

# Compliance Brief: HMDA

EfficiencyNOW! ControlNOW! MoneyNOW! ECMNOW!



## Applicability



If you lend money for home mortgages, you must comply with the Home Mortgage Disclosure Act (HMDA). Enacted by Congress in 1975 and implemented by the Federal Reserve Board, HMDA requires lending institutions to collect and disclose information about housing-related loans and applications. It applies to covered depository lenders as well as non-depository lenders. Any violation of the HMDA reporting requirements may subject you to costly consequences, including civil fines.

## Mortgage and Lending Impact

HMDA requires you to gather and report information regarding loan applications and purchases and to submit a standard report electronically. In addition, you must ensure report accuracy, protect consumer privacy and disclose a statement to the public. As a result, lenders who must comply with HMDA need technologies that help them:

- Manage information electronically to facilitate **efficiency** in data reporting.
- **Control** record completeness and accuracy.
- Disclose data in a secure format while saving **money**.



*"HMDA alone requires the bank to complete 25 specific items on the Loan Application Register for every routine mortgage refinancing. Considering that more than 10 million mortgages were refinanced over the last three years, it is obvious that this is a huge reporting burden."*

*~Bradley E. Rock  
Chairman, American Bankers Association*

## ECMNOW! Enables HMDA Compliance

Scan, index, store and manage loan-related documents electronically with Enterprise Content Management (ECM). As a complete product suite, ECMNOW! can integrate multiple data systems, automate document routing and store email messages for easy retrieval. By managing all data in a single, searchable system, you can improve **efficiency**, **control** compliance with HMDA and save **money**.

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## Manage Information Electronically to Increase Efficiency

HMDA requires you to collect and report detailed information about each application and loan including loan type and amount, applicant information and the outcome of each application. *ECMNOW!* enables you to efficiently convert paper loan applications to electronic files for more **efficient** management and retention.

- Avoid manual data entry by translating scanned information into searchable text through optical character recognition.
- Identify and search documents quickly using unlimited index fields based on the detailed information needed for HMDA reports.

## Control Record Accuracy to Enhance Compliance

A company officer must certify that the HMDA report is correct before it can be submitted. PaperVision® Enterprise and ImageSilo® provide easy-to-use features that can help you **control** information and verify reports.

- Ensure indexing accuracy during the capture process by identifying any fields that failed to populate accurately.
- Provide audit reports showing who accessed information and what was done with it.



## Securely Disclose Data with Electronic Reports

After reports are submitted, you receive a disclosure statement. Within three days, you must remove personally identifiable information and make the report publicly available. *ECMNOW!* enables you to easily hide personal information, and it simplifies HMDA report distribution to save you **money**.

- Hide sensitive applicant information to restrict users from viewing designated portions of a document to protect customer privacy.
- Immediately send statements to an unlimited number of branch offices or recipients, or securely share information online with the public, saving **money** on distribution costs.