



Fact Sheet

Compliance Policy
Division

Home Mortgage Disclosure Act

Purpose

The Home Mortgage Disclosure Act (HMDA) grew out of public concern over credit shortages in certain urban neighborhoods. Congress enacted the HMDA in 1975 to address its belief that some financial institutions had contributed to the decline of some geographic areas by their failure to provide adequate home financing to qualified applicants on reasonable terms and conditions. The Federal Reserve Board's Regulation C (12 CFR 203) implements the Act.

The HMDA does not prohibit any specific lender activity, and it does not establish a mortgage loan quota system. The regulation applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions.

The regulation requires most financial institutions to report data regarding loan applications, originations, and loan purchases for home purchase and home improvement loans and refinancings. The supervisory agencies, through the Federal Financial Institutions Examination Council (FFIEC), compile this information in the form of individual disclosure statements for each institution, and in the form of aggregate reports for all covered institutions within each MSA.

Consumer Benefits

The regulation provides the public with loan data that it can use to assist:

- In determining whether financial institutions are serving the housing needs of their communities.
- Public officials in distributing public-sector investments so as to attract private investment to areas where it is needed.
- In identifying possible discriminatory lending patterns.

Where to Get Additional Information

Individual Disclosures and Aggregate Reports -
<http://www.ffiec.gov/hmda/publicdata.htm>

Individual disclosure statements may also be obtained from financial institutions.

Aggregate Tables and Individual Disclosure Reports for Calendar Years 1999 - 2005 -
www.ffiec.gov/hmda or at www.ffiec.gov/reports.htm.

HMDA History –
www.ffiec.gov/hmda/history2.htm.

2006 Version of A GUIDE TO HMDA REPORTING: GETTING IT RIGHT! -
www.ffiec.gov/hmda/guide.htm