



HMDA: 2018 Changes & Data Analytics

NOVEMBER 2, 2017

CPE Certification

Recommended CPE Credit: 1.5 CPE hours (75 minutes as defined by NASBA)

Field of Study: Specialized Knowledge and Applications

- Participants **must** answer all four poll questions offered throughout the webinar to qualify.
- A survey will be available following the webinar via link.
- Certificates of completion will be emailed to qualifying participants following the webinar.



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Presenters

PANELISTS

American Mortgage Law Group, P.C.

- James Brody, Senior Managing Member

Richey May and Co., LLP

- Tyler House, Manager of Business Advisory Services

Alvarez & Marsal Financial Industry Advisory Services, LLC

- Brian Driscoll, Senior Director
- Richard Hendry, Senior Director
- Matt Frank, Director
- Jiao Yao, Manager

MODERATOR

- Richey May and Co., LLP
 - Kalen Richey, Mortgage Banking Practice Leader

CPE Poll Question #1

James W. Brody



As a Managing Member, Mr. Brody actively manages complex mortgage banking mitigation and litigation matters for the American Mortgage Law Group, P.C. (“AMLG”) and its diverse clientele (e.g., national mortgage lenders, warehouse lenders, secondary market investors, loan servicing companies, Wall Street banking firms and insurers). Being one of the AMLG’s founding attorneys, Mr. Brody has been instrumental in the Firm’s development and in its continued success.

Mr. Brody has successfully resolved hundreds of mitigation and litigation cases that involve complex mortgage fraud schemes, as well as large-scale repurchase and/or make-whole disputes. Mr. Brody’s experience centers on those legal issues that arise during and through loan originations, loan purchases/sales, loan securitizations, foreclosures/ bankruptcy actions, and repurchase/make- whole claims.

Mr. Brody received his B.A. in International Relations from Drake University in 1997. He also received his J.D., with a certified concentration in Advocacy, from the University of the Pacific, McGeorge School of Law in 2000. In addition to being admitted to practice law in all State and Federal Courts in CA, Mr. Brody has served as lead litigation counsel for numerous mortgage banking and commercial related disputes venued in both State and Federal Courts, in a direct capacity or on a *pro hac vice* basis, in AZ, CA, FL, MD, MI, MO, OR, NJ, NY, PA, TN, and TX.

Mr. Brody has made numerous media appearances and industry presentations regarding the prevention, detection and resolution of mortgage fraud matters. In addition, Mr. Brody continues to be a featured speaker in the area of repurchase and make-whole claims. Mr. Brody may be reached at jbrody@americanmlg.com or at 415-878-0030.



Brief Introduction to American Mortgage Law Group, P.C.

AMLG is a nationally recognized full suite mortgage banking law firm that represents a diverse clientele (e.g., mortgage lenders and servicers, commercial banks, thrifts, savings and loan associations, credit unions, title companies, third-party vendors, etc.), both in and out of court, either directly or in a *pro hac vice* capacity, all across the country.

We focus on:

- Mortgage Repurchase and Indemnification Defense & Workout
- Litigation & Mitigation
- Regulatory Compliance & Examinations
- White Collar Defense
- Public Speaking and Education at Conferences



Notice

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Quick review of HMDA

- Baseline requirements
 - HMDA requires lenders to collect, report, and disclose data about:
 - Originations,
 - Mortgage purchases, and
 - Applications not resulting in mortgages
- Purpose
 - To provide information to the public and communities on whether lenders are serving the housing needs of communities;
 - To help public officials determine where to put public sector investments to attract private investment;
 - To identify possible discriminatory lending patterns and enforce anti-discrimination statutes.

New HMDA Rule

- CFPB exercising its authorization under Dodd-Frank to add to HMDA requirements
 - Expands reporting coverage for non-depository institutions and reduces coverage for depository financial institutions
 - Significant increase in data fields and reporting elements
 - Increase and redefines transactions covered
 - New reporting format and requirements
 - Increase exposure for Fair Lending claim
 - Makes data more publicly accessible

Covered Institutions

DEPOSITORY INSTITUTIONS

- Assets greater than \$44 million at December 31
- Corporate office/branch in a Metropolitan Statistical Area (MSA)
- Originated at least one HP/HP-refi in prior year (property 1-4 unit dwelling)
- Federally insured/regulated, federal agency I/G/S, or intended for sale to Fannie/Freddie
- Originated:
 - ≥ 25 closed-end dwelling secured loans in each of the 2 prior years, OR
 - ≥ 500 (for '18 and '19, then 100) dwelling secured home equity lines of credit in each of the 2 prior years

NON-DEPOSITORY INSTITUTIONS

- For Profit Mortgage Lender
- Either
 - Corporate office/branch in a Metropolitan Statistical Area (MSA) OR
 - ≥ 5 covered loans in same MSA in prior year
- Originated:
 - ≥ 25 closed-end dwelling secured loans in each of the 2 prior years, OR
 - ≥ 500 (for '18 and '19, then 100) dwelling secured home equity lines of credit in each of the 2 prior years

