

MPF Announcement

February 23, 2018 2018-11

Alert

Policy Update ■

New Policy
Reminder
Clarification
Training Information

Audience

Program Management ■

Origination ■
Quality Control ■
Servicing
Underwriting ■
Compliance/Legal ■

Product

MPF Xtra®
MPF® Direct ■
MPF Government MBS
MPF Traditional

Effective Dates:

Universal Loan Identifier
requirement and updated MPF
Direct Lock Confirmation:
February 23, 2018

Government Monitoring
Demographics: Loan
Applications dated on or after
January 1, 2018

MPF Direct Updates

Over the last several months, the MPF Direct Investor, Redwood Residential Acquisition Corp (Redwood), has issued several announcements providing guidance to PFIs delivering MPF Direct loans in complying with the Home Mortgage Disclosure Act, which took effect January 1, 2018.

Redwood has added new fields to the MPF Direct Portal related to the HMDA 2018 changes. In addition, Redwood has issued a HMDA announcement regarding the Universal Loan Identifier (ULI) and government monitoring demographics. PFIs who have not provided the ULI (or have not notified Redwood that they are not required to report HMDA data) will receive a hard stop when submitting a loan for either a Purchase Review or Exception Review through the MPF Direct Portal. Although the Redwood announcement states the ULI requirement is effective February 16, 2018, we have received notification from Redwood that the effective date has been postponed until February 23, 2018. Please see the attachment to this document for the complete Redwood announcement.

In addition, effective February 23, 2018, MPF Direct Lock Confirmations will include a File Delivery Deadline, reflecting the lock expiration date. MPF Direct Exhibit F-D has been updated accordingly.

Change Summary for MPF Direct Portal

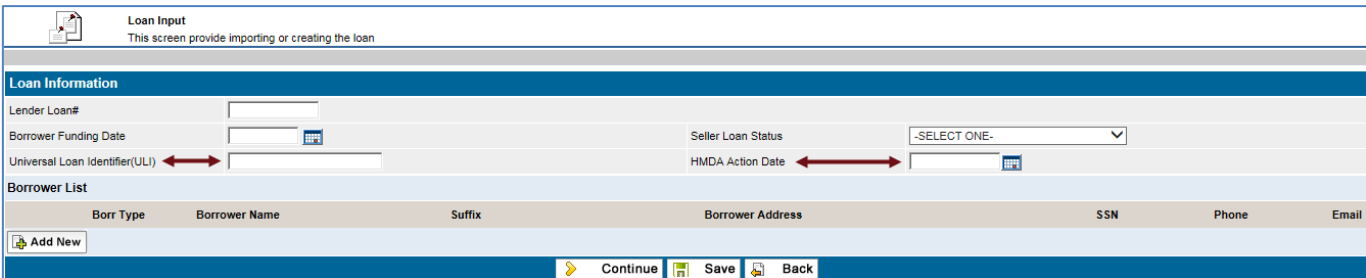
New input fields are available in the MPF Direct Portal related to the HMDA 2018 changes. Additional information regarding HMDA 2018 Portal requirements will be communicated in future Redwood HMDA Bulletins.

Edit Loan Details

Universal Loan Identifier (ULI) - The field accepts a value up to 45 characters (Seller LEI (20 characters) + Loan Identifier (up to 23 characters (typically Seller Loan Number)) + Check Digit (2 characters). Input is not required at this time.

HMDA Action Date – The HMDA Action Date will drive the demographics displayed on the Government Monitoring Information screen within the 1003 links. Enter the expected Origination date in this field. Input is not required at this time. If no date is entered, the 2017 demographics will display by default.


HMDA Action Date < 01/01/2018 will display the 2017 demographics
 HMDA Action Date ≥ 01/01/2018 will display the 2018 demographics





Loan Input
This screen provide importing or creating the loan


Loan Information

Lender Loan#


Borrower Funding Date 




Seller Loan Status 

Universal Loan Identifier(ULI) 

HMDA Action Date 

Borrower List

Borr Type	Borrower Name	Suffix	Borrower Address	SSN	Phone	Email
						

Government Monitoring Information

No change to the 2017 demographics. If the HMDA Action Date entered is ≥ 01/01/2018, the 2018 demographics will display and contain the following additional selection options:

Ethnicity

Mexican; Puerto Rican; Cuban; Other; Other (freeform text)

Race

Enrolled or Principal Tribe (freeform text)

