



Request for Public Comments

Proposed Changes to the NMLS Mortgage Call Report

February 1, 2018

On behalf of the state regulatory agencies participating in NMLS,¹ the State Regulatory Registry LLC² (SRR) invites public comments on the proposed changes to the NMLS Mortgage Call Report (MCR).

Goals of the NMLS Mortgage Call Report

The NMLS Mortgage Call Report (MCR) provides timely, comprehensive, and uniform information concerning the financial condition of licensed mortgage companies, their mortgage loan activities, and the production information of their mortgage loan originators. This information enhances a state regulator's ability to effectively supervise licensees, determine examination schedules, monitor compliance with state law and requirements of Title V of P.L. 110-289, the *Secure and Fair Enforcement for Mortgage Licensing Act of 2008* ("SAFE Act")³, and accurately calculate assessments when applicable.

A goal of the MCR is that, over time, it will include all necessary information required by regulators such that requirements do not need to be submitted and tracked outside NMLS.

Background

Recently, SRR worked in conjunction with the regulators of the MCR Working Group to develop a plan that would update the MCR fields and definitions and improve reporting functionality as part of the NMLS Modernization effort. The revised MCR will feature the following changes:

- **Business Activities Approach**
The new business activity approach will require state licensed companies and those that employ MLOs to complete only the fields of the MCR relevant to the licensee. Therefore, for example, companies licensed to operate only as servicers will no longer be required to complete the sections of the MCR related to lending. The filers will be presented with the appropriate sections to complete based on their responses to NMLS business activity information reported on their Company Form.
- **MCR Definitions and Instructions**
The existing MCR definitions and instructions were updated by SRR and the MCR Working Group to create greater clarity for report filers and System users. One goal of this update was to exclude commercial mortgage and non-mortgage activity from the Residential Mortgage Lending Activity (RMLA) sections. Another goal was to unify the standard and expanded financial condition (FC) forms into one form for all companies while also updating the fields to reflect changes in accounting standards.
- **Supplemental State-Specific Form**
A major proposed change to the MCR would be the addition of a Supplemental State-Specific Form (SSSF). In this section, states would be able to request filers provide information that is state-specific and would satisfy requirements of their jurisdiction. For example, state agencies may require their licensees to complete a schedule of commercial activity in the SSSF if their jurisdiction requires submission of that information. The purpose of this form would be to eliminate reports that mortgage licensees are currently required to submit outside NMLS.

¹ Information about NMLS can be found at <http://mortgage.nationwidelicensingsystem.org/Pages/default.aspx>

² Information about the State Regulatory Registry LLC can be found at <http://www.csbs.org/srr/Pages/default.aspx>

³ The full text of the SAFE Act can be found at <http://mortgage.nationwidelicensingsystem.org/SAFE/NMLS%20Document%20Library/SAFE-Act.pdf>

Request for Public Comments

On behalf of the state regulatory agencies using NMLS, SRR is seeking comment on the following proposed changes to the Mortgage Call Report:

I. Dynamic MCR

Issue: Currently state mortgage companies that designate in their Company MU1 Form that they are an authorized Fannie Mae or Freddie Mac Sellers/Services or Ginnie Mae Issuers must submit an Expanded Mortgage Call Report. In the Request for Public Comment posted on May 1, 2015, SRR asked if the current approach of MCR requirements based on designations should be reconsidered in favor of a MCR based upon a company's selected business activities or license type in order to collect information that is pertinent to the actual entity. Resulting from the public comments received, agency feedback, and discussions amongst the MCR WG members, SRR is pursuing development of a dynamic MCR based on a company's business activities and license authority.

Proposal: A dynamic MCR is expected to be incorporated in a 2019 system release along with an updated MCR form version. As always, the MCR will be required for companies who hold an approved license type that requires MCR submission. The dynamic MCR form will then display sections according to the business activities indicated by the company on their company form. Specifically, the MCR will present various sections to be filled out based on whether the company's selected business activities indicate that the company is a broker, lender, and/or servicer. The table below shows the MCR Working Group's proposal of which sections of the MCR would display for specific business activities.

Form or Section	Mortgage Broker	Mortgage Lender	Mortgage Servicer
Company-level RMLA		X	X
LINES OF CREDIT		X	
LOANS SERVICED - NATIONWIDE TOTALS			X
RMLA SECTION I	X	X	
APPLICATION DATA	X	X	
<i>DIRECTLY RECEIVED FROM BORROWER</i>	X	X	
<i>RECEIVED FROM 3RD PARTY</i>		X	
CLOSED LOAN DATA	X	X	
<i>BROKERED</i>	X	X	
<i>CLOSED- RETAIL APPLICATION</i>		X	
<i>CLOSED-WHOLESALE APPLICATION</i>		X	
REPURCHASE INFORMATION		X	
REVENUE DATA	X	X	
SERVICING DISPOSITION ON CLOSED LOANS		X	
RMLA SECTION I - MLO(s)	X	X	
RMLA SECTION II		X	
RMLA SECTION III			X
RMLA SECTION III - LOANS SERVICED UNDER MSR_s			X

RMLA SECTION III - LOANS SERVICED FOR OTHERS			X
RMLA SECTION III - LOANS SERVICED BY OTHERS			X
FINANCIAL CONDITION REPORT (Annual filing)	X		
FINANCIAL CONDITION REPORT (Quarterly filing)		X	X

II. MCR definitions, instructions, and fields

Issue: There are several issues in the MCR definitions, instructions, and fields that need updating.

- Some line items in the RMLA refer to commercial mortgage or non-mortgage activity. The MCR Working Group proposes eliminating these fields from the RMLA.
- Pre-qualification requests and pre-approvals data are included in general counts of application activity and should not be itemized separately.
- Different state definitions for correspondent lenders required removal of that term from the definitions and instructions, and the use of the term table funding instead.
- MLOs who do not originate loans in a state are difficult to report accurately on the RMLA, and system reports will be able to tell regulators what MLOs are licensed in a state, removing the need to report licensed but non-originating MLOs on the MCR.
- Several definitions and instructions needed clarification or minor edits in order to reflect current industry terminology, ensure accurate reporting, and create consistency throughout the report.