Covered Transactions

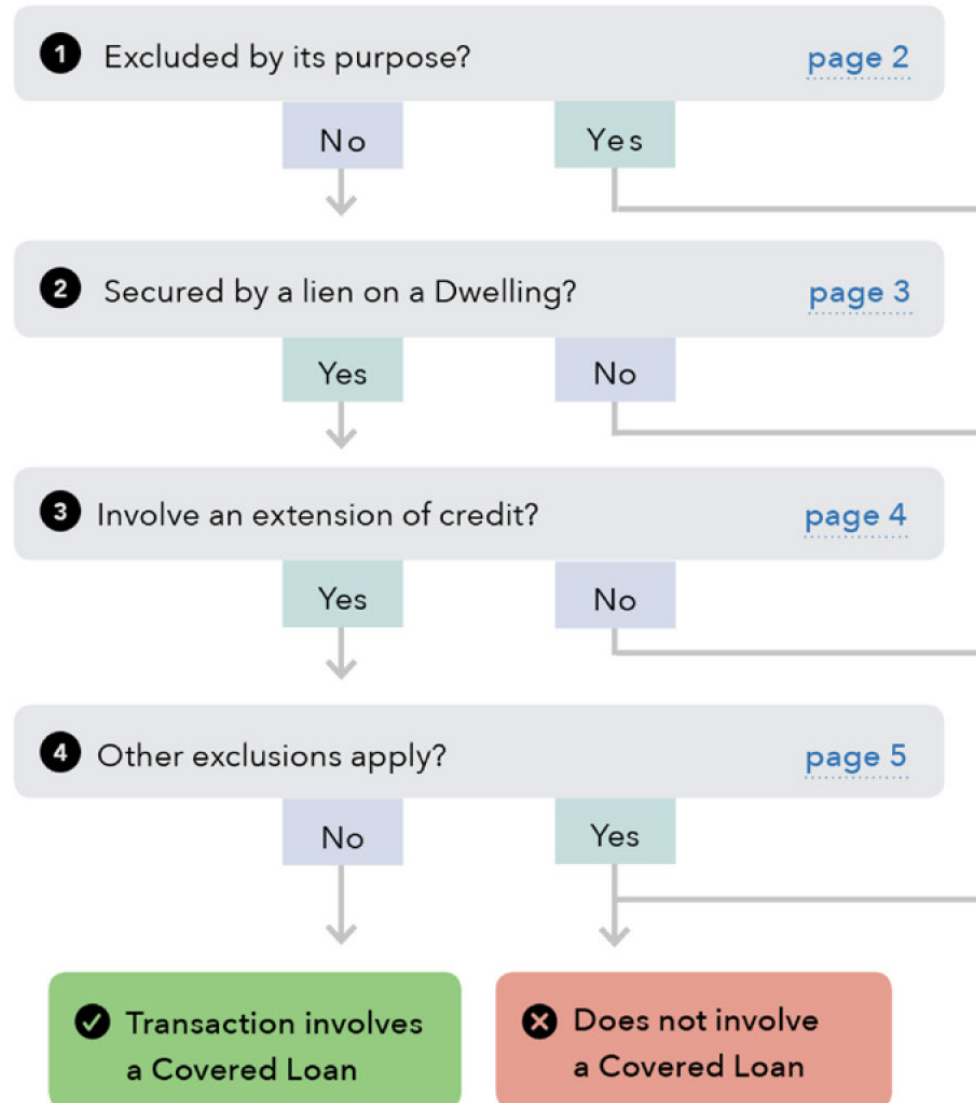
2017

- Home purchase, home improvement, or refinance
- Apps received, loans originated, loans purchased
- Preapproval requests if denied or results in origination of a home purchase loan
- Not prequal requests
- Not excluded

2018

- Closed-end dwelling secured
- Open-end line of credit dwelling secured
- Apps for covered loans received, covered loans originated, covered loans purchased
- A request for preapproval for a home purchase loan that won't be open, reverse, or multifamily, IS an app if preapproval program
- Preapproval requests if denied, approved but not accepted by applicant, or results in origination of a home purchase loan
- Not prequal requests
- Not excluded

Does the transaction involve a Covered Loan?



I'm Covered, Loan is Covered, Do I Report?

CLOSED-END

- Originated at least 25 Closed-End mortgage loans in each of the two preceding calendar years?
- If yes, required to report all Closed-End Mortgage apps received, loans originated, loans purchased, preapproval requests if denied, approved but not accepted by applicant, or results in origination
- If no, not required to report Closed-End Mortgage apps received, loans originated, loans purchased

OPEN-END

- Originated at least 100 (500) Open-End Lines of Credit in each of the two preceding calendar years?
- If yes, required to report all Open-End Lines of Credit apps received, loans originated, loans purchased, preapproval requests if denied, approved but not accepted by applicant, or results in origination
- If no, not required to report Open-End Lines of Credit apps received, loans originated, loans purchased

Data Fields Under Final Rule

- Final rule will require financial institutions to collect, record, and report information on a total of 48 data points
 - 25 new data points
 - 11 new data points identified in the Dodd-Frank Act
 - 14 new data points using the Bureau's discretionary authority
 - 23 existing data points
 - 14 modified
 - 9 existing
- The final rule does not include the following proposed data points:
 - QM flag
 - Initial draw
 - RPIR (risk-adjusted, pre-discounted interest rate)
 - MSA/MD

Data Fields

Current data points (including modified and unmodified data points)

- Legal Entity Identifier
- Universal Loan Identifier
- Application Date
- Loan Type
- Loan Purpose
- Preapproval
- Construction Method
- Occupancy Type
- Loan Amount
- Action Taken
- Action Taken Date
- State
- County
- Census Tract
- Ethnicity
- Race
- Sex
- Income
- Type of Purchaser
- Rate Spread
- HOEPA Status
- Lien Status
- Reason for Denial

Data points identified in the Dodd-Frank Act

- Property Address
- Age
- Credit Score
- Loan Term
- Total Loan Costs, or Total Points and Fees
- Property Value
- Prepayment Penalty Term
- Introductory Rate Period
- Non-Amortizing Features
- Application Channel
- Mortgage Loan Originator NMLSR Identifier

Data points added under the Bureau's discretionary authority

- Origination Charges
- Discount Points
- Lender Credits
- Interest Rate
- Debt-to-Income Ratio
- Combined Loan-to-Value Ratio
- Manufactured Home Secured Property Type
- Manufactured Home Land Property Interest
- Total units
- Multifamily Affordable Units
- Automated Underwriting System
- Reverse Mortgage
- Open-End Line of Credit
- Business or Commercial Purpose

New/Modified Data Fields

- Universal Loan Identifier (ULI)
 - Legal Name Identifier (LEI) of 20 characters + 23 additional unique characters +2 character check digit = 45 total characters
 - Purchased Loans: original ULI (assign if pre-2018)
 - Cannot utilize same ULI reinstated/reconsidered in same reporting period unless quarterly reporting for previously reported app in same calendar year
- Construction Method - Site Build and Manufacture Home (formerly Property Type)
- Occupancy Type - Principal, Second or Investment Property (formerly Owner Occupancy)
- Loan Amount

New/Modified Data Fields

- Action Taken – date of action required
 - Originated or Purchased
 - Application approved but not accepted, denied or withdrawn
 - Closed for incompleteness
 - Pre-approval request denied or approved but not accepted
 - Reasons for denial is NOT option for 2018
- Location – address, county and census tract (formerly MSA/MD)
- Ethnicity, Race and Sex – many additional options to select for 2018
 - Basis can be made through observation or surname (not applicable to co-applicant and if N/A if unknown)
 - Effective when application received

New/Modified Data Fields

- Age - as of application date and include first co-applicant
- Purchasing Entity – added Credit Unions, Independent Mortgage Banks, Affiliates or Other
- Credit Score and Model – score and model relied upon
- Rate Spread – 3 decimals and no threshold
- Lien Status – only 1st lien or subordinate lien (2017 included N/A or unsecured)

New/Modified Data Fields

- Reason for Denial – NOT optional for 2018 and up to 4 reasons (3 in 2017)
- Total Loan Costs - closing disclosure (CD) provided
 - 2020 Quarterly Reporting: use amended CD provided (if not closed before quarter end)
 - 2018 Annual Reporting: use corrected CD amount (actual closed amount)
 - Not applicable for HELOCs, HECMs, Business/Commercial Loans, or Applications prior to TRID
- Total Points and Fees – no closing disclosure
 - Not applicable for HELOCs, HECMs, Business/Commercial Loans, Applications or Purchase Covered

New/Modified Data Fields

- Originations Charges, Discount Points, and Lender Credits
 - Blank if none, not N/A
 - Not applicable for HELOCs, HECMs, business/commercial Loans, or applications prior to TRID
 - If revised during reporting period, revised amount must be reported
- Interest Rate – CD or LE rate
 - 3 decimals and N/A if denied, withdrawn, incomplete
 - Rate at approval (if approved but not accepted)
 - Unknown ARM – used fully indexed rate
- Prepayment Penalty Term
 - In months and not applicable for HECMs, purchased loans, or commercial/business loans
- Debt to Income
 - Monthly DTI relied upon and must be two decimals
 - Not applicable if incomplete, withdrawn before decision, not relied upon, multi-family or purchased loan

