



State and Federal Regulation of Mortgage Lending

October 22, 2018

Agenda

- DCBS licensing and examination of the mortgage industry
- Lending discrimination and fair lending enforcement
- DCBS complaint process

Licensing of Mortgage Industry

Entities Licensed or Chartered by DCBS

- Oregon chartered banks and credit unions
- Mortgage bankers
- Mortgage brokers
- Mortgage loan originators
- Mortgage servicers



Examination of Oregon Chartered Banks and Credit Unions

DCBS	FDIC
<ul style="list-style-type: none">• Safety and soundness	<ul style="list-style-type: none">• Safety and soundness• Federal fair lending laws (FHA, ECOA)• Federal consumer protection laws (TILA, RESPA, etc.)



Examinations of Oregon Mortgage Lenders Under ORS Chapter 86A

- Regularly scheduled examinations
- Statutory authority to participate in multistate examinations
- Two types of examinations: full scope and limited scope



ORS 86A Loan Origination Violations

- **TILA** - Loan originations receiving compensation based on a term of a transaction.
- **RESPA** - Improper use of lender credit absent changed circumstances.
- **TILA/RESPA Integrated Disclosure**- Failing to provide the Loan Estimates and Closing Disclosures in a timely manner.



Fair Lending Examinations

- Conducted by federal regulatory agencies (OCC, FRB, FDIC, NCUA, Bureau)
- Analyze HMDA data for disparities
- Examine policies and procedures
- Conduct transaction testing
- Investigate consumer complaints



Common Fair Lending Violations

- Underwriting and pricing
- Steering
- Redlining



Contacting DCBS with Consumer Complaints

Consumers may file a complaint:

- Online at <https://www4.cbs.state.or.us/exs/dfcs/complaint/index.cfm?fuseaction=home.english>
- Over the phone (866)814-9710; or
- Via email dcbs.dfcsmail@oregon.gov.



Other Resources

- HMDA MSA/MD Aggregate Reports

<https://ffiec.cfpb.gov/data-publication/aggregate-reports/2017/OR>

- CRA Ratings Search

<https://www.ffiec.gov/%5C/craratings/default.aspx>

Questions and discussion