Proposal: A detailed list of all proposed changes to address the above issues is included below.

Definitions

Term	Current Definition	Proposed Revision
Application	<p>An application is an oral or written request for an extension of credit encumbering a 1-4 family residential property. Exclude any commercial/business/investment purpose encumbrances from reporting. Include inquiries or Pre-Qualification requests that result in denial of credit. The application date used is either (1.) The date on the initial 1003 with the borrower's signature; (2) The date of an oral request for extension of credit, with deference to the initial1003; (3) Inquiries and Pre-Qualification requests, if declined, should use the denial date. Examples of requests that are considered an application for the NMLS MCR include, but are not limited to, purchase of owner occupied 1-4 family residential properties including 2nd homes and vacation homes; construction of 1-4 family residential properties (as described above) made directly to the consumer; non-commercial liens on residential properties (Lines of Credit should be reported at maximum approved credit line); pre-approvals on item #1 even if a residential property has not been identified; reverse mortgages – regardless of purpose; refinance loans on all of the above; all requests for extensions of credit to purchase residential property that result in the issuance of an ECOA notice.</p>	<p>An application is an oral or written request for an extension of credit encumbering a 1-4 unit residential property. Exclude any commercial/business/investment purpose encumbrances from reporting. The application date used is either (1.) The date on the initial 1003 with the borrower's signature, or; (2) The date of an oral request for extension of credit, with deference to the initial1003. [Removed: (3) Inquiries and Pre-Qualification requests, if declined, should use the denial date.] Examples of requests that are considered an application for the NMLS MCR include, but are not limited to, purchase of owner occupied 1-4 unit residential properties including 2nd homes and vacation homes; construction of 1-4 unit residential properties (as described above) made directly to the consumer; non-commercial liens on residential properties (Lines of Credit should be reported at maximum approved credit line); [Removed: pre-approvals on item #1 even if a residential property has not been identified;] reverse mortgages – regardless of purpose; and refinance loans on all of the above. [Removed: all requests for extensions of credit to purchase residential property that result in the issuance of an ECOA notice.]</p>
Table Funding (NEW)	N/A	Loans are originated by Company A, closed in Company A's name using Company B's funds, and then assigned to Company B.
Residential First Mortgages (1-4 Unit Residential) (NEW)	N/A	A Residential First Mortgage (1-4 Unit Residential) is a first position lien on a 1-4 unit residential dwelling. This includes real estate and non-real estate secured property. Non-real estate secured property includes, but is not limited to, those dwellings considered chattel such as trailers and manufactured homes, boats or any other medium used as a dwelling.
Dwelling (New)	N/A	Dwelling means a residential structure that contains 1 to 4 units, whether or not that structure is attached to real property. The term includes an individual condominium unit, cooperative unit, mobile home, trailer, and houseboat if used as a residence.

Instructions

RMLA Item	Current Instruction	Proposed Change
Residential Mortgage Loan Activity (Company-Level)		
Section Title	"Lines of Credit at Period End"	" Warehouse Lines of Credit at Period End"
LOC	Name of Provider, Credit Limit and Remaining Credit Available	Field Name Change: Warehouse Lines of Credit
LS010: Wholly Owned Loans Serviced	Enter the UPB and Loan Count for loans that you are servicing and for which you retain all ownership rights. Report your company's nationwide totals of all loans serviced regardless of whether or not your company is licensed in a particular state or if your company is required to submit a state-specific RMLA for a particular state.	No change to text; add bold formatting as shown: Enter the UPB and Loan Count for loans that you are servicing and for which you retain all ownership rights. Report your company's nationwide totals of all loans serviced regardless of whether or not your company is licensed in a particular state or if your company is required to submit a state-specific RMLA for a particular state.
Section Title	NATIONWIDE DELINQUENCY STATUS OF LOANS SERVICED AS OF END DATE (ALL LOANS)	NATIONWIDE PAYMENT STATUS OF LOANS SERVICED AS OF END DATE (ALL LOANS)
LS200	Enter the UPB and Count of Mortgage Loans you serviced during the period that are current or under 30 days delinquent	Enter the UPB and Count of Mortgage Loans you serviced during the period that are current or under 30 days delinquent
LS210	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 30 to 60 days delinquent	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 30 to 60- 30-59 days delinquent
LS220	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 61 to 90 days delinquent	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 61 to 90- 60-89 days delinquent
LS230	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 91 or more days delinquent	Enter the UPB and Count of Mortgage Loans you serviced during the period that are 91-90 or more days delinquent
Residential Mortgage Loan Activity (Section I)		

RMLA Item	Current Instruction	Proposed Change
RMLA Section I: Application Data	Enter the type of action taken on applications during the period. Generally these categories follow HMDA reporting requirements. Applications may not necessarily be closed and funded. Data Format: Amount (\$ US Dollars) - Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Count (#) - Positive whole number. Do not enter any symbols.	Enter the type of action taken on applications during the period. Generally these categories follow HMDA reporting requirements. Applications may not necessarily be closed and funded. Data Format: Amount (\$ US Dollars) - Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Count (#) - Positive whole number. Do not enter any symbols.
AC010: Applications In Process at the Beginning of the Period	Starting number of applications that were in process at the end of the previous period. Note this includes loans which are approved but not yet closed.	Note: This field should be automated to pull through from prior period AC080 and eliminate input capability. If there is no prior MCR, then AC010=0
AC030: Applications Approved but not Accepted	The applications approved but the applicant, broker, or correspondent failed to respond to notification of approval or commitment letter within the specified time. Do not use this field for a pre-approval request which is reported in AC064.	The applications approved but the applicant, broker, or correspondent failed to respond to notification of approval or commitment letter within the specified time. Do not use this field for a pre-approval request which is reported in AC064.
AC050: Applications Withdrawn	The applications expressly withdrawn by the applicant before a credit decision is made. Include all applications withdrawn during this period regardless of the period the application was received. Do not use this field if a request for preapproval is withdrawn; preapproval requests that are withdrawn are not reported.	The applications expressly withdrawn by the applicant before a credit decision is made. Include all applications withdrawn during this period regardless of the period the application was received. Do not use this field if a request for preapproval is withdrawn; preapproval requests that are withdrawn are not reported.
AC060: File Closed for Incompleteness	The applications where you send a written notice of incompleteness under section 202.9(c)(2) of Regulation B (Equal Credit Opportunity) and the applicant did not respond to your request for additional information within the period of time specified in your notice. Do not use this code for requests for preapproval that are incomplete; these preapproval requests are not reported.	The applications where you send a written notice of incompleteness under section 202.9(c)(2) 1002.9(c)(2) of Regulation B (Equal Credit Opportunity) and the applicant did not respond to your request for additional information within the period of time specified in your notice. Do not use this code for requests for preapproval that are incomplete; these preapproval requests are not reported.
AC062: Pre-Approval Requests Denied	The pre-approval requests denied during the period.	Remove

