

CFPB Makes Technical Amendment to Regulation C Reflecting HMDA Loan Threshold*

As reported by BCG earlier in the month, the CFPB announced the decreased Regulation C threshold for depository institutions from 100 to 25 closed-end mortgage loans. As a reminder, in 2020, the CFPB increased the Regulation C threshold for depository institutions from 25 to 100 closed-end mortgage loans and from 100 to 200 open-end lines of credit, in each of the two preceding calendar years. This increase was then invalidated when the U.S. District Court for the District of Columbia vacated the increased 100 closed-end mortgage loan threshold. *Nat'l Cmt. Reinvestment Coal. v. Consumer Fin. Prot. Bureau*, 2022 U.S. Dist. LEXIS 174183 (D.D.C. Sept. 23, 2022).

As a result of the ruling, the CFPB issued a blog post, in which it concluded “[t]he decision means that the threshold for reporting data on closed-end mortgage loans is now 25 loans in each of the two preceding calendar years, which is the threshold established by the 2015 HMDA Final Rule, rather than the 100 loan threshold set by the 2020 HMDA Final Rule.”

On December 12, 2022, the CFPB issued a technical amendment to Regulation C to reflect the 25 closed-end mortgage loan reporting threshold as set out in its blog post. Regulation C Section 1003.2(g) will be amended to reflect the threshold of 25 closed-end mortgage loans originated in each of the two preceding calendar years.

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