SOUTH CAROLINA MORTGAGE LOG INSTRUCTIONS

To assist licensees with filing the annual mortgage log, the Department of Consumer Affairs has developed this detailed set of instructions that contain the definition of each data element, the instructions for entering the data element correctly, and an example that shows the correct format of the data entry. The examples show the correct format and not necessarily the correct answer or value (code) that must be submitted. The correct answer or value (code) is based on the licensee's specific loan and/or application data.

South Carolina law requires all mortgage brokers and mortgage lenders/servicers to file a mortgage log each year directly with the State of South Carolina. **This log is separate from the mortgage call report filed with the Nationwide Multistate Licensing System & Registry ("NMLS"), and the HMDA report that lenders file with the CFPB.** The mortgage log submitted must be in the format determined by the South Carolina Department of Consumer Affairs ("DCA") and the South Carolina Board of Financial Licensees ("BOFI"). BOFI instructs its licensees to file directly with DCA. The following guidance is provided to assist licensees in completing and submitting the mortgage log to DCA.

Who has to file?

- All licensed **mortgage brokers** must file pursuant to S.C. Code Ann. § 40-58-65 regardless of the number of loan originations made in 2020. The mortgage log data must include all data required by S.C. Code Ann. § 40-58-65 and identified in 12 CFR Part 1003 et seq., on South Carolina residential mortgage applications and loans, including loans in process, closed loans, turndowns, denials, and withdrawals. If no credit decision was made during 2020 by the licensee or the lender on any South Carolina residential mortgage loan applications, the company must submit a written attestation of "No Activity." Third Party Processors and Underwriters should also submit a written attestation of "No Activity – Third Party Processor/Underwriter."

- All licensed **mortgage lenders/servicers** must file pursuant to S.C. Code Ann. § 37-22-210 regardless of the number of loan originations made in 2020. The mortgage log data must include the data required by S.C. Code Ann. § 37-22-210 and identified in 12 C.F.R. Part 1003, et seq., on South Carolina residential mortgage applications and loans. If no credit decision was made during 2020 by the licensee or the lender on any South Carolina residential mortgage loan applications, the company must submit a written attestation of "No Activity." Mortgage Servicers should also submit a written attestation of "No Activity – Mortgage Servicer."

When is the mortgage log due?
A complete mortgage log must be submitted no later than March 31, 2021. Pursuant to S.C. Code Ann. § 40-58-65 for mortgage brokers and § 37-22-210 for mortgage lenders/servicers, there is a fine of **$100 per day** for late or incomplete data submissions.

How do I submit the mortgage log?
Email the completed form to mortgagelog@scconsumer.gov with the file name in the following format:
      Company NMLS # – Company Name   *Example:* 12345 – ABC Mortgage Company, LLC

What if information changes after I submit the report?
All licensees are required to correct and submit a correcting amendment if any information contained in the original filing becomes inaccurate or incomplete in any material way.

Who is available to answer questions about the mortgage log data submission?
After searching these instructions, state laws, and supplemental federal regulation information, licensees may contact DCA by calling (803) 734-4256 or emailing mortgagelog@scconsumer.gov.

Column	Description	Filing Instructions

A: Universal Loan Identifier (ULI) or Non-Universal Loan Identifier (NULI)	**ULI (If licensee has an LEI):** Numerical or Alphanumerical Identifier assigned to identify and retrieve a loan or application that contains the licensee's LEI, an internally generated sequence of characters, and a check digit.
	
	NULI: Identifier assigned to identify a loan or application. <u>**A Mortgage Broker's reported application or loan number must match the lender's application or loan number.**</u>
		Instructions: **ULI** - Assign and report a ULI that:
		1. Begins with the licensee's Legal Entity Identifier as defined above.
		2. Follows the Legal Entity Identifier with up to 23 additional characters to identify the loan or application, which:
		    - May be letters, numerals, or a combination of letters and numerals;
		    - Must be unique within the licensee organization; and
		    - Must not include any information that could be used to directly identify the applicant or borrower.
		3. Ends with a two-character check digit that is calculated using the ISO/IEC 7064, MOD 97-10 as it appears on the International Standard ISO/IEC 7064:2003, which is published by the International Organization for Standardization (ISO). A check digit can be generated by:
		    - Using the check digit tool. Information regarding the check digit tool will be located at https://ffiec.cfpb.gov/tools/check-digit; or
		    - Applying the procedures provided in appendix C to Regulation C.
		
		Example:
		
		Instructions: **NULI** - If not reporting a ULI, the licensee may report the loan number as the NULI. Otherwise, assign and report a NULI that:
		1. Is composed of up to 22 characters, which may include letters, numerals, or a combination of letters and numerals.
		2. Is unique within the licensee's organization; and
		3. Does not include any information that could be used to directly identify the applicant or borrower.
		
		Example: **999143**

B: Date App Received	**Application Date:** Date the application was received or the date on the application form.	Instructions: Enter the date the application was received or the date shown on the application form by month, day, and year using MM/DD/YYYY format.