RMLA Item	Current Instruction	Proposed Change
AC064: Pre-Approval Requests Approved but not Accepted	The pre-approval requests that were approved but the applicant, broker, or correspondent failed to respond to notification of approval or commitment letter within the specified time.	Remove
AC065.1: Other Adjustments	*NEW FIELD*	Enter the total of other adjustments to application data. If the aggregate amount is negative, input a negative number in this field. Retain detailed support information for use during an examination. Note: This line should include \$ and Count. Required: Explanation in Commentary Section.
AC066: Total Application Pipeline	Equals the sum of rows AC010 to AC065 in the above column. This sum should equal AC090. $(AC010+AC020)-(AC030+AC040+AC050+AC060+AC062+AC064)+AC065$	Equals the sum of rows AC010 to AC065 in the above column. This sum should equal AC090. $(AC010+AC020)-(AC030+AC040+AC050+AC060+AC062+AC064)+AC065+AC065.1$
AC220: Multifamily Dwelling	Property type greater than 4 family dwelling	Remove: To eliminate reporting of commercial loans

RMLA Item	Current Instruction	Proposed Change
<p>RMLA Section I: Closed Loan Data Instructions</p>	<p>Enter information for applications received in any period but which closed during this period. A closed loan for this section has (1) executed legally binding agreements establishing a residential mortgage loan and (2) is funded but may not necessarily be funded by your company. All forward mortgage closed loans should be captured in AC100-AC520 and reported by brokered, closed-retail, closed-wholesale as well as by type, purpose, HOEPA and lien status. All reverse mortgages should be captured in AC700-800. All fees collected and retained by your company should be reported for forward mortgages in AC 600-610 and for reverse mortgages in AC 620-630. To help determine which column your company should enter closed loans, consider the following: BROKERED: means a closed loan for which you have taken the application but did not fund the loan CLOSED-RETAIL: means a closed loan for which you have taken the application and funded the loan CLOSED-WHOLESALE: means a closed loan for which you have not taken the application but did fund the loan</p> <p>Data Format: Amount (\$ US Dollars) - Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Count (#) - Positive whole number. Do not enter any symbols.</p>	<p>Enter information for applications received in any period but which closed during this period and were reported in AC070. A closed loan for this section has (1) executed legally binding agreements establishing a residential mortgage loan and (2) is funded but may not necessarily be funded by your company. All forward mortgage closed loans should be captured in AC100-AC520 and reported by brokered, closed-retail, closed-wholesale as well as by type, purpose, HOEPA and lien status. All reverse mortgages should be captured in AC700-800. All fees collected and retained by your company should be reported for forward mortgages in AC 600-610 and for reverse mortgages in AC 620-630. To help determine which column your company should enter closed loans, consider the following: BROKERED: means a closed loan for which you have taken the application but did not fund the loan CLOSED-RETAIL: means a closed loan for which you have taken the application and funded the loan CLOSED-WHOLESALE: means a closed loan for which you have not taken the application but did fund the loan</p> <p>Data Format: Amount (\$ US Dollars) - Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Count (#) - Positive whole number. Do not enter any symbols.</p>
<p>AC1100: Gross Revenue from Operations</p>	<p>All revenue from whatever source received by your company on mortgage loans in this state during the reporting period before any expenses are deducted. Include gross revenue from sales of mortgages at or subsequent to closing and from any other mortgage related activity.</p>	<p>New Title: Gross Revenue from Mortgage Origination Operations [Relocate to More Appropriate Place]All revenue from mortgage origination operations whatever source received by your company on mortgage loans in this state during the reporting period before any expenses are deducted. Include gross revenue from sales of mortgages at or subsequent to closing and from any other mortgage related activity.</p>

RMLA Item	Current Instruction	Proposed Change
AC1200: Closed Loans with Servicing Retained During the Quarter	Enter the Amount and Count of closed and funded loans during the quarter on which you intend to retain the Mortgage Servicing Rights, based on your intentions at the time the loan is made. This only includes loans reported under Closed Wholesale Application/ Closed Retail Application of the Closed Loan Data section.	Enter the Amount and Count of closed and funded loans during the quarter on which you intend to retain the Mortgage Servicing Rights, based on your intentions at the time the loan is made. This only includes loans reported under Closed Wholesale Application/ Closed Retail Application of the Closed Loan Data section. Note: Brokers who do not fund loans do not need to complete this field.
AC1210: Closed Loans with Servicing Released During the Quarter	Enter the Amount and Count of closed and funded loans during the quarter on which you intend to sell the Mortgage Servicing Rights, based on your intentions at the time the loan is made. This only includes loans reported under Closed Wholesale Application/ Closed Retail Application of the Closed Loan Data section.	Enter the Amount and Count of closed and funded loans during the quarter on which you intend to sell the Mortgage Servicing Rights, based on your intentions at the time the loan is made. This only includes loans reported under Closed Wholesale Application/ Closed Retail Application of the Closed Loan Data section. Note: Brokers who do not fund loans do not need to complete this field.
Section I: Mortgage Loan Originator Data	Enter closed loan information for MLOs you employed during the reporting period. If the MLO had no closed loans during the period but you employed them, enter Zeroes in the amount and count fields. List the MLOs originating in this state. Data Format: MLO NMLS ID - Positive whole number Amount (\$) - Positive dollar amount to the nearest dollar Count (#) - Positive whole number	Enter closed loan information for MLOs you employed during the reporting period that had originations. If the MLOs with no closed loans during the period but you employed them, enter Zeroes in the amount and count fields do not need to be listed. List the MLOs originating in this state. Data Format: MLO NMLS ID - Positive whole number Amount (\$) - Positive dollar amount to the nearest dollar Count (#) - Positive whole number
Residential Mortgage Loan Activity (Section II)		
RMLA Section II: Instructions	Data Format:UPB (\$) – Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Loan Count (#) – Positive whole number. Do not enter any symbols. Average FICO Score – Positive whole number Weighted Average – Number to the nearest hundredth (two-decimal figure) Ratio – Number to the nearest hundredth (two-decimal figure) Average Days – Positive whole number	Data Format: UPB (\$) – Positive dollar amount to the nearest dollar. Do not enter \$, commas or decimals. Loan Count (#) – Positive whole number. Do not enter any symbols. Average FICO Score – Positive whole number Weighted Average – Number to the nearest hundredth (two-decimal figure) Ratio – Number to the nearest hundredth (two-decimal figure) Average Days – Positive whole number

