

Department of the Treasury

# Thrift Bulletin

# TB 25a



Handbook: **Examination**  
Subject: **Fair Lending**

**Section: 1200**

## Mortgage Lending Data Analysis

**Summary:** The Office of Thrift Supervision remains firmly committed to the enforcement of current fair lending laws and regulations. This Thrift Bulletin (TB) serves as a reminder of the long standing affirmative obligation of thrift institutions to help meet the credit needs of their communities in a nondiscriminatory manner and re-emphasizes the Office of Thrift Supervision's program for enforcing nondiscriminatory treatment of loan applicants. This bulletin rescinds TB 25.

**For Further Information Contact:** Your Office of Thrift Supervision (OTS) Regional Office or the Compliance and Consumer Protection Division of OTS, Washington, DC. You may access this bulletin at our web site: [www.ots.treas.gov](http://www.ots.treas.gov).

### *Thrift Bulletin 25a*

### **Background**

In 1989 our predecessor agency, the Federal Home Loan Bank Board, issued Thrift Bulletin 25 to emphasize the agency's commitment to the enforcement of the fair lending laws and to remind thrift institutions of their obligation to help meet the credit needs of their communities on a nondiscriminatory basis, consistent with safe and sound operation. In addition, the bulletin also introduced a number of programs the agency initiated to ensure that institutions comply with the nondiscrimination laws and regulations.

Recent amendments to the data collected under the Home Mortgage Disclosure Act (HMDA) brought additional scrutiny to the data and continue to highlight potential pricing and decisioning disparities in mortgage loan data. While HMDA data alone does not establish discrimination by the industry or by individual institutions, any disparities in the data must be fully explored by both the examiners and thrift institutions.

### **Obligations of the Thrift Institution**

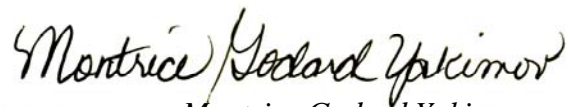
You should assess, at least annually, your policies, procedures, lending activity and data, including written underwriting standards and practices implementing them, to be sure that no illegal discriminatory lending practices can result. As part of that review, you should ensure the accuracy of your mortgage loan data and analyze your data to help determine the cause of any lending disparities.

It is extremely important for you to identify through your own internal analysis the kinds of issues that might arise in the analysis of the publicly reported HMDA data and be prepared to address them by providing contextual information regarding your pricing and decisioning methodologies.

### Examination Handbook

OTS has several Fair Lending handbook sections on our website that are devoted exclusively to examining and enforcing compliance with the fair lending laws and regulations. We encourage you to utilize them in conducting your own internal assessments. In addition to the OTS Examination Handbook, the FFIEC's HMDA web-site, at <http://www.ffiec.gov/hmda/>, provides guidance and other tools to assist in data collection, editing, and filing. Accurate data collection and reporting are essential for conducting a reliable assessment of an institution's compliance with fair lending laws and regulations.

If you have any questions, regarding the information in this bulletin or wish to discuss concerns that arise from the analysis of your mortgage loan data, please feel free to contact the Assistant Regional Director for Compliance or Regional Compliance Specialist in your local OTS regional office.



—Montrice Godard Yakimov

**Managing Director  
Compliance and Consumer Protection**