		Example: 07/21/2020.
C: Loan Type	**Loan Type**: Whether the loan is, or application is or would have been insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, Rural Housing Service, or Farm Service Agency.	Instructions: Indicate the type of loan or application by entering the numeric code only: Code 1—Conventional (not insured or guaranteed by FHA, VA, RHS, or FSA) Code 2—Federal Housing Administration insured (FHA) Code 3—Veterans Affairs guaranteed (VA) Code 4—USDA Rural Housing Service or Farm Service Agency guaranteed (RHS or FSA) *Example*: 1
D: Loan Purpose	**Loan Purpose**: Whether the transaction is for home purchase, home improvement, refinancing, cash-out refinancing, or another purpose.	Instructions: Indicate the purpose of the loan or application by entering the numeric code only: Code 1—Home purchase Code 2—Home improvement Code 31—Refinancing Code 32—Cash-out refinancing Code 4—Other purpose Code 5—Not applicable *Example*: 1
E: Preapproval	**Preapproval**: Whether the transaction involved a preapproval request for a home purchase loan under a preapproval program. Preapproval program is defined in 12 CFR 1003.2(b)(2).	Instructions: Indicate preapproval for a loan or application by entering the numeric code only: Code 1—Preapproval requested Code 2—Preapproval not requested *Example*: 2
F: Construction Method	**Construction Method**: Whether the dwelling is site-built or a manufactured home.	Instructions: Indicate the construction method for the dwelling by entering the numeric code only: Code 1—Site-built Code 2—Manufactured home *Example*: 1
G: Occupancy Type	**Occupancy Type**: Whether the property will be used as a	Instructions: Indicate the occupancy type by the numeric code only:

	principal residence, second residence, or investment property.	Code 1—Principal residence Code 2—Second residence Code 3—Investment property *Example*: 1
H: Full Loan Amount	**Loan Amount**: Amount of the loan or the amount applied for.	Instructions: Enter, in dollars, the amount of the loan, or the amount applied for, as applicable. For a closed-end mortgage loan, other than a purchased loan, an assumption, or a reverse mortgage, the amount to be repaid as disclosed on the legal obligation. For a purchased closed-end mortgage loan or an assumption of a closed-end mortgage loan, the unpaid principal balance at the time of purchase or assumption. For an open-end line of credit, other than a reverse mortgage open-end line of credit, the amount of credit available to the borrower under the terms of the plan. For a reverse mortgage, the initial principal limit, as determined pursuant to section 255 of the National Housing Act (12 U.S.C. 1715z-20) and implementing regulations and mortgagee letters issued by the U.S. Department of Housing and Urban Development. *Example*: If the loan amount is $110,500, enter 110500 or 110500.00. If the loan amount is $110,500.24, enter 110500.24.
I: Action Taken - Type	**Action Taken**: Type of action the licensee took on the loan, application, or preapproval request.	Instructions: Indicate the action taken on the loan or application by entering the numeric code only: Code 1—Loan originated Code 2—Application approved but not accepted Code 3—Application denied Code 4—Application withdrawn by applicant Code 5—File closed for incompleteness Code 6—Purchased loan Code 7—Preapproval request denied Code 8—Preapproval request approved but not accepted *Example*: 1
J: Action Taken - Date	**Action Date**: Date of the licensee's Action on the loan, application, or preapproval request	Instructions: Enter, in numeral form, the date of action taken by month, day, and year, using MM/DD/YYYY format. *Example*: 07/21/2020

K: Property Location - Address	**Property Address**: Physical address of the property securing the loan (or proposed to secure a loan).	Instructions: Enter the street address of the property as one (1) data field. U.S. Postal Service Publication 28, Subsections 231–239, can be used as a guide for formatting the street address to help improve geocoding accuracy. Address components include, as applicable, the following individual items:
		    - Primary Address Number
		    - Predirectional
		    - Street Name
		    - Prefix
		    - Suffix
		    - Postdirectional
		    - Secondary Address Identifier, such as apartment
		    - Secondary Address, such as apartment number
		
		Example: 293 Greystone Boulevard

L: Property Location - City	**City**: City or town where property is located.	Instructions: Enter the city of the property as one (1) data field *Example*: Columbia
M: Property Location - ZIP Code	ZIP Code where property is located.	Instructions: Enter the ZIP code of the property as one (1) data field. *Example*: 29201
N*: Property Location - County *ENTER N & O ONLY IF the property is located in a Metropolitan Statistical Area or Metropolitan District in which the licensee has a home or branch office*	**County**: County Code of the property securing the loan (or proposed to secure a loan)	Instructions: If the property is located in a Metropolitan Statistical Area or Metropolitan District in which the licensee has a home or branch office, enter the five-digit Federal Information Processing Standards (FIPS) numerical code for the county. Do not use commas. *Example*: Enter 45001 for the FIPS code for Abbeville County, SC.
O*: Property Location - Census Tract *ENTER N & O ONLY IF the property is located in a Metropolitan Statistical Area or Metropolitan*	**Census Tract:** The 11-digit census tract number as defined by the U.S. Census Bureau.	Instructions: Enter the 11-digit census tract number as defined by the U.S. Census Bureau. This is comprised of the state and county code, and the census tract number. Do not use decimals. *Example*: Enter 06037264000 for a census tract within Los Angeles County, CA.