RMLA Item	Current Instruction	Proposed Change
I030: Prime Conforming Fixed	The dollar amount and number of 1-to-4 unit residential first mortgage loans that are eligible for sale to Fannie Mae/Freddie Mac and in which the mortgage rate remains fixed throughout the life of the loan. This should not include FHA and VA loans because they are reported separately on this form.	New Title: Conventional Conforming Fixed
I040: Prime Conforming Arm	The dollar amount and number of 1-to-4 unit residential first mortgage loans that are eligible for sale to Fannie Mae/Freddie Mac and in which the mortgage rate adjusts according to a specified price index periodically and as agreed to at the inception of the loan. This should not include FHA and VA loans because they are reported separately on this form.	New Title: Conventional Conforming ARM
I050: Prime Non-Conforming (Jumbo) Fixed	The dollar amount and number of 1-to-4 unit residential first mortgage loans that are not Alt-A or non-prime credit grade (see definition in I070 below), whose balances exceed Fannie Mae/Freddie Mac loan limits, and in which the mortgage rate remains fixed throughout the life of the loan.	New Title: Conventional Non-Conforming (JUMBO) Fixed
I060: Prime Non-Conforming (Jumbo) ARM	The dollar amount and number of 1-to-4 unit residential first mortgage loans that are not Alt-A or non-prime credit grade (see definition in I070 below), whose balances exceed Fannie Mae/Freddie Mac loan limits, and in which the mortgage rate adjusts according to a specified price index periodically and as agreed to at the inception of the loan.	New Title: Conventional Non-Conforming (JUMBO) ARM
I120: Funded HELOCs	The dollar amount and number of mortgages that have rights subordinate to a first mortgage. This line should include home equity loans that permit borrowers the ability to obtain cash advances based on approved line of credit. Exclude HELOC commitments extended to borrowers for which there was no funding.	New Title: "HELOCs" The dollar amount and number of mortgages that have rights subordinate to a first mortgage. This line should include home equity loans that permit borrowers the ability to obtain cash advances based on an approved line of credit limit. Exclude HELOC commitments extended to borrowers for which there was no funding. Report the maximum credit amount.
I140: Construction and Land Development Loans, 1-4 Unit Residential	The dollar amount and number of 1- to 4-unit residential construction-to permanent loans to home buyers and lot loans to consumers.	New Title: "Construction Loans, 1-4 Unit Residential" The dollar amount and number of 1- to 4-unit residential construction-to-permanent loans to home buyers and lot loans to consumers.

RMLA Item	Current Instruction	Proposed Change
I150: Multifamily Loans Agency	Unpaid principal balance of mortgages for buildings with more than four residential rental units and which are guaranteed or insured by the government (FHA, VA, or RHS, including bond or state-assisted loans) or by the agencies (Fannie Mae or Freddie Mac).	Remove: References Commercial Activity
I160: Commercial Mortgage Loans	Unpaid principal balance of mortgages for commercial properties such as apartment buildings, office towers, industrial buildings, hotels, and retail shopping malls. Do not report multifamily loans that are government- or agency-guaranteed, reported above.	Remove: References Commercial Activity
I170: Other Mortgage Loans	The dollar amount and number of all other mortgages not reported above, including land development loans to builders.	New Title: Other Residential Mortgage Loans The dollar amount and number of all other mortgages not reported above. including land development loans to builders.
I200: Total Mortgage Loans Originated	CALCULATED: The total of all mortgage loans originated in the reporting period. The sum of I100 and I180 for the relevant column.	CALCULATED: The total of all mortgage loans originated in the reporting period. The sum of I100 and I180 for the relevant column. Must equal the retail and wholesale columns of AC190 and AC790.
I220: Wholesale Correspondent	The dollar amount and number of loans in I100—Total—purchased by your institution from correspondent lenders. These loans are originated by a correspondent, purchased by your institution, and subsequently either sold to the secondary market or held for investment by your institution. A correspondent is an organization which closes a mortgage loan in its own name and which may or may not service the mortgage loan. Please utilize the definitions for retail production when filling out this section.	New Title: Table Funded The dollar amount and number of loans in I100—Total—in which your institution engaged in table-funding activities by providing the funds for closing. These loans are originated by another company, closed in the other company's name using your funds, assigned to your institution, and subsequently either sold in the secondary market or held for investment by your institution. [Removed the definition of correspondent from these instructions.] Please utilize the definitions for retail production when filling out this section.
I320: Owner-Occupied	The dollar amount and number of single-family loans that are occupied by the owner/borrower.	Remove
I321: Non-Owner Occupied	The dollar amount and number of single-family loans that are not occupied by the owner/borrower (e.g., investment properties).	Remove
I329: Total Residential First Mortgages	CALCULATED: The sum of I320 and I321 for the relevant column. Sum must equal value in relevant column of I100.	Remove

