



Comptroller of the Currency
Administrator of National Banks

Fair Lending Risk: What is It? Can HMDA Data Help?

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Greatest Fair Lending Risk



Lack of Adequate Fair Lending Risk Management Processes

- Do You Perform Fair Lending Risk Assessments?
- Do You Know Your Bank's Fair Lending Risk Profile?
- Are You Managing Your Bank's Fair Lending Risks?
- Can You Justify Your HMDA Data?



High Fair Lending Risk Areas

- Mortgage Brokers - Assignee Liability
- Discrimination
 - Pricing
 - Redlining and Marketing
 - Steering
 - Allegations
 - All Aspects of Credit Transaction
- Unfair and Deceptive Acts and Practices
 - Ethical Behavior Versus Legal Requirements



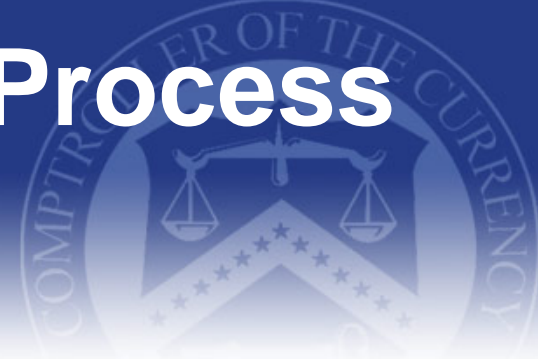
OCC Supervisory Approach



- Risk Assessments
- Screening Lists
- Policy Considerations
- Regulatory Guidance
- Fair Lending Examinations
- Follow-up



Fair Lending Screening Process



- HMDA Data
- Consumer Complaints
- Census Tract Data
- Non-HMDA Reporters
- Computer Modeling – Credit Cards
- Supervisory Office Input



Supervisory Expectations



- Know Your Fair Lending Risks
- Manage Your Fair Lending Risks
- Know What Your HMDA And Other Lending Data Say (How Much Damage Appears)
- Explain Your Data
- Find Any Problems And Correct Them – Share Results With Examiners
- Comply – It's Your Responsibility

