



Implementing the 2021 Uniform Residential Loan Application (Webinar)

February 18, 2021 ☐ 10:00am - 12:00pm

The Uniform Residential Loan Application (URLA), also referred to as the 1003 Mortgage Application, is the industry standard form used by nearly all mortgage lenders in the United States. This basic form must be completed by a borrower to apply for a mortgage. While some lenders may use alternative forms or simply accept basic borrower information about their identity, property type and value, the vast majority of lenders rely on the 1003 form.

The URLA was developed by the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Company (Freddie Mac) as a standardized form for the industry. Mortgages need to be documented according to Fannie and Freddie's standards since both entities require the use of Form 1003, or Form 65, its Freddie Mac equivalent, for any mortgage they consider for purchase. It is simpler for lenders to use the appropriate form at the outset than to try to transfer information from a proprietary form to a 1003 when it comes time to sell the mortgage.

While the URLA has been in use for decades, the format and content of the form has changed from time to time. On October 13, 2015, after years of discussion, the Consumer Financial Protection Bureau (CFPB) published massive revisions to Regulation C, which implements the Home Mortgage Disclosure Act (HMDA). Among other changes the revisions revised the demographic information collected on borrowers for home mortgage loans. As a result the URLA needed to be expanded to collect the revised demographic data by the January 1, 2018 effective date of the HMDA changes.

The CFPB, Fannie Mae and Freddie Mac did not play well together and were unable to complete the project by the effective date, but did manage to cobble together a Demographic Information Addendum. The content of the Addendum is covered in the program.

The bigger revisions, which go far beyond collecting expanded demographic data, expanded the form from four pages to seven pages, then to eight pages and now to nine pages. On August 23, 2016 Fannie Mae and Freddie Mac published the redesigned Uniform Residential Loan Application (URLA). Subsequently the CFPB provided clarification to its regulations that in turn delayed completion of the URLA. Along the way Fannie Mae and Freddie Mac made additional changes.

Finally after years of development Fannie Mae and Freddie Mac announced they would begin accepting the revised URLA on July 1, 2019. Use of the form was to be mandatory February 1, 2020.

But then on June 12, 2019, just days before the optional use date of the revised forms, Fannie Mae and Freddie Mac, at the direction of the Federal Housing Finance Agency (FHFA), announced that the optional use period for the redesigned URLA and corresponding datasets would not begin on July 1, 2019 as previously scheduled. On August 8, it was announced that the February 1, 2020, mandate would be postponed and changes to the forms were under way.

Now the URLA (nine pages in length) and the related forms, including the Additional Borrower, the Unmarried Addendum, the Lender Information, and the Continuation Sheet have been revised again. According to the current schedule, which was recently revised for the COVID-19 Pandemic, acceptance of the forms by Fannie Mae and Freddie Mac will begin on January 1, 2021 and use of the new forms will be mandatory on March 1, 2021. The current version of the URLA will no longer be accepted on or after March 1, 2022.

The 2019 effort by FNMA and FHLMC to implement a new URLA was a disaster. Hopefully their 2021 effort will be more productive.

Are you and your mortgage lending staff ready? The clock is running again.

This program provides comprehensive coverage of the revision process and the content of the revised URLA and related documents. The program includes step-by-step instructions on completing the forms and explains connections to CFPB's Regulation B (Equal Credit Opportunity Act) and Regulation C (HMDA). Program participants receive a detailed manual that provides a thorough explanation of the revisions and revised forms.

Topics include:

Upon completion of the program participants understand:

- Regulatory requirements (Regulations B and C and OCC Part 27) for collection of demographic data
- Implementation Dates for the New Forms
 - ◆ Optional Use Date
 - ◆ Mandatory Use Date
- New Uniform Residential Loan Application (Form 1003)
 - ◆ Section 1: Borrower Information
 - ◇ Section 1a: Personal Information
 - ◇ Section 1b through 1e: Current Employment/Self Employment and Income
 - ◆ Section 2: Financial Information - Assets and Liabilities
 - ◇ Sections 2a through 2d - Assets and Liabilities
 - ◆ Section 3: Financial Information - Real Estate
 - ◇ Sections 3a through 3c - Property and Additional Property
 - ◆ Section 4: Loan and Property Information
 - ◇ Sections 4a through 4d - Loan and Property Information, Other New Mortgage Loans, Rental Income, Gifts and Grants



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- ◆ Section 5: Declarations
 - ◇ Sections 5a and 5b - About this Property and About Your Finances
- ◆ Section 6 - Acknowledgements and Agreements
- ◆ Section 7 - Military Service
- ◆ Section 8 - Demographic Information
 - ◇ Coordination with the HMDA requirements
- ◆ Section 9 - Loan Originator Information
- Demographic Information Addendum
- Additional Borrower Form
- Unmarried Addendum
- Lender Information Form
 - ◆ Sections L1 through L3 - Property and Loan Information, Title Information, Mortgage Loan Information
 - ◆ Sections L4 - Qualifying the Borrower
- Continuation Sheet

Who Will Benefit

The program is designed for mortgage loan department management and staff, compliance officers, and auditors.

Webinar Speaker

Jack Holz knecht is the CEO of Compliance Resource, LLC. He has been delivering the word on lending compliance for 45 years. In 40 years as a trainer over 150,000 bankers (and many examiners) have participated in Jack's live seminars and webinars. Jack's career began in 1976 as a federal bank examiner. He later headed the product and education divisions of a regional consulting company. There he developed loan and deposit form systems and software. He also developed and presented training programs to bankers in 43 states. Jack has been an instructor at compliance schools presented by a number of state bankers associations. As a contractor he developed and delivered compliance training for the FDIC for ten years. He is a Certified Regulatory Compliance

Registration Form

(for additional registrations, please make copies)

Registrant 1

Registrant 2

Mr./Mrs./Ms. _____	Mr./Mrs./Ms. _____
Bank _____	Bank _____
Email Address _____	Email Address _____
Branch Street Address _____	Branch Street Address _____
City, State, Zip _____	City, State, Zip _____
Office Phone _____	Office Phone _____
Cell _____	Cell _____

Payment Options:

Check (Made payable to the Louisiana Bankers Association)

Visa MasterCard American Express

Card # _____ Expiration Date _____

Billing address _____

Name on Card (Please Print) _____

Signature _____ Amount to be Charged on Card \$ _____

Registration Fee
 \$165, LBA member per connection
 \$265, non-member per connection

This training will be covered under SBET (Small Business Employee Training Program). Please provide an email address on the line below to receive the necessary documentation for reimbursement:

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