New/Modified Data Fields

- Combined Loan-to-Value Ratio (CLTV)
 - 2 decimals and not applicable for incomplete, withdrawn before decision, not relied upon or purchased loan
- Loan Term
 - Disclosed in months and maturity date (if balloon), termination date (HELOC) and not applicable for HECMs
- Introductory Rate Period
 - Disclosed in months until first applicable rate change (not preferred rate change) and not applicable for fixed rate

New/Modified Data Fields

- Property Value
 - 2 decimals and not applicable for incomplete, withdrawn before decision, not relied upon or purchased loan
- Total Units
 - Applicable for manufactured home community, single manufactured, Condos/Co-Ops
- NMLS, AUS and Result
 - NMLS – LO with primary responsibility
 - AUS – type of Automated UW System used (N/A if not used) and result of AUS
- Submission of Application
- Initially Payable to Institution

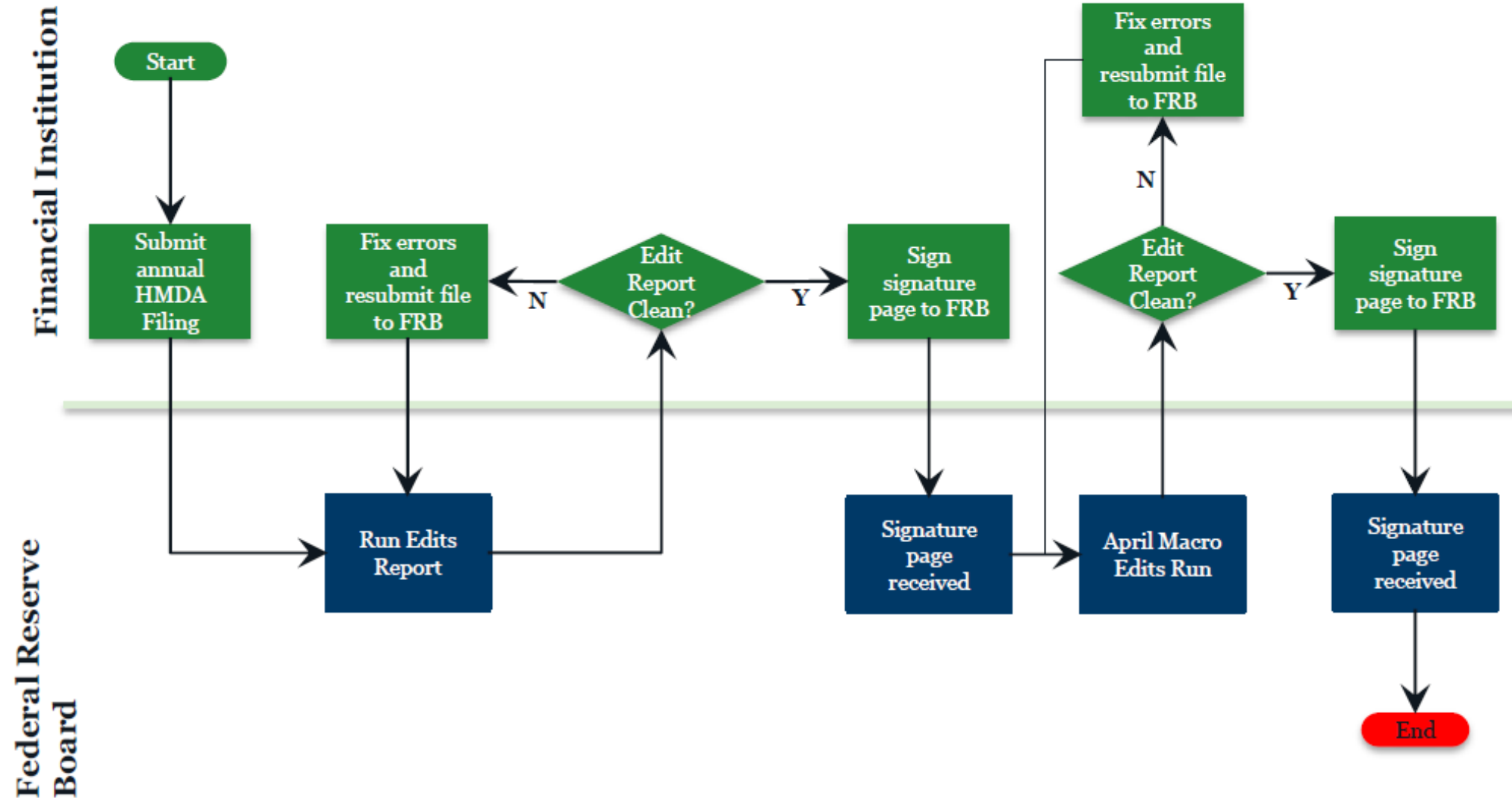
New/Modified Data Fields

- Other New Loan Types – must be identified
 - Manufactured Home Secured Property Type
 - Manufactured Home Land Property Interest
 - Balloon Payment
 - Interest-Only Payment
 - Negative Amortization
 - Other Non-Amortization Features
 - HECMs
 - HELOCs
 - Business or Commercial Purpose

Reporting and Data Submission

- Reporting
 - Reporting Period: Year/Quarter action is taken (not application date)
 - On LAR – within 30 calendar days of quarter end which final action is taken
 - Reporting Entity: Only one entity – the decider/Principal reports
- Data Submission
 - Due date is March 1st (business day only)
 - HMDA Platform Only
 - Submission to CFPB = Submission to Agency
 - Authorized rep w/knowledge certifies
 - Submit to LAR if subsidiary of bank/SA (3 year retention)

