Complying with fair lending regulations to ensure all customers have access to fair, equitable and nondiscriminatory access to credit is a challenge for many banking institutions. Competing priorities and stretched resources can impact an organization’s ability to stay up to date on fair lending monitoring.

That is why Wolters Kluwer created the Fair Lending Performance Baseline Analysis, which is a consulting service specifically designed for Community Banks. Engage our experts to provide a practical fair lending analysis with this right-sized, cost-friendly service. From our initial information gathering interview to our delivery of a fair lending performance baseline analysis, we help you get the information you need to keep internal and external stakeholders informed of potential fair lending risks derived from your Home Mortgage Disclosure Act (HMDA) data.

Validate your Institution’s Compliance with Fair Lending Laws
The Fair Lending Performance Baseline Analysis provides a picture of your institution’s compliance with laws and regulations that promote fairness and equal access to credit for prohibited basis groups throughout the lending process, including:
• The Fair Housing Act (FHA)
• The Equal Credit Opportunity Act (ECOA)
• The Home Mortgage Disclosure Act (HMDA)

The Fair Lending Performance Baseline Analysis
Created specifically for Community Banks with up to $1 billion in assets and up to 1,000 HMDA records on one year of its Loan Application Register (LAR), this consulting service includes:
• Marketing Analysis: evaluates application and origination volumes compared to area demographics and peer data
• Underwriting Analysis: determines disparities in raw denial rates, differences in processing times, and disparities in the percentage of withdrawn or incomplete applications
• Pricing Analysis: determines raw disparities in average interest rates or APR, if available
• Redlining Analysis: determines disparities in origination and denial rates by tract minority concentration
• Disparate Treatment Analysis: identification of target records for independent underwriting and pricing comparative file review.

Face today’s demands with confidence in your fair lending program
Tougher oversight measures, reputational harm, and harsher penalties call for preventative measures. A Fair Lending Performance Baseline Analysis will provide a foundational evaluation of potential fair lending risk based on analysis of HMDA data. You’ll get the information you need to meet the next obligations you face, including:
• Informing management of potential fair lending risk
• Strengthening risk avoidance strategies
• Merger and acquisition activity
• Regulatory exams

Stay In Touch
Do you have a complex data set that includes multiple loan types, purposes, and/or open and closed-end data? Do you need a more robust analysis that reviews risk by loan type and/or purpose? We can help.

Want more information?
Go to WoltersKluwer.com to learn more about advisory services and provide us your contact information to get started.

About Wolters Kluwer Governance, Risk & Compliance
Goverance, Risk & Compliance (GRC) is a division of Wolters Kluwer, which provides legal and banking professionals with solutions to ensure compliance with ever-changing regulatory and legal obligations, manage risk, increase efficiency, and produce better business outcomes. GRC offers a portfolio of technology-enabled expert services and solutions focused on legal entity compliance, legal operations management, banking product compliance, and banking regulatory compliance.

Wolters Kluwer (AEX: WKL) is a global leader in information services and solutions for professionals in the health, tax and accounting, risk and compliance, finance and legal sectors. Wolters Kluwer reported 2020 annual revenues of €4.6 billion. The company, headquartered in Alphen aan den Rijn, the Netherlands, serves customers in over 180 countries, maintains operations in over 40 countries and employs 19,000 people worldwide.

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