



Hopefully, you are all aware of the recent court ruling overturning CFPB regulations that expanded the number of small-volume lenders deemed exempt from the Home Mortgage Disclosure Act (HMDA) reporting requirements. If not, we hate to be the bearer of bad news, but the District Court has invalidated the closed-end loan exemption expansion from 2020, which increased the closed-end threshold from 25 closed-end mortgage loans in each of the two preceding calendar years to 100 closed-end mortgage loans in each of the two preceding calendar years.

What does this mean for you? We are not 100% certain yet, but it may mean your bank is now HMDA reportable again if you expect to exceed the closed-end threshold of 25 closed-end mortgage loans in each of the two preceding calendar years (2021 and 2022). If this is the case, your reporting obligations will likely resume for the 2023 calendar year, and you will have to submit a LAR again in 2024.