



CRA HMDA REPORTER

January 2015

HOEPA Changes and New Edit Changes

New changes to Regulation Z took effect on January 10, 2014, expanding HOEPA (Home Ownership and Equity Protection Act of 1994) coverage (http://files.consumerfinance.gov/f/201305_compliance-guide_home-ownership-and-equity-protection-act-rule.pdf). Part of these changes not only lowered the rate spread threshold of HOEPA eligible loans, but also expanded coverage to certain home purchase mortgage products. Some of the home purchase products HOEPA coverage expanded to are reportable as home purchase loans under Regulation C. Beginning with the collection and reporting of calendar year 2014 HMDA data, you should report a home purchase loan as a HOEPA loan, which was not required in previous years. The formula for the calculation of the rate spread itself remains unchanged for HMDA.

The 2014 edits have been modified to accommodate the expanded HOEPA coverage. Validity edit V530 (If loan purpose =1, then HOEPA status must =2), has been deleted to allow the reporting of home purchase loans as HOEPA loans. Quality edit Q046 (If loan purpose =1, HOEPA Status should not =1), has been added to flag all home purchase HOEPA loans to ensure institutions are complying with the new standards. Additional revisions were made to the quality edits Q044 and Q045 to conform to the lower percentage thresholds now effective for HOEPA loans.

Any additional questions on the HOEPA changes and how they affect HMDA reportable loans should be directed to HMDAHELP@frb.gov.

Calendar Year 2014 Initial Submission Deadline

The annual reporting deadline of March 1st occurs on a Sunday in 2015. Therefore, the deadline for submitting an initial calendar year 2014 CRA and HMDA data file will be the next business day, Monday, March 2, 2015. Initial submissions sent subsequent to 11:59 p.m. EST on Monday, March 2, 2015, will be considered late.

CRA & HMDA OPERATIONS' SERVICES

The Federal Reserve Board's CRA & HMDA Operations unit, on behalf of the Federal Financial Institution Examination Counsel (FFIEC), provides many services to aid respondents in efficiently submitting error-free data. The flagship tools for submitting data are the FFIEC CRA & HMDA Data Entry Software (DES) applications. The CRA & HMDA DES products are made available to the public at no cost. Semiannual updates are released to keep the products current and up-to-date with regulatory, census, or any other changes.

Processing of submitted data as well as the receipt of the edit report can be expedited by electing to utilize the Submission via Web DES export option in the respective CRA or HMDA application. This option creates an encrypted file that is submitted to the FFIEC CRA or HMDA database for processing and posting; the resulting edit report is usually e-mailed within 30 minutes of the receipt of the submitted data file. Additionally, this export option ensures an error-free data submission. There continues to be, year over year, increased use of this export option over e-mailing of an encrypted data file to CRAHELP@frb.gov or HMDAHELP@frb.gov due to its ease of use and increased efficiency.

Submission Errors: Invalid File Format and Invalid Timestamp

Your institution met their goal and submitted their HMDA data on February 2, 2015, one month before the deadline, using DES's Submission via Web option to transmit the data file. However, you were then notified that the file was not processed successfully because the file format was invalid and a complete resubmission was required by a specified deadline. What does this mean?

Invalid File Format

An invalid file format commonly results from using a third-party software application. Commercial products may not be updated with the FFIEC HMDA file specifications which are necessary to submit a valid .DAT file. Additionally, a valid .DAT file is necessary to successfully import the data file into the DES. After importing the .DAT file into the DES, a Batch Edit must be performed to ensure a valid encrypted file is created for submission. Additionally, the Batch Edit will provide documentation about syntactical and validity errors that must be corrected prior to transmitting the file for submission. Once the data file is free of validity and syntactical errors, transmit the data file from the DES using the Export option, Submission via Web.