Data Submission – Current Process

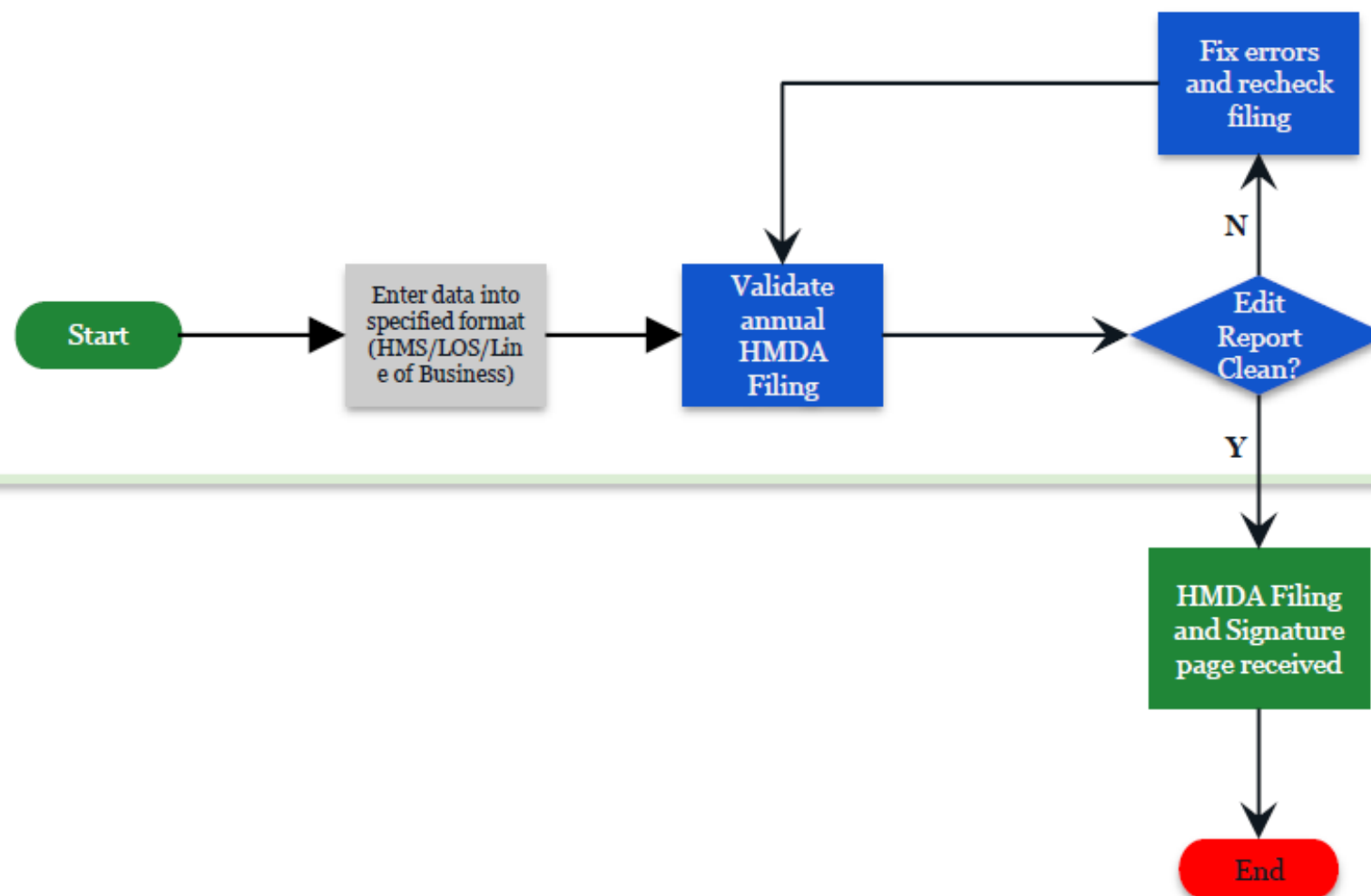


Data Submission – New Process

In new process, the HMDA filer will run the edits in the HMDA Platform and only a clean HMDA file will be accepted.

Financial Institution

CFPB



Disclosure and Notice

- Disclosure Statement (DS)
 - FFIEC prepares and notifies reporting entity
 - 3 business days written notice requirement
- Modified LAR
 - Bureau modifies
 - January 1st – written notice for Modified LAR
- General Notice
 - Lobby of home office and physical branch in MSA/MD area

2020 Quarterly Reporting

- Threshold: 60,000 covered loans or applications in preceding year (excludes covered purchased loans)
- Period: 2020 data collected (only Q1-Q3 with Q4 part of annual reporting)
- Deadline: 60 calendar days from quarter end

Implementation

- Loan Origination System and Technology
- Review and Update Policies and Procedures
- Collaboration with Vendors
- Ensure Data Integrity, Sensitivity and Security
- Conduct Testing and Analysis and Modify based on Results

Recent Enforcement

- Nationstar Mortgage
 - March 8, 2017 – \$1.75 million civil penalty (largest to date)
 - 13%, 33% and 21% reporting errors for previous 3 years
 - History of noncompliance
- Resubmission Error Thresholds
 - <100,000 LAR entries
 - 10% of LAR sample or 5% within individual data set
 - >100,000 LAR entries
 - 4% of LAR sample or 2%-4% within individual data field

CPE Poll Question #2

Brian Driscoll

Senior Director | Financial Industry Advisory Services

Brian Driscoll, a Senior Director with Alvarez & Marsal Financial Industry Advisory Services in Charlotte, specializes in providing sound analytics with focused-based solutions on complex problems to improve performance.

He has provided information technology solutions for various business units; management and finance support for mortgage, consumer and commercial banking; detailed analysis and advisory services related to mortgage foreclosure and SCRA; process improvement efforts; development of various financial reporting systems and processes; and advisory services related to risk assessment initiatives.

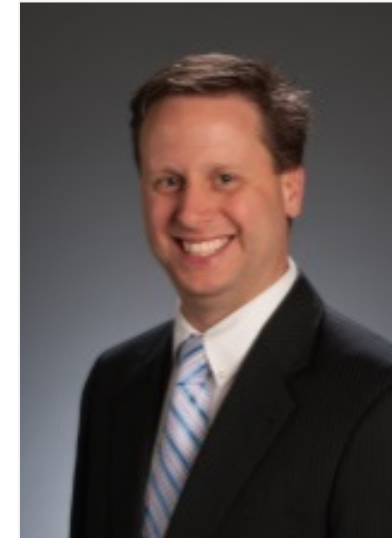
Before joining A&M, Mr. Driscoll was a Vice President with Wachovia Corp. in the structured transactions and analytical research group. There, he provided valuation analysis, including reverse-engineering of cash flow modeling, in-depth reporting of mortgage buying patterns, delinquency pipeline analysis, loan severity (LGD) analysis and pricing changes for mortgage-backed securities, small business securities and mortgage servicing.

He also provided analytical support for asset allocation and buy / sell decisions across the corporate investment bank, capital markets and balance sheet management divisions. He created portfolio earnings scenarios based on different IRR, ROA, NIM, loan mix, credit quality and market interest rate assumptions.

Previously, Mr. Driscoll was part of Wachovia's structured transactions development analysis group, responsible for creating reinvestment portfolio analysis for various funds for future growth. He also developed detailed filtering systems for loan selection, severity analysis and delinquency forecast analysis to be utilized in various asset securitizations. He analyzed periodic collateral collections and characteristics, as well as bond payment cash flows.

Earlier, Mr. Driscoll had responsibilities for Oracle and DB2 database administration in Wachovia's enterprise agent applications group. He focused on system architecture, creating and supporting numerous development and production databases throughout the company. Additionally, he created several front-end applications for data capture, validation and reporting of information contained in the various databases.

Mr. Driscoll earned a bachelor's degree in business management and computer information systems from Appalachian State University in Boone, NC and an MBA from Wingate University in Wingate, NC.



112 South Tyron Street
Suite 540
Charlotte, North Carolina, 28284
Direct: +1 704 778 4718
E-mail:
bdriscoll@alvarezandmarsal.com

Richard Hendry

Senior Director | Financial Industry Advisory Services

Richard Hendry is a Senior Director with Alvarez & Marsal Financial Industry Advisory Services in San Francisco. Mr. Hendry specializes in regulatory and operational risk. Mr. Hendry's primary areas of concentration are regulatory finding remediation, risk management programs and systems, and insight into evolving regulatory thinking.