RMLA Item	Current Instruction	Proposed Change
I330: Loans with Private Mortgage Insurance	The dollar amount and number of single-family loans that are insured with private mortgage insurance (PMI).	New Title: "Loans with Mortgage Insurance" The dollar amount and number of single-family loans that are insured with private -mortgage insurance (PMI).
I331: Loans without Private Mortgage Insurance	The dollar amount and number of 1- to 4-unit residential loans that are not insured with private mortgage insurance (PMI).	New Title: "Loans without Mortgage Insurance" The dollar amount and number of 1- to 4-unit residential loans that are not insured with private -mortgage insurance (PMI).
I340: Loans with Piggyback Seconds or Funded HELOCs	The dollar amount and number of residential (1- to 4-unit) loans that also have piggyback second mortgages or funded HELOCs that are subordinate to them. A "piggyback" is a second mortgage closed at the same time as the first mortgage for which it is subordinate, usually for the purposes of avoiding mortgage insurance. Do not include loans with only open-end second mortgages that are subordinated, i.e., those with lines of credit that permit borrowers the ability to obtain cash advances based on approved line of credit.	New Title: "Loans with Piggyback Seconds" The dollar amount and number of residential (1- to 4-unit) loans that also have piggyback second mortgages or funded HELOCs that are subordinate to them . A "piggyback" is a second mortgage closed at the same time as the first mortgage for which it is subordinate, usually for the purposes of avoiding mortgage insurance. Do not include loans with only open-end second mortgages that are subordinated, i.e., those with lines of credit that permit borrowers the ability to obtain cash advances based on approved line of credit. Do not include HELOCs.
I341: Loans without Piggyback Seconds or Funded HELOCs	The dollar amount and number of residential (1- to 4-unit) loans that do not have piggyback second mortgages or funded HELOCs that are subordinate to them	New Title: "Loans without Piggyback Seconds" The dollar amount and number of residential (1- to 4-unit) loans that do not have piggyback second mortgages or funded HELOCs that are subordinate to them
RMLA Section II: First Mortgage Borrower's FICO Score Distribution	Fields I350 - I365	Remove: Due to use of numerous scoring models
RMLA Section II: First Mortgage Residential Loans Sold by Investor Type	Fields I400 - I402	ADD Comment: This section refers to any loan which your company originated and then sold during the period. These loans were not necessarily originated during the reporting quarter.
I403: Production Kept in Portfolio/Held for Investment	The dollar amount and number of 1 – 4 unit residential loans kept in your portfolio or held for investment.	Remove
RMLA Section II: Other 1-4 Unit Residential Information	Fields I410, 420, 421, and 430	Note: This is a new section

RMLA Item	Current Instruction	Proposed Change
I410: Production Sold Servicing Released	The dollar amount and number of 1 – 4 unit residential loans sold by your institution with the servicing released.	Move: Remove from this section and include in new section "Other 1-4 Unit Residential Information"
I420: Production Brokered Out	The dollar amount and number of 1 – 4 unit residential loans brokered out. These are transaction where your institution acts as a broker (i.e., where a wholesaler closes the loan in their name) and which were not funded by you.	Remove
I421: Production Kept in Portfolio/Held for Investment	NEW FIELD: Transfer from I403	New Field: The dollar amount and number of 1 – 4 unit residential loans kept in your portfolio or held for investment.
I430: Pull-Through Ratio (enter two-decimal figure, e.g., 67.55 for 67.545%)	The number of 1 -4 unit residential loan closings divided by the number of applications during the reporting period.	Move: Remove from this section and include in new section "Other 1-4 Unit Residential Information"
I440: Total Multifamily/Commercial Loans Sold This Period	The dollar amount and number of multifamily/commercial loans sold by your institution.	Remove: References Commercial Activity
I455: Average Days in Warehouse Multifamily Loans	The average number of days multifamily loans have been in warehouse before sold to an investor. Include only loans held for sale.	Remove: References Commercial Activity
I456: Average Days in Warehouse Commercial Mortgage Loans	The average number of days commercial mortgage loans have been in warehouse before sold to an investor. Include only loans held for sale.	Remove: References Commercial Activity
Residential Mortgage Loan Activity (Section III)		

RMLA Item	Current Instruction	Proposed Change
RMLA Section III: Modifications	Current Order S100: Loan Modification Applications in process at beginning of period S110: Loan Modifications completed (non-HAMP) S115: Mortgage Loans Modified Under HAMP S120: Loan Modification applications terminated by borrower S130: Loan Modification applications denied by lender/servicer S140: Loan Modification applications denied by other S150: Loan Modification applications received during period S160: Loan Modification applications in process at end of period	NEW ORDER S100: Loan Modification Applications in process at beginning of period S150: Loan Modification applications received during period S130: Loan Modification applications denied by lender/servicer S120: Loan Modification applications terminated by borrower S140: Loan Modification applications denied by other S110: Loan Modifications completed (non-HAMP) S115: Mortgage Loans Modified Under HAMP S160: Loan Modification applications in process at end of period
RMLA Section III: Contracted for by Lienholder/Servicer	Current Order S200: Loans to be modified at beginning of period S210: Loan Modifications completed S220: Loan modification attempts terminated for whatever reason S230: New loans received for modification S240: Loans to be modified at the end of the period	NEW ORDER S200: Loans to be modified at beginning of period S230: New loans received for modification S220: Loan modification attempts terminated for whatever reason S210: Loan Modifications completed S240: Loans to be modified at the end of the period
RMLA Section III: Delinquency Status as of End Date (All Loans)	Fields S300 - S315	New Title: Payment Status as of End Date (All Loans) Note: The section total will be checked against S590. MODIFY: 0-29; 30-59; 60-89; 90+ for days past due to reflect industry standards. ADD: A total for this section
RMLA Section III: Delinquency Status as of End Date (Loans Modified within one (1) year)	Fields S320 - S335	New Title: Payment Status as of End Date (Loans Modified within one (1) year) MODIFY: 0-29; 30-59; 60-89; 90+ for days past due to reflect industry standards.
S320: Less than 30 Days Delinquent	Enter the UPB and Loan Count for any loans you are servicing that fit this description during this period. Include loans you service which are 0-29 days delinquent.	New Title: "Current Loans" Enter the UPB and Loan Count for any loans you are servicing that fit this description during this period. Include loans you service which are 0-29 days delinquent-current .

