

InfoSight Newsletter

December 16th, 2022 | Volume 16 | Issue 48

InfoSight Highlight



You'll be prepared for any
weather with **RecoveryPro** ✓

When the weather outside is frightful, the peace of mind that comes with having RecoveryPro is priceless. With helpful tools and guidance to create your Business Continuity Plan, RecoveryPro helps you analyze, prepare for, and maintain, an effective response to inclement weather and much more! To find out how you can keep your credit union employees, members, and assets safe, [Learn more about RecoveryPro today!](#)

Compliance and Advocacy News & Highlights

CFPB adjusts HMDA closed-end loan exemption threshold

The CFPB has issued a [technical amendment](#) to its Regulation C (Home Mortgage Disclosure Act) to reflect the September 23, 2022, judicial vacatur (nullification) of its 2020 amendment of the coverage threshold for closed-end mortgage loans. As a result of this order, the threshold for reporting data about closed-end mortgage loans is 25 (in each of the two preceding calendar years) instead of 100.

[To learn more, please visit the CFPB site here.](#)

Source: CFPB

CFPB and FHFA Publish Updated Data from the National Survey of Mortgage Originations for Public Use

The Consumer Financial Protection Bureau (CFPB) and the Federal Housing Finance Agency (FHFA) today published updated loan-level data for public use collected through the National Survey of Mortgage Originations (NSMO). The data also provides updated mortgage performance and credit information for a nationally representative sample of mortgage borrowers from 2013 to 2020.

Key highlights from the updated data are:

- The COVID-19 pandemic shaped the mortgage borrower experience in 2020. A higher share of borrowers reported that a paperless online mortgage process was important to them in 2020 (48 percent) than in 2019 (42 percent). More borrowers reported that the mortgage closing did not occur as originally scheduled in 2020 (21 percent) than in 2019 (17 percent).
- Mortgage borrowers, particularly those refinancing a loan, responded to the low interest rates in 2020. The share of borrowers who rated themselves very familiar with available interest rates increased from 55 percent in 2019 to 69 percent in 2020. The share who reported being very satisfied that they got the lowest interest rate for which they could qualify increased from 67 percent in 2019 to 75 percent in 2020.
- Borrowers who refinanced in 2020 were more well off financially than those who refinanced in 2019:
 - A higher share reported their household income was \$175,000 or higher in 2020 (29 percent) than in 2019 (20 percent).
 - Similarly, a higher share indicated that they owned stocks, bonds, or mutual funds in 2020 (53 percent) than in 2019 (43 percent).
 - Relatedly, 76 percent of borrowers who refinanced were not at all concerned about qualifying for a mortgage in 2020, up from 66 percent in 2019.

[Visit the CFPB website today, to learn more.](#)

Source: CFPB

Continued Growth in Lending, Assets, Insured Shares Reported in Third Quarter

According to the latest financial performance data released today by the National Credit Union Administration, total loans outstanding in federally insured credit unions increased \$235 billion, or 19.2 percent, over the year ending in the third quarter of 2022, to \$1.46 trillion. During the same period, total assets rose by \$132 billion, or 6.6 percent, to \$2.15 trillion. Also, insured shares and deposits increased \$89 billion, or 5.6 percent, to \$1.69 trillion, from one year earlier.

“Federally insured credit unions continue to perform well overall, and that’s good news,” NCUA Chairman Todd M. Harper said. “However, with ongoing inflationary pressures and rising interest rates, a credit union’s ability to manage its interest rate and liquidity risk exposures will remain a crucial factor in its performance for the remainder of the year and into 2023. Credit unions of all types and sizes must remain diligent in managing their balance sheets, financial performance, and liquidity, interest rate, and credit risk levels as we navigate the challenging economic environment ahead of us.”

The NCUA’s Quarterly Credit Union Data Summary provides an overview of the financial performance of federally insured credit unions based on information reported to the agency in the third quarter of 2022. As of September 30, 2022, there were 4,813 federally insured credit unions with 134.3 million members.

[For more information on these updates, visit NCUA.](#)

Source: NCUA

Articles of Interest:

- [CFPB: Reserves and National Guard Paying Millions of Dollars in Extra Interest Each Year](#)
- [CFPB Proposes Registry to Detect Repeat Offenders](#)
- [Fraud reports and losses: Not just a grandparent’s story](#)

Advocacy Resources:

- [Happenings in Washington \(Removing Barriers Blog\)](#)

WOCCU (World Council of Credit Unions Advocacy) Advocacy Resources:

- [Telegraph – Current advocacy news world-wide.](#)
- [Advocate Blog – Check out recent updates!](#)

Compliance Calendar

- December 26th, 2022: Christmas Day - Federal Holiday (observed)
- January 1st, 2023: **Annual Updates**
- January 1st, 2023: **Current Expected Credit Losses (FASB/NCUA)**
- January 2nd, 2023: **New Year’s Day (observed) – Federal Holiday**
- January 16th, 2023: **Birthday of Martin Luther King, Jr. – Federal Holiday**
- February 20th, 2023: **President’s Day – Federal Holiday**