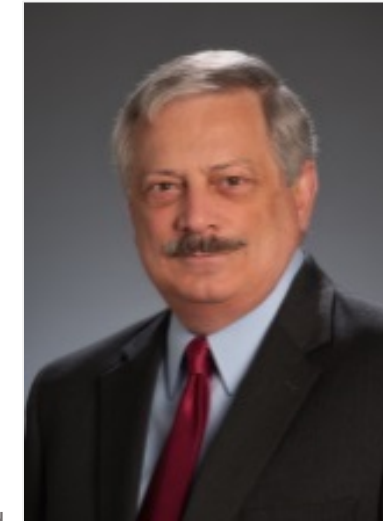
With more than 30 years of financial industry and regulatory experience, Mr. Hendry has a thorough understanding of risk management founded in Basel Accord principles and focused on risk management that enhances the strategic and tactical goals of financial institutions.

Mr. Hendry has worked with various financial institutions both as a senior risk management officer and as a Certified National Bank Examiner for Compliance, gaining experience in multinational specialty and community institutions. Mr. Hendry bridged his public sector experience in compliance to private sector work in operational risk and later with senior accountability across both categories of risk. Mr. Hendry has also gained experience in implementing governance, risk and compliance management (GRC) technology, which is rapidly becoming obligatory in managing the requirements of modern risk management in all sizes of institution.

Prior to joining A&M, Mr. Hendry worked with RBS Citizens Financial Group Consumer Banking Risk in Dedham, Massachusetts, where he most recently served as Senior Vice President and Director for Marketing and Communications Risk Management. In this position, Mr. Hendry gained a reputation for implementing the enhanced risk management requirements of the current regulatory environment while maintaining close alignment to strategic and tactical goals. Mr. Hendry was responsible for risk management and risk program development, concentrating in high-volume advertising materials review; one-to-one marketing; online content; security for data flowing from a very large customer information database; marketing target model compliance risk; and supplier risk management.

Previously, Mr. Hendry was responsible for reorganizing a centralized risk operations unit that performed monitoring and testing functions, reducing costs and gaining efficiency. Concurrently, the unit's employee morale rose from the division's lowest to a tie for highest, because the gains in efficiency also empowered employees to do their best work. Empowerment is a key element in Mr. Hendry's risk management consulting, often achieved by liberating highly expert employees to do their best work through implementing GRC technology.

Mr. Hendry earned a bachelor's degree *magna cum laude* in English literature and a paralegal certificate from San Francisco State University.



425 Market Street
18th Floor
San Francisco, California, 94105
Direct: +1 415 837 1684
E-mail:
rhendry@alvarezandmarsal.com

Matt Frank

Director | Financial Industry Advisory Services

Matt Frank is a Director with Alvarez & Marsal's Financial Industry Advisory Services practice, based in New York. With more than 10 years of experience, he manages data and models finances to make companies robust.

Most recently at A&M, Mr. Frank has used quantitative techniques to help banks with their compliance. When A&M assisted a major bank with its flood insurance, he automated several processes, to give bank management an overview of the work of 90 consultants. He is often called upon for the aggregation and interactive display of data.

Mr. Frank's other roles at A&M have focused on risk management, and especially cyber risks. In a project with a state's largest health insurer, he helped executives evaluate their cyber insurance coverage and capital and liquidity requirements. The numbers from these models also went into a Basel-based regulatory filing, as part of improving Enterprise Risk Management.

Mr. Frank has particular expertise in the aggregation of data, including both corporate and governmental clients of A&M. He estimated a client's losses from breach of contract by analyzing its big data on its customer histories. He also advised the State of Utah on its funding risks, gathering information from several sources. Those results are displayed in a interactive map tool now available on the State of Utah's website.

Mr. Frank began his career at Goldman Sachs, in derivatives and investment banking. He modeled and tested models for many derivatives in foreign exchange, ensuring the bank's ability to hedge its risks and to comply with Sarbanes-Oxley regulations. Later on, he advised clients in Equity Capital Markets on modeling innovative share buybacks, convertible bonds and margin loans.

As an intern, Mr. Frank was a cryptanalyst at the National Security Agency, winning internal awards for code-breaking in two summers. This led to his collaborations with information security specialists and to his negotiating information security provisions in technology contracts.

Mr. Frank earned a bachelor's degree in Mathematics from Yale University, and a master's degree and PhD from the University of Chicago. He speaks English, Spanish and Portuguese. He is a Professional Risk Manager and a Chartered Financial Analyst.



600 Madison Avenue; 8th Floor
New York, New York, 10022
Direct: +1 212 328 8706
E-mail:
matt.frank@alvarezandmarsal.com

Jiao Yao

Manager | Financial Industry Advisory Services

Jiao Yao is a Manager with Alvarez & Marsal Financial Industry Advisory Services in New York.

Before joining A&M, Ms. Yao worked as a quantitative analyst in the Citigroup Yield Book department.

Specializing in fixed income products, she has developed new index portfolios and constructed various analytical models on different types of securities, as well as managing the existing portfolios and providing customized solutions to major clients. She also worked closely with the trading team to produce index return reports and make sure the production is delivered timely and appropriately.

With extensive experience in market research and a strong quantitative background, Ms. Yao is proficient in fixed income derivatives pricing and designing. She also introduced a large amount of new products into the Yield Book database and created critical evaluation criteria on data's feasibility, return and optimization.

Ms. Yao earned a bachelor's degree in economics and finance from China Agricultural University, and a master's degree in finance with a concentration in financial engineering from the State University of New York at Buffalo.

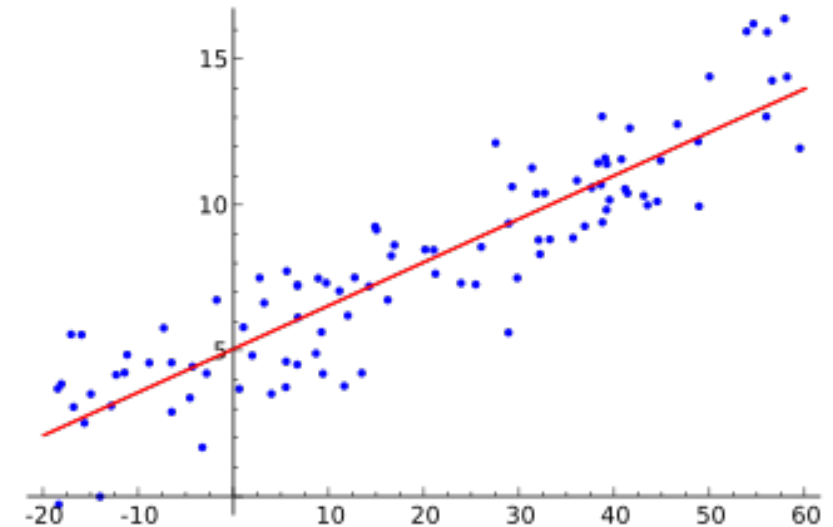


600 Madison Avenue, 8th Floor
New York, New York, 10022
Direct: +1 646 856 1790
E-mail: jyao@alvarezandmarsal.com

What can Regression Analysis tell you?