District in which the licensee has a home or branch office

P–Z: Ethnicity	**Ethnicity:** Applicant's or borrower's and co-applicant's or co-borrower's ethnicity.	Instructions: Indicate the ethnicity of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, by entering up to five (5): • Code 1—Hispanic or Latino • Code 11—Mexican • Code 12—Puerto Rican • Code 13—Cuban • Code 14—Other Hispanic or Latino • Code 2—Not Hispanic or Latino • Code 3—Information not provided by applicant in mail, internet, or telephone application **NOTE:** Use Code 3 if the applicant or borrower, or co-applicant or co-borrower does not provide the information in an application taken by mail, internet, or telephone. **Leave the remaining Ethnicity of Applicant or Borrower data fields blank.** • Code 4—Not applicable **NOTE:** Use Code 4 if the requirement to report the applicant's or borrower's ethnicity does not apply to the loan or application that your licensee is reporting. **Leave the remaining Ethnicity of Applicant or Borrower data fields blank.** • Code 5—No co-applicant **NOTE:** Use Code 5 in the co-applicant field if there are no coapplicants or co-borrowers. **Leave the remaining Ethnicity of Applicant or Borrower data fields blank.** *Example*: 1 If there is more than one co-applicant or co-borrower, provide the required information only for the first co-applicant or co-borrower listed on the collection form.

U and AA: Ethnicity **Free Form Text Field**		Instructions: Enter the specific other Hispanic or Latino ethnicity(ies) not listed above, if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable. Enter more than one other Hispanic or Latino ethnicity, if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable. The maximum number of characters for this field is 100 characters, including spaces. **If the applicant or borrower, or any co-applicant or co-borrower, did not provide any other Hispanic or Latino ethnicity(ies), ENTER 0.** *Example:* Enter Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, or Spaniard, and so on, if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable.
AB and AC: Ethnicity **Collected on the Basis of** **Visual Observation or** **Surname**		Instructions: Indicate whether the ethnicity of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, was collected on the basis of visual observation or surname by entering: • Code 1—Collected on the basis of visual observation or surname • Code 2—Not collected on the basis of visual observation or surname • Code 3—Not applicable **NOTE:** Use Code 3 if the requirement to report the applicant's or borrower's ethnicity does not apply to the loan or application that your licensee is reporting. • Code 4—No co-applicant **NOTE:** Use Code 4 in the co-applicant field if there are no co-applicants or co-borrowers *Example*: 1
AD–AP: Race	**Race:** Applicant's or borrower's race	Instructions: Indicate the race of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, by entering up to five (5): • Code 1—American Indian or Alaska Native • Code 2—Asian • Code 21—Asian Indian • Code 22—Chinese • Code 23—Filipino • Code 24—Japanese • Code 25—Korean

7

- Code 26—Vietnamese
- Code 27—Other Asian
- Code 3—Black or African American
- Code 4—Native Hawaiian or Other Pacific Islander
- Code 41—Native Hawaiian
- Code 42—Guamanian or Chamorro
- Code 43—Samoan
- Code 44—Other Pacific Islander
- Code 5—White
- Code 6—Information not provided by applicant in mail, internet, or telephone application
  NOTE: Use Code 6 if the applicant or borrower, or co-applicant or co-borrower does not provide the information in an application taken by mail, internet, or telephone. Leave the remaining Race of Applicant or Borrower data fields blank.
- Code 7—Not applicable
  NOTE: Use Code 7 if the requirement to report the applicant's or borrower's race does not apply to the loan or application that your licensee is reporting. Leave the remaining Race of Applicant or Borrower data fields blank.
- Code 8—No co-applicant
  NOTE: Use Code 8 in the co-applicant field if there are no co-applicants or co-borrowers. Leave the remaining Race of Applicant or Borrower data fields blank.

If fewer than five (5) ethnicities or races are provided by the applicant or borrower, or by any co-applicant or co-borrower, leave the remaining Ethnicity of Applicant or Borrower data fields blank.

Example: 1

AI–AK, AQ–AS: Race Free Form Text Fields	**Race Free Form Text Fields:** A separate column to indicate the name of the applicant's or borrower's or any co-applicant's or co-borrower's wrote in their race.	Instructions: Enter the name of the applicant's or borrower's race or Principal Tribe(s), if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable in the Race Free Form Text Field for **American Indian or Alaskan Native/Other Asian/Other Pacific Islander.** Enter more than one race or Principal Tribe, if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable. The maximum number of characters for this field is

		100 characters, including spaces. **If the applicant or borrower, or any co-applicant or co-borrower did not provide a specific race or Principal Tribe(s), ENTER 0.** *Example:* Enter Cherokee if provided by the applicant or borrower, or by any co-applicant or co-borrower, as applicable.
AT and AU: Race Method - Collected on the Basis of Visual Observation or Surname	**Race Collected on the Basis of Visual Observation or Surname.** A separate column to indicate whether race was collected on the basis of visual observation or surname.	Instructions: Indicate whether the race of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, was collected on the basis of visual observation or surname by entering: • Code 1—Collected on the basis of visual observation or surname • Code 2—Not collected on the basis of visual observation or surname • Code 3—Not applicable **NOTE:** Use Code 3 if the requirement to report the applicant's or borrower's race does not apply to the loan or application that your licensee is reporting. • Code 4—No co-applicant **NOTE:** Use Code 4 in the co-applicant field if there are no co-applicants or co-borrowers. If there is more than one co-applicant or co-borrower, provide the required information only for the first co-applicant or co-borrower listed on the collection form. *Example*: 1
AV and AW: Sex (A) & (CA)	**Sex:** Applicant's or borrower's sex, and the co-applicant's or co-borrower's sex.	Instructions: Indicate the sex of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, by entering: • Code 1—Male • Code 2—Female • Code 3—Information not provided by applicant in mail, internet, or telephone application Code 4—Not applicable • Code 5—No co-applicant • Code 6—Applicant selected both male and female *Example*: 1

