



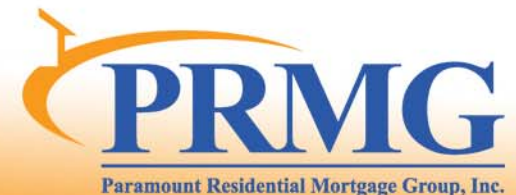
HMDA 2018
(Correspondent)

Legal Disclaimer

The materials and information provided during this presentation is limited to the discussion of PRMG's policies with respect to the amended Home Mortgage Disclosure Act and Regulation C and does not constitute legal advice. You are strongly encouraged to reach out to your legal and compliance department, consultants and/or attorneys to ensure your practices, policies and procedures meet federal and state legal requirements. This webinar may not be copied, recorded, or redistributed in any form.

For more information regarding the Consumer Financial Protection Bureau's (CFPB) Home Mortgage Disclosure Act, please refer to the CFPB's implementation page, which provides a number of resources.

<https://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/hmda-implementation/>



Who Reports HMDA?

- PRMG has an obligation to report transactions for both Delegated and Non-Delegated Correspondent channels. However, the way we report these two types of transactions differ.
 - We must report all final decisions the same way in non-delegated as we do in wholesale because PRMG is making the credit decision prior to closing. As such, we report all funded loans as originated by PRMG for the purposes of HMDA, even though the loan closes in the non-delegated correspondent's name. There is no need for the non-delegated client to report these transactions.
 - We DO NOT report denials or originations for the Delegated Correspondent Channel. We only report the loans we purchase from the Delegated-Correspondent. The Delegated Correspondent is responsible for reporting final decisions. Funded loans will be reported as originated by the Delegated Correspondent for HMDA purposes.



Important Changes!

- Home Mortgage Disclosure Act (HMDA) will require additional data points that must be reported with our 2018 HMDA submission to the Consumer Financial Protection Bureau (CFPB).
- Any application taken on or after January 1st, 2018, must include a more detailed collection of the applicant(s)' demographic information, that must be taken on a new DEMOGRAPHIC INFORMATION ADDENDUM.
- Correspondents will have to provide PRMG the more inclusive Demographic Information on applications dated on or after January 1st, 2018.
- Loans with applications dated prior to January 1st, 2018 and funded, denied, or withdrawn (i.e. final decision) on or after January 1st, 2018 will contain the additional data points in our March 1st, 2019 HMDA submission with the exception of the additional demographic information.

Universal Loan Identifier (ULI)?

- For Non-Delegated Correspondent, PRMG will be using our own generated ULI on loans that we purchase or otherwise make a final disposition on in 2018, forward.
- For Delegated Correspondent, PRMG **must receive the ULI from the Delegated Correspondent upon loan purchase** as this will be a new required field.
 - In order for a Correspondent to generate a ULI out of their system, they must obtain a Legal Entity Identifier (LEI).

Key Highlights in FT360 For Demographic Information

- When you mark an application was taken Face-to-Face, you must enter the Demographic Information.
- On a Face-to-Face Application, if an applicant wishes to not provide you their race, gender, or ethnicity you must make an educated/reasonable determination based on visual observation or surname (i.e. name).
- The system will now REQUIRE you on a Face to Face application to mark for each (Ethnicity, Race and Gender), **yes** or **no**, whether you made the determination based on Visual Observation or Surname.

Information for Government Monitoring Purposes

Application Taken Via: Face To Face
 Mail
 Telephone
 Internet

Gender: Male
 Female
 Not Provided
 I do not wish to furnish this information

Race Collected Based on Visual Observation or Surname Indicator: * No Yes

PLEASE NOTE: the orientation of your browser may place the "Gender" information beside the "Application Taken Via" section as opposed to underneath it as seen here.

