



Consumer Financial  
Protection Bureau

1700 G Street NW, Washington, DC 20552

October 27, 2016

[Name of President, Chief Executive Officer or Equivalent]

[Company]

[Address]

Dear [Name of President, Chief Executive Officer or Equivalent]:

This letter is to advise you that the staff of the Consumer Financial Protection Bureau (CFPB) has information that appears to show that your company may not be in compliance with certain provisions of the Home Mortgage Disclosure Act (HMDA) and its implementing regulation, Regulation C.

The Home Mortgage Disclosure Act of 1975, as amended, 12 U.S.C. §§ 2801-2810, requires many financial institutions to collect data about their housing-related lending activity, including home purchase loans, home improvement loans, and refinancings that they originate or purchase, or for which they receive applications.

Annually, a for-profit mortgage-lending institution other than a bank, savings association, or credit union, must collect, record, and report data identified in HMDA and Regulation C to the appropriate Federal agency when: (i) in the preceding calendar year, it either: (A) originated home purchase loans, including refinancings of home purchase loans, that equaled at least 10 percent of its loan-origination volume, measured in dollars; or (B) originated home purchase loans, including refinancings of home purchase loans, that equaled at least \$25 million; and (ii) on the preceding December 31, it had a home or branch office in a Metropolitan Statistical Area (MSA); and (iii) it either: (A) on the preceding December 31, had total assets of more than \$10 million, counting the assets of any parent corporation; or (B) in the preceding calendar year, originated at least 100 home purchase loans, including refinancings of home purchase loans. 12 C.F.R. §§ 1003.2, 1003.4, 1003.5. A for-profit mortgage-lending institution other than a bank, savings association, or credit union, is deemed to have a branch office in an MSA if, in the preceding calendar year, it received applications for, originated, or purchased five or more home purchase loans, home improvement loans, or refinancings related to property located in that MSA. 12 C.F.R. § 1003.2. A violation of HMDA or Regulation C is subject to sanctions as provided in section 305 of HMDA, 12 U.S.C. § 2804, and subtitle E of the Consumer Financial Protection Act of 2010, 12 U.S.C. §§ 5561 *et seq.*, including the imposition of civil money penalties, where applicable.

While we have not made a determination that [Name of Company] is in violation of HMDA filing requirements, we urge you to review your practices to ensure that you comply with



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all relevant laws. You may find it helpful to review the text of HMDA, Regulation C, and CFPB guidance documents available on the CFPB's website.<sup>1</sup> We encourage you to advise us of the steps you have taken or will take to ensure compliance with the laws identified above or, if you believe these legal requirements do not apply to you, to provide an explanation.

This notice is provided for information purposes only and does not waive the CFPB's right to take action based on any violations of Federal law, including violations related to the conduct described above. Any such action could result in the imposition of the full range of available remedies, including injunctive relief and civil money penalties. If you have questions they should be directed to the Office of Fair Lending via [Fair\\_Lending\\_Enforcement@cfpb.gov](mailto:Fair_Lending_Enforcement@cfpb.gov).

Sincerely,

Patrice Alexander Ficklin  
Fair Lending Director  
Consumer Financial Protection Bureau

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<sup>1</sup><http://www.consumerfinance.gov/eregulations/1003-1/2015-32285> (current Regulation C);  
[http://files.consumerfinance.gov/f/201210\\_cfpb\\_supervision-and-examination-manual-v2.pdf](http://files.consumerfinance.gov/f/201210_cfpb_supervision-and-examination-manual-v2.pdf)  
(CFPB Supervision and Examination Manual).