AX and AY: Sex Method - Collected on the Basis of Visual Observation or Surname	**Sex Collected on the Basis of Visual Observation or Surname:** A separate column to indicate whether sex was collected on the basis of visual observation or surname.	Instructions: Indicate whether the sex of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable, was collected on the basis of visual observation or surname by entering: • Code 1—Collected on the basis of visual observation or surname • Code 2—Not collected on the basis of visual observation or surname • Code 3—Not applicable • Code 4—No co-applicant If there is more than one co-applicant or co-borrower, provide the required information only for the first co-applicant or co-borrower listed on the collection form. *Example*: 1
AZ and BA: Age	**Age:** Applicant's or borrower's and co-applicant's or co-borrower's age.	Instructions: Enter, in numeral form, the age, in years, of the applicant or borrower, or of the first co-applicant or co-borrower, as applicable. Age is calculated, as of the application date, as the number of whole years derived from the date of birth shown on the application form. *Example:* If the applicant or borrower is 24 years old, enter 24. Or, enter: • Code 8888—Not applicable • Code 9999—No co-applicant **NOTE:** Use Code 9999 in the co-applicant field if there are no co-applicants or co-borrowers.
BB: Gross Annual Income (In Thousands)	**Income:** If credit decision is made, gross annual income relied on in making the credit decision; or, if a credit decision was not made, the gross annual income relied on in processing the application.	Instructions: Enter the gross annual income relied on in making the credit decision, or if a credit decision was not made, the gross annual income relied on in processing the application in thousands. Round all dollar amounts to the nearest thousand (round $500 up to the next $1,000). *Example:* If the income amount is $35,500, enter 36. Enter **"NA"** for: • Loans or applications for which the credit decision did not consider, or would not have considered income; • Loans or applications when applicant or co-applicant is not a natural person;

		• Loan is secured by, or application is proposed to be secured by, a multifamily dwelling; • Purchased loans for which the licensee chooses not to report the income; • Loan to, or an application from, the licensee's employees to protect their privacy, even if the licensee relied on their income in making the credit decision
BC: Type of Purchaser of Loan	**Type of Purchaser:** Type of entity that purchased the loan.	Instructions: Indicate the type of entity purchasing a loan from the licensee within the same calendar year that the licensee originated or purchased the loan by entering: • Code 0—Not applicable • Code 1—Fannie Mae • Code 2—Ginnie Mae • Code 3—Freddie Mac • Code 4—Farmer Mac • Code 5—Private securitizer • Code 6—Commercial bank, savings bank, or savings association • Code 71—Credit union, mortgage company, or finance company • Code 72—Life insurance company • Code 8—Affiliate licensee • Code 9—Other type of purchaser To report not applicable, enter "Code 0" for: • Applications that were denied, withdrawn, closed for incompleteness, or approved but not accepted by the applicant • Preapproval requests that were denied or approved but not accepted by the applicant • Originated or purchased loans that the licensee did not sell during that same calendar year *Example*: 1
BD: Rate Spread	**Rate Spread:** Difference between the annual percentage rate and average prime offer rate for a comparable transaction.	Instructions: Enter, as a percentage, to at least three (3) decimal places, the difference between the loan's annual percentage rate (APR) and the average prime offer rate (APOR) for a comparable transaction as of the date the interest rate is set. Numbers calculated to beyond three (3) decimal places may either be reported beyond three (3) decimal places (up to fifteen (15) decimal places), or rounded or

truncated to three (3) decimal places. Decimal place trailing zeros may either be included or omitted.

If the APR exceeds the APOR, enter a positive number.

Example: If the APR is 3.678% and the APOR is 3.25%, enter 0.428. If the APR is 4.560% and the APOR is 4.25%, enter either 0.31 or 0.310.

If the APR is less than the APOR, enter a negative number.

Example: If the APR 3.1235% and the APOR is 3.25%, enter -0.1265. Alternatively, the rate spread may be truncated to -0.126 or rounded to -0.127.

Enter **"NA"** for:
- Loans that are assumptions, reverse mortgages, purchased loans, or are not subject to Regulation Z;
- Applications that did not result in an origination other than approved but not accepted;
- Applications approved but not accepted, if no disclosures under Regulation Z are required

BE: HOEPA (Home Ownership and Equity Protection Act) Status	**HOEPA (Home Ownership and Equity Protection Act) Status:** Whether the loan is a high-cost mortgage under the Home Ownership and Equity Protection Act (HOEPA).	Instructions: Indicate whether the loan is a high-cost mortgage under Title 37, Chapter 23 by entering: • Code 1—High-cost mortgage • Code 2—Not a high-cost mortgage • Code 3—Not applicable *Example*: 2
BF: Lien Status	**Lien Status:** Whether the property is a first or subordinate lien.	Instructions: Indicate the lien status of the property securing the loan, or in the case of an application, proposed to secure the loan, by entering: • Code 1—Secured by a first lien • Code 2—Secured by a subordinate lien *Example*: 1
BG: Co-Applicant Credit Score	**CA Credit Score:** Credit score of Co-Applicant	Instructions: Enter, in numeral form, the credit score of the co-applicant *Example*: 780

Or, enter

- Code 7777—Credit score is not a number
  NOTE: Use Code 7777 if your licensee relied on a credit score that is not a number (e.g., a credit score of "Meets Threshold"). Code 7777 should not be used if a credit scoring model that produces numeric credit scores returns a result stating that the credit score could not be determined.
- Code 8888—Not applicable
- Code 9999—No co-applicant