Key Highlights in FT360 For Demographic Information

- REMEMBER: If an applicant chooses “I do not wish to provide this Information,” You **MUST** leave that box marked but **ALSO PROVIDE** the additional Ethnicity and Race information based on Visual Observation or Surname if the application was taken Face to Face.
- If the application was not taken Face-to-Face then it is ok to only have “I do not wish to provide this information.”

The screenshot displays the demographic information section of the FT360 application form, divided into two columns: Ethnicity and Race.

Ethnicity Section:

- Hispanic or Latino
- Cuban
- Mexican
- Puerto Rican
- Other
- Description:
- Not Hispanic or Latino
- Not Provided
- I do not wish to furnish this information
- Collected Based on Visual Observation or Surname Indicator: No Yes

Race Section:

- American Indian or Alaska Native
- Tribe name:
- Asian
- Asian Indian
- Chinese
- Filipino
- Japanese
- Korean
- Vietnamese
- Other Asian
- Description:
- Black or African American
- Native Hawaiian or Other Pacific Islander
- Native Hawaiian
- Guamanian or Chamorro
- Samoan
- Other Pacific Islander
- Description:
- White
- I do not wish to furnish this information
- Collected Based on Visual Observation or Surname Indicator: No Yes

PLEASE NOTE: the orientation of your browser may change the location of these sections relative to each other but the content will remain the same

New Documents in FT360

- Some systems like FT360 will show a red X through the government monitoring section on page 3 of the loan application. For applications taken January 1st, 2018 or after, the demographic information will go on the Demographic Information Addendum because the government monitoring section does not have all the required fields.

electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X		X	

X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law prohibits that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, the lender is required to obtain information on the basis of visual observation and surname if you have made an application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for each particular type of loan applied for.)

BORROWER <input type="checkbox"/> I do not wish to furnish this information.	CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information.
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Loan Originator:
This information was provided:
 In a face-to-face interview
 In a telephone interview
 By the applicant and submitted by fax or mail
 By the applicant and submitted via e-mail or the Internet

Loan Originator's Signature	Date
X	01/02/2018

New Information Addendum

- To your right is a sample of a Demographic Information Addendum. PRMG will require this form for all applications taken on or after January 1st, 2018.

Demographic Information Addendum. This section asks about your ethnicity, sex and race.

Demographic Information of Borrower

The purpose of collecting this information is to help ensure that all the applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, Federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. You may select one or more designations for "Ethnicity" and one or more designations for "Race." The law provides that we may not discriminate on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, Federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of age or marital status information you provide in this application. If you do not wish to provide some or all of this information, please check below.

Ethnicity: Check one or more

Hispanic Or Latino
 Mexican Puerto Rican Cuban
 Other Hispanic or Latino - *Print origin:*
For example: Argentinian, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on.

Not Hispanic or Latino
 I do not wish to provide this information

Sex

Female
 Male
 I do not wish to provide this information

Race: Check one or more

American Indian or Alaska Native - *Print name of enrolled or principal tribe:*
 Asian
 Asian Indian Chinese Filipino
 Japanese Korean Vietnamese
 Other Asian - *Print Race:*
For example: Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.

Black or African American
 Native Hawaiian or Other Pacific Islander
 Native Hawaiian Guamanian or Chamorro Samoan
 Other Pacific Islander - *Print race:*
For example: Fijian, Tongan, and so on.

White
 I do not wish to provide this information


To Be Completed by Financial Institution (for application taken in person):

Was the ethnicity of the Borrower collected on the basis of visual observation or surname? NO YES
 Was the sex of the Borrower collected on the basis of visual observation or surname? NO YES
 Was the race of the Borrower collected on the basis of visual observation or surname? NO YES

The Demographic Information was provided through:

Face-to-Face Interview (includes Electronic Media w/ Video Component) Telephone Interview Fax or Mail Email or Internet

Borrower Name:
 Uniform Residential Loan Application
 Freddie Mac Form 65 - Fannie Mae Form 1003
 Revised 09/2017



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Questions?

Feel free to contact your Account Executive