Invalid Timestamp

After your institution transmits an HMDA data file for submission, that same day you realize some loans are missing from the initial submission. The missing loans are added using the DES. A second resubmission of the data file is sent on the same day. The institution's HMDA contact person is notified by HMDA Operations staff that the recent resubmission was not processed successfully because of an invalid timestamp. What is a timestamp and how do I resolve this issue so the most recent data file posts successfully to the FFIEC HMDA Database?

All data is processed through our data processing system and then posted to the FFIEC HMDA Database. This process records the date and time of each incoming data file; only one data file per year per respondent post daily. Furthermore, the

data file itself contains an internal timestamp. If a resubmission is received that contains a timestamp of the same date or is earlier than the prior internal timestamp of the successfully posted file, the file will result in an invalid timestamp error. An invalid timestamp error frequently occurs if a Batch Edit was not performed prior to transmission of the data file or if a prior encrypted file is accidentally attached to an e-mail instead of the revised file. To avoid invalid timestamp errors, run the Batch Edit after revisions and then submit the revised data file using the Export option, Submission via Web.

Lastly, although not common, an invalid timestamp error can also occur if the timestamp is not in the correct format for any record submitted in your data file. All record types should be in century, year, month, day, hour, and minute format (ccyymmddhhmm). Using a data file that does not follow FFIEC HMDA file specifications will cause this particular timestamp error. For more details regarding file specification guidelines, submissions, and FAQs, visit the webpages listed under the FFIEC Reporting Resources.



A Notice About Secured E-Mails

A significant number of secure messages are received via CRAHELP@frb.gov, CRASUB@frb.gov, HMDAHELP@frb.gov, and HMDASUB@frb.gov. These e-mail accounts are unable to accept encrypted e-mails.

To avoid delays in either receiving a response from CRAHELP@frb.gov and HMDAHELP@frb.gov or in processing your CRA and HMDA data submissions via CRASUB@frb.gov and HMDASUB@frb.gov, send only unsecure e-mail messages to these e-mail addresses. Any data file submissions sent as a secure message cannot be processed, and will be considered non-compliant. (Use of the Submission via Web option in the DES optimally compresses the time from data file creation and encryption to the institution's receipt of the resulting edit report. This process transmits an encrypted data file to the FFIEC CRA or HMDA database queue for processing.) Additionally, edit report responses must also follow these parameters and be submitted as an unsecure message. Edit report responses that cannot be sent as an unsecured e-mail must be sent via fax to (202) 452-6497.

Missing and Overdue Edit Reports

As soon as your institution's data file is posted to the FFIEC Database, an edit report will be sent to the e-mail address provided on your transmittal sheet (TS). You have seven days to return the completed edit report. Return information is included on the confirmation sheet. Additionally, you may e-mail a scanned copy of the completed CRA or HMDA edit reports to CRAHELP@frb.gov or HMDAHELP@frb.gov, respectively. Upon our successful receipt of the edit report, it is reviewed and tracked in the appropriate Data Processing System (DPS). An e-mail confirming your submission status will be sent to your institution.

If you do not receive an edit report within 24 hours after transmitting the data file to us, then contact CRA or HMDA Help at CRAHELP@frb.gov or HMDAHELP@frb.gov, respectively. In the subject line of the e-mail, type "Awaiting Edit Report" along with your respondent ID number, agency code, and institution name. In the body of the message provide the day the data was

transmitted to us and by what means, i.e., via e-mail or using Submission via Web. (Before contacting us, contact your e-mail support staff to ensure that the e-mail was not blocked or tagged as junk or spam e-mail; an institution's firewall sometimes blocks the e-mail since the edit report is attached as a PDF document.)

You will receive an Overdue Edit Report e-mail notification if we do not receive your edit report by the specified deadline. If you receive such a notification, resend your completed edit report as soon as possible. Occasionally, in the height of a processing season, our fax machines are busy and/or jammed due to volume and your edit report response may not have transmitted successfully to us. Alternatively, CRA or HMDA Edit Report responses may be scanned and e-mailed to CRAHELP@frb.gov or HMDAHELP@frb.gov, respectively.