Example: 9999

BG–BK: Name and Version of Credit Scoring Model	Instructions: Indicate the name and version of the credit scoring model used to generate the credit score, or scores, relied on in making the credit decision by entering:

- Code 1—Equifax Beacon 5.0
  NOTE: Use Code 1 for Equifax Beacon 5.0, which may also be known as FICO Score 5.
- Code 2—Experian Fair Isaac Risk Model v2
  NOTE: Use Code 2 for Experian Fair/Isaac Risk Model v2, which may also be known as FICO Score 2 or FICO Classic v2.
- Code 3—TransUnion FICO Risk Score Classic 04
  NOTE: Use Code 3 for TransUnion FICO Risk Score Classic 04, which may also be known as FICO Score 4 or TU-04.
- Code 4—TransUnion FICO Risk Score Classic 98
  NOTE: Use Code 4 for TransUnion FICO Risk Score Classic 98, which may also be known as FICO 98 or TU-98.
- Code 5—VantageScore 2.0
- Code 6—VantageScore 3.0
- Code 7—More than one credit scoring model
- Code 8—Other credit scoring model
  NOTE: If Code 8 is selected in the Name and Version of Credit Scoring Model Field, enter the specific other credit scoring model that is not listed above in the "Credit Score Model Other" for Code 8. If Code 8 is not entered, ENTER 0.
- Code 9—Not applicable
- Code 10—No co-applicant

13

		NOTE: Use Code 10 in the co-applicant field if there are no co-applicants or co-borrowers. If the loan or application involves multiple applicants or borrowers, report either (A) the name and version of the credit scoring model, or that multiple credit scoring models were used, in the applicant field, and use Code 9 in the co-applicant field; or (B) the name and version of the credit scoring model, or that multiple credit scoring models were used, in the co-applicant field, and use Code 9 in the applicant field.
BL–BP: Reason for Denial	**Reason for Denial:** Reason(s) the application was denied.	Instructions: Indicate the principal reason, or reasons, for denial by entering up to four (4): • Code 1111—Exempt • Code 1—Debt-to-income ratio • Code 2—Employment history • Code 3—Credit history • Code 4—Collateral • Code 5—Insufficient cash (down payment, closing costs) • Code 6—Unverifiable information • Code 7—Credit application incomplete • Code 8—Mortgage insurance denied • Code 9—Other **NOTE:** If Code 9 is selected in any Reason for Denial field, enter the specific other reason(s) for denial not listed above in the Reason for Denial Conditional Free Form Text Field for Code 9. See below for more information on the Reason for Denial Conditional Free Form Text Field for Code 9. • Code 10—Not applicable **NOTE:** Use Code 10 if the requirement to report reasons for denial does not apply to the loan or application that your licensee is reporting. Leave the remaining Reason for Denial data fields blank. Do not enter the same code more than once for any loan or application. *Example*: 1

MODEL FORM: If your licensee uses the model form contained in appendix C to Regulation B, 12 CFR part 1002 (Form C–1, Sample Notice of Action Taken and Statement of Reasons), use the following:

- Code 1—Income insufficient for amount of credit requested, and Excessive obligations in relation to income
- Code 2—Temporary or irregular employment, and Length of employment
- Code 3—Insufficient number of credit references provided; Unacceptable type of credit references provided; No credit file; Limited credit experience; Poor credit performance with us; Delinquent past or present credit obligations with others; Number of recent inquiries on credit bureau report; Garnishment, attachment, foreclosure, repossession, collection action, or judgment; and Bankruptcy
- Code 4—Value or type of collateral not sufficient
- Code 6—Unable to verify credit references; Unable to verify employment; Unable to verify income; and Unable to verify residence
- Code 7—Credit application incomplete
- Code 9—Length of residence; Temporary residence; and Other reasons specified on the adverse action notice.

Example: 1

BQ: Total Loan Costs	**Total Loan Costs:** The amount of total loan costs as disclosed, pursuant to Regulation Z, on Line D of the Closing Cost Details page of the Closing Disclosure.	Instructions: The licensee reports the total loan costs if a Closing Disclosure was provided for the loan. *Example:* If the total loan costs are $2,399.04, enter 2399.04. Enter "NA" for: • Applications; • Open-end lines of credit, reverse mortgages, or loans or lines of credit made primarily for business or commercial purposes; • Loans subject to Regulation Z, § 1026.43(c) for which a disclosure is not provided pursuant to § 1026.19(f); • Purchased loans for which applications were received by the selling entity prior to the effective date of Regulation Z, § 1026.19(f)
BR: Total Points and Fees	**Total Points and Fees:** The total points and fees charged in connection with the Loan,	Instructions: The licensee reports the total points and fees if the loan is not subject to Regulation Z's Closing Disclosure requirements and is not a purchased loan.

