. The location of the property to which the loan or application relates, by MSA or by Metropolitan Division, by state, by county, and by census tract, if the institution has a home or branch office in that MSA or Metropolitan Division.
10. The ethnicity, race, and sex of the applicant or borrower, and the gross annual income relied on in processing the application.
11. The type of entity purchasing a loan that the institution originates or purchases and then sells within the same calendar year (this information need not be included in quarterly updates).
12. For originated loans subject to Regulation Z, 12 CFR part 1026, the difference between the loan’s annual percentage rate (APR) and the average prime offer rate for a comparable transaction as of the date the interest rate is set, if that difference is equal to or greater than 1.5 percentage points for loans secured by a first lien on a dwelling, or equal to or greater than 3.5 percentage points for loans secured by a subordinate lien on a dwelling.

(ii) “Average prime offer rate” means an annual percentage rate that is derived from average interest rates, points, and other loan pricing terms currently offered to consumers by a representative sample of creditors for mortgage loans that have low-risk pricing characteristics. The Bureau publishes average prime offer rates for a broad range of types of transactions in tables updated at least weekly, as well as the methodology the Bureau uses to derive these rates.

13. Whether the loan is subject to the Home Ownership and Equity Protection Act of 1994, as implemented in Regulation Z (12 CFR 1026.32).
14. The lien status of the loan or application (first lien, subordinate lien, or not secured by a lien on a dwelling).

(b) Collection of data on ethnicity, race, sex, and income. A financial institution shall collect data about the ethnicity, race, and sex of the applicant or borrower as prescribed in Appendix B of this part.

(c) Optional data. A financial institution may report:

1. The reasons it denied a loan application;
2. Requests for preapproval that are approved by the institution but not accepted by the applicant; and
3. Home-equity lines of credit made in whole or in part for the purpose of home improvement or home purchase.

(d) Excluded data. A financial institution shall not report:

1. Loans originated or purchased by the financial institution acting in a fiduciary capacity (such as trustee);
2. Loans on unimproved land;
3. Temporary financing (such as bridge or construction loans);
4. The purchase of an interest in a pool of loans (such as mortgage-participation certificates, mortgage-backed securities, or real estate mortgage investment conduits);
5. The purchase solely of the right to service loans; or
§ 1003.5 Disclosure and reporting.

(a) Reporting to agency. (1) By March 1 following the calendar year for which the loan data are compiled, a financial institution shall send its complete loan/application register to the agency office specified in appendix A of this part. The institution shall retain a copy for its records for at least three years.

(2) A subsidiary of a bank or savings association shall complete a separate loan/application register. The subsidiary shall submit the register, directly or through its parent, to the same agency as its parent.

(b) Public disclosure of statement. (1) The Federal Financial Institutions Examination Council (FFIEC) will prepare a disclosure statement from the data each financial institution submits.

(2) An institution shall make its disclosure statement (prepared by the FFIEC) available to the public at the institution’s home office no later than three business days after receiving the disclosure statement from the FFIEC.

(3) In addition, an institution shall either:

(i) Make its disclosure statement available to the public, within ten business days of receiving it, in at least one branch office in each other MSA and each other Metropolitan Division where the institution has offices (the disclosure statement need only contain data relating to the MSA or Metropolitan Division where the branch is located); or

(ii) Post the address for sending written requests in the lobby of each branch office in other MSAs and Metropolitan Divisions where the institution has offices; and mail or deliver a copy of the disclosure statement within fifteen calendar days of receiving a written request (the disclosure statement need only contain data relating to the MSA or Metropolitan Division for which the request is made). Including the address in the general notice required under paragraph (e) of this section satisfies this requirement.

(c) Public disclosure of modified loan/application register. A financial institution shall make its loan/application register available to the public after removing the following information regarding each entry: The application or loan number, the date that the application was received, and the date action was taken. An institution shall make its modified register available following the calendar year for which the data are compiled, by March 31 for a request received on or before March 1, and within thirty calendar days for a request received after March 1. The modified register need only contain data relating to the MSA or Metropolitan Division for which the request is made.

(d) Availability of data. A financial institution shall make its modified register available to the public for a period of three years and its disclosure statement available for a period of five years. An institution shall make the data available for inspection and copying during the hours the office is normally open to the public for business. It may impose a reasonable charge for any cost incurred in providing or reproducing the data.

(e) Notice of availability. A financial institution shall post a general notice about the availability of its HMDA data in the lobby of its home office and of each branch office located in an MSA and Metropolitan Division. An institution shall provide promptly upon request the location of the institution’s offices where the statement is available for inspection and copying, or it may include the location in the lobby notice.