Contact Us

Visit the CRA and/or HMDA websites for comprehensive and in-depth information, or contact CRA and HMDA staff via e-mail.

CRA

www.ffiec.gov/cra
CRAHELP@frb.gov

HMDA

www.ffiec.gov/hmda
HMDAHELP@frb.gov



Tips for Successfully Completing the Edit Report Response

It's that time of the year where preparation for HMDA reporting is reaching its peak. Documents have been prepared and you're ready to transmit the data file. You successfully transmitted your HMDA data file and can now breathe a sigh of relief. However, the process is not over; the resulting edit report will be e-mailed and require your response.

At this point, it is important to remember to follow some necessary steps to guarantee the successful completion of the HMDA edit report. When you receive your edit report from HMDAHELP@frb.gov, read all instructions carefully as provided in the cover letter. The cover letter and edit report are customized based upon the data submitted. An abbreviated list of the specific sections of the edit report that must be returned completed can be found on the confirmation sheet (if shown on the confirmation sheet) in the lower left-hand corner. Depending upon the data submitted, your institution may have the following additional sections of the edit report to complete and return in addition to the confirmation sheet.

- Macro Quality Edit Report (Macro)
- Q029 Report (Q029)
- Summary of Q595 Edit Report (Q595)

Per the Summary of Q595 Edit Report and the Macro Quality Edit Report, circle either "Yes" or "No" per line. If at least one "Yes" is circled, please be aware that a resubmission may be necessary.

Sign and date your confirmation sheet and check one of two of the appropriate boxes to indicate either your agreement with or disagreement with the data presented in the edit report.

Agree with Statistics Listed on the Institution Register Summary

If you check "Step 1," then either fax the entire edit report response to (202) 452-6497 or e-mail a scanned copy of the edit report response to HMDAHELP@frb.gov.

Agree with Statistics Listed on the Institution Register Summary

If you check, "Step 2," follow the steps under this check box as you will need to resubmit your HMDA data. *One exception to this: If the list of MSA/MD office locations is inaccurate as listed on the edit report's Institution Register Summary, then communicate this to us via HMDAHELP@frb.gov. In the event of this required change, never return a signed and dated confirmation sheet; doing so will compromise the accuracy of your institution's resulting disclosure statement.*

After you read the edit report cover letter and complete them according to the instructions provided, the receipt of your HMDA edit report will be promptly and accurately recorded.



HUD-Regulated Independent Mortgage Companies: Report HMDA as a CFPB or HUD Respondent?

If your institution is a nondepository independent mortgage company, submit the calendar year (CY) 2014 Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR) with an agency code of "7-HUD". (The agency code should be identified on your institution's TS.) **Submitting the CY 2014 HMDA LAR with an incorrect agency code will delay the processing of your HMDA submission.** Do not submit the CY 2014 HMDA LAR for your HUD-regulated mortgage company

under any other agency code other than "7-HUD," unless you are specifically instructed to do so by the Federal Reserve Board's CRA/HMDA Operations unit.

If you have questions about this specific topic, contact HMDAHELP@frb.gov. To better assist you, please type in the subject heading of the e-mail, "CY 2014 HMDA: Report as a CFPB Respondent."

Determining Your Institution's HMDA Respondent ID

The table below includes information about the respondent ID (RID) and agency code numbers that should be used by depository and nondepository entities reporting 2014 HMDA data. It is imperative that this information be correct prior to transmitting the data file.