	calculated pursuant to Regulation Z. The amount of total loan costs is calculated pursuant to 12 CFR 1026.32(b)(1) and (2).	Enter "NA" for: • Applications; • Open-end lines of credit, reverse mortgages, or loans or lines of credit made primarily for business or commercial purposes; • Loans subject to Regulation Z, § 1026.43(c) for which a disclosure is provided pursuant to Regulation Z, § 1026.19(f); • Purchased loans
BS: Origination Charges	**Origination Charges:** Total borrower-paid origination charges.	Instructions: Enter the total of all itemized amounts that are designated borrower-paid at or before closing. If the total is zero, enter 0. *Example:* If the origination charges are $2,399.04, enter 2399.04 Enter "NA" for: • Applications; • Open-end lines of credit, reverse mortgages, or loans or lines of credit made primarily for business or commercial purposes; • Purchased loans with applications that were received by the selling entity prior to the effective date of Regulation Z, § 1026.19(f)
BT: Discount Points	**Discount Points:** Points paid to the creditor to reduce the interest rate.	Instructions: Enter the points paid to the creditor to reduce the interest rate. If no points were paid, ENTER 0. *Example:* If the amount paid for discount points is $2,399.04, enter 2399.04. Enter "NA" for: • Applications; • Open-end lines of credit, reverse mortgages, or loans or lines of credit made primarily for business or commercial purposes; • Purchased loans with applications that were received by the selling entity prior to the effective date of Regulation Z, § 1026.19(f)
BU: Lender Credits	**Lender Credits:** Amount of lender credits.	Instructions: Enter the amount of lender credits. If no lender credits were provided, ENTER 0. *Example:* If the amount is $1500.24, enter 1500.24. Enter "NA" for: • Applications;

		• Open-end lines of credit, reverse mortgages, or loans or lines of credit made primarily for business or commercial purposes; • Purchased loans with applications that were received by the selling entity prior to the effective date of Regulation Z, § 1026.19(f)
BV: Interest Rate	**Interest Rate:** Interest rate on the approved application or loan.	Instructions: Enter, as a percentage, to at least three (3) decimal places, the interest rate. Numbers calculated to beyond three (3) decimal places must be rounded or truncated to three (3) decimal places. Decimal place trailing zeros must be omitted. Enter "NA" for applications that have been denied, withdrawn, or closed for incompleteness. *Example:* If the interest rate is 4.1249000%, enter 4.125. If the interest rate is exactly 4.500%, enter 4.5.
BW: Prepayment Penalty Term	**Prepayment Penalty Term:** Term in months of any prepayment penalty	Instructions: Enter the term, in months, of any prepayment penalty. *Example:* If a prepayment penalty may be imposed within the first 24 months after closing or account opening, enter 24. Enter "NA" for: • Loans or lines of credit made primarily for business or commercial purposes, or for reverse mortgages or purchased loans; • Loans or applications that have no prepayment penalty
BX: Debt-to-Income Ratio	**Debt-to-Income Ratio:** Ratio of the applicant's or borrower's total monthly debt to total monthly income relied on.	Instructions: Enter the ratio of the applicant's or borrower's total monthly debt to the total monthly income relied on in making the credit decision. Use decimal places only if the ratio relied upon uses decimal places. *Example:* If the relied upon debt-to-income ratio is 42.95, enter 42.95, not 43. If, however, your licensee rounded the ratio up to 43% and relied on the rounded-up number, enter 43. Enter "NA" for: • Purchased loans; • Transactions for which no credit decision was made (e.g., files closed for incompleteness, or if an application was withdrawn before a credit decision was made); • Transactions for which the credit decision was made without relying on debt-to-income ratio;

- Loans or applications when applicant and co-applicant are not natural persons;
- Loan secured by, or an application proposed to be secured by, a multifamily dwelling

BY: Combined Loan-to-Value Ratio	**Combined Loan-to-Value Ratio:** Ratio of the total amount of debt that is secured by the property to the value of the property that was relied on.	Instructions: Enter the ratio of the total amount of debt secured by the property to the value of the property relied on in making the credit decision. Use decimal places only if the ratio relied upon uses decimal places. *Example:* If the relied upon combined loan-to-value ratio is 80.05, enter 80.05, not 80. If, however, your licensee rounded the ratio down to 80 and relied on the rounded-down number, enter 80. Enter "NA" for: • Purchased loans; • Transactions for which no credit decision was made (e.g., files closed for incompleteness, or if an application was withdrawn before a credit decision was made); • Transactions for which the credit decision was made without relying on combined loan-to-value ratio
BZ: Loan Term	**Loan Term:** Number of months after which the legal obligation will mature or terminate.	Instructions: Enter the number of months after which the legal obligation will mature or terminate, or would have matured or terminated. *Example:* If the loan term is 360 months, enter 360. Enter "NA" for loan or application without a definite term, such as a reverse mortgage
CA: Introductory Rate Period	**Introductory Rate Period:** Number of months until the first date the interest rate may change.	Instructions: Enter the number of months, or proposed number of months in the case of an application, until the first date the interest rate may change after closing or account opening. *Example:* If the introductory rate period is 24 months, enter 24. Enter "NA" for: • Loan or application with a fixed rate; • Purchased loan with a fixed rate