In a nutshell:

- Regression Analysis: Statistical approach to forecasting change in a dependent variable (e.g. loan approvals) on the basis of change in one or more independent variables (e.g. race).
- Regression Analysis can help identify a pattern of loan approvals and denials where the approve/decline decision can be explained by prohibited factors and can not easily be explained by standard business needs.
- Regulators will likely take a similar approach, and target the same files.
- It is proactive to have ready answers available to address any regulatory questions.



HMDA Regression Analysis

- Regulators use regression analysis to target fair lending examinations and assess fair lending compliance. For instance, CFPB performs statistical analysis before approach institutions.
- Best Practice: Conduct annual fair lending self-assessment to be ahead of regulatory scrutiny and demonstrate an active Compliance Management System for fair lending.
- Regression testing is typically considered covered by the self-test safe harbor because it creates new factual data (e.g., data that is not simply found in loan files).
- When testing occurs as part of a complaint investigation lawsuit or on advice of counsel, it can often stay under attorney-client privilege. Consult with your counsel to determine if attorney-client privilege will apply.

Options for Regression Analysis

Excel Spreadsheet (possibly acceptable)

- Crashes for large data sets
- Errors in data and manual formulas
- Inaccurate or burdensome reporting
- Limited ability to incorporate statistical models
- No assistance in identifying or mitigating issues



CRA/Fair Lending Software (better)

- Easy to import HMDA and bank data
- Pre-programmed analysis and canned reports
- Limited technical support

The screenshot displays a software interface for CRA/Fair Lending analysis. It includes fields for Application Number, Application Date, Loan Type, Property Type, Loan Amount, Action Taken, APR, Loan Term, HMDA Status, Address, City, State, ZIP+4, Manual Date, Annual Income, Applicant Race 1, Applicant Race 2, and Applicant Race 3. The interface is designed for data entry and reporting.

A&M (best)

- Tailored approach, using statistical experience to select appropriate models
- Compliance experience in fair lending to help understand and explain outliers
- Experience in articulating patterns without attributing cause and effect
- Direct assistance in identifying outliers and mitigating errors

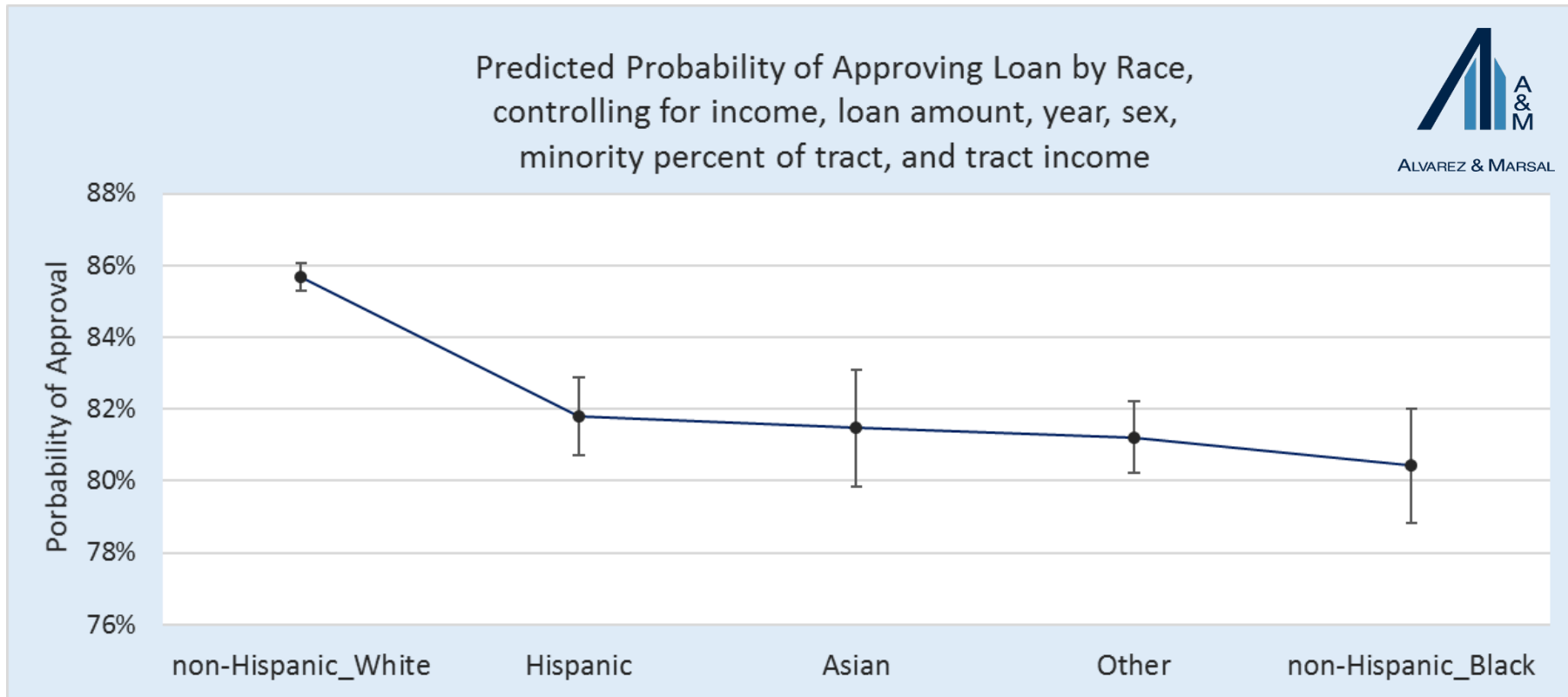


ALVAREZ & MARSAL

Is there Mortgage Discrimination?

