

New HMDA Final Rule Raises Loan Origination Reporting Threshold; Particular Significance for Certain Multifamily Lenders

On April 16, the CFPB issued a HMDA final rule increasing the number of closed-end mortgage loans and/or open-end mortgage loans an institution must originate before it meets HMDA's coverage thresholds. Effective July 1, 2020, institutions originating fewer than 100 closed-end mortgage loans in either of the two preceding calendar years will not have to report such data effective July 1, 2020. Additionally, the permanent open-end mortgage loan reporting threshold will become 200 open-end mortgage loans effective January 1, 2022, upon the expiration of the current temporary threshold of 500 open-end lines of credit.

This change will allow multifamily lenders who do not originate single-family loans and who originate fewer than 100 multifamily loans annually to avoid HMDA obligations. It will also benefit institutions which make small numbers of closed-end or open-end mortgage loans.

The new rule may be found [HERE](#).

Buchalter's Mortgage Banking Practice Group is available to help lenders understand and address HMDA requirements. If we can be of assistance and to discuss various options and specific situations, please feel free to contact any of the Buchalter Mortgage Banking Industry Group Attorneys below.



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