CB–CE: Non-Amortizing Features	**Non-Amortizing Features:** Whether the transaction involves a balloon payment, interest-only payments, negative amortization, or any other type of non-amortizing feature.	Instructions: **CB: Balloon Payment:** Indicate whether the contractual terms include, or would have included, a balloon payment by entering: • Code 1—Balloon payment • Code 2—No balloon payment **CC: Interest-Only Payments:** Indicate whether the contractual terms include, or would have included, interest-only payments by entering: • Code 1—Interest-only payments • Code 2—No interest-only payments **CD: Negative Amortization:** Indicate whether the contractual terms include, or would have included, a term that would cause the loan to be a negative amortization loan by entering: • Code 1—Negative amortization • Code 2—No negative amortization **CE: Other Non-Amortizing Features:** Indicate whether the contractual terms include, or would have included, any term, other than those reported in Column CB - CE that would allow for payments other than fully amortizing payments during the loan term by entering: • Code 1—Other non-fully amortizing features • Code 2—No other non-fully amortizing features
CF: Manufactured Home Secured Property Type	**Manufactured Home Secured Property Type:** Whether the loan is secured by a manufactured home and land or a manufactured home and not land.	Instructions: Indicate whether the loan or application is, or would have been, secured by a manufactured home and land, or by a manufactured home and not land, by entering: • Code 1—Manufactured home and land • Code 2—Manufactured home and not land • Code 3—Not applicable To report not applicable, enter "Code 3" for: • The dwelling related to the property identified is not a manufactured home; • The dwelling related to the property identified is a manufactured home community that is a multifamily dwelling
CG: Manufactured Home Land Property Interest	**Manufactured Home Land Property Interest:** Information about the applicant's or borrower's ownership or leasehold interest in the land	Instructions: Indicate the applicant's or borrower's land property interest in the land on which a manufactured home is, or will be, located by entering: • Code 1—Direct ownership • Code 2—Indirect ownership • Code 3—Paid leasehold

where the manufactured home is located.		• Code 4—Unpaid leasehold • Code 5—Not applicable To report not applicable, enter "Code 5" for: • The dwelling related to the property identified is not a manufactured home; • The dwelling related to the property identified is a manufactured home community that is a multifamily dwelling; • A location for the manufactured home related to a loan or application has not been identified
CH: Total Units	**Total Units:** Number of individual dwelling units related to the property.	Instructions: Enter the number of individual dwelling units related to the property securing the loan or, in the case of an application, proposed to secure the loan. *Example:* If there are five (5) individual dwelling units, enter 5. If there is one (1) individual dwelling unit, enter 1.
CI: Multifamily Affordable Units	**Multifamily Affordable Units:** Number of individual dwelling units related to the property that are income-restricted under federal, state, or local affordable housing programs.	Instructions: Enter the number of individual dwelling units related to any multifamily dwelling property securing the loan or, in the case of an application, proposed to secure the loan, that are income-restricted pursuant to Federal, State, or local affordable housing programs. Enter "0" for a loan or application related to a multifamily dwelling that does not contain any such income-restricted individual dwelling units. Enter "NA" for loans or applications where the property securing the loan or, in the case of an application, proposed to secure the loan is not a multifamily dwelling,. *Example:* If there are five (5) income-restricted or affordable multifamily units, enter 5.
CJ: Submission of Application		Instructions: Indicate whether the applicant or borrower submitted the application directly to your licensee by entering: • Code 1—Submitted directly to your licensee • Code 2—Not submitted directly to your licensee • Code 3—Not applicable To report not applicable for Submission of Application, enter "Code 3" *Example:* 1

CK: Initially Payable to the Licensee		Instructions: Indicate whether the obligation arising from the loan was, or, in the case of an application, would have been, initially payable to the licensee by entering: • Code 1—Initially payable to the licensee • Code 2—Not initially payable to the licensee • Code 3—Not applicable To report not applicable for Initially Payable to the Licensee, enter "Code 3" • Purchased loans; • Applications that were withdrawn, denied, or closed for incompleteness, if the licensee had not determined whether the loans would have been initially payable to the licensee reporting the applications *Example*: 2
CL–CQ: Automated Underwriting System	Name of the automated underwriting system used by the licensee to evaluate the application. An "automated underwriting system" means an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit that provides a result regarding the credit risk of the applicant and whether the loan is eligible to be originated, purchased, insured, or guaranteed by that securitizer, Federal government insurer, or Federal government guarantor. A person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, if it has ever securitized, provided	Instructions: Indicate the automated underwriting system(s) (AUS) used by your licensee to evaluate the application by entering up to five (5) of the following: • Code 1—Desktop Underwriter (DU) • Code 2—Loan Prospector (LP) or Loan Product Advisor • Code 3—Technology Open to Approved Lenders (TOTAL) Scorecard • Code 4—Guaranteed Underwriting System (GUS) • Code 5—Other **NOTE:** If Code 5 is selected in any Automated Underwriting System field, enter the name of the specific other AUS(s) not listed above in the AUS Conditional Free Form Text Field for Code 5. See below for more information on the AUS Conditional Free Form Text Field for Code 5. • Code 6—Not applicable NOTE: If fewer than five (5) automated underwriting systems were used by your licensee to evaluate the application or if Code 6 is selected, leave the remaining Automated Underwriting System data fields blank. To report not applicable, enter "Code 6" for Automated Underwriting System for: • Purchased loans; • Transactions for which an AUS was not used to evaluate the application; • Loans or applications when applicant and co-applicant are not natural persons