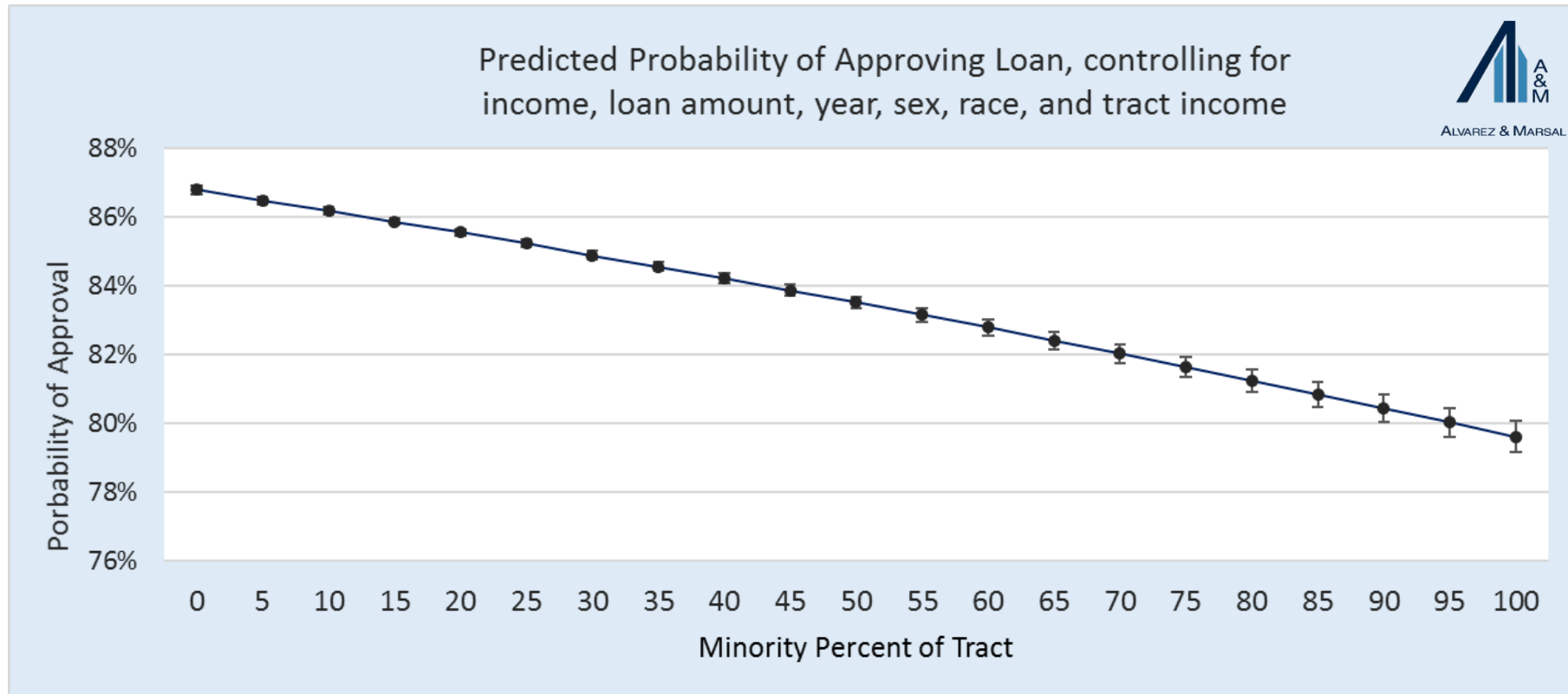
- Dependent variable: was the mortgage application approved?
- Source data (example): 61,000 mortgage applications over a 5-year period in a sample county
- Independent variables:
 - loan amount
 - income
 - year of application
 - race
 - gender
 - ethnicity
 - neighborhood income
 - neighborhood demographics
- Exploring neighborhoods with different racial compositions for affects on local approvals
- Do minorities and minority neighborhoods experience mortgage discrimination?

Probabilities of Approval by Race



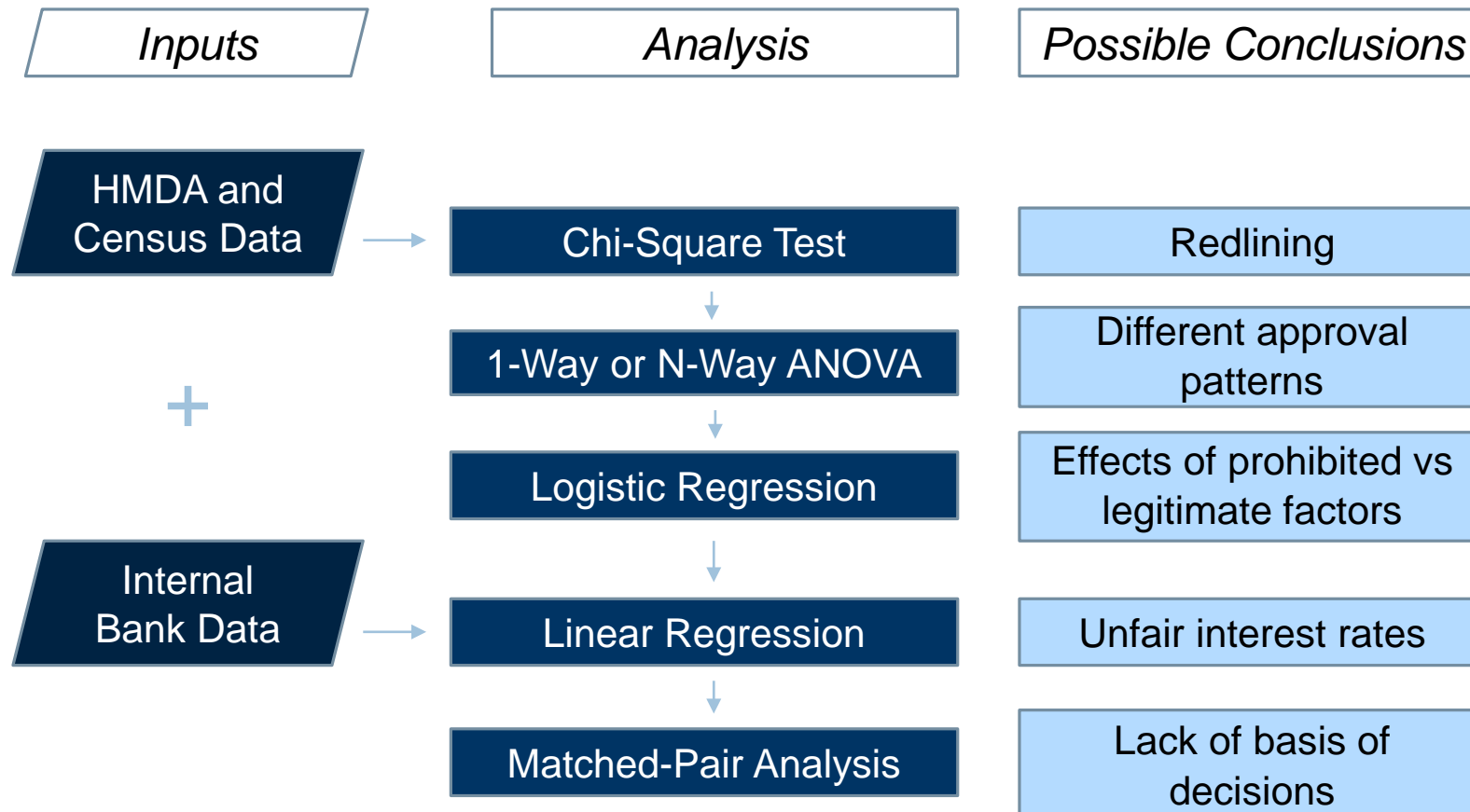
R code for model: `approved ~ log(loan) + log(income) + year + tract_minority_pct + tract_income + gender + nonhispanic_white + asian + hispanic + nonhispanic_black`

Probabilities by Percent Minority in Census Tract



R code for model: `approved ~ log(loan) + log(income) + year + tract_minority_pct + tract_income + gender + nonhispanic_white + asian + hispanic + nonhispanic_black`

