



November, 2017

FIPCO FORMS NOTICE

Please note: This notice is not a comprehensive review of all the elements of this form. Refer to the instructions and supplemental instructions prepared for this form for details and further review of the form.

The following forms are available immediately from FIPCO:

WBA 130D – FNMA 1003/FHLMC – Demographic Information Addendum (9/17)

In order to implement the Equal Credit Opportunity Act and implementing Regulation B, along with the Home Mortgage Disclosure Act (HMDA) and implementing Regulation C, financial institutions are required to request certain information from applicants for government monitoring purposes in connection with applications for certain mortgage loans. This information includes an applicant's race, ethnicity, and sex. Beginning January 1, 2018, financial institutions must adhere to a number Regulation C changes. One key change requires financial institutions to collect government monitoring information from applicants using revised demographic categories. For financial institutions currently using the Uniform Residential Loan Application (URLA) (WBA 130HL), the WBA 130D – Demographic Information Addendum – should be used to collect government monitoring information in lieu of using Section X of the URLA (WBA 130HL) by January 1, 2018.

Currently, financial institutions using the WBA 130HL collect government monitoring information from applicants using Section X (Information for Government Monitoring Purposes) of the WBA 130HL. However, the existing version of the WBA 130HL (3/12/13), based on the currently-effective version of the Fannie Mae/Freddie Mac URLA, does not reflect the Regulation C changes required as of January 1, 2018. The revised version of the URLA, which includes revised demographic categories, has not been finalized by Fannie Mae/Freddie Mac and will not be required to be used until February 2020.

Therefore, in order to properly collect government monitoring information, a financial institution must (a) use the WBA 130D to collect the updated demographic information, and (b) cross-out, shade-out, or otherwise delete Section X of the WBA 130HL. In summary, the WBA 130D replaces Section X of the URLA (WBA 130HL) at this time. This method of collection will need to be used until a financial institution begins using the yet-to-be-finalized revised URLA, at which time the WBA 130D will no longer be needed.

Financial institutions are now permitted to collect demographic information under new Regulation C rules and may begin using the WBA 130D, in accordance with applicable instructions, at any time.