RMLA Item	Current Instruction	Proposed Change
RMLA Section III: Delinquency Status as of End Date (Loans Modified over one (1) year ago)	Fields S340 - S355	New Title: Payment Status as of End Date (Loans Modified over one (1) year ago) MODIFY: 0-29; 30-59; 60-89; 90+ for days past due to reflect industry standards.
S340: Less than 30 Days Delinquent	Enter the UPB and Loan Count for any loans you are servicing that fit this description during this period. Include loans you service which are 0-29 days delinquent.	New Title: "Current Loans" Enter the UPB and Loan Count for any loans you are servicing that fit this description during this period. Include loans you service which are 0-29 days delinquent-current .
S710: Prime Conforming Loans Serviced	Enter the UPB and Loan Count of all 1-4 unit residential first mortgage loans you service, including those serviced for others, that are eligible for sale to Fannie Mae/Freddie Mac.	New Title: "Conventional Conforming Loans Serviced"
S730: Other Loans Serviced	Enter the UPB and Loan Count of all other 1-4 unit residential first mortgage loans you service that are not reported above, including Alt-A and nonprime credit grade loans. Nonprime loans are considered those to lower credit quality borrowers(generally <620 FICO) who do not qualify for prime or Alt-A loans. They often contain other risky features such as high loan-to-value (LTV) ratios and limited documentation	Enter the UPB and Loan Count of all other 1-4 unit residential first mortgage loans you service that are not reported above. including Alt-A and nonprime credit grade loans. Nonprime loans are considered those to lower credit quality borrowers(generally <620 FICO) who do not qualify for prime or Alt-A loans. They often contain other risky features such as high loan-to-value (LTV) ratios and limited documentation
RMLA Section III: Other Residential Mortgages	Fields S800 - S900	New Header for Section
S810: Funded HELOCs Loans Serviced	Enter the UPB and Loan Count for mortgages that you service that have rights subordinated to a first mortgage. Include the funded portion only	New Title: HELOC Loans Serviced Enter the Loan Amount and Loan Count for HELOC mortgages that you service. Report the maximum amount of the credit line.
S830: Commercial Mortgage Loans Service	Enter the UPB and Loan Count of mortgages for commercial properties such as apartment buildings, office towers, industrial buildings, hotels, or retail shopping malls. Do not include multi-family loans that are that are government- or agency-guaranteed that are reported elsewhere in this section.	Remove: References Commercial Activity
S900: Total Mortgages Serviced	Equals the sum of rows S790 and S890 for the corresponding column.	Equals the sum of rows S790 and S890 for the corresponding column. Must equal total in S590.

RMLA Item	Current Instruction	Proposed Change
S1090: Total Mortgages Serviced	Equals the sum of rows S1000 to S1050 for the corresponding column.	Equals the sum of rows S1000 to S1050 for the corresponding column. Must equal total in S590.
RMLA Section III: Other Residential Mortgages	Fields S800 - S900	New Header for Section
S1100	New Field	<p>New Title: Gross Revenue from Mortgage Servicing Operations</p> <p>All revenue from mortgage servicing operations whatever source received by your company on mortgage loans in this state during the reporting period before any expenses are deducted.</p>

III. Financial Condition

Issue: The FC component of the NMLS Mortgage Call Report is based on the Mortgage Bankers Financial Reporting Form (MBFRF) but it has not been updated on a consistent basis to keep pace with standard accounting changes and relevancy to certain areas of state supervision of mortgage companies.

Proposal: The MCR Working Group has proposed an edited Financial Condition report, presented below with a new ordering and grouping of line items, including minor additions and deletions. The entire proposed Financial Condition report is presented below, except for certain sub-schedules with summarized changes. In addition, the columns indicating business line on the income statement are not presented here, but are still envisioned in the proposed report.

MCR Balance Sheet	
Current #	ASSETS
EDITED	SHORT-TERM ASSETS
A010	Cash and Cash Equivalents - Unrestricted
	Securities
A034	Available for Sale
A036	Trading Account
NEW	Marketable Equity Securities
EDITED	Total Current Securities
	Mortgage Loans - Held for Sale
A060	Lower of Cost or Market
A062	Fair Value
	Total Mortgage Loans - Held for Sale
A230C	Accounts Receivable
A190	Due From Related Parties
A050	Due From Unrelated Parties
A040	Reverse Repurchase Agreements
EDITED	CURRENT ASSETS
	LONG-TERM ASSETS
A020	Cash and Cash Equivalents - Restricted
	Securities - Held to Maturity
A030	Amortized Cost
A032	Fair Value
	Total Long-Term Securities
	Mortgage Loans - Held for Investment
A064	Amortized Cost
A066	Fair Value
	Total Mortgage Loans - Held for Investment

A160 **Mortgage Servicing Rights - Net**
 A080 **Non-Mortgage Long-Term Investments**
 A070 **Other Financial Instruments - Fair Value**
 A090 **Other Real Estate Owned - Net Realizable Value**
 A100 **Investment in Joint Ventures, Partnerships, and Other Entities**
 A110 **Real Estate Investments at fair market value**
 A170 **Reserve for Other Losses - Contra**
 A180 **Property and Equipment - Net**
 A210 **Goodwill and Other Intangible Assets**
 A220 **Derivative Assets**
 A200 **Deferred Tax Assets**
 A230D **Servicing Advances**
 A230F **Foreclosure Claims Receivable**
 A230 **Other Assets**

TOTAL LONG-TERM ASSETS

TOTAL ASSETS

MEMO ITEMS REMAIN UNCHANGED

SCHEDULES

Schedule A-030: SECURITIES

Change Name: Mortgage Securities

Schedule A-060 Mortgage Loans

Change: A060M to include full amount of credit line

Schedule A-090 Real Estate Owned

Change Name: Other Real Estate Owned

Schedule A-120R

No Change

Schedule A-220 Derivative Assets/B-180 Derivative Liabilities

No Change

Schedule A-230 Other Assets

REMOVE: A230C, A230D, A230F to BS

LIABILITIES

SHORT-TERM LIABILITIES

NEW **Outstanding Balance on Warehouse Lines of Credit**
 B010 **Outstanding Balance on Debt Facilities**
 B070 **Commercial Paper**
 B080 **Other Short-Term Payables - Related Parties**
 B090 **Other Short-Term Payables - Unrelated Parties**
 B100 **Accrued Expenses**