	Federal government insurance, or provided a Federal government guarantee for a closed-end mortgage loan or open-end line of credit.	
CR–CW: Automated Underwriting System Result	**Automated Underwriting System Result**: The result generated by the automated underwriting system used by the licensee to evaluate the application.	Instructions: Indicate the result(s) generated by the automated underwriting system (AUS) previously indicated by entering: • Code 1—Approve/Eligible • Code 2—Approve/Ineligible • Code 3—Refer/Eligible • Code 4—Refer/Ineligible • Code 5—Refer with Caution • Code 6—Out of Scope • Code 7—Error • Code 8—Accept • Code 9—Caution • Code 10—Ineligible • Code 11—Incomplete • Code 12—Invalid • Code 13—Refer • Code 14—Eligible • Code 15—Unable to Determine • Code 16—Other NOTE: If Code 16 is selected in an Automated Underwriting System Result field, enter the specific other AUS result(s) not listed above in the AUS Result Conditional Free Form Text Field for Code 16. See below for more information on the AUS Result Conditional Free Form Text Field for Code 16. • Code 17—Not applicable NOTE: Use Code 17 if the requirement to report an AUS result does not apply to the loan or application that the licensee is reporting. Leave the remaining Automated Underwriting System Result data fields blank. • Code 18—Accept/Eligible • Code 19—Accept/Ineligible • Code 20—Accept/Unable to Determine

- Code 21—Refer with Caution/Eligible
- Code 22—Refer with Caution/Ineligible
- Code 23—Refer/Unable to Determine
- Code 24—Refer with Caution/Unable to Determine

For the following AUS results returned, use the following Codes for these AUS:

- Federal National Mortgage Association (Fannie Mae) commonly returns results that correspond to Codes 1, 2, 3, 4, 5, 6, 7, or 15. If your result(s) differ, report the AUS result(s) received. Federal Home Loan Mortgage Corporation (Freddie Mac) commonly returns results that correspond to Codes 8, 9, 10, 11, 12, or 13. If more than one result is returned on the Feedback Certificate, report the Risk Class result. If your result(s) differ, report the AUS result(s) received.
- FHA TOTAL Scorecard commonly returns results that correspond to Codes 1, 2, 3, 4, 8, 13, 18 and 19. If your results differ, report the AUS result(s) received.
- GUS commonly returns results that correspond to Codes 3, 4, 10, 15, 18, 19, 20, 21, 22, 23 or 24. If your result(s) differ, report the AUS result(s) received.

  NOTE: If fewer than five (5) results were generated by the automated underwriting system(s) previously indicated or Code 17 is used, leave the remaining Automated Underwriting System Result data fields blank.

To report not applicable, enter "Code 17" for Automated Underwriting System Result for:

- Purchased loans;
- Transactions for which an AUS (see definition for Columns CL – CQ above) was not used to evaluate the application;
- Loans or applications when applicant and co-applicant are not natural persons

Example: 1

CX: Reverse Mortgage	Indicator of whether the transaction is for a reverse mortgage.	Instructions: Indicate whether the loan is, or the application is for, a reverse mortgage by entering: • Code 1—Reverse mortgage • Code 2—Not a reverse mortgage

23

		Example: 1
CY: Open-End Line of Credit	Indicator of whether the transaction is for an open-end line of credit.	Instructions: Indicate whether the loan is, or the application is for, an open-end line of credit by entering: • Code 1—Open-end line of credit • Code 2—Not an open-end line of credit *Example*: 1
CZ: Business or Commercial Purpose	Indicator of whether the transaction is primarily for a business or commercial purpose.	Instructions: Indicate whether the loan is, or the application is for a loan that will be made, primarily for a business or commercial purpose by entering: • Code 1—Primarily for a business or commercial purpose • Code 2—Not primarily for a business or commercial purpose *Example*: 1
DA: Name of Company	Name of licensee	Instructions: Indicate the name of the licensee. *Example*: ABC Mortgage Company, LLC
DB: NMLS ID of Licensee's Originating Location (Company Office or Branch Location)	NMLS ID of the licensee's originating location	Instructions: Indicate the NMLS ID of the licensee's originating location. If the loan was originated by an originator at the company's main office, enter the Company NMLS ID. If the loan was originated by an originator at a branch location, enter the NMLS ID for the branch. *Example*: 12345
DC: Originator NMLSR Identifier	NMLS ID of the loan originator	Instructions: Indicate the NMLS ID of the originator that originated the loan. *Example*: 7654321
DD: Licensing Agency	Licensing Agency of the licensee	Instructions: Indicate the licensing agency of the licensee: DCA for Mortgage Brokers, and BOFI for Mortgage Lenders. *Example*: DCA
DE: Credit Score (A)	Credit score(s) relied on	Instructions: Enter, in numeral form, the credit score relied on in making the credit decision for the applicant or borrower, _**or**_ of the first co-applicant or co-borrower, as applicable. If 12 CFR Part 1003 requires the licensee to report a single score that corresponds to multiple applicants or borrowers, either report the credit score in the applicant field, and use Code 8888 in the co-applicant field; or report the credit score in the co-applicant field and use Code 8888 in the applicant field.

Example: 780

Or, enter
- Code 7777—Credit score is not a number
  NOTE: Use Code 7777 if your licensee relied on a credit score that is not a number (e.g., a credit score of "Meets Threshold"). Code 7777 should not be used if a credit scoring model that produces numeric credit scores returns a result stating that the credit score could not be determined.
- Code 8888—Not applicable
- Code 9999—No co-applicant

DF: Property Value	Value of the property relied on that secures the loan	Instructions: Enter the value of the property securing the loan or, in the case of an application, proposed to secure the loan, relied on in making the credit decision. *Example:* If the property value is $350,500, enter 350500. Enter "NA" for: • Transactions for which no credit decision was made (e.g., files closed for incompleteness, or if an application was withdrawn before a credit decision was made); • Transactions for which the credit decision was made without relying on property value