Asian Indian; Chinese; Filipino; Japanese; Korean; Vietnamese; Other; Other (freeform text)
 Native Hawaiian; Guamanian or Chamorro; Samoan; Other Pacific Islander; Other Pacific Islander (freeform text)

Sex

Applicant selected both Male and Female

Collection Method questions

Was the Ethnicity of the Borrower collected on the basis of visual observation or surname?
 Y/N Was the Race of the Borrower collected on the basis of visual observation or surname?
 Y/N Was the Sex of the Borrower collected on the basis of visual observation or surname?
 Y/N

Application Taken method is required for all applicants

Borrower Government Monitoring Information	
This screen shows the Borrower and Co-Borrower Government Monitoring Information.	
Government Monitoring	
X. Information For Government Monitoring Process PRIMARY BORROWER & PRIMARY CO-BORROWER ▾	
Borrower (B1 - PRIMARY BORROWER)	Co-Borrower (C1 - PRIMARY CO-BORROWER)
Ethnicity <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Mexican <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Cuban <input type="checkbox"/> Other <input type="text"/> <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Information Not Provided Race <input type="checkbox"/> American Indian or Alaska Native Name of Enrolled or Principal Tribe <input type="text"/> <input type="checkbox"/> Asian <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Vietnamese <input type="checkbox"/> Other <input type="text"/> <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander <input type="text"/> <input type="checkbox"/> White <input type="checkbox"/> Information Not Provided Sex <input type="text" value="-NONE-"/>	Ethnicity <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Mexican <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Cuban <input type="checkbox"/> Other <input type="text"/> <input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Information Not Provided Race <input type="checkbox"/> American Indian or Alaska Native Name of Enrolled or Principal Tribe <input type="text"/> <input type="checkbox"/> Asian <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Vietnamese <input type="checkbox"/> Other <input type="text"/> <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander <input type="text"/> <input type="checkbox"/> White <input type="checkbox"/> Information Not Provided Sex <input type="text" value="-NONE-"/>
To Be Completed By Interviewer	
Was the Ethnicity of the Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No	Was the Ethnicity of the Co-Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No
Was the Race of the Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No	Was the Race of the Co-Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No
Was the Sex of the Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No	Was the Sex of the Co-Borrower collected on the basis of visual observation or surname? <input type="radio"/> Yes <input type="radio"/> No
Application Was Taken By <input type="text" value="-NONE-"/>	Application Was Taken By <input type="text" value="-NONE-"/>
Interviewer's Name <input type="text" value="Self"/>	Interview Date <input type="text"/>
Interviewer's Phone <input type="text"/>	
Interviewer's Fax <input type="text"/>	
Interviewer's Employer Name <input type="text"/>	
Address <input type="text"/>	
Zip <input type="text"/>	
City & State <input type="text"/>	
NMLS Number <input type="text"/>	
Loan Origination Company Identifier <input type="text"/>	



HMDA 2018 Redwood Update # 5

As you are all aware, there are major changes coming in 2018 to the HMDA regulation. Originating institutions must be ready by January 1st (if not sooner) to collect expanded HMDA data. This is the fifth update Redwood has issued to our counterparties (Sellers). We hope you will find this information helpful as your company prepares for HMDA 2018.

When is a Universal Loan Identifier (ULI) Required?

Beginning Friday, 2/16/2018 you may receive a hard stop when you try to submit a Purchase Review or an Exception Review through the Redwood Portal and your Universal Loan Identifier (ULI) has not been entered.

All loans subject to 2018 HMDA Rules must have a ULI, therefore, any loan with an application date on or after 01/01/2018 must have a ULI. If you do not have a ULI for the loan, please contact us at one of the numbers below prior to submission for Exception Review or Purchase Review.

Lenders who are not required to submit HMDA reports should notify us at one of the numbers below. We can update your user profile to reflect this fact, and in these cases, you will not experience the hard stop.

2018 HMDA Government Monitoring Demographics

All loans with application dates on or after 1/1/2018 should be using the Government Monitoring addendum that allows the capture of the additional government monitoring fields. By checking the “Yes” box the addendum information will appear for completion. By entering “No” the old government monitoring section will appear. Completion of this information is also required.

Contact Information

As mentioned above, this is the third in a series of HMDA bulletins we intend to send out as we prepare for HMDA 2018. Questions regarding Redwood’s preparation for HMDA 2018 can be directed to James Ferrol, RRAC Chief Compliance Officer at james.ferrol@redwoodtrust.com (415-384-3546) and Christine Galloy, Compliance Manager at christine.galloy@redwoodtrust.com (773-423-4906).