B120 **Other Short-Term Liabilities**

B217 **CURRENT LIABILITIES**

LONG-TERM LIABILITIES

B020 **Collateralized Mortgage Debt Relating to Financings**

B030 **Collateralized Mortgage Debt - Other**

B040 **Trust Preferred Securities**

B050 **Deposits**

B060 **Advances from Federal Home Loan Banks**

B110 **Estimated Future Loss Liability (Recourse)**

B130 **Other Long-Term Liabilities - Related Parties**

B140 **Other Long-Term Liabilities - Unrelated Parties**

B150 **Servicing Liabilities**

B160 **Guaranty Liabilities under FIN 45**

B170 **Other Financial Instrument Liabilities at Fair Value**

B180 **Derivative Liabilities**

B190 **Taxes Payable**

B200 **Deferred Tax Liability**

B210 **Repurchase Reserves**

B219 **TOTAL LONG-TERM LIABILITIES**

TOTAL LIABILITIES

EQUITY

Corporations:

B250 **Preferred Stock, Issued and Outstanding**

B260 **Common Stock, Issued and Outstanding**

B270 **Additional Paid-In Capital**

B280 **Retained Earnings**

B290 **Treasury Stock**

B300 **Other Comprehensive Income**

B310 **Noncontrolling Interest**

B240 **Subordinated Debt**

Total Corporate Equity

Partnerships and Sole Proprietorships:

B320 **General Partners' Capital**

Total Partnerships and Sole Proprietorship Equity

Partnerships:

B330 **Limited Partners' Capital**

B340 **Members' Capital**

Total Partnership Equity

TOTAL EQUITY

TOTAL LIABILITIES AND EQUITY

SCHEDULES

B-350R - NO CHANGES

MCR Income Statement

** = Item relocated from other area

\$ = REPORT TO THE DOLLAR

Income Interest Income

C010	Residential Loans Held for Sale	
C020	Loans Held for Investment	
C030	Securities Held to Maturity	
C040	Securities Available for Sale	
C050	Trading Securities	
C060	Other Interest Income	
C070	Recognition of Yield Adjustment	
C080	Servicing Related/Escrow	
C090		Total Interest Income

Non-Interest Income Origination Related Non-Interest Income

C200	Discounts on LHS at FV	
C210	Origination Fees	
C220	Fees from Correspondents and Brokers	
C230	Broker Fees on Loans Brokered Out	
C240	Other Origination Related Income	
C250	Contra: Amounts Reclassified	
C260		Total Origination Related Non-Interest Income

Secondary Marketing Gains (Losses) On Sale

C300	Gain on Loans/MBS Sold Servicing Retained	
C310	Capitalized Servicing on Loans/MBS Sold Servicing Retained	
C320	Gain on Loans/MBS Sold Servicing Released	
C330	Servicing Released Premiums on Loans/MBS Sold	
C340	Fees Paid to Brokers	
C350	Direct Fees Reclassed as Gain on Sale	
C360	Direct Expenses Reclassed as Gain on Sale	
C370	Recognition of Retained Interests	
C380	Pair-Off Expenses and Other Hedge Costs	
C390	Provision for Repurchase Reserve	
C400	LOCOM Adj. on Loans HFS	
C410	Income Relating to Interest Rate Lock Commitments	
C420	Gain Derivatives hedging on Rate Locks and Loans HFS	
C430	Gain on Change in Fair Value of Loans HFS	
C440	Other Secondary Market Gains	
C450		Net Secondary Marketing Income

Servicing-Related Non-Interest Income

C500	Servicing Fees on First Mortgages	
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C510	Servicing Fees on Other Mortgages
C520	Subservicing Fees (include Intercompany)
C530	Subservicing Fees (Intracompany Only)
C540	Late Fees and Other Ancillary Fees
C550	Amortization of MSRs
C560	Other Than Temporary Impairment of MSRs
C570	Changes in MSR Valuation Allowance
C580	Changes in MSR Value Due to Realized Cash Flows
C590	Changes in MSR Value Due to Market/Model Changes
C600	Gain on Derivatives Hedging MSRs
C610	Other Changes in MSR Value
C620	Net Gain on Bulk Sale of MSRs
C630	Net Gain on Sale of REO
C640	Other Servicing-Related Income
C650	Total Servicing-Related Non-Interest Income

Other Non-Interest Income

C720	Gain on Sale of Securities
C730	Unrealized Gain on Trading Securities
C740	Gain on Other Derivatives/Financial Instruments
C750	Gain on FV of Loans HFI
C760	Income from JV/Partnerships/Other Entities C770
	Other Non-Interest Income
C780	Total Other Non-Interest Income
C800	Total Gross Income

Interest Expense

C100	Warehousing Interest Expense
C110	Income Property Interest Expense
C120	Interest Expense on MBS Pools/Prepayment Interest Shortfall
C130	Interest Expense on Residential MSR Asset
C140	Interest Expense on Debt Issuance
C150	Other Interest Expense
C160	Total Interest Expense

Non-Interest Expense

EDITED

Non-Corporate Personnel Compensation

Origination, Secondary Marketing, Warehousing Personnel

D010	Loan Production Officers (Sales Employees)
D020	Loan Origination (Fulfillment/Non-Sales)
D030	Warehousing/Secondary Marketing
D040	Post-Close and Other Production Support
D050	Origination Related Management and Directors
D060	Other Origination Related
D070	Total Origination Compensation

Servicing Personnel

D080	Servicing-Related Management and Directors
D090	Other Servicing-Related Personnel
D100	Total Servicing Compensation

Other Personnel

D110	Other Personnel	
D120	CONTRA: Direct Personnel Expenses Reclassed/Deferred	
NEW		Total Other Personnel Compensation
D130		Total Non-Corporate Personnel Compensation

Other Personnel Expenses

D150	Employee Benefits (Including Education and Training)	
D160	Other Personnel Expenses	
D170		Total Other Personnel Expenses
D180		Total Personnel Expenses