Using Statistical Techniques



Sample Conclusions from Bank Data

Race	Observed Above-Threshold Loans	Expected Above-Threshold Loans	Chi-Square	Percent of Above-Threshold Loans	Total Loans	Average Rate Spread (Above-Threshold)	Price Disparity Index	Significant
Native Hawaiian/Other Pacific Island	72	67.64	0.281	12.654	569	2.202	1.01	No
Hispanic White	51	45.529	0.657	13.316	383	2.623	1.063	No
American Indian/Alaska Native	99	100.687	0.028	11.688	847	2.03	0.933	No
Non-Hispanic White	408	387.176	1.12	12.527	3257	2.186	1	
Race not Availalbe	45	46.837	0.072	11.421	394	2.273	0.912	No
Asian	64	72.752	1.053	10.458	612	2.148	0.835	Yes
Joint (White/non-white race)	52	48.977	0.187	12.621	412	2.158	1.008	No
Black or African American	111	137.895	5.246	9.569	1160	2.075	0.764	Yes
2 or more non-white races	49	43.508	0.693	13.388	366	2.385	1.069	No

CPE Poll Question #3



Tyler House

Manager, Advisory Services
Richey May & Co., LLP

Tyler joined the Richey May team as an auditor in 2010 and serves as a manager in the firm's Business Advisory Services practice. Tyler is responsible for managing the data analytics and business intelligence services offered to the firm's mortgage banking clients, including the firm's financial peer-to-peer benchmarking product, Richey May Select, and its other market data and analytics solutions. Tyler focuses on adding value to his clients by providing actionable analysis in the areas of financial performance, compensation, budgeting and market intelligence. Tyler's expertise also includes pro forma projections, FNMA & NMLS MCR reporting, and chart of accounts design and consulting.

Designations:

Certified Public Accountant (CPA) - Colorado

Education:

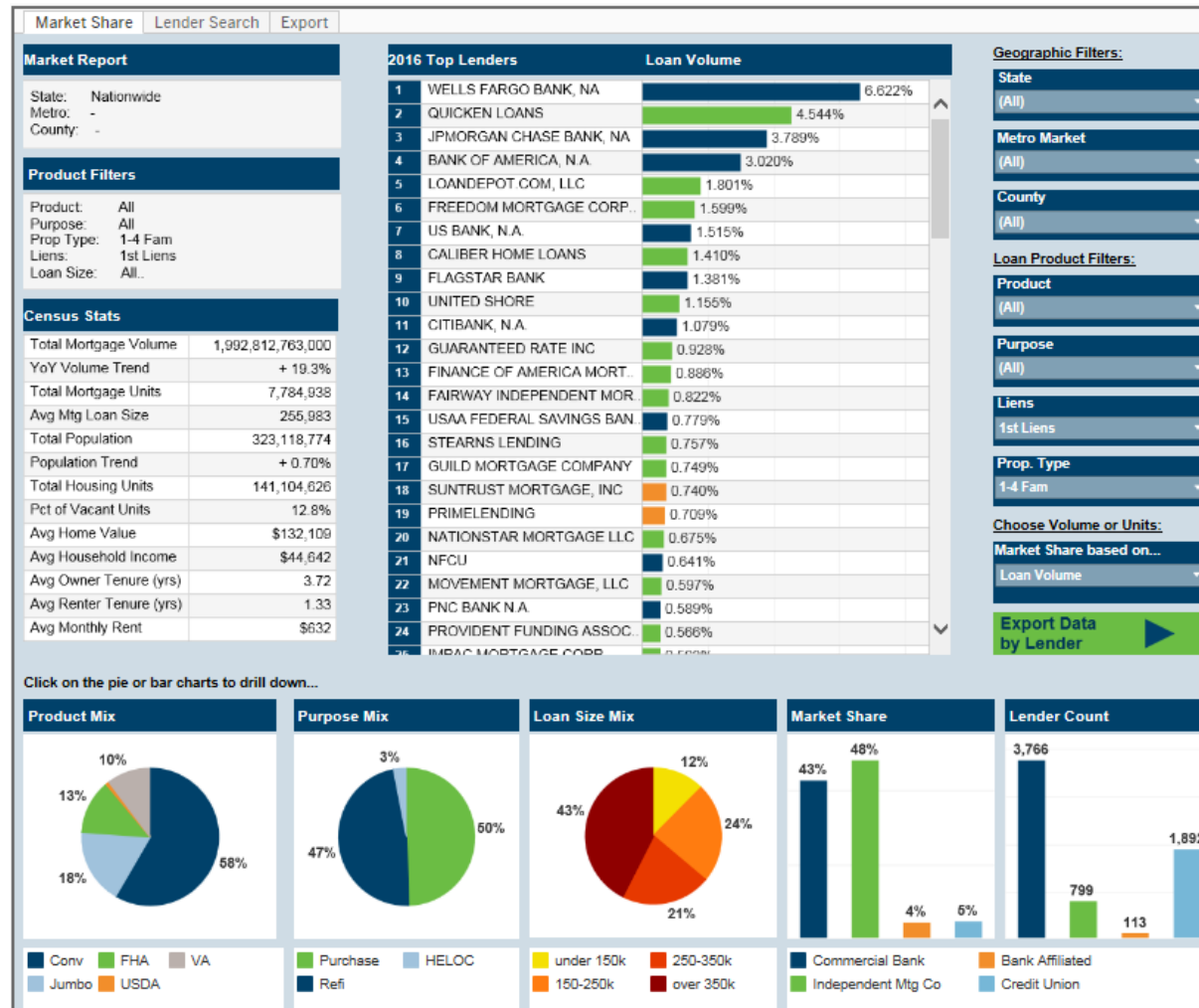
Colorado Christian University
Bachelor of Science, Accounting

Memberships:

Colorado Society of Certified Public Accountants (COCPA)
American Institute of Certified Public Accountants (AICPA)

HMDA Data Analytics

<http://www.richeymay.com/industries/mortgage-banking/data-analytics-and-benchmarking/>



Market Share Trends

- Independents' share +3.49%
- Commercial Banks' share -3.08%
- Independents now own largest share in all products & purposes (except jumbo)
 - Government 74.3%
 - Conventional 47.8%
 - Jumbo 15.4%
 - Purchase 46.1%
 - Refinance 46.5%

Consolidation Trends

- Overall, less than expected consolidation seen in 2016
 - 1 change in top 100 lenders since 2015
 - Top 50% of market held by 57 lenders in '16 & '15
- 56 more lenders originated at least 1 billion in '16

Product Trends

- YOY Volume increased by 20% Nationwide
- Western US volume increase most
 - WA lead the nation at +29%
- FHA +9% YOY
- VA volume +38%
- Highest Mix of Purchase business in TX, FL & NY
- Highest Mix of Refi business in CA

<http://www.richeymay.com/industries/mortgage-banking/data-analytics-and-benchmarking/>

CPE Poll Question #4

Additional Resources

- <https://www.consumerfinance.gov/data-research/hmda/>
- <https://www.alvarezandmarsal.com/>
- <http://americanmlg.com/>
- <https://www.ffiec.gov/hmda/>

Contact Information

Kalen Richey, CPA

Mortgage Banking Practice Leader

kalen@richeymay.com

www.richeymay.com

303.721.6131