

Community Bankers for Compliance Program 2022

2022 *Community
Bankers for
Compliance*

Date and location:

June 2, 2022

**Eagle Eye Golf Club
Hillside Room
15500 Chandler Road
Bath, MI 48808**



Q2 Topics Include:
Qualified Mortgages,
HPML, HOEPA, and
Military Lending Act (MLA)

Presented By:



YOUNG & ASSOCIATESTM

Sponsored By:



Community Bankers for Compliance Program

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While we have been hesitant to discuss the new qualified mortgage rule in the CBC, as we thought it might change, the CFPB has recently issued new information regarding qualified mortgages and ARM loans, which leads us to believe that the qualified mortgage rule will change on October 1, 2022, as scheduled. The APR impacts qualified mortgages directly, and also impacts the other topics in the presentation.

Qualified Mortgages: The first subject will be the new qualified mortgage rule, which is fairly simple, but does have some issues that we will need to address for certain loan types. As with all the other topics in the presentation, the APR is the factor that will determine whether you have a qualified mortgage.

Higher Priced Mortgage Loans (HPML): The second subject will be HPMLs. This portion of the regulation contains a very similar calculation that will be used for qualified mortgages beginning October 1, 2022. HPMLs represent approximately 10% of the loans that are made across the country, based on HMDA data, and many of the HPML loans are adjustable-rate mortgages – but not all of them. As pricing becomes more critical based on our current economic situation, HPMLs may become more prevalent. We will review both the calculation and the impacts that HPML loans will have on the bank and the customer – including escrow and appraisals.

High-Cost Loans (HOEPA): The acronym HOEPA is for the Home Owner Equity Protection Act. Once again, a calculation similar to the qualified mortgage calculation is used to determine whether you have an HOEPA loan. While there are very few loans that meets the HOEPA standard, a HOEPA loan causes significant difficulties for your institution - once again including escrow, appraisals, as well as other issues such as mandatory home ownership counseling.

Military Lending Act (MLA): The last subject of the day will be the Military Lending Act. Like the other three topics, the APR - and most especially the Military APR - determines whether you have an issue under the MLA. We will discuss the implications of exceeding the Military APR on an MLA related loan. We should note that some MLA related loans are not mortgages.

The subjects for the regulatory update will be determined by circumstances and releases from the various agencies.

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*Registration is at 8:00 am.
The seminar runs from
9:00 am until 3:00 pm.*

Future Presentations

Subjects for future seminars will be shaped by regulatory events as they unfold. The CBC quarterly compliance program remains committed to providing as much up-to-the-minute information as possible. The program will closely monitor releases from the CFPB and other agencies to assure that you have the most up-to-date and accurate information possible.

The subject matter for this presentation was determined from requests received from CBC members regarding subjects that they wanted addressed in 2022. Additional suggestions are always welcome, and can be sent to Bill Elliott (bille@younginc.com) at any time.

Who Should Attend?

Compliance officers, lending management, lenders and processors, and any others with responsibilities for lending should attend. Additionally, audit personnel will find this session useful.

Additional Information

Community Bankers of Compliance program Q2 will be available for CRCM credit through American Bankers Association (ABA). Further details will be provided at the start of the class.

AGENDA

Regulatory Update

- Subjects as released by the CFPB and other federal agencies.

Main Subjects

- **The October 1, 2022 Qualified Mortgage Regulation**
 - A complete review of the requirements and impacts
- **HPML Mortgage Loans**
 - Making the calculations
 - The impacts of an HPML loan

HOEPA Mortgage Loans

- Making the calculation
- The impacts of an HOEPA loan

Military Lending Act

- Loan types where the calculation must be made
- Making the calculation
- The impacts of an MLA Loan



Seminar Presenter



Bill Elliott, CRCM
*Director of
Compliance
Education*

Bill Elliott has over 40 years of banking experience. At Young & Associates, he leads compliance seminars, conducts compliance reviews for all areas of compliance, conducts in-house training, and writes compliance articles and training materials.

During his career, Bill spent 15 years as a compliance officer and CRA officer in a large community bank and worked for a large regional bank. He has been a lender for consumer, commercial, and mortgage loans, and has managed a variety of bank departments, including loan review, consumer/commercial loan processing, mortgage loan processing, loan administration, credit administration, collections, and commercial loan workout. He holds the designation of Certified Regulatory Compliance Manager (CRCM).

Community Bankers for Compliance Program

REGISTRATION FEES:

CBC Program Member Fees

- No charge for current CBC program members (based on individual bank membership)
- \$260 for each additional person attending who is a member of the CBC program

Individual CBC Seminar Session Fees

- \$450 for the first person for CBM members
- \$375 for each additional person for CBM members
- \$550 for the first person from non-CBM members
- \$375 for each additional person from non-CBM members

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Designated Banker:

Name _____

Bank _____

Address _____

City _____ State & ZIP _____

Telephone _____

E-mail _____

Additional Delegates:

Name _____

Email _____

Name _____

Email _____

Please select your payment method:

Check Enclosed Bill Me Credit Card*

* If paying by credit card (Visa, MasterCard, AMEX and Discover accepted), please fill out the following information:

Name on card: _____

Card No. _____

Exp. Date _____ Security Code _____

Cardholder Signature: _____

CANCELLATION POLICY:

Cancellations must be received within 5 or more business days prior to the day of an educational program to receive 100% credit. Refunds are not provided for cancellations or absences which occur on the day of the program. Attendee substitutions are always welcome.

For additional information, contact Sarah Cook:

Community Bankers of Michigan
830 West Lake Lansing Road, Suite 250
East Lansing, MI 48823
517.336.4430.

You can register online at: www.cbofm.org