Other Non-Interest Expenses

D200	Occupancy and Equipment	
D210	Technology Related Expenses	
D220	Outsourcing Fees	
D230	Professional Fees	
D240	Subservicing Fees (Incl. Intercompany)	
D250	Unreimbursed Servicing Expenses for Foreclosure/REO	
D260	Change in REO Valuation Allowance	
D270	Provision for Other Losses	
D280	All Other Non-Interest Expense	
D290	CONTRA: Direct Operating Expenses Reclassed	
C700**	Provision for Credit Losses on Loans HFI	
C710**	Permanent Impairment (Non-MSR) and Other Credit Related Losses	
D300		Total Other Non-Interest Expenses

Corporate Administration /Overhead Allocations

D400**	Corporate Management/Support/Other Personnel	
D410**	Corporate Technology Charges	
D420**	Goodwill Impairment	
D430**	Other Corporate Expenses (Not Included Above)	
D440**		Total Corporate Administration/Overhead Allocations
D310		Total Gross Expenses
D510**		Pre-Tax Net Operating Income

Income Taxes/Extraordinary Items/Minority Interests

D520	Income Taxes	
D530		Net Income before Extraordinary Items and Minority Interests
D540	Extraordinary Items	
D550		Net Income before Minority Interests
D560	Minority Interests	
D600		Net Income

IV. Comprehensive MCR to Reduce External State-Specific Reporting

Issue: One of the primary goals of the NMLS Mortgage Call Report is to include all necessary information required by regulators such that requirements do not need to be submitted and tracked outside NMLS. With each revision to the MCR since it was implemented in May 2011, this goal has been furthered as evidenced by the reduction of external state-specific reports. However, numerous reports are still required externally on a state-by-state basis. In addition, the removal of commercial mortgage data from the RMLA section of the MCR would require some states to reinstate previously eliminated reporting outside NMLS.

Proposal: The MCR Working Group proposes the addition of a new section, the Supplemental State-Specific Form (SSSF). This form would contain schedules for specific information that states currently request of their mortgage licensees outside the system. Different schedules within the SSSF would be triggered by state agency settings for specific license types. For example, a state that included commercial mortgage lending authority under the same license authority as residential mortgage lending could require that the commercial mortgage lending schedule be included as part of a company's quarterly MCR submission. The proposed SSSF includes origination and servicing schedules for commercial loans (including real estate and other commercial loans) and consumer loans, as well as a schedule for loan processors and underwriters. The proposed schedules are included below.

Origination

Commercial Loans	#	Amount
Commercial Real Estate		
Construction		
Multifamily Residential Properties (5 or More)		
1 - 4 Family Residential Investment Properties		
Commercial Non-Residential Properties		
Other Secured Commercial Loans		
Other Unsecured Commercial Loans		
Total Commercial Real Estate		
Commercial and Industrial		
Secured by 1 - 4 Family Residential Properties		
Secured		
Unsecured		
Total Commercial and Industrial		
Consumer		
Motor Vehicle Installment Sale Contracts		
Non-Motor Vehicle, Non-Residential Installment Sale Contracts		
Non-Mortgage Secured Direct Loans		
Unsecured Direct Loans		
Total Consumer		

Servicing

PAST DUE SCHEDULE

Commercial Loans	Current (0 - 29)		30 - 59		60 - 89		90+	
Commercial Real Estate	#	Amount	#	Amount	#	Amount	#	Amount
Construction								
Multifamily Residential Properties (5 or More)								
1 - 4 Family Residential Investment Properties								
Commercial Non-Residential Properties								
Other Secured Commercial Loans								
Other Unsecured Commercial Loans								
Total Commercial Real Estate								
Commercial and Industrial								
Secured by 1 - 4 Family Residential Properties								
Secured								
Unsecured								
Total Commercial and Industrial								
Consumer								
Motor Vehicle Installment Sale Contracts								
Non-Motor Vehicle, Non-Residential Installment Sale Contracts								
Non-Mortgage Secured Direct Loans								
Unsecured Direct Loans								
Total Consumer								

Loan Processors and Underwriters

Licensed Processors and Underwriters		
	#	\$
Applications In-Process at Beginning of Quarter		
Applications Received for Processing/Underwriting During the Quarter		
Applications Returned to Creditor, Incomplete		
Net Changes in Application Amount		
Other Changes to Applications		
Applications Processed/Underwritten, Completed		
Applications In-Process at End of Quarter		

Request for Public Comments

SRR is seeking comments from the public on the specific, proposed changes to the Forms and the Mortgage Call Report contained in this document.

Comments are requested to be limited to the content of the proposed Forms and Mortgage Call Report changes. Many of the comments submitted during the initial comment period were determined to be broader policy issues that would not directly affect the Forms or the MCR at this time.

Persons submitting comments must include their contact information. Comments received, as well as the submitter's name and company or organization (if applicable), will be posted on the NMLS Resource Center for public view. Comments submitted without contact information will not be considered.

All Mortgage Call Report comments will be reviewed by the Mortgage Call Report Working Group comprised of state regulators and will be reviewed with all state regulators. The recommendations for proposed changes from the regulator groups will be sent to the NMLS Policy Committee for evaluation and approval or rejection. SRR expects to publish final changes to the MCR in April 2018 with the changes effective for the 2019Q1 reporting period.

Persons submitting comments are encouraged to provide these comments electronically via email to: comments@csbs.org

Comments may also be submitted in physical form to:

State Regulatory Registry
Conference of State Bank Supervisors
Attn: Tim Doyle, Senior Vice President
1129 20th St NW, 9th Floor
Washington, DC 20036

Comment submission deadline: April 13, 2018

Addendum A

NMLS MCR Working Group

REPRESENTATIVE	AGENCY
Richard Cortes, Chair	Connecticut Department of Banking
Pamela Williams	Michigan Department of Insurance and Financial Services
James Keiser	Pennsylvania Department of Banking and Securities
Daniel Kline	Idaho Department of Finance
Timothy Knopp	Pennsylvania Department of Banking and Securities
Samuel Marcum	Missouri Division of Finance
William Mejia	California Department of Business Oversight
Rick St. Onge	Washington Department of Financial Institutions Division of Consumer Services
Scott Peter	Nebraska Department of Banking and Finance
Ryan Walsh	Pennsylvania Department of Banking and Securities
Shu-fen Weng	California Department of Business Oversight
Thomas Brennan	Massachusetts Division of Banks