Agency	Depository institution respondent ID (RID)	Non-depository institution respondent ID (RID)	Agency code
CFPB	RSSD ID number	Federal tax ID number (include hyphen)	9
FDIC	FDIC certificate number	Federal tax ID number (include hyphen)	3
FRS	RSSD ID number	RSSD ID number	2
HUD	N/A (has no depository institutions)	Federal tax ID number (include hyphen)	7
NCUA	Charter number	Federal tax ID number (include hyphen)	5
OCC	Charter number	Federal tax ID number (include hyphen)	1

In those instances where a merger occurs, notify HMDAHELP@frb.gov of the surviving institution's reporting status as to whether that entity will be submitting separate or consolidated HMDA LARs. The revised respondent ID and respective agency code are necessary to submit the non-surviving institution's pre-merger calendar year 2014 HMDA data separately; HMDAHELP staff can provide this information to you. Additionally, if your institution underwent either a change in name or regulatory agency, contact HMDAHELP@frb.gov prior to submitting the calendar year 2014 HMDA data file. Your communication will enable the FFIEC HMDA database to be updated prior to any data files being transmitted and will contribute to successful processing of the data file.

FFIEC Reporting Resources

Below are links to reporting publications and filing resources produced by the Federal Financial Institutions Examination Council (FFIEC), and made available on the FFIEC CRA and HMDA websites.

CRA

CRA Aggregate Reports
www.ffiec.gov/craadweb/aggregate.aspx

CRA Disclosure Reports
www.ffiec.gov/craadweb/DisRptMain.aspx

CRA National Aggregates
<http://www.ffiec.gov/craadweb/national.aspx>

Interagency Questions & Answers
www.ffiec.gov/cra/qnadoc.htm

FFIEC CRA Data Entry Software
www.ffiec.gov/cra/softinfo.htm

FFIEC CRA Edits
www.ffiec.gov/cra/edits.htm

FFIEC Geocoding System
<https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx>

Submitting CRA Data
www.ffiec.gov/cra/submit.htm

Previous Issues of the CRA/HMDA Reporter
<http://www.ffiec.gov/hmda/newsletter.htm>

HMDA

HMDA Aggregate Reports
www.ffiec.gov/hmdaadwebreport/AggWelcome.aspx

HMDA Disclosure Reports
www.ffiec.gov/hmdaadwebreport/DisWelcome.aspx

HMDA National Aggregate Reports
www.ffiec.gov/hmdaadwebreport/NatAggWelcome.aspx

Frequently Asked Questions
www.ffiec.gov/hmda/faq.htm

FFIEC HMDA Data Entry Software
www.ffiec.gov/hmda/softinfo.htm

FFIEC HMDA Edits
www.ffiec.gov/hmda/edits.htm

FFIEC Geocoding System
<https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx>

FFIEC Rate Spread Calculator
www.ffiec.gov/ratespread/default.aspx

Mailing Addresses for HMDA Data Submission
www.ffiec.gov/hmda/submit.htm

Transmittal Sheet: Acceptable Abbreviations for Institution Name

Use the following abbreviations when entering your institution's name on either the CRA or HMDA Transmittal Sheet 'Respondent Name' field. These abbreviations are especially helpful if your institution's name exceeds the 30 character limit.

Word	Recommended Abbreviation
America	AMER
Association	ASSN
Avenue	AVE
Bank	BK
Bank & Trust Company	B&TC
Banking	BKG
Branch	BR
Capital	CAP
Center	CTR
Commerce	CMRC
Community	CMNTY
Company	CO
Cooperative	CO-OP
Corporation	CORP
County	CTY
Credit Union	CU
Employee	EMPL
Exchange	EXCH
Federal	FED
Federal Credit Union	FCU
Federal Savings & Loan Association	FS&LA
Financial	FNCL
First National Bank	FNB
Incorporated	INC
Institution	INST
International	INTL
Limited Liability Company	LLC
Merchant	MRCH
Mortgage	MTG
Mutual Savings Bank	MSB
National Association	NA

Word	Recommended Abbreviation
National Bank	NB
National Bank & Trust Company	NB&TC
Partner	PTNR
Real Estate	RE
Realty	RLTY
Saving	SVG
Savings	SVGS
Savings & Loan	S&L
School	SCH
Security	SCTY
Service	SVC
State	ST
Trust Company	TC